

**STRATEGIC PLANNING COMMITTEE MEETING  
OF THE BOARD OF DIRECTORS**

**OCTOBER 16, 2012  
10:00 A.M.  
HHC BOARD ROOM  
125 WORTH STREET**

**AGENDA**

**I. CALL TO ORDER** **JOSEPHINE BOLUS, RN**

**II. ADOPTION OF SEPTEMBER 11, 2012  
STRATEGIC PLANNING COMMITTEE MEETING MINUTES** **JOSEPHINE BOLUS, RN**

**III. SENIOR VICE PRESIDENT'S REPORT** **LARAY BROWN**

**IV. ACTION ITEM**

**i. SIMPLER CONTRACT RENEWAL AND AMENDMENT**

AUTHORIZING THE PRESIDENT OF THE NEW YORK CITY HEALTH AND HOSPITALS CORPORATION (THE "CORPORATION") TO EXECUTE THE THIRD OF THREE ONE-YEAR RENEWAL OPTIONS AVAILABLE UNDER THE EXISTING CONTRACT WITH SIMPLER NORTH AMERICA, LP ("SIMPLER"). FUNDING FOR THE EXERCISE OF THE THIRD OF THREE ONE-YEAR RENEWAL OPTIONS AVAILABLE UNDER THE EXISTING CONTRACT SHALL NOT EXCEED \$5,500,000, INCLUSIVE OF A 10% CONTINGENCY, FOR THE PERIOD FROM NOVEMBER 1, 2012 THROUGH OCTOBER 31, 2013. (EEO APPROVED; VENDEX APPROVAL NOT REQUIRED)

**JOANNA OMI**  
SENIOR VICE PRESIDENT, ORGANIZATIONAL INNOVATION AND EFFECTIVENESS

**V. OLD BUSINESS**

**VI. NEW BUSINESS**

**VII. ADJOURNMENT** **JOSEPHINE BOLUS, RN**

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**NEW YORK CITY HEALTH AND HOSPITALS CORPORATION**



# **MINUTES**

## **STRATEGIC PLANNING COMMITTEE MEETING OF THE BOARD OF DIRECTORS**

**SEPTEMBER 11, 2012**

The meeting of the Strategic Planning Committee of the Board of Directors was held on September 11, 2012, in the Board Room located at 125 Worth Street with Josephine Bolus, RN presiding as Chairperson.

### **ATTENDEES**

#### **COMMITTEE MEMBERS**

Josephine Bolus, RN, Chairperson of the Committee  
Alan Aviles  
Robert F. Nolan  
Bernard Rosen  
Michael A. Stocker, M.D., Chairman of the Board  
Andrea Cohen, representing Deputy Mayor Linda Gibbs in a voting capacity

#### **OTHER ATTENDEES**

M. Dolan, Senior Assistant Director, DC 37  
J. DeGeorge, Office of the State Comptroller  
S. Hill, Account Executive, QuadroMed  
C. Fiorentini, Analyst, New York City Independent Budget Office  
M. Meagher, Analyst, Office of Management and Budget  
J. Sczeganowski, Chief Operating Officer, Capture Rx  
J. Wessler, Director, Commission on the Public's Health System  
B. Wilson, Vice President, Capture Rx

#### **HHC STAFF**

M. Belizaire, Assistant Director of Community Affairs, Intergovernmental Relations  
L. Brown, Senior Vice President, Corporate Planning, Community Health  
and Intergovernmental Relations  
L. Bond, Director, Pharmacy Systems  
L. Chang, Data Center Administrator, World Trade Center Environmental Health Center  
I. David, Ph.D., Director, Therapeutic Arts, Bellevue Hospital Center  
J. DeJesus, Administrator, World Trade Center Environmental Health Center  
V. Giambanco, Director of Pharmacy, Materials Management

L. Guttman, Assistant Vice President, Intergovernmental Relations  
V. Henry, Senior Associate Director, Queens Health Network  
E. Hernandez, Director, Media Relations, Communications and Marketing  
C. Jacobs, Senior Vice President, Patient Safety, Accreditation & Regulatory Services  
S. James, Assistant Director, Harlem Hospital Center  
L. Johnston, Senior Assistant Vice President, Medical and Professional Affairs  
J. Jurenko, Senior Assistant Vice President, Intergovernmental Relations  
S. Kleinbart, Director of Planning, Coney Island Hospital  
D. Lesane, Associate Director, Kings County Hospital Center  
N. Levi-Carrick, M.D., MPhil, Psychiatrist & Mental Health Director, WTC Environmental Health Center  
Z. Liu, Senior Management Consultant, Corporate Planning Services  
P. Lockhart, Secretary to the Corporation, Office of the Chairman  
T. Mammo, Deputy Chief of Staff, President's Office  
A. Marengo, Senior Vice President, Communications and Marketing  
A. Martin, Executive Vice President and Chief Operating Officer, President's Office  
K. McGrath, Senior Director, Communications and Marketing  
T. Miles, Executive Director, World Trade Center Environmental Health Center  
J. Ng, Senior Management Consultant, Corporate Planning Services  
K. Olson, Senior Director, Finance  
J. Omi, Senior Vice President, Organizational Innovation and Effectiveness  
K. Park, Associate Executive Director, Finance, Queens Health Network  
S. Penn, Deputy Director, World Trade Center Environmental Health Center  
N. Peterson, Senior Assistant Vice President, Woodhull Medical and Mental Health Center  
D. Powell, Assistant Director, Gouverneur Healthcare Services  
J. Quinones, Senior Assistant Vice President, Operations  
S. Russo, Senior Vice President and General Counsel, Legal Affairs  
W. Saunders, Assistant Vice President, Intergovernmental Relations  
R. Solomon, Network Associate Director, Generations+ Northern Manhattan Network  
J. Wale, Senior Assistant Vice President, Behavioral Health  
A. Wagner, Senior Vice President, South Brooklyn & Staten Island Network  
R. Wilson, M.D., Senior Vice President, Corporate Chief Medical Officer, Medical and Professional Affairs  
K. Whyte, Senior Director, Corporate Planning, Community Health and Intergovernmental Relations

## CALL TO ORDER

The meeting of the Strategic Planning Committee was called to order at 10:00 a.m. by the Strategic Planning Committee Chairperson, Mrs. Josephine Bolus, RN. The Minutes of the July 10, 2012, meeting of the Strategic Planning Committee were adopted.

## SENIOR VICE PRESIDENT REMARKS

Ms. Brown greeted and informed the Committee that her remarks would include brief updates on federal and state issues and HHC's Breakthrough work.

## FEDERAL UPDATE

Ms. Brown reported that Congress had been in recess since the beginning of August and had returned on September 10, 2012. She added that, although the Senate's schedule had not yet been revealed, there were only seven session days scheduled between September 10th and the elections, and only sixteen days scheduled for the lame duck session in November and December.

Ms. Brown described some of the key items that were not yet completed before Congress adjourned. These remaining items include following:

1. The Sustainable Growth Rate (SGR), commonly referred to as the "doc fix" that governs Medicare reimbursement to physicians will expire unless extended before December 31st. If it is not extended, reimbursements to doctors will decline by 27%. A permanent solution will cost \$316 billion over 10 years.
2. The Bush tax cuts will expire unless legislatively extended. The Obama Administration wants to extend them only for those making less than \$250,000. The Republicans want to extend them in their entirety. It is unclear whether a "pay for" will be required.
3. Under the Budget Control Act of 2011 (BCA), a **sequester**, which is an across the board cut, totaling \$1.2 trillion over ten years will begin starting in January 2, 2013, unless some alternative approach to the deficit is adopted. The automatic sequesters will result in a 2% reduction for Medicare providers (\$123 billion 2013-21, including \$41 billion over 9 years from hospitals). Medicare beneficiaries and the entire Medicaid program are exempt

There is concern in some quarters that because half of the sequester savings must come from Defense that some alternative should be enacted to avoid these reductions. Any change to mitigate the Defense cuts would come from domestic programs - with Medicare and Medicaid likely targets. The House earlier passed an alternative budget, which included extending the Medicaid DSH cuts as well as other cuts to ACA funding. The Senate did not take up the House budget stating that there was a budget already in place under the BCA.

4. Appropriations to fund the federal government will expire on October 1, 2012. A bipartisan agreement for a Continuing Resolution through March 2013 was announced prior to the August recess but legislation has not yet been made available and no votes have been taken.

## STATE UPDATE

### New York State Submits Waiver to the Centers for Medicare and Medicaid Services (CMS)

Ms. Brown reported that, last month, New York State had formally submitted a Medicaid waiver proposal to the Centers for Medicare and Medicaid Services (CMS) which would amend the State's existing waiver. If approved, the State could see \$10 billion in new funds over the next five years. In the waiver, the State laid out 13 areas it would seek to reform that would achieve the triple aim of improving patient care, improving population health and reducing costs. Ms. Brown reported that, by their estimates, New York State had calculated that the federal government would save more than \$17 billion over 5 years, if the waiver is approved.

Ms. Brown described the waiver categories and proposed investment amounts as the following:

1. Primary Care Expansion - \$1.25 billion
2. Health Home Development - \$525 million
3. New Care Models - \$375 million
4. Vital Access Provider and Safety Net Providers Programs - \$1 billion
5. **Public Hospital Innovation - \$1.5 billion**
6. Supportive Housing Expansion - \$750 million
7. Long Term Care - \$839 million
8. Capital Stabilization for Hospitals - \$1.7 billion
9. Hospital Transition - \$920 million
10. Workforce - \$500 million
11. Public Health Innovation - \$395 million
12. Regional Health Planning - \$125 million
13. Waiver Evaluation and Program Implementation - \$500 million

Ms. Brown added that negotiations between the State Health Department and CMS were ongoing and are expected to continue over the next few months.

On a separate but related note, Ms. Brown reported that the State Department of Health had released their Medicaid Global Cap spending figures last month that showed that state Medicaid spending had continued to be below the \$15.9 billion cap. Spending for the first quarter of the State Fiscal Year was \$40 million (or 1%) below projections. She explained that many of the reforms that the State is seeking to build upon in the waiver to CMS have helped to keep spending under the cap since its inception two years ago. Ms. Brown noted that this helps to reinforce the state's argument to CMS that the waiver would result in significant savings.

## HHC INITIATIVE

### Breakthrough

Ms. Brown provided an update on the corporation's Breakthrough work on behalf of her colleague, Joanna Omi, Senior Vice President of the Division of Organizational Innovation and Effectiveness. Ms. Brown reported that the Division is working to ensure that Breakthrough gains can be sustained. She explained that, one way to do this is to reduce the waste of duplicated effort and set the 'best known way today' as a corporate-wide standard. She reported that the Division of Organizational Innovation and Effectiveness is working with facilities to create standards for the display and management of outcome and KPI data; to manage toward financial targets (including the role played by leadership and committees at various levels); and to improve event preparation, conduct and follow-up. Ms. Brown

explained that Breakthrough standard work ensures that the resources and action steps needed for repeating activities are consistently and effectively applied without defect, freeing significant brain power for the more challenging, creative thinking required for continued organizational health.

Ms. Brown added that Ms. Omi, on behalf of the Division, would bring a resolution to the Committee for consideration next month. This resolution will propose funding for the final year of a three year contract with Simpler North America, LP, the firm that supports HHC's Breakthrough efforts.

## **INFORMATION ITEM:**

### **THE LINGERING CLOUD OF 911 – HOPE AND HEALING THROUGH ART AND EXPRESSION**

Terry Miles, Executive Director, WTC Environmental Health Center  
Irene David, PhD, Director, Therapeutic Arts, Bellevue Hospital Center

Nomi Levy-Carrick, MD, MPhil, Psychiatrist & Mental Health Director, WTC Environmental Health Center

Ms. Brown introduced Terry Miles, the Executive Director for HHC's World Trade Center (WTC) Health Center Program. Mr. Miles thanked the Committee for the opportunity to provide an update on HHC's WTC Health Center Program, especially on the eleventh anniversary of 9/11. He informed the Committee that various handouts/reference materials were available for Committee members and meeting attendees including the "We Go On" brochure which was produced last year. He explained that, "We Go On," was HHC's theme last year for the tenth anniversary commemoration of 9/11. He informed the Committee that the WTC Health Program/federal program had released its first newsletter; and that one of HHC's WTC patients was highlighted in that newsletter. This patient is a young woman who was a child when the events of 9/11 occurred; and she is now a young woman.

Mr. Miles shared a flyer of events with the Committee that had been organized at Bellevue and Elmhurst Hospitals to commemorate the eleventh Anniversary of 9/11. He stated that he would provide brief remarks and would then turn the presentation over to Dr. Nomi Levy-Carrick, HHC's WTC EHC Mental Health Director to provide an update on the mental health aspects of the program. Following Dr. Levy-Carrick's presentation, Mrs. Irene David, M.D., Director of Bellevue Hospital's Therapeutic Arts program would conclude the presentation by describing the services that patients receive through Bellevue's Therapeutic Arts program. Mr. Miles informed the Committee that Dr. David had been recently awarded the American Art Therapy Association's Lifetime Achievement Award.

Mr. Miles provided the Committee with an overview of the structure of the World Trade Center Health program. He explained that the legislation called for the creation of data centers which are primarily responsible for data analysis and claims processing. There are three data centers: one at the Fire Department of New York, one at HHC and the third at Mount Sinai's School of Medicine. There are four Clinical Centers of Excellence (CCEs). HHC's WTC Health Center Program is one of four CCEs. He added that there is specific language in the legislation concerning the New York City Department of Health and Mental Hygiene's WTC Registry. This Registry functions as a referral source to help those on the Registry to get into treatment. The Registry also serves as a resource for conducting surveys, research and analysis. Mr. Miles explained that the Registry is not itself a treatment program. It works in partnership with HHC's WTC Health Center Program to help people get into care.

Mr. Miles explained that there are three advisory committees. These committees include the Survivor and Responder Steering Committees, and the Scientific and Technical Advisory Committee (STAC). The Survivor and Responder Committees have been assigned, via legislation, to directly advise the Responder and HHC's WTC Health Center Programs. While the STAC provides guidance, their

input/guidance is less direct. HHC's WTC Health Center program has three clinical sites. These sites are located at Bellevue Hospital Center, Elmhurst Hospital and Gouverneur Healthcare Services. Mr. Miles reported that 613 new patients had been enrolled in HHC's WTC Health Center program, since October 2011.

Mr. Miles announced that the annual ad campaign targeting key city bus and subway routes was launched on September 1, 2012. Bus shelter advertisements in key immigrant communities throughout the city were added to this year's campaign. This is because 91% of new enrollees do not speak English. Mr. Miles reported that the calls to the WTC hotline had increased significantly, from one to two calls per week, from individuals who do not speak English, to an average of 15 calls per day.

Mr. Miles stated that the theme of the eleventh anniversary of 9/11 is "The Lingering Cloud." He stated that the health effects of 9/11 were continuing, and the efforts are still ongoing to meet those health care needs. He said that the dust may be gone, but the cloud does remain. On this day, 11 years ago, there was a bright blue sky just like there is today.

Dr. Levy-Carrick began her presentation by stating that it was her goal, through her presentation, to answer two basic questions. What is the WTC Health Center's mental health program and who are the patients who are being treated by the program? She added that she would also describe some of the mental health challenges that these patients have endured. Dr. Levy-Carrick explained that the mental health program provides multi-modal mental health care services. As a reminder for the Committee, she defined the WTC survivors as including local and cleanup workers, residents, students at the time and passersby. She explained that the patients have different levels of education. They speak a variety of languages and are from and different socio-economic backgrounds.

Dr. Levy-Carrick explained that the mental health program has a team that consists of psychologists, psychiatrists and social workers who coordinate closely and meet regularly in interdisciplinary conferences. They meet on a monthly basis with the medical teams to coordinate the care of patients who have complex cases. New patients continue to come into the program for screening. Other patients return for monitoring; and other patients remain in ongoing treatment with the program. She explained that screening and monitoring are conducted during a clinical encounter. An online questionnaire is completed during that encounter. Patients come into a room and meet with a social worker or psychologist. Structured questionnaires are administered to patients to screen for post-traumatic stress disorder (PTSD), anxiety and depression, substance abuse, other 9/11 related issues, panic disorder and relative adjustment disorder (i.e., a 9/11 related medical problem).

Dr. Levy-Carrick highlighted some of the immediate and direct psychological stressors that individuals who were "there" had experienced. She explained that many individuals witnessed death and destruction. Some experienced being covered in the dust cloud, and/or the loss of loved ones and colleagues. Many patients continue to face ongoing psychological stressors. She reminded the Committee that the Ground Zero fires burned for nearly four months. Dr. Levy-Carrick emphasized that this incident was not just the initial terrorist attack. September 11th was also an environmental disaster. There was continuous exposure to toxins and images of the disaster, loss of homes, income, social supports, and also the development of chronic and disabling medical illnesses. These medical conditions include respiratory illnesses that wax and wane, and are also progressive.

Dr. Levy-Carrick described the major categories of disorders that are being treated by the program. These disorders include PTSD, anxiety, depression, substance abuse, alcoholism (especially), and adjustment disorders to 9/11 related conditions. She explained that there are also symptoms that cut across all of these diagnoses, or fall just outside of their effective guideline like insomnia, difficulty

sleeping, chronic persistent headaches, memory and attention problems, interpersonal difficulties and chronic pain. She added that the interplay of the medical and mental health needs of patients make the WTC Health program, in so many ways, a unique program. The WTC Health program addresses the needs of patients in a very integrated way. Because respiratory symptoms can cause psychological distress by themselves, they can exacerbate an underlying disorder. They can also function as a reminder. They are triggers of the traumatic event. Dr. Levy-Carrick noted that one of the unique things about PTSD is that the memory itself can trigger an entire physical response. She described, from a patient's point of view, how PTSD triggers can affect a patient. She stated that, you don't have to always see something or hear a loud noise or become startled. You can remember something. You can be short of breath. You think about what made you short of breath in the first place. With all of those initial, psychological stressors, the raw emotion, you feel like you are back in the dust cloud, you feel like you are back in the building. So it can be quite a cycle.

Dr. Levy-Carrick explained that sometimes there is misperception of what is really occurring. Sometimes patients would say in that moment, I don't know if I am having a panic attack or whether I am having an asthma attack. So, it becomes difficult to treat. She explained that, remaining attuned to that and helping patients to counteract that, is what the mental program strives to do on a regular basis. The idea is that, if the program is integrated in manner that works to improve and address mental health issues, it would also improve the efficacy of medical care. If depression is keeping people from getting to their appointments and if anxiety is keeping patients from focusing, these are the things that the program addresses. Dr. Levy-Carrick informed the Committee that there were ongoing challenges. Some are just helping patients to move forward with these chronic issues. A patient with PTSD that goes untreated for a long period of time is at risk of losing their friends, their job and any other type of related attachments. The program has to address these issues with complimentary approaches.

Dr. Levy-Carrick stated that a key goal is to also analyze the outcome of the program. There are recurring monitoring evaluations, which provide a good structure and touch point. Notwithstanding, the program aims to find other ways to demonstrate the improved level of functioning that patients are experiencing and achieving.

Dr. Levy-Carrick described the indications for therapy. She added that there is a need for different medical modalities to address different levels of functioning and integration of patients because those change over time. She informed the Committee that, in the remaining minutes of her presentation, she would describe why people feel they can't move on after 11 years. She stated that some of the broad themes that occur include struggles with conflicting impulses while trying to move forward. Guilt of survival wipes away the guilt of living. People have a conscious sense of lack of urgency in their life; and an overwhelming experience of loss of control that has pervaded their life and many other aspects of their decision making and interpersonal relationships.

Dr. Levy-Carrick described some of the common challenges that WTC Health Program patients are faced with by age group:

- Patients in their 20s, who were students at the time with asthma, find that some of their avoidance and anxiety symptoms that remitted in the past are never remitted. This condition is now interfering with their ability to build professional careers and professional lives.
- Patients in their 30s who were starting their careers downtown in finance, law or education describe a fog that has never lifted and now find a lack of trust. They face fear of being future oriented, of magical thinking, avoidance, anger and other symptoms.

- Patients in their 40s with young families have experienced difficulty in their careers. They panic because their asthma worsens as they try to keep up with their kids in the playground. Their occasional alcoholic binge with friends has turned into a daily and destructive overwhelming change.
- Patients in their 50s who lined up to help with the cleanup efforts were often not provided with face masks or other protective equipment. They include immigrants who were proud of the hard work they had done for themselves and their families. They were part of the patriotic effort of rebuilding. Now, they are physically disabled with respiratory and other problems. They are struggling with medical issues, feelings of low self-worth as well as financial stresses.
- Patients in their 60s and of all ages who have sought care elsewhere until they lost their jobs are now overwhelmed by their medical bills. They are relieved to find a center of excellence that can provide for their welfare and related medical and mental health problems without out-of-pocket expenses.

Dr. Levy-Carrick stated that, since the start of this year, more than 60% of WTC Health Center patients showed for a screening/monitoring visit had been found to have some symptoms of PTSD, anxiety and depression. They don't all want or need treatment but many of them do. Some patients are not ready for treatment while others are ready. Some patients are very anxious to finally get going, which the mental health program helps them to do. The program provides talk therapy and medication management. For those patients for whom neither of those approaches are the right fit or enough, they are referred to Bellevue Hospital's Therapeutic Arts program which helps them to manage their stressors.

Mr. Rosen, Committee Member, asked for clarification regarding the number of patients who are being served by the WTC Health Center program. Mr. Miles explained that, of the 6,500 patients, roughly 4,000 are actively in care right now. The program conducts continual outreach to the remaining 2,000 to encourage them to seek out care. Mr. Nolan, Committee Member, asked how long the WTC Health Center program's funding would remain in place. Mr. Miles responded that, legislatively, it was designed for five years. There are four years left, but there is the possibility of a sixth year if those funds remain. He added that a recent conference call had occurred with some key legislators including Caroline Maloney and Joe Hannah to form a strategy to go to Congress as early as this year to request an extension of the funding. Mr. Nolan inquired if the program was one hundred percent federally funded. Mr. Miles responded that the Responder program was one hundred percent federally funded. This is different for HHC's WTC Health Center program, which is the Survivor program. In the Survivor program, if someone has insurance, HHC has to bill that insurance first. Ms. Cohen asked if this included Medicaid. Mr. Miles responded affirmatively. He added that, an unintended consequence of the Zadroga Act is that Medicaid is the payer of last resort in New York State. Accordingly, HHC does not bill for patients who are covered by the Medicaid program.

Dr. Irene David began her presentation by informing the Committee that the premise for the Therapeutic Arts Program is that one can bypass the verbal sensor to access the inner mind more readily. One can externalize in this non-threatening environment and modality via expression, and then the next phase of inner life. Dr. David explained that, if patients are ready, they can use art as a catalyst for reflection and insight. What is showing in the art productions can be revealing for caregivers in terms how patients are seeing themselves and their life challenges. She emphasized that this is about processes and not art quality or talent. This is a life enhancing activity. She added that the program encourages group participation because isolation is a part of the problem.

Dr. Irene David shared several works of art that had been prepared by patients who are enrolled in the

WTC Health Center program. The following is Dr. David's interpretation and summary of the stories depicted in these select art projects that were prepared by patients:

Presentation Slide #15:

This slide includes several drawings from the early days of 2001. The one on the left was drawn by a woman who had been under the rubble for 26 hours. She had a stroke and she couldn't access that memory. So when she drew the picture, she could talk about it. She said quite touchingly that she was about to ask God for a miracle, and she heard the rescuers voices.

The second one was done by someone who was an intern from China. In the ICU, she did what is called a safe place drawing. She drew the danger, and you can see how terrified she was. Touchingly, she has gone back to Hong Kong, and every year on the anniversary sends an email to Dr. David who received her annual note yesterday. This student was presented with the opportunity to return to New York but resisted even though she had the means. She returned last year for the 10th anniversary. Her pictures were presented in last year's exhibit. On that day, she had gone to the memorial and drew on the 10th anniversary. She said this is peaceful and calm. That says it all.

Dr. David informed the Committee that the program, through art, strives to help patients manage their stress and residual anger, and provides pain management. She emphasized that the most important thing to know is that traumatic memory is stored in imagery, smells and sounds. From the pictures, anger was a constant theme that was shown in the art projects that were prepared by patients as late as 2006 and 2007.

Presentation Slide#17:

On the left side of this slide, in addition to a lot of red and yellow associated with the fires and anger, there is a lot of gray, no surprise, in the art work. So a swirl of white is meant to be the person, and she says I feel squeezed, but trying to survive in between the anger, the orange and the yellow, and the depression.

Presentation Slide#18:

On this slide, there are lots of cloud images. On top is a fold over. This patient started to do some flowers, and then she cross-hatched them out. She wasn't ready. Almost there, and that was fine. On the left, those are very sad, brown clouds which show emotion. This was done by someone who had a layer of trauma she just could not bear. Sadly, a year after it was drawn, in 2009, she committed suicide.

Presentation Slide# 19 (at the top of the slide):

At the top of this slide, one can see some pictures giving the feeling of breathing. The breathing is cloud like. Some of the comments were on breathing out the bad, breathing in the new. The one on the right is very interesting. This was also done as a result of a scribble. At first, it was a very light association. It is just a "J," the first initial of her first name. Then she said well, you know, it really is about how I feel when I can't get a breath, as if I'm being strangled, as if a scarf was pulling her. Deeper still, she said that when she ran in the throes of the event, she said I couldn't see anything. The dust was everywhere, and I heard a child crying, probably a toddler. Couldn't even see him or her, scooped up the child and ran and never saw her again. So, it was very difficult. This came out of the unconscious, traumatic memory. Then she said I left the child with some caregivers and ran on myself, and never learned what the outcome was for that child.

Presentation Slide#18 (at the bottom of the slide):

The two pictures on the bottom of this slide were done by a child who was four years old at the time. She is out of state now, and comes in to be seen a just couple of times a year. On the left, she was about to have a breathing test, and was quite concerned about having the test. She drew a cloud with the sun behind it, and said there is life behind the storm. One of the psychologists at the time made the comment that it is interesting what is encoded even in a child's mind. This child has seen the repeated television images of the plane going on fire. In that picture on the right, she conveyed how she feels when she can't get a breath. Her prognosis gets better and better.

Presentation Slide # 20:

On this slide, there is a lot of feeling of being overwhelmed, holding it in, holding in one's feelings, being boxed in. On the top row, this person showed a lot of gray, being boxed in while their family feels that they should be better by now. The lower left is a pod with lots of balls in it. These are patients who convey I'm not ready to express my feelings. They express their feelings about not being ready to convey their feelings.

Presentation Slide# 21:

On this slide, one can get a sense of the isolation. So the figure renderings, especially the one on the right was meant to be a tree. The person just said actually I like this very sturdy tree reaching up towards the sun. It clearly conveys being frightened or is frightening. The two on the bottom were done by someone conveying danger, obviously. The first one was done early on. The person was amputated, but the patient said there is hope. We can't tell if the figure is going to go backwards or forwards, the safe side or the danger side. The right is the beginning of a sculpture that she was worked on periodically over several years. It is about a recurring nightmare about being under the rubble and unable to escape.

Presentation Slide# 22& 23:

These slides demonstrate the varying emotions that still occur. One of the comments is that my feelings are all mixed up. It is pretty apparent on the bottom how the nightmares still occur. These people otherwise present fairly well and this is what is showing.

Presentation Slide# 24:

This slide includes renderings of the towers. Up on the left was a patient. The picture on the right was done by a child who was eight years old who comes during summer. She draws herself as a school girl going to school then. The patient down at the bottom said I don't want the memorial being so bright. They were lighted too much. She said I think they should be pillows. She said those little figures there are not pulling them. She subsequently drew flowers. There were some rendering of trees.

Presentation Slide# 25:

This slide shows change over time. Earlier on, there are references to dust and smoke and cloud, but you are seeing less now. You don't see so many physical effects in the drawings. Where there once were a lot of discharge of feelings without much reflection and insight, we move to just a lot of efficacy, a lot of group processing, and a lot more affect and energy to the patients themselves. They are less fragile. What is sub textual is that hopefulness is being conveyed in many of their renderings.

Presentation Slide# 26:

The last slide shows pictures of hope, a cloud merging with birds and doves. The patient describes peacefulness. Dr. David noted that Gustav Mahler, the composer, said the ultimate goal of all art is relief from suffering and rising above it. Dr. David commented that the staff works as a team to try to relieve the suffering of WTC Health Center patients.

**INFORMATION ITEM #2:****340B PROJECT OVERVIEW**

Arthur Wagner, Senior Vice President, South Brooklyn & Staten Island Health Network  
Joseph Quinones, Senior Assistant Vice President Operations  
Vincent Giambanco, Director of Pharmacy, Materials Management Division

Ms. Brown introduced Mr. Arthur Wagner, Senior Vice President, HHC's South Brooklyn and Staten Island Health Network, to lead the presentation on HHC's Outpatient 340B Enhancement Initiative. Mr. Wagner provided the Committee with some background about the 340B program. He informed the Committee that the 340B program was established to assist public safety net programs to create a new source of income to offset expenses for safety net patients. Disproportionate Share Hospitals (DSH) hospitals are eligible to participate in the 340B program, which means that all HHC hospitals are eligible. Mr. Wagner reported that, on April 5, 2010, the 340B program was amended to allow covered entities to establish multiple contract pharmacy arrangements to dispense 340B discounted drugs to eligible patients of the covered entity, which are safety net providers and 340B eligible hospitals. He added that, it is a complex program to monitor the way the drugs are allocated to pharmacies and to patients. He added that, at this time, HHC is developing systems to be able to move this project forward.

Mr. Wagner reported that HHC hospitals dispense nearly three million outpatient prescriptions per year. He reported that there are nearly nine million prescriptions that are being filled in retail pharmacies throughout the New York City area. He stated that this enhancement initiative will focus on three HHC hospitals including Jacobi Medical Center, Elmhurst Hospital and Woodhull Medical and Mental Health Center. He noted that HHC's vendors had analyzed data the prescription systems that are currently in place at these facilities. As a result of this analysis, three pharmacies have been identified to have a fairly large number of prescriptions being issued by those hospitals that would fit the 340B program.

Mr. Wagner discussed the financial implications of the enhancement initiative and stated that there is no downside to this new method. To illustrate this point, he discussed how the program would work using, as an example, the prescription drug Nexium, which is used to treat ulcers. He explained that the non 340B and 340B reimbursement amount for Nexium is \$243. The cost of this drug for non 340B is \$218. The cost of the drug for 340B is 29 cents. He explained that HHC would be taking advantage of that price swing and billing the appropriate third parties in order to come up with that revenue source. The average dispensing fee for a non 340B is \$3.75 to the pharmacy. For pharmacies to collaborate with HHC, the dispensing fee would have to be significantly higher, with \$50 being used as a rough estimate. That fee would have to be negotiated with the individual pharmacies, which could be less or could be slightly higher. The transaction fee is also a fee that HHC would have to pay to the vendor to capture the prescriptions and to conduct the background work in order to coordinate the whole program. That fee would be one dollar per prescription. Co-pays would remain the same for the individual. The net income on that one medication is a significant amount of revenue. Mr. Wagner

added that the patient would not experience anything different. They can go to their pharmacy of choice and this would be blind to them. Mr. Wagner emphasized that this would not be an issue at all for the patient. This initiative has more to do with the pharmacy, the hospitals and the vendors that are providing those medications.

Ms. Bolus asked if retirees who have Express Scripts would be eligible for 340B. Mr. Wagner explained that these patients would do the exact same thing that they've always done, and they would not see any difference in the way that they get their prescriptions filled. This is all behind the scene. It does not affect the patient at all. Ms. Cohen asked which payer would benefit most from this arrangement. Mr. Giambanco, HHC's Director of Pharmacy, explained that this is for all qualified payers including Express Scripts, MetroPlus and CVS. The only drawback is that this would not work for patients who are enrolled in Medicaid or Medicaid managed care. Mr. Wagner explained that Medicaid still gets a rebate; and that the Medicaid program has some issues with the 340B program.

Mr. Wagner stated that, based on the nine million scripts filled in the community, HHC has estimated that 18 percent of those scripts to be eligible for the 340B program. Of that total, the estimated number of eligible scripts for the 340B program is estimated to be 1.6 million. He added that HHC took a very conservative estimate of capturing 10 percent of those prescriptions in year one totaling 162,483 scripts. The expected revenue per script minus the administrative fee would be roughly \$78 per prescription. He added that the scripts that pass the financial entity because of the generics may not go through the 340B because of the low price. The estimated revenue for those scripts is estimated to be \$77 per script. The total revenue that is expected would be \$6.2 million. As HHC adds additional pharmacies, it expects to get a higher market share of those prescriptions. In year three, revenue would increase to \$18 million. President Aviles asked if there is a revenue opportunity with regard to any of the generics, or is most of this related to brand name medications. Mr. Wagner clarified that most of the revenue is linked to brand name medications. President Aviles also asked if Mr. Wagner had factored in the reality that in the main, HHC had recently been successful in having medications prescribed in generic form. Mr. Wagner responded that HHC is currently at 75% generic and that has been factored into their analysis.

Ms. Cohen commented that, one of the primary risks regarding the 340 B project is a political risk that this would not continue for the long term. She asked what would be HHC's investment in something like this, and how quickly would HHC be able to recoup that investment. Mr. Wagner responded that the upfront investment is minimal. Some systems are already in place. HHC has done a lot of work behind the scenes.

Ms. Cohen asked how hard it would be to unwind if the policies changed. Mr. Wagner responded relatively easily. The contract will specifically detail how the project would change if the law is changed. Ms. Brown commented that there will be contracts with specific pharmacies or pharmacy groups. Mr. Wagner concurred. Ms. Brown asked if there would be consideration if the program ceases, that there would be an escape clause for HHC. That is, if HHC no longer participate in this initiative with that retail pharmacy. Mr. Wagner responded affirmatively. Mr. Quinones added that there would be a 30-day out clause. He explained that a 30 day notification would be required, and then HHC would be released. HHC would have to reconcile refills on the drugs.

Mr. Wagner further explained how the process would work. He informed the Committee that the physician writes the prescription. The patient goes to the pharmacy. The pharmacy fills the prescription, and the information goes off to the pharmacy benefit manager. It goes off to Capture RX who does an audit. It goes back to the pharmacy to say okay, it is okay to go. Then it goes also to HHC's vendor to ensure that those medications are monitored on an appropriate basis. The

medications themselves have to be replaced directly to the 340B program. There will be some inventory set up. This will all be done in the background through IT.

Ms. Brown introduced to the Committee other key HHC staff who have also been engaged in this project. These individuals are Lori Bond, Director of Pharmacy Systems and Krista Olsen, Corporate Deputy Budget Director. Ms. Brown also introduced Brian Wilson, Vice President, Capture RX and Jack Szczepanowski, Chief Operating Officer, Capture RX who are also working with HHC on this enhancement initiative.

## **ADJOURNMENT**

There being no further business, the meeting was adjourned at 11:10a.m.





# SIMPLER CONTRACT RENEWAL AND AMENDMENT

Presentation to the Strategic Planning Committee

October 16, 2012

# Simpler North America

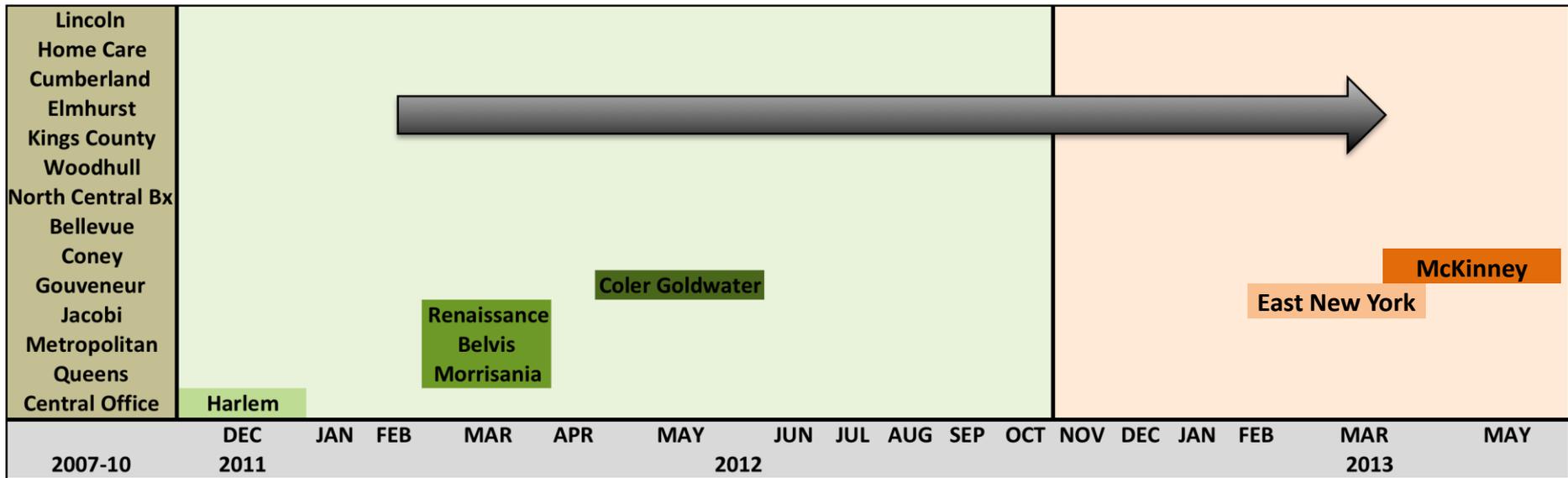
## -- Support for Breakthrough --

- Contract Background
- Progress and Results
  - Enterprise
  - Sites
- Proposed Contract
- Future Plans

# Background

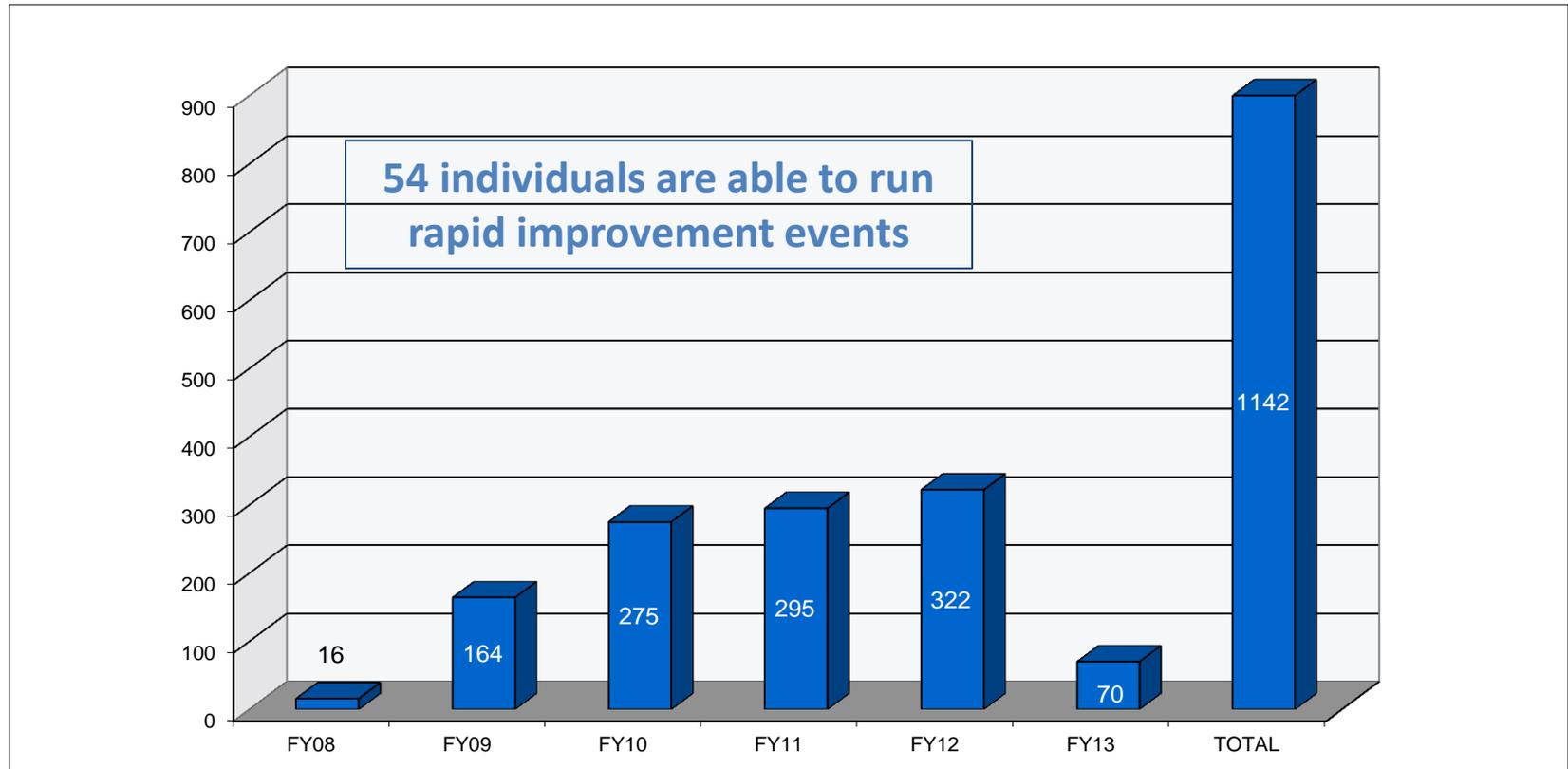
- Breakthrough initiated November 2007
- Simpler procured via competitive RFP
  - **SCOPE:** Lean consultation and support services
  - **TERM:** 3 years (2007—2010 with 2 one-year optional renewals)
  - **ORIGINAL BUDGET:** \$5M
  - **FIRST AMENDMENT:** Increase total to \$7m; no change in term (January 2010)
  - **SECOND AMENDMENT AND RENEWAL:** (October 2010)
    - Exercise first one-year renewal option (Year 4)
    - Add \$3.1m for Year 4
    - Add a third optional renewal year to the contract (for a total potential of 6 years)
  - **THIRD AMENDMENT AND RENEWAL:** (October 2011)
    - Exercise second one –year renewal option (year 5)
    - Added \$4.9 m for year 5
  - Total contract amount through Year 5 = \$ 14,992,350

# Active and Planned Sites



- 19 active sites
- 65 active value streams
- 2 additional sites to launch in 2013
- 2 additional sites to launch in 2014 (MetroPlus, Sea View)
- With these last two sites, all acutes, D&TCs, LTCs, MetroPlus and Home Care will have adopted Breakthrough

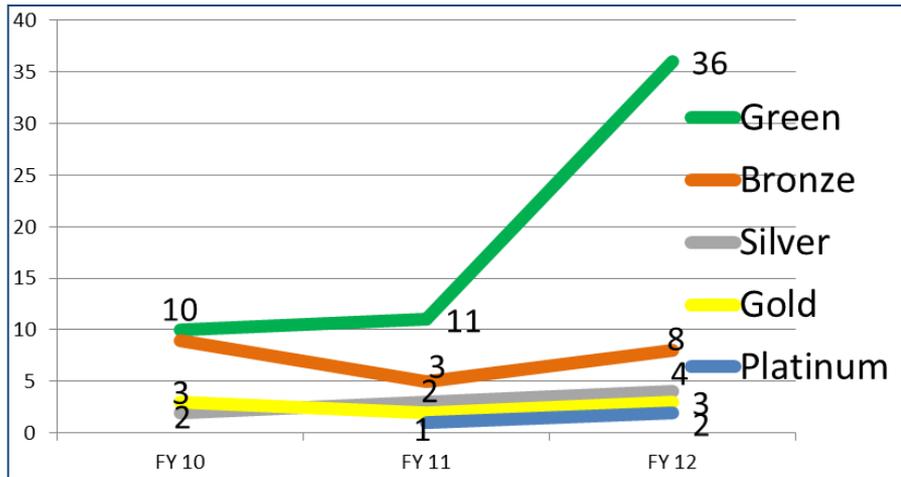
# Developing Self-Sufficiency



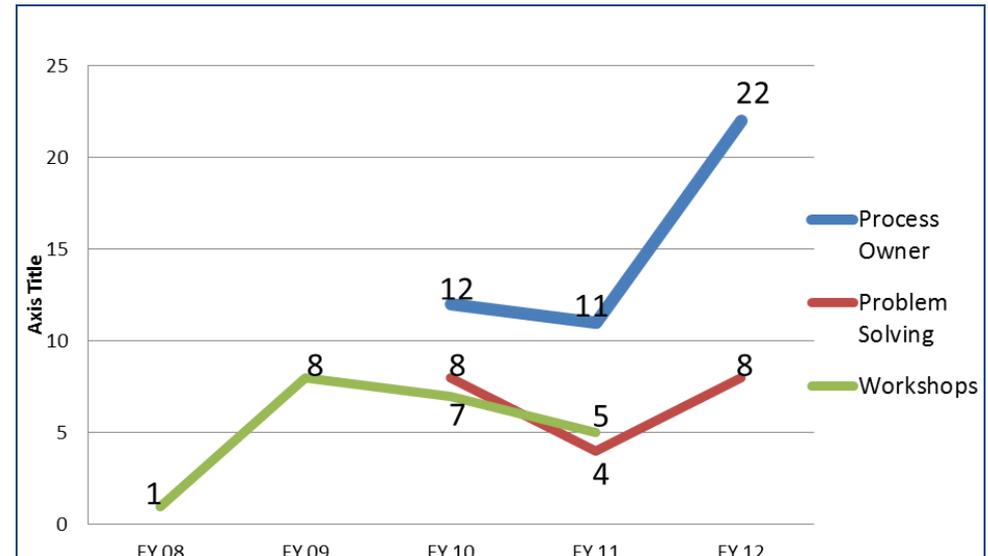
- 1,142 Rapid Improvement Events to date
- 38 Full-time Facilitators, 16 embedded & part-time facilitators
- 14 Breakthrough Deployment Officers

# Breakthrough Classes By Fiscal Year

## Certification Classes



## Non-Certification Classes



### Certification Classes:

- Green = 1 day
- Bronze = 3 days
- Silver = 2 weeks
- Gold = 2 weeks
- Platinum = 1 year

# 2,071 People have Participated in Breakthrough Training

Green*	Bronze	Silver	Gold*	Process Owner	Workshops	Problem Solving
Certified	Certified and Pending Certification	Certified and Pending Certification	Certified and Pending Certification	Completed	Completed	Completed
946	105/103	42/66	4/32	523	217	216

- All engaged sites are home to at least:
  - 30 **Green** graduates (Woodhull = 123)
  - 9 **Bronze** graduates (Woodhull= 28)
- 12 sites are home to 1 or more **Silver** graduates (NBHN = 8)
- 11 sites are home to 1 or more **Gold** trainees who are working on certification (Kings County, Lincoln, Metropolitan, NBHN = 4)

#### NOTES:

1. This is a duplicate count of training since May 2008; progression along certification levels requires completion of the previous level.
2. Enrollment in Process Owner, Workshops and Problem Solving does not require, but is often accompanied by, additional training.
3. Green training does not require certification. Four students are currently enrolled in the Platinum (Level 5 of 5) certification course.
4. Certification classes require completion of didactic (and as relevant, practical) training, successfully passing course exams and completion of post-class experiential requirements.

# Embedding and Retain Expertise

- Breakthrough provides a career path (20, up 11 over the last year):
  - 3 Chief Operating Officer (**Fugazy, Hicks, McLeod**)
  - 1 Executive Director (**Soares**)
  - 1 Executive Vice President (**Martin**)
  - 1 CFO (Moran)
  - 7 AEDs/Service Line Directors (**Hixson, Mastromano, Mazhar, Mulvihill, Parathath, Sherwood, Smith**)
  - 1 Managed Care Director (**Free**)
  - 1 Ambulatory Care Manager (**Wint-Johnson**)
  - 1 Senior Vice President (**Omi**)
  - 1 CIO (**Patterson**)
  - 3 Breakthrough Deployment Officers (**Baumann, Robertson, Tarnovsky**)

Promoted from:

**Breakthrough Deployment Officer  
Facilitator**

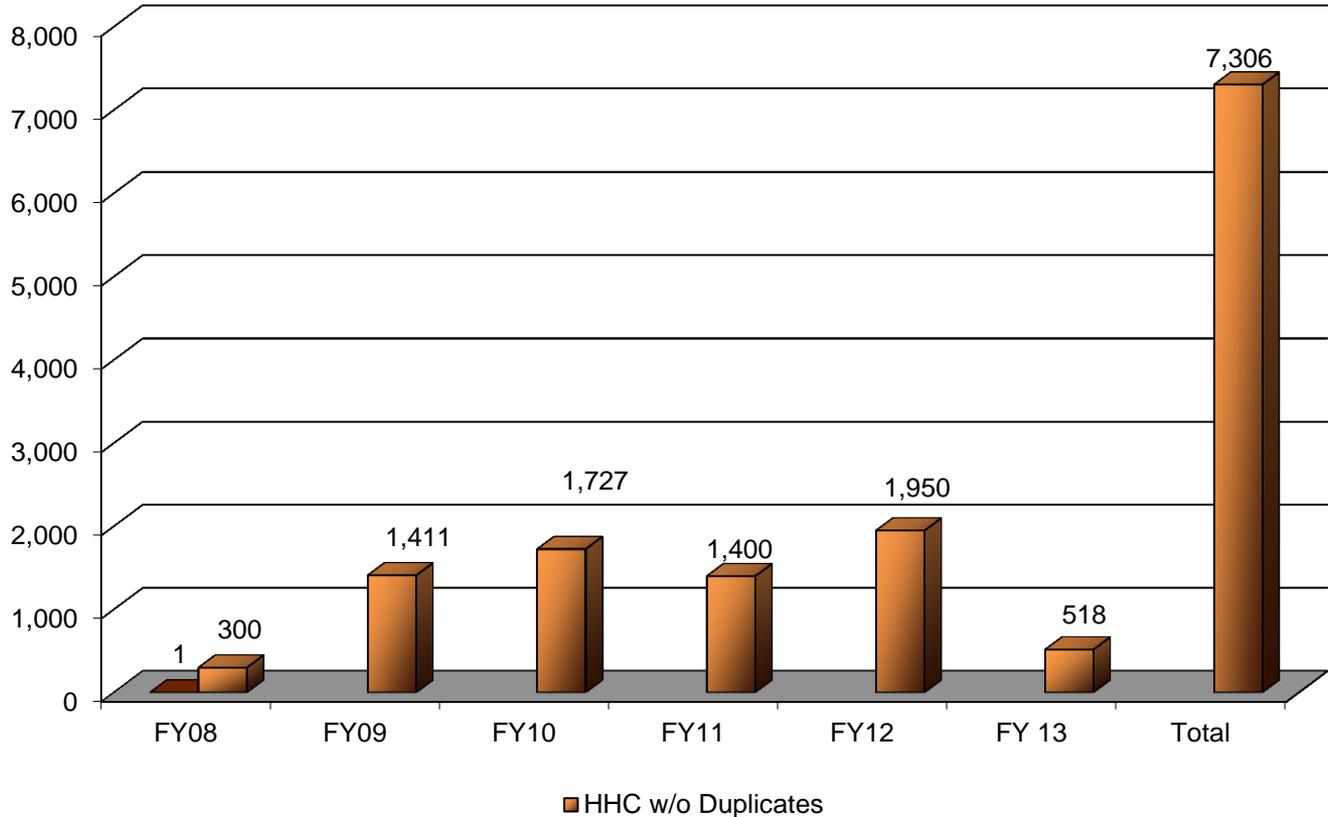
**Breakthrough champion**

\* Duplicate count – some courses are sequential, others are additive

# Broadening the Reach

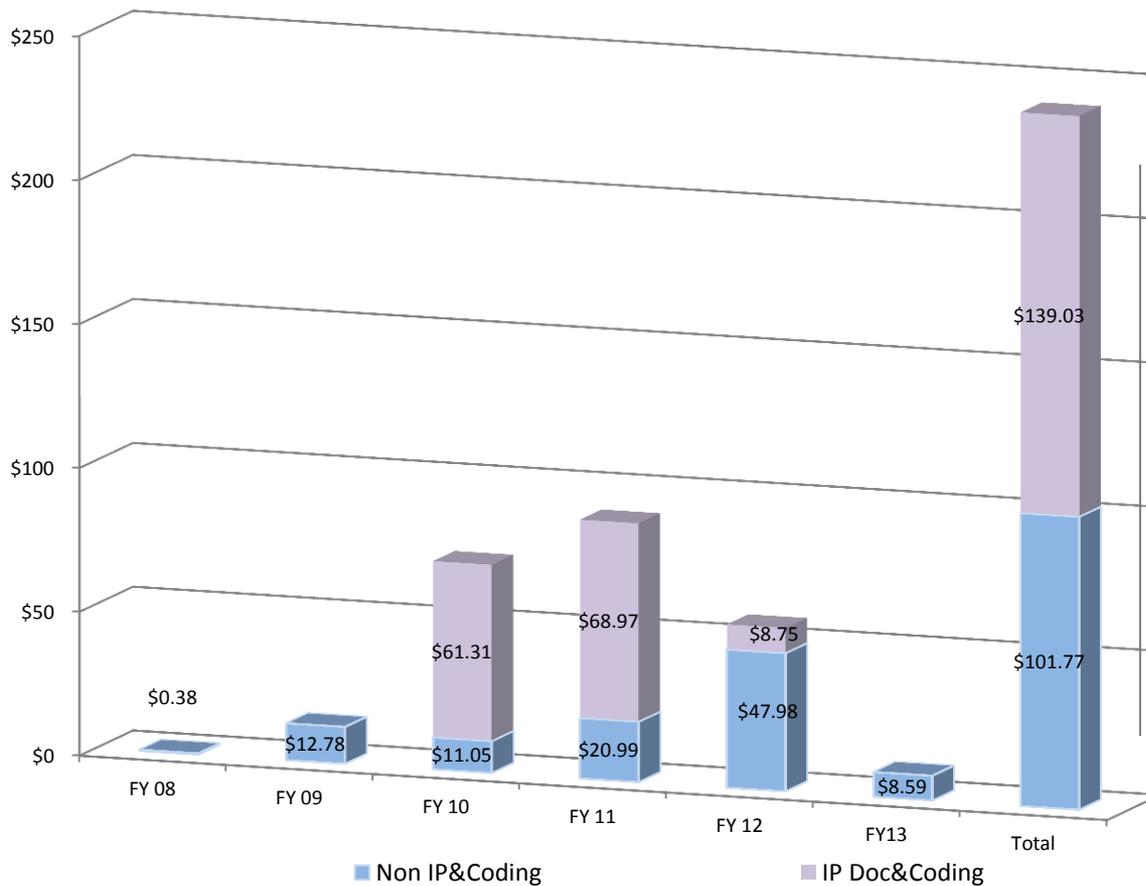
- Clinical champions: physician leaders, primarily but not limited to chiefs of service, provide significant leadership at sites:
  - 3 Chiefs of Surgery
  - 3 Chiefs of Anesthesiology
  - 10 Chiefs and other MDs in Emergency Medicine
  - 3 Chiefs of Psychiatry
  - 2 Chiefs of Medicine
- Engaged cabinet members (leadership teams)
- Cascading hoshin kanri through level 3

# Approximately 18% of Employees and Affiliate Staff have Participated in Training and Events



# Financial Benefits

New Revenues (\$240.8M) + Cost Savings (\$20.3M)=\$261.1 M\*  
 Inpatient Documentation & Coding Accounts for 57.7% of revenues

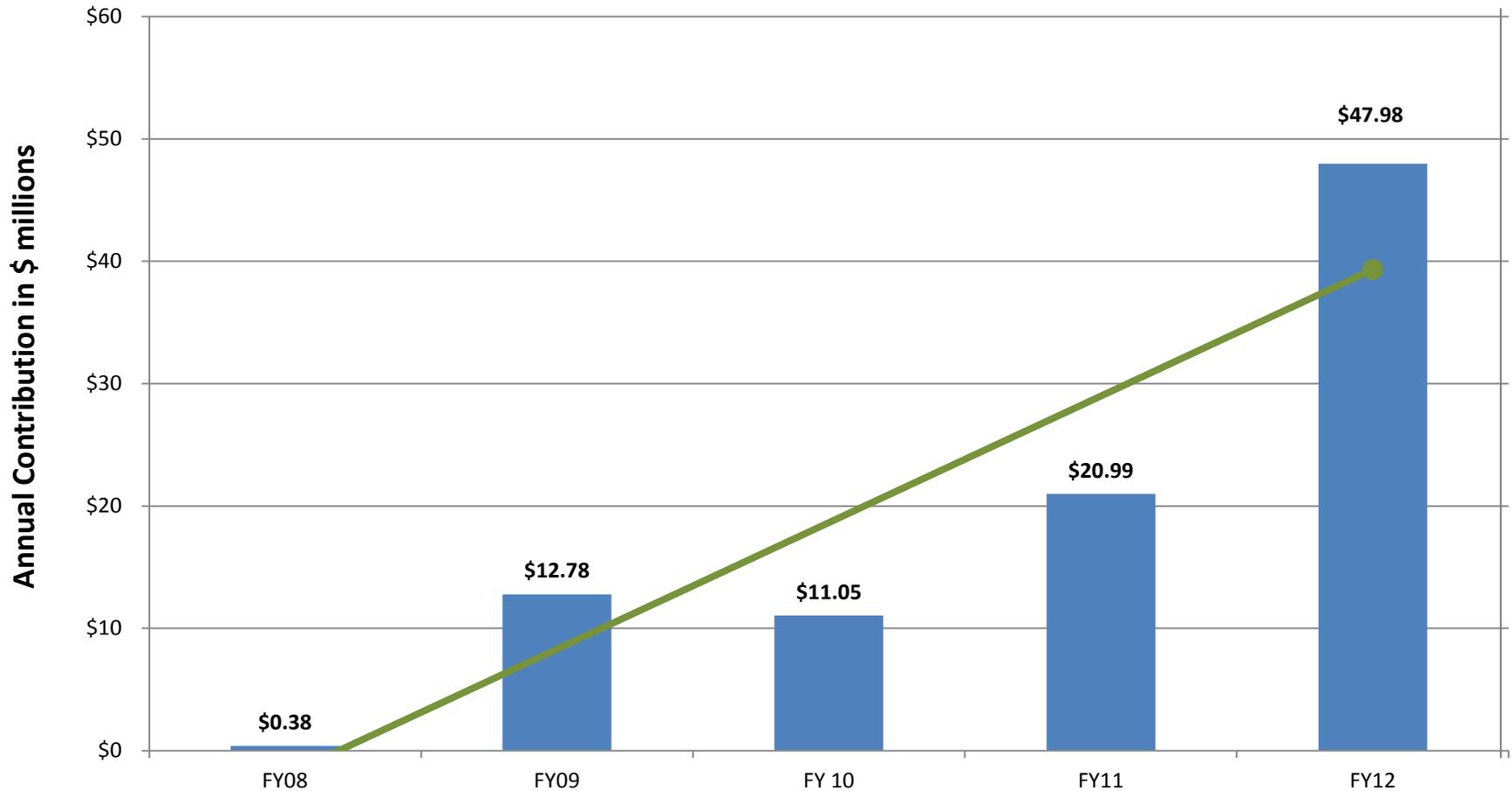


\* Represents the total cumulative savings and new revenue generated from Breakthrough improvements since November 2007.

# New Revenues Continue to Grow

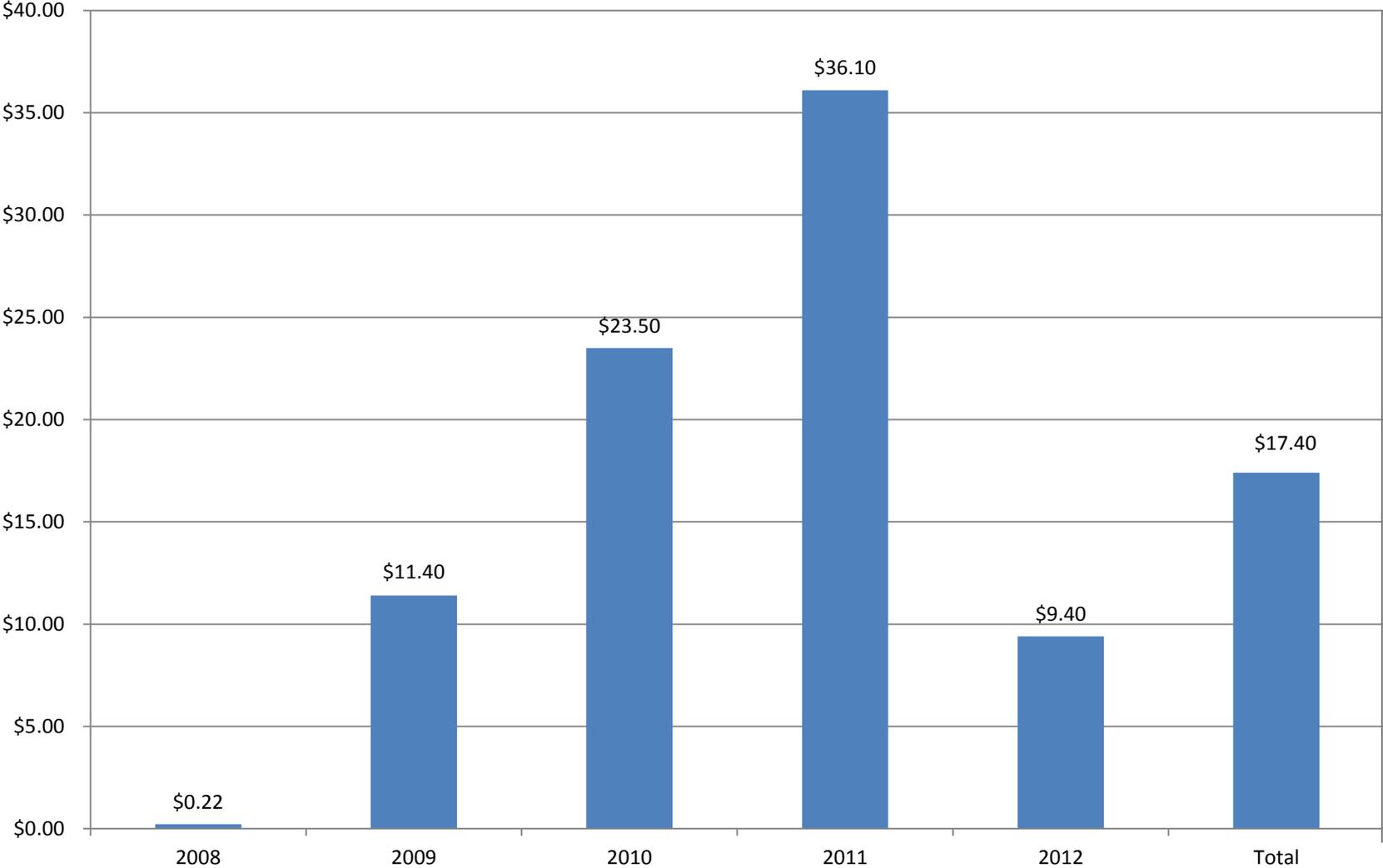
(in millions)

Exclusive of the 'I/P Documentation and Coding' contributions, the financial contributions of facility value streams and other sources are significantly growing each year



# Strong Return on Investment

Financial Benefit per \$ Consultant Cost



# Bellevue Hospital Center

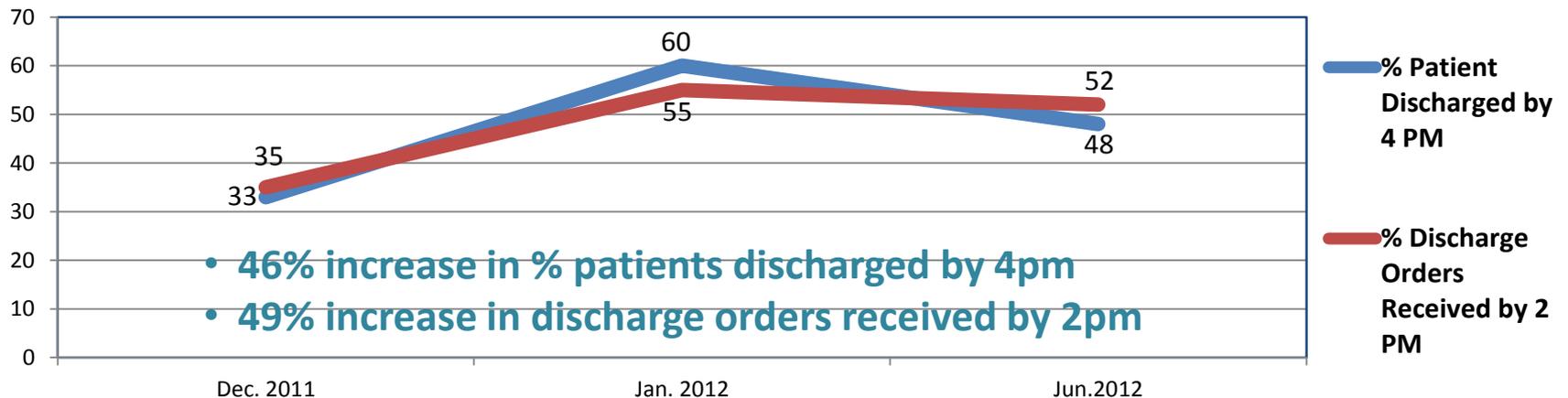
## Patient Discharges

**Problem:** Emergency Department got backed up due to lack of available beds upstairs. MD and RN discharge-related activity was variable and inconsistent.

### What we did:

- MDs use a standardized algorithm to discharge patients
- 24 hours prior to discharge during interdisciplinary rounds nurses initiate discharge process
- On the day of discharge, RN begins discharge instructions before discharge orders are entered
- Pharmacy and Social Work communicate with the team once their parts of the process are complete
- Physicians indicate pending discharge in Echo test request comment field
- MDs order blood draws for 10:00 pm sweep for potential discharges

### Results: Percent Patients Discharged and Orders Received by Target Times of Day



# Central Office Finance Department

## 1% Increase in Medicaid Application Approval Rate

### Problem:

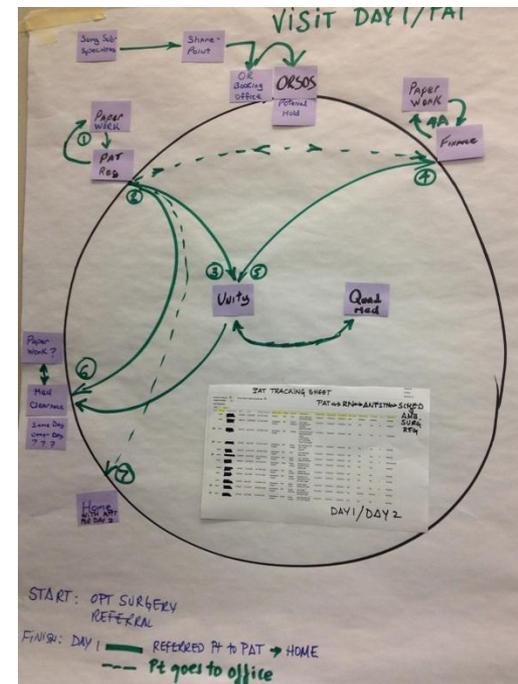
- Inpatient FFS revenue decreased in FY11
- Number of Medicaid eligible decisions decreased in FY11

### RESULTS:

- Shortened application submission time
- \$ 8.2 Million in Medicaid Revenue
- Increase in Medicaid application approvals at 9 of 11 hospitals
- Improved staff satisfaction – sense of accomplishment

### WHAT WE DID:

- Earlier patients interviews - conducted in ED
- Established two models to standardize HCI case assignment.
- Standard work for Emergency MA application process



# Coney Island Hospital

## Inpatient Behavioral Health: Improved Patient Satisfaction

Problem: Patient satisfaction low for patients discharged from the psychiatric inpatient units

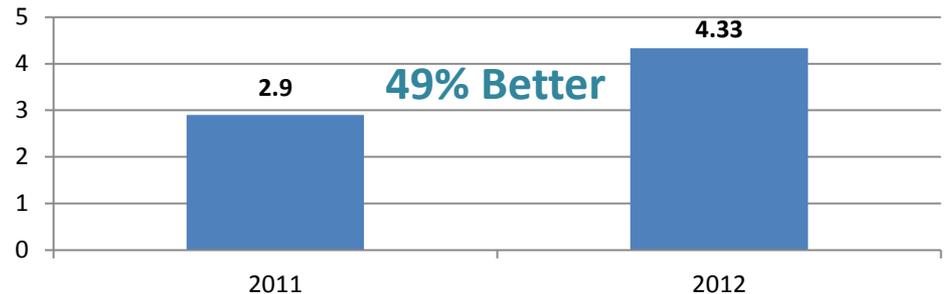
What we did:

- Created guidelines for bedside rounds to ensure a concise discussion
- Afternoon Treatment Planning Conference time was decreased by approximately 50 % (to 45 mins), which enabled clinical team members additional time to conduct assessments, be available to see family members and complete documentation.
- Initiated morning bedside rounds with entire care team, which increased patient face time with the team.

Results: Significantly improved patient satisfaction scores

October 16, 2012

**Question 1 I am satisfied with the amount of time I see my treatment team**



**Question 2 I am satisfied with the time of day I see my treatment team**



**Question 3 I felt my treatment team was available when I needed them**



# Cumberland Diagnostic and Treatment Center

## Adult Medicine : Assignment of Sick Patients to Physicians

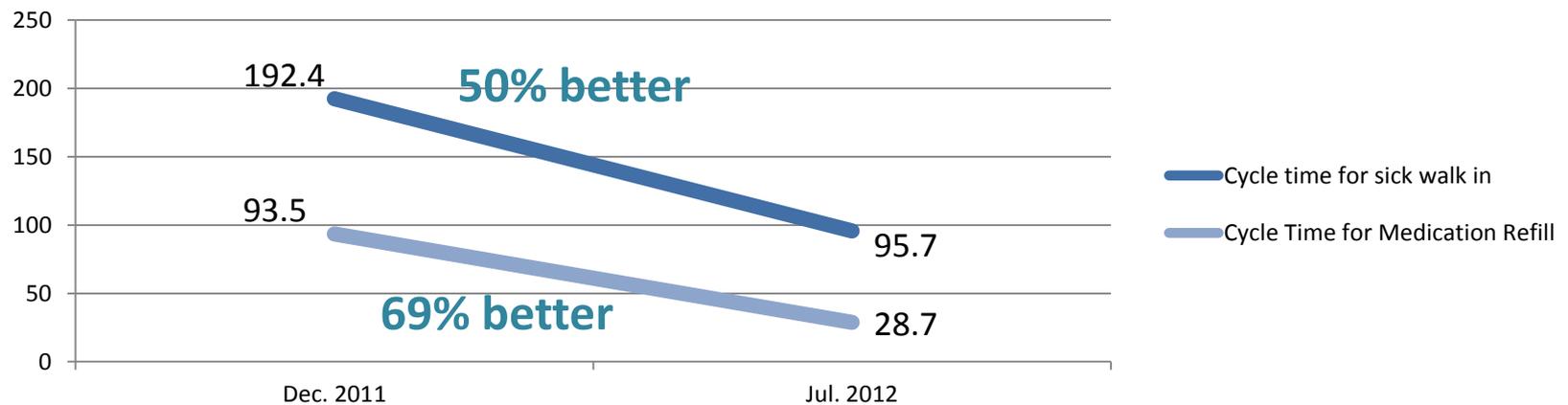
Problem: Sick patients who walk in experience long waiting times to see a provider and receive services

What we did:

- Standardized fast track process for medication refills
- Developed flow master to monitor template in real time
- Improved communication between flow master and clerks
- Created signage to identify patients with appointment

Results:

Average Patient Cycle Time In Minutes



# Elmhurst Hospital Center

## Primary Care Medicine Visits

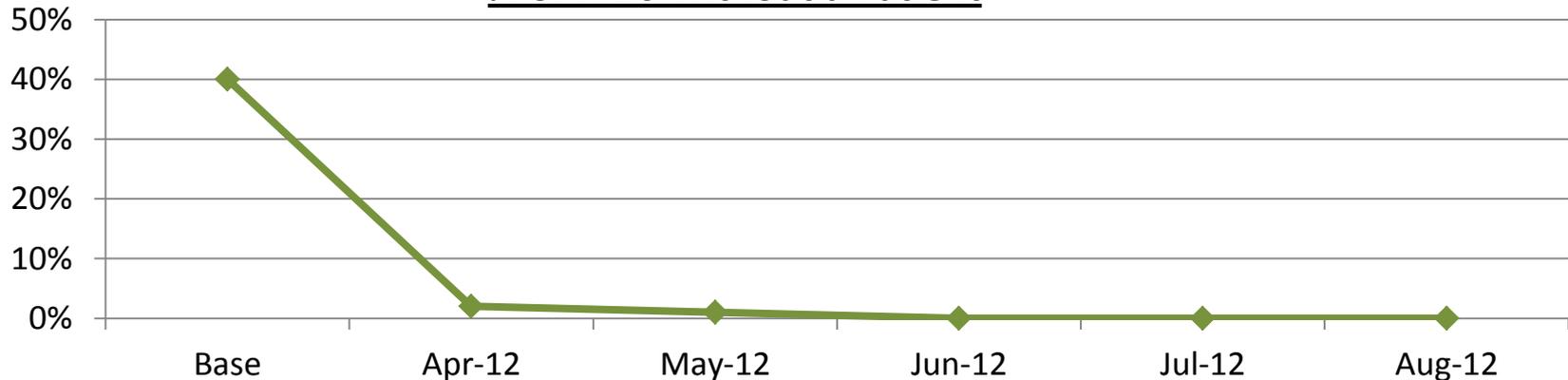
**Problem:** Patient flow in Primary Care Medicine clinic results in physician capacity being underutilized (physicians spend a lot of time waiting for patients to be put in room)

**What We Did:**

- Standardized work for staff
- Visual Management System to manage patient flow (Process Control Board)
- 1<sup>st</sup> visit start time coordination
- No patient batching
- Use of daily “Briefs”

**Results:** MD productivity increased significantly. In FY 2012, 4,476 more patient visits in PC Medicine Clinic than FY 2011 while time MDs spent without a patient was essentially eliminated.

**% of MDs Without a Patient**



# Generations+ Diagnostic & Treatment Centers

## Patient Insurance Information Verification and Recording

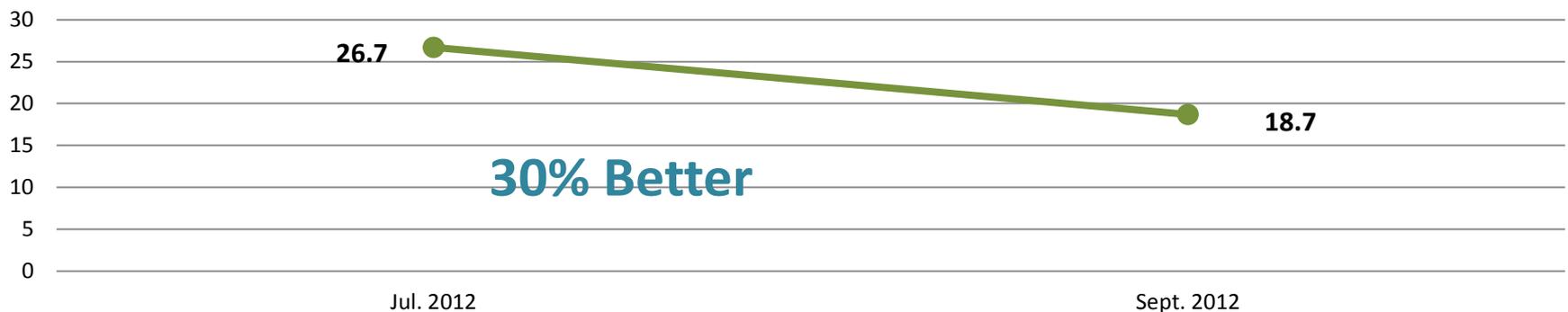
Problem: Patient visit cycle time is increased by missing or incorrect insurance information.

### What We Did:

- Standard work developed for the collection and recording of patient insurance information.
- Signage installed for patients to avoid unnecessary time looking for services.
- Clerks check appointment and verify insurance prior to visit

### Results:

#### Average Patient Cycle Time to Complete Registration Process (in minutes)



# Harlem Hospital Center

## Peri-Operative Services Financial Clearance

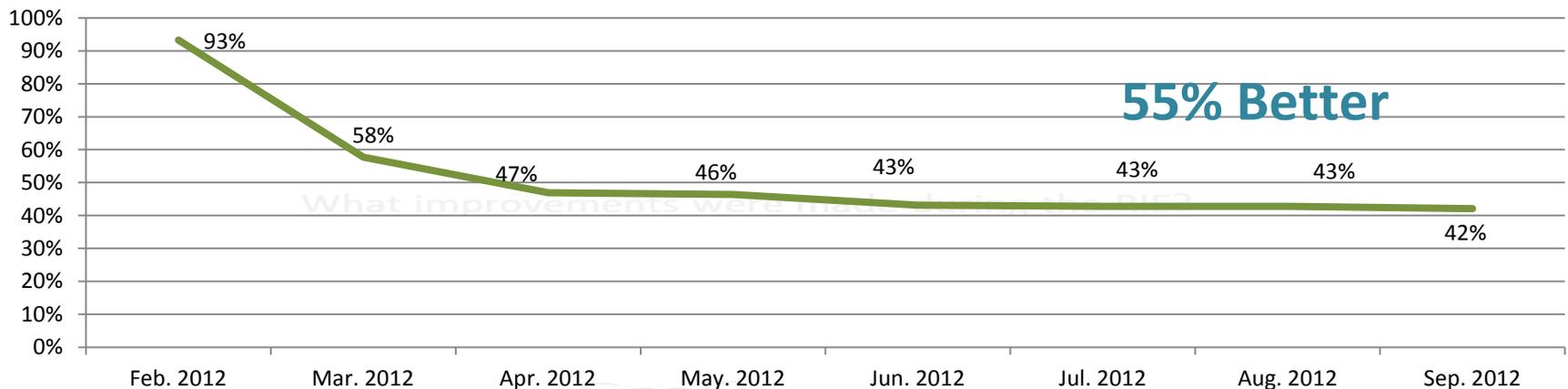
Problem: Pre-operative patients were required to go to multiple areas to complete financial clearance resulting in incomplete clearances and patient delays for procedures

What we did:

- Elimination of form 1875 (internal communication between Finance and other services)
- Decreased 30 minutes of patient waiting time
- Eliminated unnecessary trips to Financial Services and Pre-Admission Testing
- Created standard work including scripts for all areas to communicate to patients

Results:

### Percent of patients Presenting for Financial Clearance



# Health and Home Care

## Decreasing HMO Denials of Claims

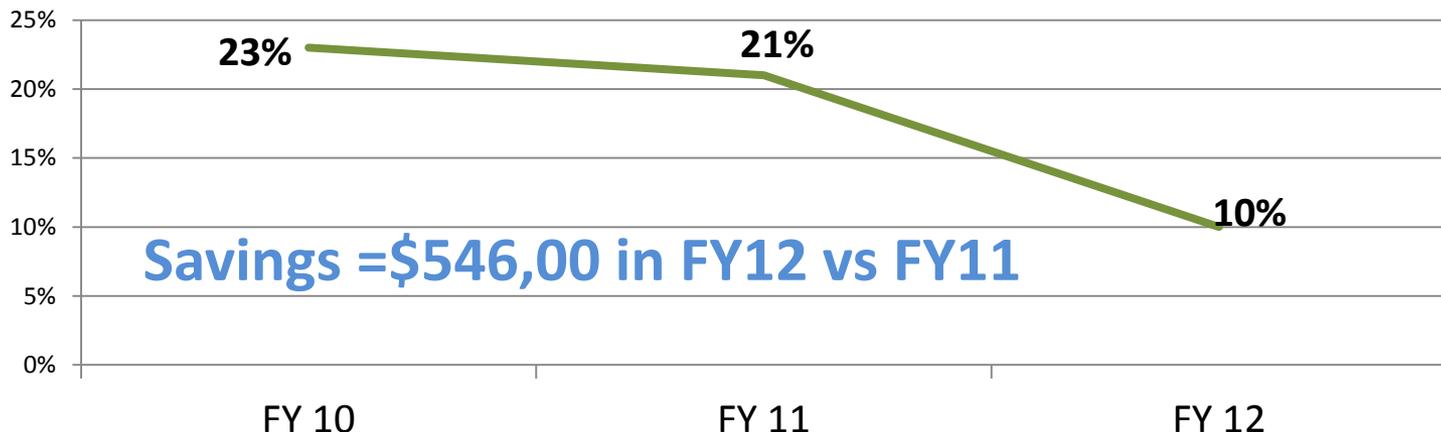
Problem: Reauthorization requests were being submitted late resulting in a large number of HMO denials of claims.

What we did:

- Electronic Production Control Board shared with clinicians weekly
- Consistent follow-up with clinical staff on timely submission of re-authorizations
- Adherence to standard work processes to improve accountability and follow-up by clinicians

Results:

### Claim Denials as Percentage of Total Revenue



# Jacobi Medical Center

## Improved Continuity of Care for Inpatients

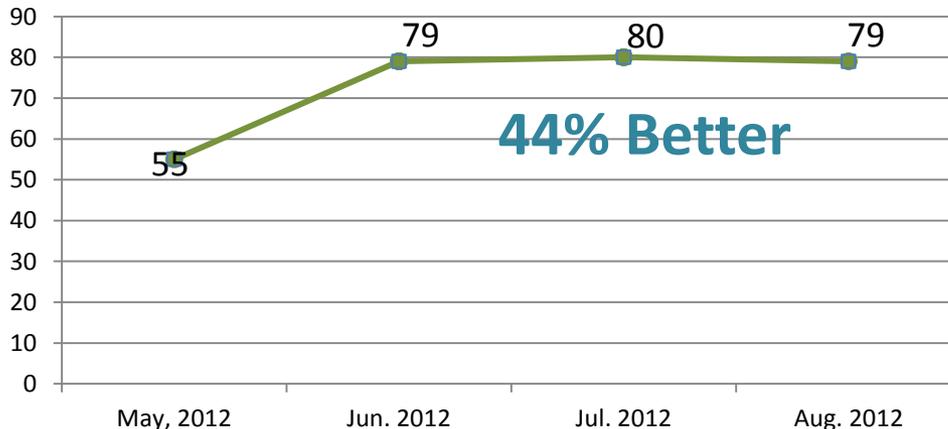
Problem: Patients were being assigned to beds/units not consistent with the location of their assigned MD/care team. This compromised continuity of care and communication among the care team.

What We Did:

- Created a designated work station for Senior Medical Resident proximal to Bed Control Board.
- Moved chronic patients to same unit
- Gemba rounds for the Senior Medical Resident
- New intake report to better identify location of patients

Results:

### % of Patients in Units of Assigned Teams



### Confirmed State In-Patient Flow VSA

TN	Measurements	Base Line	Target	June	July	August
Q	DC Notification to Pt within 24 hrs.	0%	100%	0%	10%	10%
Q	Discharge before 2PM	13%	50%	18%	20%	25%

# Kings County Hospital Center

## Congestive Heart Failure (CHF) Patient Readmissions

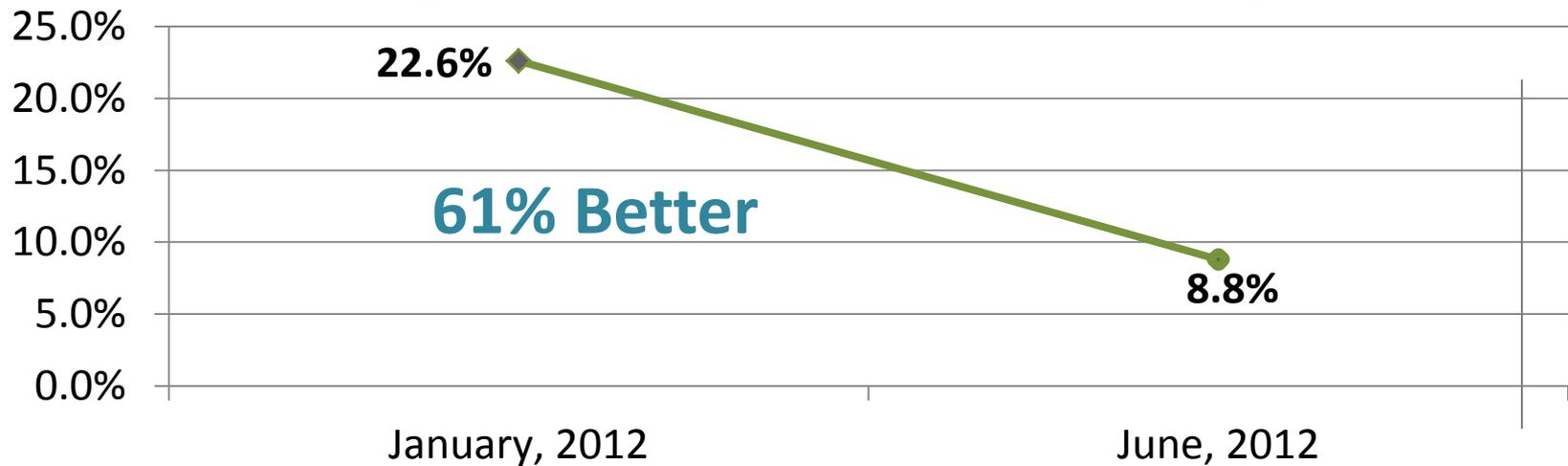
Problem: Discharge process for CHF patients was disjointed, unreliable and did not provide the patient with needed information and understanding of their post-discharge plan

What we did:

- Assembled a multi-disciplinary team involved in CHF discharge process for regular case review
- Team developed standard work for comprehensive CHF discharge planning
- Implemented and ensured compliance with standard work

Results:

**Percentage of CHF Patients Readmitted within 30 Days**



# Lincoln Medical and Mental Health Center

## Adult ED Walk Out Rate

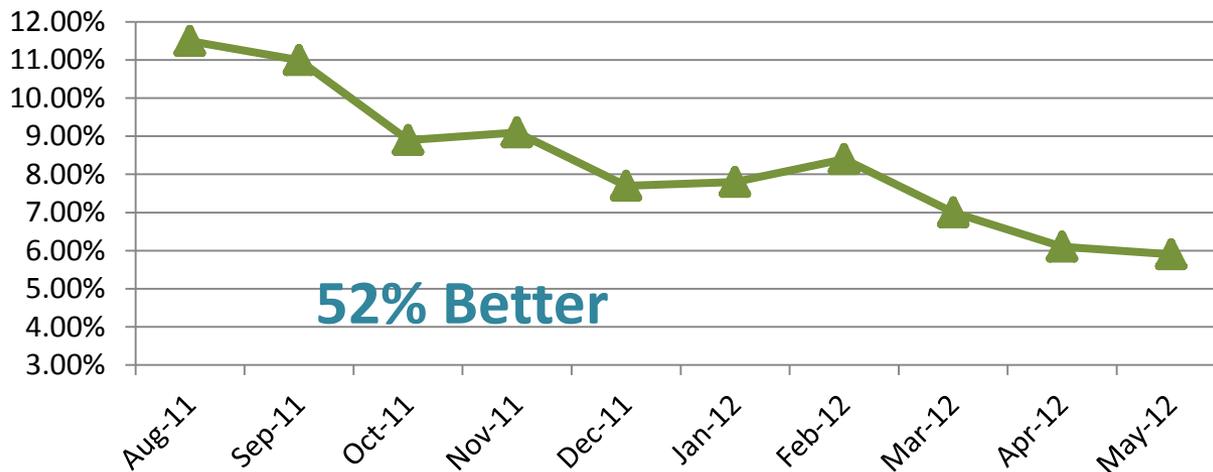
Problem: Patients were leaving the Emergency Room without receiving services due to long waiting times and lack of patient engagement

What We Did:

- Streamlined the triage process to front-load lab and ancillary tests to reduce delays
- Installed white board for work flow management
- Established model cells for better communication among care providers

Results:

**Percentage of patients that left before treatment**



**52% Better**

**FY12 Revenue Increase  
from Reduced Walk Out  
Rate =  
\$2,624,377**

# Metropolitan Hospital Center

Congestive Heart Failure (CHF) Patients: Post Discharge Care Coordination

**Collaborative effort between Metropolitan Hospital Center, Health and Home Care, and Metroplus**

Problem: CHF patients averaged a 30% readmission rate within 30 days of discharge from our inpatient cardiology unit

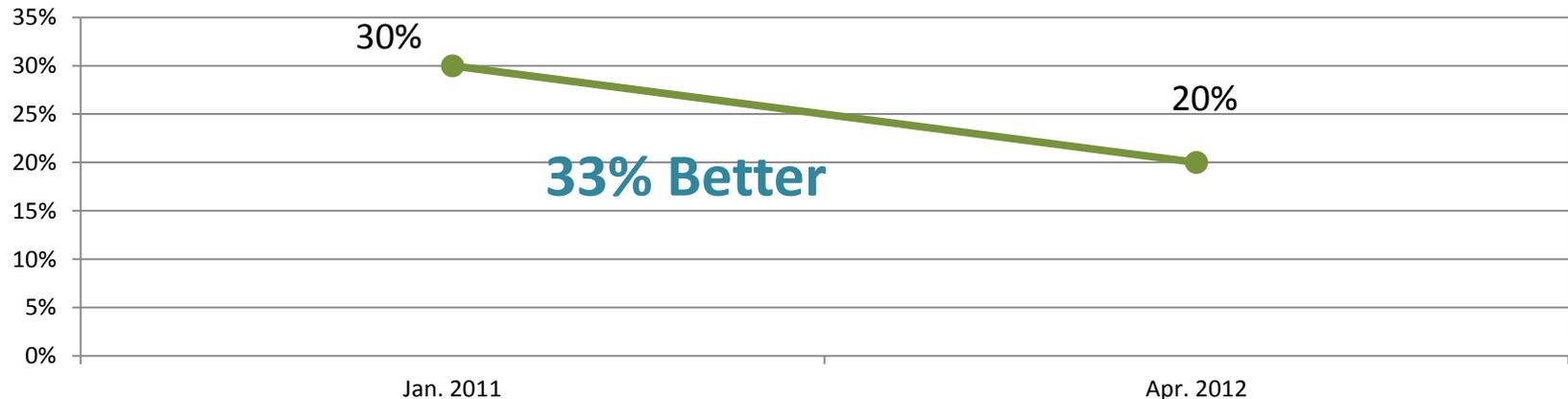
What we did:

- Standardized inpatient management of HF patients
- Continuous patient teaching (RN, Cardio, Home Care, Dietary & SW)
- Post discharge care management (Telehealth/Home care)
- One week follow up in Cardiology Clinic
- Continuous collaboration – MET, H&HC, Metroplus

Results:

**% of CHF patients admitted within 30 days of inpatient discharge**

**Average admission rate: Jan. 2010-Jan. 2011 vs. July 2011-April, 2012**



# Queens Health Center

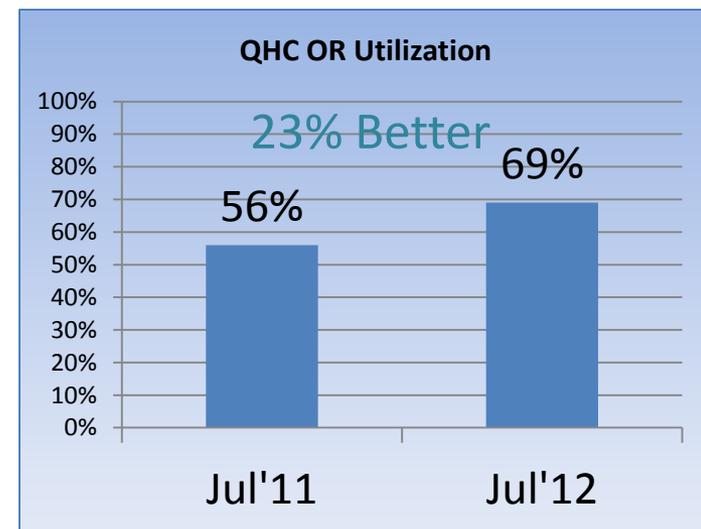
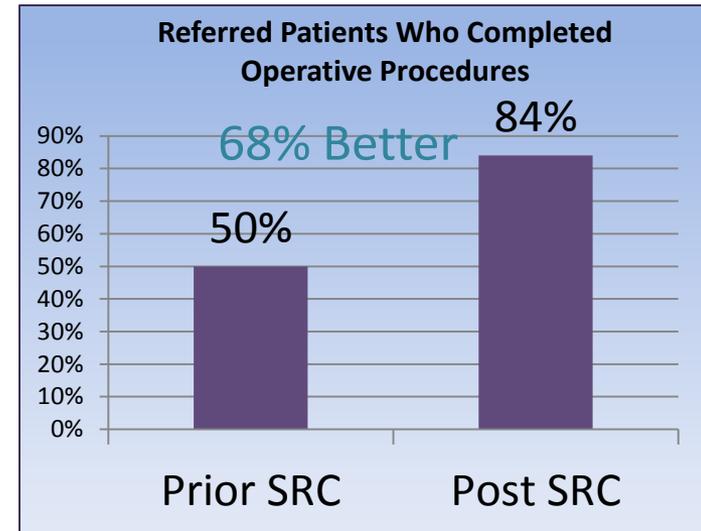
## Surgical Referral Center (SRC)

Problem: Underutilization of operating rooms due to difficulties in timely scheduling, medical and financial clearance of patients

What We Did:

- Fast track referrals for surgical procedures
  - SRC RN reviews CHN referrals to identify candidates for surgical procedures
- Standardized processes across QHN
  - Financial clearance
  - Medical clearance
  - Intranet P Trac scheduling program now used at both facilities-providers can see and book cases into the OR schedule at either hospital from any In-House PC
- Services currently utilizing SRC
  - Urology
  - Orthopedics
  - Podiatry
  - ENT
  - Cardiology
  - Vascular

Results: Increase of 285 surgical cases in OR in FY 2012 vs FY 2011



# Woodhull Medical & Mental Health Center

## Inpatient Psychiatric Unit Average Length of Stay

Problem: The average length of stay (ALOS) in inpatient Psychiatric Units varied greatly due to significant delays in discharging patients.

What we did:

- Conducted RIE on Unit 2 of inpatient psychiatric services
- Made expected discharge date on comprehensive Treatment Plan a meaningful data point
- Revamped the census to highlight discharge tasks
- Created calendar to focus on discharge

Results:

### ALOS for Psychiatric Inpatient Unit #2



# Proposal for Year 6

(November 2012 – October 2013)

- Authorize an additional \$5.5 M
  - inclusive of a 10% contingency
  - Results in a total contract amount of \$20,492,350 over 6 years
- Exercise the third of 3 optional renewal years
- Scope: Continue and escalate development of internal capacity for Breakthrough maintenance and growth through strategic coaching and teaching

# Collaborated and Coordinated Action

OBJECTIVE	SIMPLER ROLE	HHC ROLE
<p><b>SUPPORT STRATEGIC BUSINESS PRIORITIES</b></p> <p>Apply Breakthrough resources to support of strategic priorities</p>	<p>Coach and teach hoshin kanri through level 3</p>	<p>Develop and deploy X matrices and trackers through Level 3, manage monthly through data review and countermeasures</p>
<p><b>CONDUCT RAPID IMPROVEMENT EVENTS</b></p> <p>Continue to achieve significant improvements through a high cadence of RIEs</p>	<p>Transition from teaching Breakthrough certification Levels 3 and 4 (Silver and Gold), continue to teach Level 5 (Platinum)</p> <p>Coach Leadership, Executive Sponsors, Steering Committees on event architecture and processes</p>	<p>Teach certification Levels 1 and 2 (Green and Bronze), complete takeover of teaching Level 3 (Silver)</p> <p>Train Process Owners, facilitate RIEs and other events</p>
<p><b>ENABLE WIDER APPLICATION OF BREAKTHROUGH</b></p> <p>Provide the means for engagement of the larger workforce in daily improvement activities</p>		<p>Develop and implement additional training modules, expand awareness, continue to provide Problem Solving, A3 and other targeted workshops</p>

# Collaborated and Coordinated Action

OBJECTIVE	SIMPLER ROLE	HHC ROLE
<b>SUSTAIN IMPROVEMENTS</b>  Enable managers to implement and sustain the improvement system	Coach and teach Managing for Daily Improvement	Develop the HHC MDI program, develop internal coaching and teaching capacity
<b>CREATE MODELS</b>  Maximize improvement opportunity by identifying the 'best known way today'	Coach the development of model value streams and cells, including in Peri-operative Services	Learn how to coach and develop model value streams and cells, implement at all sites
<b>SPREAD SUCCESSES</b>  Share improvements across sites and across the Corporation	Coach yokoten (spread), support the development of HHC's yokoten system	Develop the yokoten system, learn to coach yokoten, develop model value streams and cells at all sites
<b>SPREAD TO ADDITIONAL SITES</b>  Continue to seek full implementation	Coach adoption of Breakthrough at East New York D&TC and Susan Smith McKinney NRC	Provide launch support to these two sites
<b>MONITOR PROGRESS OF IMPROVEMENT CAPABILITY</b>  Move forward, guard against backsliding	Conduct reviews of each site at least twice a year.	Participate in reviews, develop corrective action plans and establish interim improvement and process goals  Learn to conduct reviews

# Plans for FY14 and Beyond

- Reduce annual contract spend
  - by 25% in Year 7
  - by an additional 25% in Year 8
  - review ongoing needs
- Enable this spending reduction through
  - intensive training of leaders, managers and staff
  - implementation of managers improvement system
  - continued development of model cells and value streams
  - active engagement of enterprise steering committee
  - alignment between enterprise transformation plan (TPOC) and business priorities (hoshin kanri)
-



## RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") be and hereby is authorized to execute the third of three one-year renewal options available under the existing contract with Simpler North America, LP ("Simpler"). Funding for the exercise of the third of three one-year renewal options available under the existing contract shall not exceed \$5,500,000, inclusive of a 10% contingency, for the period from November 1, 2012 through October 31, 2013.

**WHEREAS**, in recognition of the breakthrough nature of improvements made using Lean techniques, in November, 2007, the Board authorized a contract with Simpler for Lean consultation and training to launch *Breakthrough* for a period of three years, and with two unfunded one-year renewal options, which contract was later amended with Board approval in October 2010 to add a third unfunded one-year renewal option; and

**WHEREAS**, the Corporation exercised the second of the three one-year renewal options on October 29, 2011 for an amount not to exceed \$4,879,650; and

**WHEREAS**, unless the Corporation exercises the third of the three one-year renewal options, the contract will expire October 31, 2012; and

**WHEREAS**, Simpler has provided Lean consultation and training effectively and satisfactorily to staff at nineteen Corporation sites including Central Office, and the Corporation expects to continue to deepen *Breakthrough* learning and engagement at these sites, to expand the adoption of *Breakthrough* at two additional sites, to align *Breakthrough* activities with strategic goals, and to strengthen *Breakthrough* infrastructure in order to build greater internal lean expertise, sustain improvements and reduce reliance on Simpler over time; and

**WHEREAS**, the Corporation has realized \$20.3 Million in cost savings and \$240.8 Million in new revenues through 1,141 *Breakthrough* improvement events, reaching 7,047 employees; and

**WHEREAS**, the overall management of this contract will be under the direction of the Senior Vice President for Organizational Innovation and Effectiveness.

### **NOW THEREFORE, BE IT**

**RESOLVED**, that the President of the New York City Health and Hospitals Corporation (the "Corporation") be and hereby is authorized to execute the third of three one-year renewal options available under the existing contract with Simpler North America, LP ("Simpler") . Funding for the exercise of the third of three one-year renewal options available under the existing contract shall not exceed \$5,500,000, inclusive of a 10% contingency, for the period from November 1, 2012 through October 31, 2013.



## EXECUTIVE SUMMARY

### **PURPOSE**

HHC currently holds a contract with Simpler North America, LP, for Lean consultation and training.

HHC seeks to extend its fruitful contractual relationship with Simpler in order to gain further benefits from the vendor, including escalating ongoing efforts to develop the infrastructure and particularly HHC's leadership and management staff that will ultimately lead to HHC having the internal capacity to implement and sustain improvements without significant ongoing external support.

HHC proposes to execute the third of three existing, one-year renewal options in the contract at an amount not to exceed \$5,500,000 (this amount includes a 10% contingency to be exercised at the sole discretion of HHC's CEO). This period will commence November 1, 2012 and expire October 31, 2013.

### **BACKGROUND**

In November 2007, the New York City Health and Hospitals Corporation (HHC) executed a contract with Simpler Consulting, Incorporated (now Simpler North America, LP) for a three year period ending October 31, 2010. This contract for Lean training and consultation was procured through a competitive Request for Proposals process. From five qualified respondents, Simpler was selected based on experience, approach and cost.

### **CONTRACT HISTORY**

<b>Process and Date</b>	<b>Period/Purpose</b>	<b>Amount</b>	<b>Cumulative Total</b>
Approval of original contract (November 2007)	Years 1-3 (11/1/07 - 10/31/10) with 2, 1-year optional renewal years	\$5,000,000 for Years 1-3	\$5,000,000
First Amendment (January 2010)	Increase budget authority for the original period (Years 1 – 3) to add depth and breadth to contractor scope*	Add \$2,000,000 to Years 1-3	\$7,000,000
Renewal and Second Amendment (October 2010)	Execute the first of 2 optional renewal years (Year 4: 11/1/10-10/31/11) and add a third optional renewal year to ensure development of all sites and build self-sustaining infrastructure	Add \$3,112,700 for Year 4	\$10,112,700
Renewal and Third Amendment (October 2011)	Executed 2 <sup>nd</sup> of 3 optional renewal years (Year 5: 11/1/11-10/31/12)	Add \$4,879,650 for Year 5	\$14,992,350

\*develop a larger cadre of internal Breakthrough experts, increase the length of the Contractor's consultants (sensei) engagement at each site in order to make deep, substantive improvements within critical value streams.

The contract is managed by Joanna Omi, Senior Vice President in the Division of Organizational Innovation and Effectiveness. Simplr has performed well, providing onsite training and consultation that enabled HHC to generate site-specific and enterprise-wide improvements.

### **OUTCOMES TO DATE**

In the almost five years that HHC has implemented Breakthrough with Simplr's support, \$261.1 million in new revenues and cost savings have been realized. In addition, 5,720 staff has participated in Breakthrough activities and 1,141 Rapid Improvement Events have been completed. The cumulative return on direct investment for the first four years of this contract is \$261.1 million on a contract expense of \$14,992,350. Breakthrough has now been implemented at 19 of HHC's major sites<sup>1</sup> resulting in improvements in areas such as peri-operative services, emergency departments, inpatient units, ambulatory care, revenue cycle, imaging and behavioral health. Not only has this effort resulted in increased revenue and cost savings but it has also improved safety, efficiency and capacity, and decreased patient waits, unnecessary staff and patient movement and un-needed steps in numerous processes. ROI continues to grow at an increased rate, even over the last year when adjusted for gains recorded for two years in inpatient documentation and coding (\$5.74 in FY11, \$8.40 in FY12).

### **CONTRACT SCOPE**

During the proposed one-year period, Simplr will focus on four strategic areas that have been identified as critical to Breakthrough and HHC's success:

- Strengthening HHC's Breakthrough infrastructure at the leadership, Corporate and site levels toward increasing capacity to manage without Simplr assistance;
- Developing and implementing Breakthrough at two new sites (East New York Diagnostic and Treatment Center and Dr. Susan Smith McKinney Nursing and Rehabilitative Center);
- Supporting key value streams through assigned Simplr Sensei to increase event productivity as well as develop and spread model value streams across the sites;
- Provide targeted coaching to HHC managers to implement "Managing for Daily Improvement" to ensure implementation of Breakthrough tools and philosophy at all levels of the organization and ensure sustainment of gains made through rapid improvement events; and,
- Improve the alignment of Breakthrough efforts with strategic goals including assigning Simplr staff to concentrate on key Value Streams and provide direct support to Breakthrough staff to learn and use more advanced Breakthrough tools.

Simplr will support the following activities this budget period:

- Implement Breakthrough at 2 additional sites: Breakthrough will be implemented at Susan McKinney Nursing Center and East New York D&TC over the course of the 12 month budget period. Onsite Simplr sensei support will be provided at these sites to train staff, facilitate early improvement, coach leaders and work with process owners to embed Breakthrough tools throughout operations.
- Provide onsite, regular consultation: Dedicated Simplr sensei will be assigned to sites according to the sites' competency and plans. Sensei will support improvement activities in increments of 4.5 days ('weeks'), with the number of these weeks per site per month varying from twelve to twenty-four during this 12 month budget period.

- Provide focused support of strategic value streams: Simpler will allocate .5FTE (equivalent to 2 weeks per month) to support of one or two specific value streams that are active across the enterprise, e.g., peri-operative services, emergency departments, ambulatory care or mental health services. Simpler will work with the enterprise Breakthrough office and individual sites to identify effective Breakthrough practices that have relevance to other sites, and to spread these across and within sites. This activity will provide a showcase of best practices as well as engage sites for more rapid, systemic spread.
- Provide transformation program management, core team development, developing transformation policies, data collection and analytics, organization design, Breakthrough training and certification, lean capability assessments and assistance in building the HHC Business Improvement System Executive Coach will be on-site 4 weeks per month providing executive coaching aligned with the deployment of Hoshin Kanri, TPOC reviews and other strategic initiatives at all active sites. Monday noon until Thursday afternoon will be the normal on-site engagement.
- Development and project management: Simpler will allocate .5FTE sensei (equivalent to 2 weeks per month) to planning and continued development of Breakthrough, the HHC Improvement System in collaboration with and under the management of the Senior Vice President, Organizational Innovation and Effectiveness. This work will include expansion of prior Hoshin Kanri/Strategy Deployment activity, identification and deployment of advanced tools and strategies at the enterprise and site level, leadership development and training, and facilitation and alignment of all communications between site and other sensei assigned to HHC.
- Training: Simpler will continue to provide support for select facilitator certification training, including Silver, Gold and Platinum levels, as well as additional targeted training. In all training, the process will facilitate the development of internal HHC capacity to conduct these courses.

#### Contract Benefit to HHC:

November 1, 2012 through October 31, 2013:

- New Revenue: \$ 85 million      Cost Savings: \$10 million
- Other anticipated outcomes of Breakthrough efforts include:
  - Number of Rapid Improvement Events: 300
  - Number of additional employees participating in Breakthrough Event: 1,600
  - Leadership will be more skilled and knowledgeable about the application of tools to plan, implement and sustain Breakthrough activities. Managers will be able to improve their own and their areas of responsibility's productivity through the use of Breakthrough tools and philosophies on a daily basis
  - Sites will have increased capability to manage projects, increase the effectiveness of their Breakthrough events and the ability to use more advanced tools to achieve greater success. Employees will be empowered to problem solve and improve the processes in their own areas.
  - Patient and employee satisfaction will be increased due to the elimination of wasteful, unneeded processes, wait times and unnecessary movements.

#### **CONTRACT MANAGEMENT**

The contract will continue to be monitored by Joanna Omi, Senior Vice President, the Division of Organizational Innovation and Effectiveness.

<sup>1</sup> Breakthrough had been adopted at Central Office, Queens Hospital Center, Metropolitan Hospital Center, Jacobi Medical Center, Gouverneur Healthcare Services (D&TC and SNF), Renaissance, S.R. Belvis, Morrisania and Cumberland Diagnostic and Treatment Centers, Coney Island Hospital, Bellevue Hospital Center, North Central Bronx Hospital, Woodhull Medical and Mental Health Center, Kings County Hospital Center, Lincoln Medical and Mental Health Center, Elmhurst Hospital Center, Harlem Hospital Center, Coler Goldwater Specialty Hospital, and Health and Home Care.

**Health and Hospitals Corporation  
Contract Review Committee  
Contract Approval Form**

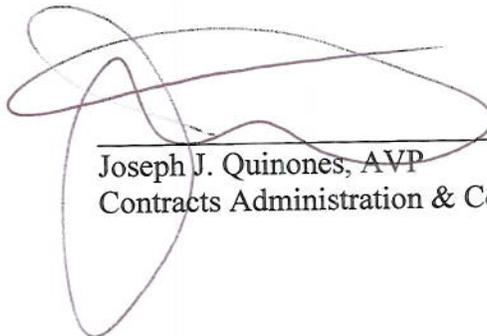
**Date: 9 October 2012**

**To: Joanna Omi  
Lawrence Hansley**

**Document Control Number: 2015**

**Description:** Application to enter into contract with Simpler North America, L.P. for training, consultative and planning services to support HHC's Breakthrough Program on behalf of the New York City Health and Hospitals Corporation, Division of Corporate Planning and HIV Services.  
**DCN: 2015**

The Contract Review Committee (CRC) reviewed the requested materials subsequent to the October 3, 2012 meeting. The CRC has issued authorization via an electronic vote to submit your application to the Board of Directors.



\_\_\_\_\_  
Joseph J. Quinones, AVP  
Contracts Administration & Control

File





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Manasses C. Williams  
Assistant Vice President  
Affirmative Action/EEO

**TO:** Larry Hansley  
Division of Organizational Innovation and Effectiveness

**FROM:** Manasses C. Williams

**DATE:** September 18, 2012

**SUBJECT:** EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

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The proposed contractor/consultant, Simpler North America, LP., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise  Woman Business Enterprise  Non-M/WBE

Project Location(s): HHC- Citywide

Contract Number: \_\_\_\_\_ Project: Lean Consulting Services

Submitted by: Division of Organizational Innovation and Effectiveness

EEO STATUS:

1.  Approved
2.  Approved with follow-up review and monitoring
3.  Not approved

COMMENTS:

MCW:pat

c: