

AGENDA

FINANCE COMMITTEE

MEETING DATE: MARCH 13, 2012
TIME: 9:00 A.M.
LOCATION: 125 WORTH STREET
BOARD ROOM

BOARD OF DIRECTORS

CALL TO ORDER

BERNARD ROSEN

ADOPTION OF THE *FEBRUARY 7, 2012* MINUTES

SENIOR VICE PRESIDENT'S REPORT

MARLENE ZURACK

KEY INDICATORS/CASH RECEIPTS & DISBURSEMENTS REPORTS

FRED COVINO

INFORMATION ITEMS

1. QUARTERLY PS REVIEW OF KEY INDICATORS FOR THE PERIOD 6/18/11 – 1/14/12 FRED COVINO
2. FINANCIAL PLAN STATUS REPORT FRED COVINO
3. MEDICAID ELIGIBILITY REPORT –JANUARY 2012 MAXINE KATZ
4. STATEMENT OF REVENUES & EXPENSES AS OF 12/31/11 TO 12/31/10 JAY WEINMAN

OLD BUSINESS
NEW BUSINESS
ADJOURNMENT

BERNARD ROSEN

Minutes of the February 7, 2012 Finance Committee Meeting

MINUTES

MEETING DATE: FEBRUARY 7, 2012

FINANCE COMMITTEE

BOARD OF DIRECTORS

The meeting of the Finance Committee of the Board of Directors was held on February 7, 2012 in the 5th floor Board Room with Bernard Rosen presiding as Chairperson.

ATTENDEES

COMMITTEE MEMBERS

Bernard Rosen
Alan D. Aviles, Esq
Michael A. Stocker, MD
Emily Youssouf
Josephine Bolus, RN
Andrea Cohen, (representing Deputy Mayor Linda Gibbs in a voting capacity)

OTHER ATTENDEES

M. Dolan, Assistant Director, DC 37
M. Dubowski, Analyst, City Office of Management & Budget (OMB)
J. DeGeorge, Analyst, State Comptroller's Office
C. Fiorentini, Analyst, Independent Budget Office (IBO)
R. McIntyre, Account Executive, Siemens
M. Meagher, Analyst, OMB
E. Mendez-Santiago, Commission on the Public Hospital System (CPHS)

HHC STAFF

V. Bekker, Chief Financial Officer (CFO), Generations+ Northern Manhattan Health Network
D. Benjamin, Restructuring Project Management Officer
D. Cates, Chief of Staff, Board Affairs

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F. Covino, Corporate Budget Director, Corporate Budget
N. Doyle, Assistant Vice President, Corporate Human Resources/Workforce Development
L. Free, Senior Director, Managed Care
R. Fischer, Associate Executive Director, Bellevue Hospital Center
D. Frimer, Controller, Coney Island Hospital
K. Garramone, Chief Financial Officer, North Bronx Healthcare Network
G. Guilford, Senior Director, Office of the Senior Vice President/Finance/Managed Care
D. Guzman, Associate Director
C. Jacobs, Senior Vice President, Patient Safety, Accreditation
M. Katz, Senior Assistant Vice President, Corporate Revenue Management
P. Lockhart, Secretary to the Corporation, Office of the Chairman
P. Lok, Director, Corporate Reimbursement/Debt Financing
N. Mar, Director, Corporate Reimbursement Services/Debt Financing
T. Mammo, Deputy Chief of Staff, Office of the President
R. Mayer, Director, Corporate Internal Audits
L. Migdal, Deputy Chief Financial Officer, Corporate Finance
D. Moskos, Director, Office of Facilities Development
K. Olson, Senior Director, Corporate Budget
F. Ortiz, Senior Associate Director, Woodhull Medical & Mental Health Center
J. Perrine, 1st Deputy IG, Office of the Inspector General
S. Russo, Senior Vice President, General Counsel, Office of Legal Affairs
A. Saul, Senior Associate Director, Kings County Hospital Center
W. Saunders, Assistant Vice President, Intergovernmental Relations
J. Schick, Chief of Staff, Office of the President
J. Weinman, Corporate Comptroller, Corporate Comptroller's Office
M. Williams, Assistant Vice President, Corporate Affirmative Action/EEO
R. Wilson, Senior Vice President/Chief Medical Officer, Medical & Professional Affairs
M. Zurack, Senior Vice President, Corporate Finance/Managed Care

Minutes of the February 7, 2012 Finance Committee Meeting

CALL TO ORDER:

The meeting of the Finance Committee was called to order at 9:05 a.m. The minutes of the January 10, 2012 Finance Committee meeting were adopted as submitted.

CHAIR'S REPORT

BERNARD ROSEN

SENIOR VICE PRESIDENT'S REPORT

MARLENE ZURACK

Ms. Zurack informed the Committee that her report would be deferred until later in the agenda in order to accommodate the action item.

ACTION ITEM

ANTONIO MARTIN/JOSEPH QUINONES

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to negotiate and execute a management contract with Johnson Controls, Inc. ("JC Inc") to manage the Corporation's plant maintenance operations for each HHC facility. The contract will be for a term of nine years in a total amount not to exceed \$363,191,470.

Mr. Martin after reading the resolution informed the Committee that a presentation, which was included in the package, would be presented by Mr. Quinones, Senior Assistant Vice President, Contract Administration and Control.

Mr. Quinones stated that several representatives, Paul Morgan, Stephen Herbst, Bob Giro, Glen Zilligan, Chris Howard, Stephen Terrano, Carol Skotnicki, Jayme Hamann from Johnson Control, Inc. (JCI) were in attendance to address questions from the Committee. Beginning with the presentation, Mr. Quinones, in addressing the question of why there is a need for a vendor to manage plant maintenance, stated that HHC is currently exposed to substantial rising costs in its Plant Maintenance which includes operations, repair and maintenance of HHC's facilities. As part of the Corporation's objective for achieving savings, the Restructuring Leadership Committee identified Plant Maintenance as one of the 39 projects included in that area. In order to control and standardize costs throughout the enterprise, a management contract is needed in order to control rising costs through the deployment of an experienced vendor. Failure to take action would result in HHC having to allocate limited resources from patient care to cover increased cost in non-core goods and services. In order to identify a skilled and experienced vendor, a request for proposals (RFP) was issued in accordance with HHC's operating procedures. The RFP selection Committee as part of that process chose Johnson Controls, Inc (JCI) as the highest rated proposer on both cost and quality. The proposed contract with Johnson Control will include multiple guarantees over nine years that will negate HHC's exposure to those projected rising costs.

In terms of the contractor's background, Mr. Quinones stated that Johnson Controls, Inc was founded in 1885. The Building Efficiency Division was established to address the need for a specialized, high quality, innovative and responsive Plant Maintenance Company, which services over 3,500 healthcare customers in the US and Canada, including over a dozen acute-care hospitals where full service plant

Minutes of the February 7, 2012 Finance Committee Meeting

maintenance is provided. JCI has a presence in more than 40% of North American healthcare facilities; 15,000 employees maintaining 17,000 building, 1.5 billion square feet across 90 countries with a client retention rate of 90%. JCI has earned the following distinctions: Top 100 Best Managed Companies, "Industry Week," Top 100 Best Corporate Citizens, "Business Ethics Magazine," Ranked #2 greenest Company, "Newsweek," Corporate Diversity Award, World Diversity Leadership Council.

Mr. Quinones stated that JCI currently has contracts with the following entities: Department of Defense and Department of Energy, Hanford; Camp LeJune, NC; County governments: Fulton County, GA, Washington County, WI; Los Angeles County, CA. Healthcare facilities: Phoenix Children's Hospital; Methodist La Bonheur Healthcare, Memphis, TN; McGill Hospital, Montreal, ON; Abbotsford Hospital and Cancer Centre, Abbotsford, BC; Niagara Health System, St. Catherines, ON; Bridgepoint Health Centre, Toronto, ON; North Bay Regional Health Centre, North Bay, ON. JCI currently employs approximately 7,500 union employees represented by 56 collective bargaining units nation-wide.

Mrs. Bolus asked if HHC employees are represented by the same unions.

Mr. Quinones deferred the question to one of JCI representatives to which a response that those unions are the same was given.

Dr. Stocker asked JCI for further clarification.

Mr. Herbst stated that Locals 30, 637 and electricians unions are just a few. The 7,500 employees are NY employees that are within the unions.

Mr. Quinones continuing with the presentation stated that JCI has contracts with New York State and New York City agencies that include HHC, whereby, JCI has performed maintenance, repair, refurbishment work in virtually all HHC facilities over the past ten years; Empire State Building, JCI currently performing a \$50 million energy performance contract that includes a retrofit program that will reduce the Empire State Building's energy use by 38% per year, placing it in the top 10% of all US office buildings in terms of energy efficiency; CUNY and DASNY/NYS OGS.

Mr. Quinones stated that JCI's responsibilities will include the hiring of existing management staff to oversee HHC's plant maintenance services staff; train staff to improve performance; buy supplies out of the contract payments at optimal cost; provide software for repair and maintenance work order tracking; provide necessary repair and maintenance tools; deploy the best methods across the enterprise to improve satisfaction; control personal services, overtime and OTPS costs; maintain equipment deemed to have exceeded useful life. Page 8 included a summary of the total savings by the various contract categories, fees, OTPS, management salaries, personal services, overtime and fringes. For the purpose of the Committee, the box below that summary reflected a breakdown of the costs for the total value of the contract amount as stated in the resolution. Additionally the expenses that are non JCI expenses, Group 12 wage expenses and Group 12 benefit expenses are also reflected in that box.

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Ms. Youssouf asked for further clarification of the services JCI will provide as part of Plant Maintenance.

Mr. Quinones asked Mr. Alfonso Pistone, Assistant Vice President, Facilities Development who oversees facilities plant operations to respond.

Mr. Pistone stated that the services that JCI will be providing would be the routine day-to-day operations, maintenance and minor repairs to keep the facilities functioning.

Mrs. Bolus asked if management would become a part of JCI and Group 12 employees would continue to be employed by HHC. Mr. Martin replied in the affirmative.

Mr. Quinones stated that on page 9, a breakdown of the annual proposed savings each year was delineated by the previous cited categories, fees, overtime, management wages, fringes, PS and OTPS. The projected savings total \$127.92 million. On page 10, the inflationary exposure for HHC over the nine-year term of the contract includes a major increase in fringe benefits estimated at 44.06% in FY 13 to 58% in FY 21; PS inflation factor in the current Financial Plan is zero salary increases for years 1-3 and 1.25% for years 4-9; Group 12 costs are estimated to be \$636.36 million for an average cost of \$70.7 million per year and OTPS costs are estimated at \$158.08 million for an average cost of \$17.56 million per year based on an inflation factor of 3%; total OTPS for routine plant maintenance costs are projected to increase to \$299.9 million or an average cost of \$33.32 per year. If HHC continues to operate at the current level of operations for plant maintenance, PS and OTPS costs are projected to escalate to approximately \$1.5 billion. Page 11 outlines how contracting with JCI will mitigate HHC's exposure over the nine-year term; Group 12 PS costs are capped at \$553.03 million compared to projected costs of \$636.36 million; overtime costs are capped at \$137.39 million compared to projected \$158.08 million; OTPS costs are capped at \$271.74 million compared to projected costs of \$299.94 million.

Mrs. Bolus asked if the unions have agreed to those caps and whether those caps are included in the contract that will be signed by HHC.

Mr. Quinones stated those were the expenses of HHC not the contractor.

Mr. Aviles added that the PS costs include the projected attrition that will reduce the headcount by 131 FTEs.

Mr. Quinones continuing with the presentation, page 12 reflected the total projected saving over the nine-year term of the contract which will be achieved by a reduction in the current projected operational costs of \$1.5 billion compared to the proposed contracting of the management services to JCI for a total projected saving of \$127.9 million, \$1.37 billion compared to \$1.5 billion, over the nine-year terms of the contract.

Ms. Youssouf asked for clarification of how the projected savings would be achieved.

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Mr. Rosen asked if the savings would be attributable to the capping of the costs.

Mr. Quinones stated that it would be directly related to the caps as part of the guarantees that are reflected on page 8 of the presentation.

Ms. Youssouf asked if those were guarantees on behalf of JCI regardless of any unforeseen cost increases.

Mr. Quinones stated that the only change would be if there is a change in the scope of work.

Mrs. Bolus asked for an example of a change in the scope of work that would impact the cost. Mr. Quinones stated that if HHC were to acquire another facility.

Mr. Aviles added that conversely, if HHC closes a facility there would be reduction in the cost.

Ms. Youssouf asked how labor agreements would impact the cost.

Mr. Quinones replied that collective bargaining agreements which would be outside of JCI's control would increase the costs if the projections fall below the actual contractual agreement increases. Moving back to the savings on page 12, Mr. Quinones stated that the saving with JCI would be \$127.9 million over nine years at an annual average saving of \$14.2 million per year. The current estimated salary increases are projected to remain at the current level for years 1-3, increasing by 1.25% for years 4-9. Costs related to OTPS, PS and overtime are guaranteed.

Ms. Youssouf asked if HHC's managers would be moving over to JCI and the Group 12 employees would remain with HHC and whether the savings would be achieved by JCI through better management of HHC's plant maintenance operations.

Mr. Quinones, concluding the presentation, stated that some of the added benefits of contracting with JCI included: union employees will not be terminated as a consequence of outsourcing Plant Maintenance Operations; current management employees will have the opportunity to become employees of JCI; a corporate-wide Life Cycle Assessment will be performed cataloguing and evaluating infrastructure equipment; standardization of work order tracking would be implemented to monitor costs and productivity.

Mrs. Bolus asked if the management employees would have an option to go with JCI or remain with HHC.

Mr. Aviles stated that it is not an option but that those employees could seek other employment opportunities within HHC but could not remain with HHC in their current role as part of Plant Maintenance. This option is consistent with all other outsourcing of management service contracts, such as environmental services and Brooklyn central laundry, whereby some employees opted not to take the option being employed by the contractor and secured positions in the private sector.

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Mrs. Bolus asked how often the Board would be informed of the status of the implementation of the Life Cycle Assessment.

Mr. Aviles stated that it would be as often as the Board would require that report.

Dr. Stocker asked if annually would be sufficient for the Board to receive a status report. The Committee was in agreement with having an annual report.

Ms. Cohen asked if there were any structural difference with that model in comparison to the Crothall contract for environmental services or whether it is fundamentally the same model. Mr. Martin stated that it is the same.

Mrs. Bolus asked if HHC would be the largest system managed by JCI and whether that would be a major challenge.

Mr. Herbst stated that HHC would be one of the largest healthcare contracts for JCI; however, it is not dissimilar to other contracts managed by JCI in the private sector that are global in nature. JCI will take best practices and technologies from those implementations and apply them to the HHC.

Mrs. Bolus asked what the estimated response time is given that HHC facilities are spread throughout the five boroughs.

Mr. Herbst stated it is difficult to make that assessment at this time given that one of the priorities for improving efficiencies is to group similar types of work orders or responses so that JCI will not service the same piece of equipment more than once for multiple service requirements. JCI will make an assessment of all equipment and operational function and the response time will be tailored to that criticality and will work with HHC to ensure that the appropriate interpretation of that criticality.

Mrs. Bolus asked how JCI would maintain equipment that has been determined to have exceeded useful life.

Mr. Herbst stated that HHC is currently maintaining that function; therefore, JCI would continue to monitor all equipment in conjunction with HHC.

Mr. Pistone added that HHC has in its capital plan a replacement program of its infrastructure. There is some flexibility within the capital plan to address issues that are identified by JCI as they may relate to the life cycle assessment that will be undertaken.

Mrs. Bolus asked if there will be a manager assigned to each facility to oversee the daily operations.

Mr. Herbst stated that there will be a manager assigned to each facility, consistent with HHC's network structure for the leadership of the facilities for plant maintenance and operations and HHC's operating procedures. JCI's enterprise-wide platform will be made available to HHC.

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Ms. Youssouf asked if there are incentives or standards included in the contract by which HHC will monitor JCI's performance and whether there are any penalties attached to those performances if JCI fails to achieve those standards.

Mr. Pistone stated that there are no performance incentives included in the contract; however, the contract will include provisions that will allow HHC to extricate from the contract if performances are not satisfactory.

Ms. Youssouf asked if there would be penalties included as part of those provisions.

Mr. Quinones stated that if JCI does not perform to HHC's standard, the contractor will not receive payment. There are no penalties included in the contract.

Mr. Rosen asked if HHC or JCI would bear the cost if the estimates included in the personal services costs are greater than projected.

Mr. Quinones stated that HHC would bear those costs. Mr. Rosen added that those costs would include fringes, overtime, salaries, etc. Mr. Quinones stated that those costs would be included.

Mr. Aviles added that it is important to note that in terms of HHC's current situation, if there is an increase in cost due to collective bargaining agreements (CB), HHC would bear those costs. However, through this process there will be savings through attrition.

Ms. Youssouf asked if attrition would apply also to management.

Mr. Aviles stated that it only applies to Group 12.

Mrs. Bolus asked if the CB contracts would remain with HHC or JCI. Mr. Aviles stated that HHC will maintain control of that process.

Mr. Rosen asked where JCI's NY office is located. Mr. Herbst stated that JCI is located at 60 East 42nd Street.

Mrs. Bolus asked if the replacement of the managers would be done by JCI as part of the agreement.

Mr. Herbst stated that the management team from HHC will be transferred to JCI and to the extent that there is a need to supplement those staff, JCI will hire externally and internally within the City.

Mr. Martin stated that it is to HHC's benefit that the managers are kept at the facilities. The intent is to ensure that the current managers are rolled-over to JCI and continue to manage the daily operations of those facilities.

Mrs. Bolus asked how would the replacement of those managers who over the nine year period retire or move onto other jobs be replaced.

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Mr. Herbst stated that it is JCI practice to first look from within the organizational workforce for opportunities to advance the existing staff in other areas. The overall objective is to recruit staff with various levels of experience in order to enhance the standard of work.

Mrs. Bolus asked if JCI would be providing continuing education to assist staff in advancing to the next management level.

Mr. Herbst stated that JCI will not have any management control for the Group 12 employees; therefore, HHC would be in a better position to respond.

Mr. Martin stated that there will be continuing education to ensure that the Group 12 employees have an opportunity to advance through the organization.

Ms. Yousouf asked how many managers would be transferred to JCI and whether the contract is for those managers. Mr. Quinones stated that there are thirty one HHC managers.

Mr. Aviles asked if the thirty one managers was the total number included in the contract.

Mr. Quinones stated that there are thirty one managers for HHC and a total of forty five managers are included in the contract.

Ms. Zurack added that similar to the Crothall contract, the OTPS purchases will be made by JCI on behalf of HHC for a total of \$271 million which is the bulk of the contract. Contractors such as JCI are able to get larger discounts as part of their volume business.

Ms. Cohen asked why there are no performance based compensations included in the contract and whether JCI has this type feature included in other similar contracts.

Mr. Pistone stated there are no performance based incentives included in the contract due to JCI's expertise in this area; therefore, it was decided that it was not necessary to incentivize for that purpose.

Ms. Cohen asked if that was typical for other similar JCI contracts.

Mr. Herbst stated that it varies in that there are contracts that include performance incentives that include a balance score card, whereby there is equal opportunity for both penalty and reward depending on performance measures that are quantifiable. Oftentimes, those types of incentives are implemented in the out years in order to have a better understanding of the baseline and how to measure performance which is probably one of the reasons HHC has opted not to include any in the initial work.

Ms. Cohen asked what some of the metrics are.

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Mr. Herbst stated that some would include response time, health and safety measures, recordable incident, time loss, and quality standards that are somewhat difficult to measure are based on surveys and are more subjective.

Ms. Youssouf asked if JCI would have a system in place to track the amount of time it takes to complete work orders and efficiencies.

Mr. Herbst stated as part of JCI's technology that feature would be included.

Ms. Youssouf asked if it would be monitored by HHC. Mr. Pistone stated HHC would be responsible for monitoring that performance.

Mr. Rosen asked if any of the JCI representatives would be assigned to the NY office.

Mr. Herbst stated that he is based in Chicago, but that three of the representatives in attendance would be assigned to the NY office.

Mr. Rosen asked if those three JCI representatives would be the point of contract for HHC.

Mr. Herbst stated that they would be in addition to the staff that will be transferred from HHC to JCI.

The resolution was approved for the full Board's consideration.

SENIOR VICE PRESIDENT'S REPORT

MARLENE ZURACK

Ms. Zurack stated that her report would include an update on two items. First, currently HHC's cash on hand (COH) is at 27 days compared to 35 days last month. However, it is anticipated that COH will return to 35 days by year-end. There are a number of pending supplemental Medicaid payments that are extremely important in maintaining a healthy cash balance. At the State level, last year the State passed a two-year Medicaid budget, this being the second year that included a freeze, an inflation factor and a 2% cut. In terms of the Governor's budget, there is minimal impact to HHC. There were some new initiatives that were funded related to the MRT workgroup and some changes in benefits. Some of the items in terms of the service mix include, podiatry for adult diabetics was added, breastfeeding support and tobacco support, while knee orthoscopic, back pain treatment, angioplasty and growth hormones were cut in certain situations. The old State proposal remains a factor whereby there was a reduction in payments for elective C-sections that were without medical indications; however, the details of that action are currently under review after deferring this issue another year. In addition \$32 million was added to address health disparities for expanded services translation reimbursement data collection; \$100 million for vital access providers and essential community providers who were referenced in the MRT.

Ms. Cohen added that those did not affect HHC.

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Ms. Zurack stated that although there is no impact to HHC, it is important to provide the Committee with some of the highlights of the State Budget. There is \$25 million to modernize and automate the Medicaid eligibility system and \$1.5 million to promote the expansion of non-physicians. Those investments will be funded by a proposal that has been repeatedly discussed, the elimination of the spousal refusal; redirection of the expiring acute care transition funding and the elimination of some of the previous cited benefits. Those are some of the highlights that as previously stated will have a minimal impact on HHC but a greater impact on some patients in Brooklyn.

KEY INDICATORS/CASH RECEIPTS & DISBURSEMENTS REPORTS

FRED COVINO

Mr. Covino reported that on Page 1 which shows utilization year-to-date (YTD) through December 2011, acute discharges are down by 4.9% which is consistent with last month; however, it is a significant improvement from 9% at the beginning of the year. The Diagnostic and Treatment Centers (D&TC) visits are down by 6.7%, however, this is a significant improvement compared to 10.7% in July 2011. Nursing home days are down by 4.7% which has remained at that level throughout the year. The ALOS, the majority of the facilities with the exception of Lincoln are within a 1/3 day of the corporate average, whereas Lincoln is at ½ day below that average. The CMI is up by 1% compared to last year for the same period which is on top of a 6% and 4.5% for the last two years. Pages 2, FTEs are down by 137 since June 2011 which is 168 FTEs less than the target for the YTD period. The FTE level is down by 747 compared to last year. In the last twelve months, FTEs were reduced by 750. Through December 2011, receipts are \$42.6 million better than budget while disbursements are \$23 million less than budget resulting in a net total of \$65 million against the budget. Page 3, a comparison of cash receipts and disbursements to the current and prior year actuals, receipts are \$397 million worse than last year due to the timing of DSH and UPL payments. In FY 10, a large payment of \$727 million was received in December but not this year for the same period. Expenses are \$86 million worse than last year due to payments to the City that are \$144 million higher this year, in addition to the timing of those payments that are offset by a reduction in personal services (PS) of \$23 million and a reduction of \$54 million. Overall receipts are \$484 million worse than last year. Page 4, a comparison of the actuals against the budget through December 2011, receipts are up by \$19.2 million due to an increase in Medicare collections which are up due to the timing of the PIP reduction. Outpatient collections are up by \$13.2 million due to a large increase in Medicaid managed care disbursements due to a retro rate adjustment from MetroPlus of \$27 million for ER and Amb Surg rates for calendar year 2011. All other is up by \$10 million due to an increase in appeals and settlements that are higher than anticipated in the budget. Concluding the report, Mr. Covino stated that PS expenses are \$3.4 million worse than budget due to overtime spending and OTPS is \$22.7 million better than planned due to a rollover from last year into the current year.

Mr. Aviles informed the Committee that a three-month hiring freeze had been imposed through April 2011. There are some exceptions, one being IT services.

Mrs. Bolus asked if RNs are exempted. Mr. Aviles stated that RNs are not automatically exempted; however, there is an opportunity to appeal to the Chief Operating Officer, Mr. Martin for extraordinary needs.

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Ms. Cohen asked what a PIP payment is. Ms. Zurack stated that it is a Periodic Interim Payment, whereby, Medicaid pays a steady cash flow and adjusts when actual claims are adjudicated.

Mr. Migdal added that HHC is probably one of the last systems in the industry that receives those payments.

INFORMATION ITEM

MAXINE KATZ

INPATIENT, OUTPATIENT ADULT AND PEDIATRICS PAYOR MIX REPORTS

Ms. Katz stated that the Inpatient Payor Mix report from July 2011 through December 2011 shows that there is a slight improvement this year in the percentage of insured to the total. In almost all of the payor mix categories with the exception of commercial managed care and commercial, all other payors are down this year compared to last year. However, there is also a decrease in total discharges by 4,000. There is a slight shift in the payor mix but there is also a decrease in discharges and self-pay discharges as well. The outpatient adult payor mix report comparing the two years, the trend has remained steady at the same level. However, there are some shifts in the outpatient payor mix. Self-pay is down in addition to other payor categories. Total visits and patient volume are also down. Pediatrics payor mix is also holding steady at the same rate comparing the two years but total patients and visits are down and there is also a shift in payor mix.

Mr. Rosen commented that the percentage of insured to total remains at the same level. Ms. Katz stated that it is but that self-pay is down while the payor mix appears to be shifting into different categories. Over the years, Medicaid fee for service was higher but is now migrating to other payors. There is more commercial and commercial managed care than in prior years.

INFORMATION ITEM

MAXINE KATZ

INPATIENT MEDICAID ELIGIBILITY REPORT

Ms. Katz reported that the Medicaid application submissions are down, but overall eligible decisions are down from year to year. The percentage of eligible decisions to applications submitted is better than last year. Requests for additional information from HRA are down compared to last year.

Mrs. Bolus asked what contributed to that improvement.

Ms. Katz stated that a number of Breakthrough activities centered on Medicaid applications have taken place. The facilities have implemented operational changes and are monitoring the application process more closely; more training is being done for the staff based on the ineligible decisions that are being returned. HHC has been working very closely with HRA on training staff and working to improve the front-end processes that involve contacting the patient immediately after a determination has been made that the patient will be admitted. Overall better practices have been implemented but more improvements are needed. In concluding her report, Ms. Katz stated that one of the key factors in those process changes is that the facilities are very active in the process by making site visits to other facilities to examine best practices and deciding which works best for their facility.

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Mr. Rosen asked when the State is expected to take over Medicaid and whether that would mean that the function will shift from HRA to the State. Ms. Zurack stated that it is not known at this time. Ms. Cohen added that it is unclear at this time exactly what the process will be.

ADJOURNMENT

BERNARD ROSEN

There being no further business to discuss the meeting was adjourned at 9:52 a.m.

KEY INDICATORS
FISCAL YEAR 2012 UTILIZATION

Year to Date
January 2012

NETWORKS	UTILIZATION			AVERAGE LENGTH OF STAY		ALL PAYOR CASE MIX INDEX	
	FY 12	FY 11	VAR %	ACTUAL	EXPECTED	FY 12	FY 11
<u>North Bronx</u>							
Jacobi	11,826	12,061	-1.9%	5.9	6.0	1.0992	1.1036
North Central Bronx	4,746	4,780	-0.7%	4.4	4.4	0.7237	0.7378
<u>Generations +</u>							
Harlem	6,210	7,105	-12.6%	5.4	5.5	1.0180	0.9488
Lincoln	13,732	14,944	-8.1%	4.8	5.2	0.9444	0.9466
Belvis DTC	38,307	40,891	-6.3%				
Morrisania DTC	59,062	48,764	21.1%				
Renaissance	38,914	42,833	-9.1%				
<u>South Manhattan</u>							
Bellevue	14,571	14,695	-0.8%	6.1	6.0	1.1440	1.1664
Metropolitan	6,811	6,949	-2.0%	4.5	4.8	0.7911	0.8634
Coler	177,375	201,127	-11.8%				
Goldwater	186,788	189,725	-1.5%				
Gouverneur - NF	40,476	43,428	-6.8%				
Gouverneur - DTC	159,436	181,965	-12.4%				
<u>North Central Brooklyn</u>							
Kings County	14,017	13,525	3.6%	5.8	5.8	1.0741	1.1071
Woodhull	8,432	9,389	-10.2%	4.9	4.7	0.8266	0.8573
McKinney	67,668	66,899	1.1%				
Cumberland DTC	56,603	62,689	-9.7%				
East New York	49,146	49,832	-1.4%				
<u>Southern Brooklyn / S I</u>							
Coney Island	9,789	10,288	-4.9%	6.3	5.9	1.1166	1.1044
Seaview	64,035	64,236	-0.3%				
<u>Queens</u>							
Elmhurst	14,620	15,305	-4.5%	5.2	5.1	0.9634	0.9199
Queens	7,621	9,274	-17.8%	5.0	5.0	0.9176	0.8290
Discharges/CMI-- All Acutes	112,375	118,315	-5.0%			0.9941	0.9881
Visits-- All D&TCs	401,468	426,974	-6.0%				
Days-- All SNFs	536,342	565,415	-5.1%				

Notes:

<p><u>Utilization</u> Acute: discharges excluding psych and rehab; D&TC; reimburseable visits; SNF; chronic and rehab days</p> <p><u>Average Length of Stay</u> Actual: discharges divided by days; excludes one day stays. Expected: weighted average of DRG specific corporate average length of stay using APR-DRGs</p> <p><u>All Payor CMI</u> All acute discharges are grouped using the 2011 New York State APR-DRGs</p>
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KEY INDICATORS

FISCAL YEAR 2012 BUDGET PERFORMANCE (\$s in 000s)

Year to Date

January 2012

NETWORKS	FTE's VS 6/18/11	RECEIPTS		DISBURSEMENTS		BUDGET VARIANCE	
		actual	better / (worse)	actual	better / (worse)	better / (worse)	
<u>North Bronx</u>							
Jacobi	(89.0)	\$ 254,916	\$ (7,360)	\$ 322,656	\$ 11,605	\$ 4,245	0.7%
North Central Bronx	<u>4.0</u>	<u>95,730</u>	<u>12,009</u>	<u>104,894</u>	<u>6,042</u>	<u>18,051</u>	<u>9.3%</u>
	(85.0)	\$ 350,646	\$ 4,649	\$ 427,550	\$ 17,647	\$ 22,296	2.8%
<u>Generations +</u>							
Harlem	(21.5)	\$ 157,552	\$ (5,445)	\$ 205,980	\$ (12,178)	\$ (17,622)	-4.9%
Lincoln	(3.5)	247,924	14,916	288,994	6,972	21,888	4.1%
Belvis DTC	1.0	6,589	622	8,116	1,689	2,311	14.7%
Morrisania DTC	(1.0)	11,421	1,682	14,658	3,561	5,243	18.8%
Renaissance	<u>4.0</u>	<u>8,158</u>	<u>1,373</u>	<u>12,597</u>	<u>833</u>	<u>2,206</u>	<u>10.9%</u>
	(21.0)	\$ 431,644	\$ 13,148	\$ 530,345	\$ 879	\$ 14,027	1.5%
<u>South Manhattan</u>							
Bellevue	(22.0)	\$ 369,507	\$ (8,039)	\$ 419,743	\$ (1,104)	\$ (9,143)	-1.1%
Metropolitan	(60.5)	141,983	(12,939)	183,502	4,632	(8,307)	-2.4%
Coler	(27.5)	65,495	(357)	79,680	(10,186)	(10,543)	-7.8%
Goldwater	(20.5)	77,742	(14,617)	101,321	(8,007)	(22,625)	-12.2%
Gouverneur	<u>(16.0)</u>	<u>54,121</u>	<u>621</u>	<u>55,245</u>	<u>4,115</u>	<u>4,736</u>	<u>4.2%</u>
	(146.5)	\$ 708,848	\$ (35,331)	\$ 839,491	\$ (10,550)	\$ (45,881)	-2.9%
<u>North Central Brooklyn</u>							
Kings County	(73.5)	\$ 367,340	\$ 18,351	\$ 414,949	\$ 2,045	\$ 20,396	2.7%
Woodhull	(65.5)	\$ 179,324	\$ (23,137)	\$ 236,563	\$ 874	\$ (22,263)	-5.1%
McKinney	(8.0)	26,929	(437)	26,393	(406)	(843)	-1.6%
Cumberland DTC	(8.5)	12,711	(542)	19,237	(3,100)	(3,642)	-12.4%
East New York	<u>(5.0)</u>	<u>10,777</u>	<u>(126)</u>	<u>12,787</u>	<u>1,026</u>	<u>900</u>	<u>3.6%</u>
	(160.5)	\$ 597,081	\$ (5,891)	\$ 709,929	\$ 439	\$ (5,452)	-0.4%
<u>Southern Brooklyn/SI</u>							
Coney Island	22.5	\$ 176,074	\$ 15,054	\$ 210,657	\$ 5,060	\$ 20,114	5.3%
Seaview	<u>(13.0)</u>	<u>25,843</u>	<u>994</u>	<u>28,977</u>	<u>(131)</u>	<u>863</u>	<u>1.6%</u>
	9.5	\$ 201,917	\$ 16,047	\$ 239,634	\$ 4,930	\$ 20,977	4.9%
<u>Queens</u>							
Elmhurst	(51.5)	\$ 280,452	\$ 2,535	\$ 316,843	\$ 19,253	\$ 21,788	3.5%
Queens	<u>(22.0)</u>	<u>171,413</u>	<u>13,611</u>	<u>210,231</u>	<u>(12,549)</u>	<u>1,063</u>	<u>0.3%</u>
	(73.5)	\$ 451,866	\$ 16,146	\$ 527,074	\$ 6,704	\$ 22,851	2.4%
NETWORKS TOTAL	(477.0)	\$ 2,742,001	\$ 8,769	\$ 3,274,024	\$ 20,049	\$ 28,818	0.5%
Central Office	(246.0)	475,764	792	142,841	7,026	7,817	1.3%
HHC Health & Home Care	6.0	11,073	(5,685)	21,753	81	(5,604)	-14.5%
Enterprise IT	<u>539.0</u>	<u>0</u>	<u>0</u>	<u>87,634</u>	<u>9,626</u>	<u>9,626</u>	<u>9.9%</u>
GRAND TOTAL	(178.0)	\$ 3,228,838	\$ 3,875	\$ 3,526,252	\$ 36,782	\$ 40,657	0.6%

Notes:

Residents & Grants are included in the reported FTE's.
Reported FTE's are compared to 6/18/11.

New York City Health & Hospitals Corporation
Cash Receipts and Disbursements (CRD)
Fiscal Year 2012 vs Fiscal Year 2011 (in 000's)
TOTAL CORPORATION

	Month of January 2012			Fiscal Year To Date January 2012		
	actual 2012	actual 2011	better / (worse)	actual 2012	actual 2011	better / (worse)
Cash Receipts						
Inpatient						
Medicaid Fee for Service	\$ 72,660	\$ 76,125	\$ (3,465)	\$ 642,550	\$ 673,231	\$ (30,681)
Medicaid Managed Care	47,964	44,838	3,126	334,698	352,978	(18,279)
Medicare	41,102	36,804	4,298	329,994	293,893	36,101
Medicare Managed Care	21,318	19,776	1,543	144,361	139,631	4,730
Other	<u>20,432</u>	<u>16,538</u>	<u>3,894</u>	<u>135,133</u>	<u>126,846</u>	<u>8,287</u>
Total Inpatient	\$ 203,478	\$ 194,082	\$ 9,396	\$ 1,586,736	\$ 1,586,578	\$ 158
Outpatient						
Medicaid Fee for Service	\$ 13,545	\$ 14,913	\$ (1,368)	\$ 116,559	\$ 144,033	\$ (27,475)
Medicaid Managed Care	26,214	22,612	3,601	212,770	203,147	9,623
Medicare	4,846	4,699	147	38,897	38,262	635
Medicare Managed Care	4,391	7,945	(3,554)	59,363	48,370	10,993
Other	<u>12,645</u>	<u>11,026</u>	<u>1,619</u>	<u>88,701</u>	<u>85,371</u>	<u>3,330</u>
Total Outpatient	\$ 61,641	\$ 61,195	\$ 446	\$ 516,289	\$ 519,184	\$ (2,894)
All Other						
Pools	\$ 8,665	\$ (1,071)	\$ 9,736	\$ 224,886	\$ 219,931	\$ 4,955
DSH / UPL	-	-	-	715,650	1,107,686	(392,036)
Grants, Intracity, Tax Levy	21,887	8,571	13,317	145,409	137,318	8,091
Appeals & Settlements	(27,046)	707	(27,752)	8,490	15,224	(6,734)
Misc / Capital Reimb	<u>6,858</u>	<u>6,107</u>	<u>750</u>	<u>31,377</u>	<u>34,379</u>	<u>(3,002)</u>
Total All Other	\$ 10,364	\$ 14,314	\$ (3,950)	\$ 1,125,813	\$ 1,514,538	\$ (388,726)
Total Cash Receipts	\$ 275,483	\$ 269,591	\$ 5,892	\$ 3,228,838	\$ 3,620,300	\$ (391,462)
Cash Disbursements						
PS	\$ 185,529	\$ 189,230	\$ 3,701	\$ 1,409,826	\$ 1,436,653	\$ 26,827
Fringe Benefits	55,980	56,877	896	596,845	592,923	(3,922)
OTPS	89,435	94,932	5,497	719,839	701,763	(18,076)
City Payments	-	-	-	235,784	168,852	(66,932)
Affiliation	72,576	67,528	(5,048)	509,909	490,918	(18,991)
HHC Bonds Debt	<u>8,258</u>	<u>9,470</u>	<u>1,212</u>	<u>54,050</u>	<u>54,802</u>	<u>752</u>
Total Cash Disbursements	\$ 411,778	\$ 418,036	\$ 6,258	\$ 3,526,252	\$ 3,445,910	\$ (80,342)
Receipts over/(under) Disbursements	\$ (136,295)	\$ (148,445)	\$ 12,150	\$ (297,415)	\$ 174,390	\$ (471,804)

New York City Health & Hospitals Corporation
Actual vs. Budget Report
Fiscal Year 2012 (in 000's)
TOTAL CORPORATION

	Month of January 2012			Fiscal Year To Date January 2012		
	actual 2012	budget 2012	better / (worse)	actual 2012	budget 2012	better / (worse)
Cash Receipts						
Inpatient						
Medicaid Fee for Service	\$ 72,660	\$ 89,330	\$ (16,670)	\$ 642,550	\$ 650,699	\$ (8,149)
Medicaid Managed Care	47,964	48,571	(607)	334,698	355,667	(20,968)
Medicare	41,102	38,640	2,462	329,994	299,032	30,962
Medicare Managed Care	21,318	19,969	1,350	144,361	143,775	586
Other	<u>20,432</u>	<u>17,966</u>	<u>2,466</u>	<u>135,133</u>	<u>129,357</u>	<u>5,776</u>
Total Inpatient	\$ 203,478	\$ 214,477	\$ (10,999)	\$ 1,586,736	\$ 1,578,529	\$ 8,207
Outpatient						
Medicaid Fee for Service	\$ 13,545	\$ 17,910	\$ (4,365)	\$ 116,559	\$ 134,246	\$ (17,687)
Medicaid Managed Care	26,214	25,510	704	212,770	191,250	21,520
Medicare	4,846	5,295	(448)	38,897	40,512	(1,615)
Medicare Managed Care	4,391	5,436	(1,046)	59,363	60,145	(782)
Other	<u>12,645</u>	<u>11,124</u>	<u>1,521</u>	<u>88,701</u>	<u>80,551</u>	<u>8,150</u>
Total Outpatient	\$ 61,641	\$ 65,275	\$ (3,634)	\$ 516,289	\$ 506,703	\$ 9,586
All Other						
Pools	\$ 8,665	\$ 9,216	\$ (551)	\$ 224,886	\$ 225,523	\$ (637)
DSH / UPL	-	-	0	715,650	715,650	0
Grants, Intracity, Tax Levy	21,887	25,268	(3,380)	145,409	143,464	1,945
Appeals & Settlements	(27,046)	(4,000)	(23,046)	8,490	22,600	(14,110)
Misc / Capital Reimb	<u>6,858</u>	<u>4,030</u>	<u>2,828</u>	<u>31,377</u>	<u>32,493</u>	<u>(1,116)</u>
Total All Other	\$ 10,364	\$ 34,513	\$ (24,149)	\$ 1,125,813	\$ 1,139,730	\$ (13,918)
Total Cash Receipts	\$ 275,483	\$ 314,265	\$ (38,782)	\$ 3,228,838	\$ 3,224,963	\$ 3,875
Cash Disbursements						
PS	\$ 185,529	\$ 186,716	\$ 1,187	\$ 1,409,826	\$ 1,407,627	\$ (2,199)
Fringe Benefits	55,980	56,884	903	596,845	601,516	4,671
OTPS	89,435	101,983	12,548	719,839	755,098	35,259
City Payments	-	-	-	235,784	234,651	(1,133)
Affiliation	72,576	71,957	(619)	509,909	508,402	(1,507)
HHC Bonds Debt	<u>8,258</u>	<u>7,963</u>	<u>(295)</u>	<u>54,050</u>	<u>55,741</u>	<u>1,691</u>
Total Cash Disbursements	\$ 411,778	\$ 425,503	\$ 13,725	\$ 3,526,252	\$ 3,563,034	\$ 36,782
Receipts over/(under) Disbursements	\$ (136,295)	\$ (111,238)	\$ (25,057)	\$ (297,415)	\$ (338,071)	\$ 40,657



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Review of Personal Services Key Indicators (6/18/11 Thru 1/14/12)

PS Disbursements – Actual vs. Budget

Network/Facility	Actual PS thru January 2012 (\$ in 000's)	Budgeted PS thru January 2012 (\$ in 000's)	Budget Variance thru January 2012 (\$ in 000's)
North Bronx			
Jacobi	127,698	127,856	158
NCB	41,913	41,632	(280)
Subtotal	169,611	169,488	(122)
Generations +			
Harlem	79,985	78,443	(1,542)
Lincoln	108,120	106,097	(2,022)
Morrisania	7,206	7,015	(191)
Renaissance	5,458	5,460	2
S.R. Belvis	4,572	4,277	(295)
Subtotal	205,341	201,292	(4,048)
South Manhattan			
Bellevue	164,969	165,173	205
Metropolitan	74,502	74,152	(350)
Coler	36,022	34,256	(1,766)
Goldwater	46,361	44,931	(1,429)
Gouverneur	25,663	25,686	23
Subtotal	347,517	344,198	(3,317)
North Brooklyn			
Woodhull	89,802	91,815	2,014
Cumberland	8,292	8,324	33
Subtotal	98,094	100,139	2,047
Central Brooklyn			
Kings County	208,506	206,448	(2,058)
McKinney	12,496	12,572	77
ENY	7,686	7,769	83
Subtotal	228,688	226,789	(1,898)
S Brooklyn / Staten Is.			
Coney Island	88,209	87,388	(821)
Seaview	15,916	15,537	(379)
Subtotal	104,125	102,925	(1,200)
Queens			
Elmhurst	119,632	122,444	2,812
Queens	72,994	72,152	(842)
Subtotal	192,626	194,596	1,970
Facilities Total	1,346,002	1,339,427	(6,568)
Central Office	33,482	34,182	700
Certified Home Health	7,481	7,661	181
Enterprise IT	22,864	26,354	3,490
Grand Total	1,409,826	1,407,627	(2,199)

FTE Variance 06/18/11 - 1/14/12

Network/Facility	FTEs as of 6/18/11	FTEs as of 1/14/12	Increase (Decrease) in FTEs thru 1/14/12
North Bronx			
Jacobi	3,419.0	3,330.0	(89.0)
NCB	1,111.5	1,115.5	4.0
Subtotal	4,530.5	4,445.5	(85.0)
Generations +			
Harlem	2,193.5	2,172.0	(21.5)
Lincoln	2,800.0	2,796.5	(3.5)
Morrisania	188.0	187.0	(1.0)
Renaissance	147.0	151.0	4.0
S.R. Belvis	107.5	108.5	1.0
Subtotal	5,436.0	5,415.0	(21.0)
South Manhattan			
Bellevue	4,348.5	4,326.5	(22.0)
Metropolitan	2,068.0	2,007.5	(60.5)
Coler	1,060.0	1,032.5	(27.5)
Goldwater	1,257.5	1,237.0	(20.5)
Gouverneur	639.5	623.5	(16.0)
Subtotal	9,373.5	9,227.0	(146.5)
North Brooklyn			
Woodhull	2,432.5	2,367.0	(65.5)
Cumberland	245.5	237.0	(8.5)
Subtotal	2,678.0	2,604.0	(74.0)
Central Brooklyn			
Kings County	4,930.5	4,857.0	(73.5)
McKinney	360.5	352.5	(8.0)
ENY	199.5	194.5	(5.0)
Subtotal	5,490.5	5,404.0	(86.5)
S Brooklyn / Staten Is.			
Coney Island	2,380.5	2,403.0	22.5
Seaview	381.5	368.5	(13.0)
Subtotal	2,762.0	2,771.5	9.5
Queens			
Elmhurst	3,270.0	3,218.5	(51.5)
Queens	1,891.5	1,869.5	(22.0)
Subtotal	5,161.5	5,088.0	(73.5)
Facilities Total	35,432.0	34,955.0	(477.0)
Central Office	853.0	607.0	(246.0)
Certified Home Health	161.0	167.0	6.0
Enterprise IT	-	539.0	539.0
Grand Total	36,446.0	36,268.0	(178.0)

Note: RESIDENT HEADCOUNT FOR FISCAL YEAR END 2011 UTILIZES JUNE 18, 2011.

Corporate-wide FTE Variance by Category

Staffing Change June 2011 vs. January 2012	FTEs
Environmental/Hotel	(188.5)
Aides/Ord	(73.5)
Clerical	(59.5)
Nurses*	(7.5)
Physicians	(4.5)
Tech/Spec	118.5
Managers	37.0
Residents	0.0
Total	(178.0)
<i>*Nurses include LPNs RNs & Nurse Practitioners</i>	

FY 2012 Overtime Actual vs. Budget

Network/Facility	Actual OT thru January 2012	OT Budget thru January 2012	Variance
North Bronx			
Jacobi	8,731,492	8,011,280	720,212
NCB	3,418,361	3,192,800	225,561
Subtotal	\$12,149,853	11,204,080	\$945,773
Generations +			
Harlem	5,000,910	4,468,480	532,430
Lincoln	7,072,103	6,335,600	736,503
Morrisania	126,797	55,856	70,941
Renaissance	105,145	55,856	49,289
S.R. Belvis	37,736	47,478	(9,742)
Subtotal	\$12,342,691	\$10,963,270	\$1,379,421
South Manhattan			
Bellevue	8,607,156	8,378,400	228,756
Metropolitan	2,834,469	2,792,800	41,669
Coler	3,626,735	2,792,800	833,935
Goldwater	4,806,523	3,630,640	1,175,883
Gouverneur	115,068	139,640	(24,572)
Subtotal	\$19,989,951	\$17,734,280	\$2,255,671
North Brooklyn			
Woodhull	4,225,549	4,747,760	(522,211)
Cumberland	342,090	223,424	118,666
Subtotal	\$4,567,639	\$4,971,184	(\$403,545)
Central Brooklyn			
Kings County	10,660,175	9,774,800	885,375
McKinney	1,135,279	1,033,336	101,943
ENY	102,504	83,784	18,720
Subtotal	\$11,897,958	\$10,891,920	\$1,006,038
S Brooklyn / Staten Is.			
Coney Island	1,700,891	1,675,680	25,211
Seaview	456,204	390,992	65,212
Subtotal	\$2,157,095	\$2,066,672	\$90,423
Queens			
Elmhurst	6,252,807	6,144,160	108,647
Queens	3,576,910	3,909,920	(333,010)
Subtotal	\$9,829,717	\$10,054,080	(\$224,363)
Facilities Total	\$72,934,904	\$67,885,486	\$5,049,418
Central Office	413,378	390,992	\$22,386
Certified Home Health	\$70,811	\$55,856	\$14,955
Enterprise IT	\$419,853	\$584,254	164,401
Grand Total	\$73,838,946	\$68,916,588	\$4,922,358

Overtime by Major Category FY 2012 vs. FY 2011

FYTD JANUARY 2011 vs. FYTD JANUARY 2012

GROUP	FYTD JAN. 11	FYTD JAN. 12	Inc./((Dec.) \$	Inc./((Dec.) %
NURSING	21,004,360	22,096,512	1,092,152	5.2%
PLANT MAINT	20,478,483	20,977,773	499,290	2.4%
ALL OTHERS	<u>28,226,099</u>	<u>30,764,661</u>	<u>2,538,562</u>	<u>9.0%</u>
TOTAL	69,708,942	73,838,946	4,130,004	5.9%

Nurse Registry FY 2012 vs. FY 2011

Network/Facility	Nurse Registry thru January 2011	Nurse Registry thru January 2012	Variance
North Bronx			
Jacobi	\$3,115,829	\$3,164,681	48,852
NCB	\$193,238	\$642,530	449,292
Subtotal	\$3,309,067	\$3,807,211	\$498,144
Generations +			
Harlem	\$5,129,885	\$4,914,860	(215,025)
Lincoln	\$7,504,560	\$9,171,612	1,667,052
Morrisania	\$110,743	\$97,975	(12,768)
Renaissance	\$31,611	\$0	(31,611)
S.R. Belvis	\$0	\$15,486	15,486
Subtotal	\$12,776,799	\$14,199,933	\$1,423,134
South Manhattan			
Bellevue	\$5,628,831	\$5,559,957	(68,874)
Metropolitan	\$2,097,498	\$2,463,754	366,256
Coler	\$77,832	\$105,457	27,625
Goldwater	\$431,281	\$539,880	108,599
Gouverneur	\$417,145	\$197,418	(219,727)
Subtotal	\$8,652,587	\$8,866,466	\$213,879
North Brooklyn			
Woodhull	\$4,110,415	\$1,714,348	(2,396,067)
Cumberland	\$0	\$0	-
Subtotal	\$4,110,415	\$1,714,348	(\$2,396,067)
Central Brooklyn			
Kings County	\$2,127,229	\$4,057,343	1,930,114
McKinney	\$591,673	\$1,119,826	528,153
ENY	\$27,694	\$39,685	11,991
Subtotal	\$2,746,596	\$5,216,854	\$2,470,258
S Brooklyn / Staten Is.			
Coney Island	\$0	\$0	-
Seaview	\$0	\$0	-
Subtotal	\$0	\$0	\$0
Queens			
Elmhurst	\$1,696,856	\$2,651,441	954,585
Queens	\$5,695,126	\$6,198,034	502,908
Subtotal	\$7,391,982	\$8,849,475	\$1,457,493
Facilities Total	\$38,987,446	\$42,654,287	\$3,666,841
Certified Home Health	\$1,913,980	\$2,317,673	\$403,693
Grand Total	\$40,901,426	\$44,971,960	\$4,070,534

Allowances FY 2012 vs. FY 2011

Network/Facility	Allowances thru January 2011	Allowances thru January 2012	Variance
North Bronx			
Jacobi	\$511,905	\$487,146	(24,759)
NCB	\$233,440	\$164,371	(69,069)
Subtotal	\$745,345	\$651,517	(\$93,828)
Generations +			
Harlem	\$3,037,776	\$2,524,337	(513,439)
Lincoln	\$4,826,972	\$4,609,403	(217,569)
Morrisania	\$215,056	\$180,893	(34,163)
Renaissance	\$203,924	\$160,947	(42,977)
S.R. Belvis	\$136,510	\$125,540	(10,970)
Subtotal	\$8,420,238	\$7,601,120	(\$819,118)
South Manhattan			
Bellevue	\$3,296,020	\$3,245,936	(50,084)
Metropolitan	\$2,958,297	\$2,807,119	(151,178)
Coler	\$1,127,723	\$1,277,268	149,545
Goldwater	\$1,513,721	\$1,701,281	187,560
Gouverneur	\$2,291,279	\$2,459,052	167,773
Subtotal	\$11,187,040	\$11,490,656	\$303,616
North Brooklyn			
Woodhull	\$2,243,298	\$1,812,836	(430,462)
Cumberland	\$133,031	\$112,213	(20,818)
Subtotal	\$2,376,329	\$1,925,049	(\$451,280)
Central Brooklyn			
Kings County	\$7,953,470	\$7,761,837	(191,633)
McKinney	\$867,130	\$789,931	(77,199)
ENY	\$119,308	\$123,537	4,229
Subtotal	\$8,939,908	\$8,675,305	(\$264,603)
S Brooklyn / Staten Is.			
Coney Island	\$5,346,348	\$5,034,625	(311,723)
Seaview	\$3,408,317	\$3,601,839	193,522
Subtotal	\$8,754,665	\$8,636,464	(\$118,201)
Queens			
Elmhurst	\$842,487	\$816,410	(26,077)
Queens	\$1,475,008	\$1,785,360	310,352
Subtotal	\$2,317,495	\$2,601,770	\$284,275
Facilities Total	\$42,741,020	\$41,581,881	(\$1,159,139)
Central Office	\$440,475	\$449,453	\$8,978
Certified Home Health	\$1,233,404	\$1,102,537	(\$130,867)
Enterprise IT	\$0	\$192,379	\$192,379
Grand Total	\$44,414,899	\$43,326,250	(\$1,088,649)

Operating Financial Plan

Operating Financial Plan – Cash Basis

January 13 Plan

(\$ millions)

	<i>Actuals</i>		===== <i>Projected</i> =====			
	FY11	FY12	FY13	FY14	FY15	FY16
RECEIPTS:						
<u>Third party receipts</u>						
Medicaid Fee for Service	\$1,394.9	\$1,293.7	\$1,280.4	\$1,329.8	\$1,356.9	\$1,384.6
Upper Payment Limit (UPL)	1,358.5	943.6	599.4	593.2	593.2	593.2
Disproportionate Share Hospital (DSH)	165.0	1,022.1	697.2	643.3	643.3	643.3
Pools	451.5	436.8	437.3	416.4	416.4	416.4
Medicaid Managed Care	1,153.6	1,067.8	1,151.2	1,165.6	1,201.2	1,238.0
Medicare Fee for Service	623.8	609.5	554.7	523.1	501.4	488.1
Medicare Managed Care	339.4	356.3	333.0	315.3	299.1	282.9
Managed Care Other	363.3	365.5	360.0	360.0	360.0	360.0
Subtotal: Third Party Receipts	5,850.1	6,095.3	5,413.1	5,346.7	5,371.4	5,406.5
City Services Total	182.7	198.0	165.7	164.8	164.4	164.4
Grants	124.5	119.7	127.9	127.9	127.9	127.9
FDNY/EMS	177.7	184.1	189.9	196.9	204.2	211.8
Other	159.0	155.5	157.0	159.0	161.1	163.2
Subtotal: Other	461.2	459.3	474.7	483.8	493.1	502.8
Total Receipts	\$6,494.0	\$6,752.5	\$6,053.6	\$5,995.2	\$6,029.0	\$6,073.7

Operating Financial Plan – Cash Basis

January 13 Plan

	<i>Actuals</i>		<i>Projected</i>			
	FY11	FY12	FY13	FY14	FY15	FY16
<u>DISBURSEMENTS:</u>						
Personal Services	\$2,525.6	\$2,577.4	\$2,606.9	\$2,657.5	\$2,690.7	\$2,724.4
Fringe Benefits	1,107.2	1,220.8	1,254.6	1,314.7	1,398.4	1,478.8
Other Than Personal Services	1,477.7	1,545.2	1,592.2	1,641.6	1,690.2	1,740.4
Malpractice Settlements	121.6	245.9	135.9	135.9	135.9	135.9
Affiliation Contracts	855.4	876.0	902.3	929.4	957.3	986.0
Other City Services and Charges	1.1	1.1	1.1	1.1	1.1	1.1
Debt Service Costs	206.5	238.2	261.2	250.7	236.3	227.1
Total Disbursements	6,295.2	6,704.6	6,754.3	6,930.9	7,110.0	7,293.7
Receipts over (under) Disbursements	\$198.8	\$47.9	(\$700.7)	(\$935.6)	(\$1,081.0)	(\$1,220.0)
Capital Receipts over (under) Disbursements	(11.0)	(14.4)	13.0	5.0	2.0	2.0
<u>Corrective Actions</u>						
HHC Savings Initiatives/Cost Containment	0.0	28.1	24.2	21.1	21.1	21.1
Restructuring	0.0	72.3	197.1	239.9	239.7	239.9
City Share of DSH Preservation	0.0	0.0	0.0	36.6	45.9	45.9
State and Federal Actions	<u>0.0</u>	<u>0.0</u>	<u>250.0</u>	<u>450.0</u>	<u>650.0</u>	<u>850.0</u>
Subtotal: Corrective Actions	0.0	100.4	471.3	747.6	956.7	1,156.8
Opening Cash Balance	365.3	553.1	687.1	470.7	287.7	165.6
Closing Cash Balance	\$553.1	\$687.1	\$470.7	\$287.7	\$165.6	\$104.5

New York City Health and Hospitals Corporation
Monthly Medicaid Inpatient Processing Report
FY'2012-2011

FACILITY	Fiscal Year To Date As of January 2012					
	Medicaid Applications Submitted	Medicaid Eligible Decisions*	Ineligible Decisions	Add'l Info Requested	PCAP Applications Submitted	Perinatal Care Assistance Program (PCAP) Eligible
BELLEVUE	3,048	2,394	333	228	411	378
CONEY ISLAND	1,483	1,298	61	62	424	412
ELMHURST	2,769	2,768	62	42	1,590	1,533
HARLEM	892	769	38	61	304	308
JACOBI	1,753	1,403	210	43	555	551
KINGS	2,766	2,535	110	92	1,050	1,044
LINCOLN	1,778	1,638	64	115	797	718
METROPOLITAN	1,252	1,003	69	67	581	567
NCB	801	793	36	29	597	573
QUEENS	1,480	1,338	89	88	620	653
WOODHULL	1,326	1,214	47	61	665	671
TOTAL	19,348	17,153	1,119	888	7,594	7,408

FACILITY	Fiscal Year To Date As of January 2011					
	Medicaid Applications Submitted	Medicaid Eligible Decisions*	Ineligible Decisions	Add'l Info Requested	PCAP Applications Submitted	Perinatal Care Assistance Program (PCAP) Eligible
BELLEVUE	3,322	2,872	205	219	542	430
CONEY ISLAND	1,529	1,239	104	154	491	471
ELMHURST	2,574	2,178	74	52	1,742	1,645
HARLEM	939	807	54	88	358	345
JACOBI	1,772	1,438	121	146	777	693
KINGS	2,528	2,262	146	163	1,167	1,029
LINCOLN	1,948	1,770	27	84	771	750
METROPOLITAN	1,495	1,133	153	119	563	543
NCB	810	684	37	24	569	578
QUEENS	1,737	1,425	54	121	817	767
WOODHULL	1,504	1,370	52	80	673	671
TOTAL	20,158	17,178	1,027	1,250	8,470	7,922

* The number of eligible decisions does not directly relate to the number of applications submitted.

NEW YORK CITY HEALTH AND HOSPITALS CORPORATION

(A Component Unit of the City of New York)

Statement of Revenue and Expenses

Periods ended December 31, 2011 and 2010

(in thousands)

	HHC		MetroPlus		Inter-Company Elimination Entries		Totals		Variance
	2011	2010	2011	2010	2011	2010	2011	2010	
Operating revenues:									
Net patient service revenue	\$ 2,809,309	3,005,688	-	-	(366,051) ⁽¹⁾	(310,579) ⁽¹⁾	2,443,258	2,695,109	(251,851)
Appropriations from (remittances to) the City, net	(1,637)	(6,878)	-	-	-	-	(1,637)	(6,878)	5,241
Premium revenue	-	-	870,098	637,876	(7,849) ⁽²⁾	(6,781) ⁽²⁾	862,249	631,095	231,154
Grants revenue	103,672	106,930	(25)	164	-	-	103,647	107,094	(3,447)
Other revenue	18,436	22,527	29	3	-	-	18,465	22,530	(4,065)
Total operating revenues	<u>2,929,780</u>	<u>3,128,267</u>	<u>870,102</u>	<u>638,043</u>	<u>(373,900)</u>	<u>(317,360)</u>	<u>3,425,982</u>	<u>3,448,950</u>	<u>(22,968)</u>
Operating expenses:									
Personal services	1,270,007	1,286,115	23,798	23,133	-	-	1,293,805	1,309,248	(15,443)
Other than personal services	673,397	682,676	796,959	574,998	(366,051) ⁽¹⁾	(310,579) ⁽¹⁾	1,104,305	947,095	157,210
Fringe benefits and employer payroll taxes	548,141	515,324	10,233	8,502	(7,849) ⁽²⁾	(6,781) ⁽²⁾	550,525	517,045	33,480
Postemployment benefits, other than pension	346,533	282,878	4,973	3,522	-	-	351,506	286,400	65,106
Affiliation contracted services	437,334	417,865	-	-	-	-	437,334	417,865	19,469
Depreciation	128,598	125,861	863	813	-	-	129,461	126,674	2,787
Total operating expenses	<u>3,404,010</u>	<u>3,310,719</u>	<u>836,826</u>	<u>610,968</u>	<u>(373,900)</u>	<u>(317,360)</u>	<u>3,866,936</u>	<u>3,604,327</u>	<u>262,609</u>
Operating income (loss)	<u>(474,230)</u>	<u>(182,452)</u>	<u>33,276</u>	<u>27,075</u>	<u>-</u>	<u>-</u>	<u>(440,954)</u>	<u>(155,377)</u>	<u>(285,577)</u>
Nonoperating revenues (expenses):									
Investment income	7,578	2,638	857	593	-	-	8,435	3,231	5,204
Interest expense	(50,236)	(45,441)	-	-	-	-	(50,236)	(45,441)	(4,795)
Noncapital contributions	640	558	-	-	-	-	640	558	82
Total nonoperating revenues (expenses)	<u>(42,018)</u>	<u>(42,245)</u>	<u>857</u>	<u>593</u>	<u>-</u>	<u>-</u>	<u>(41,161)</u>	<u>(41,652)</u>	<u>491</u>
Income (Loss)	<u>\$ (516,248)</u>	<u>(224,697)</u>	<u>34,133</u>	<u>27,668</u>	<u>-</u>	<u>-</u>	<u>(482,115)</u>	<u>(197,029)</u>	<u>(285,086)</u>

(1) Represents payments by Metroplus to HHC for medical services. Revenue and expenses are eliminated for consolidation purposes.

(2) Represents health benefits paid to Metroplus for HHC employees. Revenue and expenses are eliminated for consolidation purposes.