

AGENDA

FINANCE COMMITTEE

MEETING DATE: JULY 10, 2012
TIME: 9:00 A.M.
LOCATION: 125 WORTH STREET
BOARD ROOM

BOARD OF DIRECTORS

CALL TO ORDER

BERNARD ROSEN

ADOPTION OF THE *JUNE 12, 2012* MINUTES

SENIOR VICE PRESIDENT'S REPORT

MARLENE ZURACK

KEY INDICATORS/CASH RECEIPTS & DISBURSEMENTS REPORTS FRED COVINO

INFORMATION ITEMS

1. MEDICAID ELIGIBILITY REPORT –MAY 2012

MAXINE KATZ

OLD BUSINESS
NEW BUSINESS
ADJOURNMENT

BERNARD ROSEN

MINUTES

MEETING DATE: JUNE 12, 2012

FINANCE COMMITTEE

BOARD OF DIRECTORS

The meeting of the Finance Committee of the Board of Directors was held on June 12, 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
Josephine Bolus, RN
Emily Youssof
Andrea Cohen, (representing Deputy Mayor Linda Gibbs in a voting capacity)

OTHER ATTENDEES

J. DeGeorge, Analyst, Office of the State Comptroller
M. Dolan, Senior Assistant Director, DC 37
C. Fiorentini, Analyst, Independent Budget Office (IBO)
R. McIntyre, Account Executive, Siemens
M. Meagher, Analyst, OMB
J. Wessler, CPHS

HHC STAFF

V. Bekker, Chief Financial Officer (CFO), Generations+ Northern Manhattan Health Network
L. Brown, Senior Vice President, Corporate Planning/HIV Services, Intergovernmental Services, Community Hlth
D. Cates, Chief of Staff, Board Affairs

Minutes of the June 12, 2012 Finance Committee Meeting

A. Cohen, Chief Financial Officer, South Manhattan Health Care Network
F. Covino, Corporate Budget Director, Corporate Budget
J. Cuda, Chief Financial Officer, MetroPlus Health Plan, Inc.
L. Dehart, Assistant Vice President, Corporate Reimbursement Services
D. Firmer, Controller, Coney Island Hospital
K. Garramone, Chief Financial Officer, North Bronx Network
G. Guilford, Senior Director, Office of the Senior Vice President/Finance/Managed Care
E. Guzman, Chief Financial Officer, Metropolitan Hospital Center
H. Hull, Director of Investigations, Office of Inspector General
J. John, Chief Financial Officer, Central Brooklyn Health Network
L. Johnston, Senior Assistant Vice President, Medical & Professional Affairs
M. Katz, Senior Assistant Vice President, Corporate Revenue Management
B. Kim, Director, Corporate Managed Care
P. Lockhart, Secretary to the Corporation, Office of the Chairman
N. Mar, Director, Corporate Reimbursement Services/Debt Financing
A. Marengo, Senior Vice President, Corporate Communications/Marketing
A. Martin, Executive Vice President/COO, Office of the President
T. Mammo, Deputy Chief of Staff, Office of the President
R. Mayer, Director, Corporate Internal Audits
K. McGrath, Senior Director, Corporate Communications/Marketing
L. Migdal, Deputy Chief Financial Officer, Corporate Finance
A. Moran, Chief Financial Officer, Elmhurst Hospital Center
D. Moskos, Director, Office of Facilities Development
M. Nunez, Chief Financial Officer, North Brooklyn Health Network
K. Olson, Deputy Budget Director, Corporate Budget
J. Perrine, 1st Deputy Inspector General, Inspector General Office
G. Raghelli, Chief Financial Officer, Coler/Goldwater Specialty Hospital and Nursing Facility
B. Robles, Senior Vice President/CIO, Corporate Information Systems
S. Russo, Senior Vice President, General Counsel, Office of Legal Affairs
B. Stacey, Chief Financial Officer, Queens Health Network
J. Wale, Senior Assistant Vice President, Behavioral Health Services
M. Weinberg, Executive Director, Metropolitan Hospital Center
J. Weinman, Corporate Comptroller, Corporate Comptroller's Office
M. Williams, Assistant Vice President, Corporate Affirmative Action/EEO
R. Wilson, Senior Vice President/Corporate Medical Director, Medical & Professional Affairs
M. Zurack, Senior Vice President, Corporate Finance/Managed Care

Minutes of the June 12, 2012 Finance Committee Meeting

CALL TO ORDER:

The meeting of the Finance Committee was called to order at 9:10 a.m. The minutes of the May 8, 2012 Finance Committee meeting were adopted as submitted.

CHAIR'S REPORT

BERNARD ROSEN

SENIOR VICE PRESIDENT'S REPORT

MARLENE ZURACK

Ms. Zurack began her report by informing the Committee of the Corporation's cash on hand which is currently at 35 days compared to 43 days last month. The decrease is primarily due to a delay in the receipt of supplemental Medicaid payments that will lag until next fiscal year. As previously reported to the Committee, the days of having outstanding retroactive payments are changing significantly. Mr. Weinman, Corporate Comptroller and his staff have conducted preliminary cash forecasts for next year that shows a significant change in the cash flow compared to recent years. Consequently, this will require extremely close monitoring and reporting of this issue. The large surpluses that were rolled in previous years will no longer be available as included in the reporting of the Financial Plan to the Committee.

Ms. Youssouf asked how significant is the decrease in cash expected to be. Ms. Zurack stated that the calculation has not been done in terms of the days; however, based on preliminary calculations, there will be instances whereby HHC will fall below \$100 million which would translate to approximately eight days of cash on hand that would result in controlling vendor payments; aggressively pursuing receivables and keeping all parties informed of the status. Finance is planning to meet with the City and State on this issue. The Corporation will continue its efforts to increase revenues and reduce cost which from a budget perspective would impact the cash in a positive way.

Dr. Stocker asked if it is a timing issue. Ms. Zurack stated that for now it is a timing issue in that the COH has decreased from 43 days to 35 days and is expected to remain at that level by year-end due to a delay in the receipt of supplemental Medicaid that was projected to come in by year end but will be delayed until next Fiscal Year (FY). In light of that delay, it is important to inform the Committee of the anticipated change in the COH going forward given the magnitude of the change.

Mr. Rosen asked when was the last time HHC did seasonal borrowing. Mr. Migdal stated that it was March 15, 1994.

Ms. Zurack stated that the seasonal borrowing issue would not be a viable alternative to resolving this issue. The solution has to be that the budget has to be aligned.

Mr. Migdal stated that in terms of seasonal borrowing, the President of the Corporation would be required to sign a promissory note to the City. Mr. Rosen stated that seasonal borrowing has to be repaid by the end of the year. However, it is a temporary solution that could be considered in terms of addressing timing issues.

Minutes of the June 12, 2012 Finance Committee Meeting

Ms. Zurack stated that it is an option; however, in the past, HHC has worked with the City on advancing payments to HHC and HHC delaying payment to the City which has allowed HHC to balance as a result of those advancements and delays during tight cash time. However, it is important to reiterate that in order to achieve a balanced budget, the solution is to align the budget, revenues and expenses.

Mr. Rosen stated that during the fiscal crisis, the budget was balanced on an accrued basis but without federal guarantees, meeting the payroll was unachievable.

Mr. Migdal responding to Dr. Stocker's comment, stated that in terms of the eight days of cash on hand at this time, it is difficult to project; however, those are seasonal trends whereby there are significant swings in cash which usually occurs in February and March due to the flow of funds from the City and State. However, over the years, throughout those flows, HHC has managed to get through by instituting various controls such as vendors' payables.

Mr. Weinman stated that HHC is averaging sixty days in its vendor payments. Some facilities are less some are more but generally those payments when necessary can be delayed. Mr. Rosen agreed that there are measures that can be taken.

Ms. Cohen asked what have been the average days of COH for the year and what the projected average is for next year.

Ms. Zurack stated that on average it has been thirty or more days and the projected days could be less than twenty.

Mr. Migdal stated that in terms of dollars, HHC's cash flow has been from \$450 million to \$650 million on any given day which are healthy levels.

Ms. Zurack stated that it does not include any relief from the State and Federal governments.

Ms. Youssouf asked what would be the total cash value of the thirty five days.

Ms. Zurack stated that it would be \$573 million. Dr. Stocker asked how much uncertainty is there.

Ms. Zurack stated that a fairly conservative cash flow has been done and HHC is cautiously hopefully that there might be some improvement.

Dr. Stocker stated that if there are delays in payments from the Federal and State governments does HHC know how much leeway would there be in terms of delaying payments and going to the City.

Ms. Zurack stated that HHC would know. Dr. Stocker stated that this issue comes as a surprise and is the first time this type of discussion has taken place since his appointment as Chairman of the Board.

Ms. Zurack stated that it is not the first time but rather the second time this type of issue has been reported to the Committee. The first time that HHC was faced with this type of situation, the supplemental Medicaid payments were late and HHC was very close to those levels at that time.

Minutes of the June 12, 2012 Finance Committee Meeting

Ms. Youssouf stated that the situation then compared to now is that it was due to late supplemental payments compared to the current issue that relates to the budget and would require major reductions as opposed to delayed payments.

Ms. Zurack stated that this issue has been reported as part of the Financial Plan that was presented to the Committee.

Mr. Migdal stated that the key going forward is to engage the City and State as quickly as possible regarding this issue.

Ms. Zurack stated that the plan is to meet with the City's Office of Management and Budget (OMB) and the State Department of Health (SDOH) to review HHC's FY 13 projected cash flow with the expectation that both entities will move forward on certain items that are often not a priority. Three years ago, the status of HHC's cash flow became a part of the monthly reporting to the Committee and later was reported as COH as opposed to the cash flow which was at the time when the supplemental Medicaid payments were significantly delayed. Finance in conjunction with Ms. Brown, Senior Vice President, Corporate Planning/HIV Services, Intergovernmental Relations and Community Health put forth an effort to get CMS to act on those payments. HHC's cash flow was sent to Albany and Washington on a regular basis. It was a period whereby pension and City payments were delayed.

Ms. Youssouf asked what type of emergency or catastrophic event could possibly eradicate HHC's cash balance.

Ms. Zurack stated that there was a time when the State took back \$50 million from Woodhull for a retroactive rate decrease from capital reimbursement that created a major cash flow issue.

Mr. Migdal added that in the late 80's and 90's when the State was faced with a major financial crisis, the Medicaid checks were delayed which significantly impacted the cash flow.

Mr. Rosen stated that there will always be revenue issues and seasonal borrowing; however, what is important is that the funding agencies understand and respect what is being done to address the issue.

Ms. Zurack stated that it is important to be transparent in these types of situations which at this time the Committee is being informed as a forewarning of the anticipated decline in HHC's cash flow in February 2013.

Ms. Youssouf asked whether it is calendar or fiscal year. Ms. Zurack stated that it is a FY 2013 cash flow issue. The average balances are significantly lower than the previous year. As Mr. Migdal mentioned earlier, historically, there are some extremely low days in February and March of each year that are alarming.

Ms. Youssouf asked if HHC is planning to have initial discussions with the City and State soon. Ms. Zurack stated that the plan is to meet with each entity as quickly as possible.

Minutes of the June 12, 2012 Finance Committee Meeting

Dr. Stocker asked if there is a fundamental disconnect between expenses and revenues that might impact the cash flow.

Ms. Zurack stated that it raises the importance of revenue optimization that consists of two parts and timing is also important. For example, if it takes an extra twenty days to collect on a particular case due to staffing shortages, the Corporation knows when that money will be collected. Similarly with the processing of Medicaid applications by HRA, regardless of the time involved in the process, HHC know that it will eventually get the money.

Ms. Youssouf asked if there is an active internal team or committee that is actively reviewing long range planning to address this issue.

Ms. Zurack stated that there are two parts that are working in parallel. First, there is a very active leadership team that is responsible for the restructuring that is designed to save HHC money on the expense side. It is a senior group lead by Mr. Aviles that meets regularly and there are some very active projects that have yielded savings which Mr. Aviles can address. The second part relates to internal controls relative to the authorization of individual expenses which is headed by Mr. Martin, Corporate COO and is being addressed at a very micro level on the operating side. There are controls on OTPS, hiring, and affiliation contracts which are also expected to result in significant savings.

Mr. Aviles stated that this does highlight that there is a need to execute the restructuring plan elements that remain ahead, particularly this coming FY. There is a significant amount remaining totaling \$155 million as targeted reductions for essentially cost containment.

Ms. Zurack asked Mr. Covino what the cumulative amount is for all of the cost containment projects to-date. Mr. Covino stated that the total is \$1 billion.

Ms. Youssouf stated that from a financial perspective it is important to understand the level of the cash reduction and whether there would be a point whereby HHC would be at risk of having the State or the Federal governments take over due to a cash shortage given that in some city agencies that type of circumstance has occurred.

Ms. Zurack stated that there are two issues. At the recent Audit Committee, KPMG, HHC's independent auditing firm, presented the audit plan and the metric that would be used for establishing growing concerns. What is shown on an accrual basis is the significant loss from operations that has been trending in a negative direction over the past years. That trend triggers the accounting industry to do a growing concern review. HHC's liquidity has been very stable and not counter balances to the losses and accordingly, HHC passed the going concern review. If HHC's liquidity were to become problematic, it would affect HHC's credit rating and would trigger some major consequences. On the other side, in the State health law, the SDOH has the mechanism to step-in when hospitals hit major financial problems. It is not a specific trigger as previously mentioned; however, both of those circumstances would not happen and the City would not want that to happen. There is a layer of assistance that would occur before an outside entity steps in.

Minutes of the June 12, 2012 Finance Committee Meeting

Mr. Aviles added that it is fairly unlikely that this type of action will occur given that it is apparent to the City that HHC is managing the problem in light of the reduction in FTES, \$500 million reduction in expenses, and the plan going forward calls for further reductions. The State would be taking on the accountability for that execution if there were a mismanagement issue which is not the case in this instance.

Ms. Youssof stated that the questions were being raised given that in some industries, there is an automatic trigger for those instances.

Mr. Rosen asked what is the status of the adoption of the City's budget.

Ms. Zurack stated that on June 4, 2012, HHC had its City Council hearing. The Council was very supportive and HHC is requesting the restoration of \$8.9 million in City funds which translates to \$12.7 million in total funds for the restoration of child health clinics, rapid HIV testing and mental retardation and developmental disabilities (MRDD). In addition, in the past the Council has restored HHC's subsidy reductions which for last year, \$4.2 million was restored.

Mr. Rosen asked when the adoption will take place. Ms. Zurack stated that it is scheduled for the end of June 2012.

KEY INDICATORS/CASH RECEIPTS & DISBURSEMENTS REPORTS

LARRY MIGDAL

Mr. Migdal reported that the Key Indicators report as of April 2012, utilization for acute discharges is down by 4.6% compared to last year for the same period. There is a slight improvement since January 2012 which was at 5.0%. The D&TC visits are down by 6.5%; skilled nursing facilities (SNF) days are down by 6.2% which has been trending downward during the year due to the transitioning underway at Coler/Goldwater hospital. The ALOS, all of the facilities are within the corporate average by 0.3 day with the exception of Coney Island and Lincoln, 0.4 day greater than the expected and 0.5 day less than the ALOS, respectively. The CMI is up slightly from last year and has reached a milestone of having a value greater than 1. FTEs are down by 297 compared to June 2011 but are 225 FTEs under the target. Over the past twelve months from April 2011 to April 2012 FTEs are down by 515. Receipts are \$44 million better than budget and disbursements are \$38 million under spent resulting in a positive net surplus of \$82 million year to date. A comparison of the current actuals to the prior year for the same period, receipts are \$352 million worse than last year due to the timing of DSH and UPL payments which are down by \$225 million. Pools are down, of which \$90 million is due to timing whereas last year HHC received a quarterly supplementary payment in April 2011 compared to this year the payment was received in May 2012. Appeals and settlements are down by \$31 million due to the FY 09 rate take back by the State. However, an additional UPL payment is expected of \$434 million this month which will enable HHC to end the year with a projected cash balance of \$465 million. Disbursements are \$132 million worse than last year for the same period of which \$67 million is due to the timing of City payments and \$53 million due to an increase in fringes, health insurance and pension. Actuals versus budget YTD, inpatients receipts are down by \$13 million while outpatient receipts are up by \$28 million; all other revenues are up by \$28 million. Disbursements, personal services (PS) are \$7.4 million over budget of which \$3.8 million is due to overtime expenses and the lag

Minutes of the June 12, 2012 Finance Committee Meeting

in the reduction of FTEs by 225. Other Than Personal Services (OTPS) expenses are under budget by \$40 million due to the roll of Networks' surpluses from last year and also the lag in the start-up of IT projects.

Mr. Rosen asked Ms. Zurack if she had an announcement.

Ms. Zurack stated that while it is traditional for HHC to honor its retirees who move on to big and better things, that day marks a significant milestone for Mr. Migdal who is retiring after 34 years of service at HHC. Under his stewardship, the Corporation in terms of financial systems, financial management, and financial reporting have move light years from a point and time in which HHC would get a qualified opinion from its independent auditing firm to the point where HHC had no material weaknesses. This is largely due to his leadership in his role as Corporate Controller and for those of us who know him are very familiar with the elegance and grace with which he conducts all business in the Corporation. His work papers are stellar and the only thing sharper than his pencil is his "wit." He applies the same standard to a schedule of a sentence in the English language which is very unusual for those in Finance. His editorial touch will be deeply missed in our financial statements. On a very personal note, this is a tremendous loss. He has been a true colleague, a mentor and a friend and certainly better days are ahead and he will be truly missed.

Mr. Aviles presented Mr. Migdal with a plaque and stated that it has been evidenced from some of Mr. Migdal's pithy comments, he is one of HHC's financial historians and the Corporation will be losing a lot of institutional knowledge with his departure. Mr. Migdal has been indispensable in terms of his judgment and wealth of knowledge. From knowing and working with Mr. Migdal over the years, he is a profoundly descent individual. It is a pleasure to honor Mr. Migdal with this plaque that reads: "In recognition of Larry Migdal for thirty four years of dedication, service and leadership to the New York City Health and Hospitals Corporation, to new beginnings and happy memories."

Mr. Rosen added that it has been a pleasure working and knowing Mr. Migdal for a number of years and that the Committee would like to extend it thanks to Mr. Migdal for his years of dedication and service and to a long and healthy retirement.

STATEMENT OF REVENUES AND EXPENSES FOR THE PERIOD ENDED 3/31/2012 AND 2011

JAY WEINMAN

Mr. Weinman stated that the report would highlight some of the major changes in the Statement of Revenue & Expenses for the period ended March 31, 2012. Bringing to the attention of the Committee, bottom line, the Corporation's loss for FY 12 YTD is \$596 million compared to \$349 million last year. The major components of the increase in the total loss also related to cash are three items, \$163 million decrease in DSH maximization, the \$605 million allocation decreased to \$307 million State fiscal year (SFY); \$79 million decrease in supplemental Medicaid funds and \$44 million additional reserve for HMO/GME. Appropriations decreased \$26 million due to the increase in debt service. Premium revenue increased by \$395 million due to several factors; \$42 million for IGT; \$229 million for pharmacy carve-in beginning in October 2012; \$66 million and \$55 million premium rate increases due to an increase in enrollment. Operating expenses, PS increased by \$134 million, due to a shortfall in

Minutes of the June 12, 2012 Finance Committee Meeting

the reduction of FTEs and prior year labor settlements. OTPS increased by \$294 million related entirely to the MetroPlus pharmacy carve-in resulting in additional expenses and increase membership and rate increases. Benefits increased by \$47 million or 6.1% related to an increase in health insurance. Post-employment benefits increased by \$95 million. As previously reported expenses were increased to approximately \$700 million from \$630 million last year. Affiliation expenses increased by \$27 million or 4.3% a slight decrease from the previous quarter. Interest expense increased by \$8 million due to an increase in interest on the debt service funding.

Ms. Youssouf asked for clarification of the increase in interest expense as part of the debt service funding.

Mr. Weinman stated that HHC is paying the debt service interest earned on the debt that was borrowed, the increase in Transitional Finance Authority (TFA) and General Obligation (GO) debt.

Ms. Youssouf stated that the City has been doing a lot of refunding which would reduce the cost.

Mr. Weinman stated that there were some re-estimates at the beginning of the year on the interest and HHC reports those charges.

Ms. Zurack stated that Finance would research that issue and report back to the Committee; however, it could be that there were savings that were front loaded last year.

Ms. Youssouf stated that it would be helpful to understanding what those charges include given that the City recently did approximately \$2 billion in refunding.

Ms. Zurack stated that the general sense is that it also relates to new projects so the principle increased for HHC and the City does cash flow borrowing. HHC is actively participating in the City's capital program. So if HHC draws a lot of cash it increases the debt service in addition to the interest rates there is also a principle amount.

Ms. Youssouf asked if HHC has increased the borrowing for some of its capital projects and whether there is more outstanding debt even with the steep decline in interest rates that would actually help HHC.

Ms. Zurack introducing Ms. Mar, Assistant Director, Corporate Debt Financing stated that based on Ms. Mar's expertise she would address that question.

Ms. Mar stated that the charges are compiled by OMB and reported by HHC; however, there are several modernization projects in their final stages, Harlem, Gouverneur, Goldwater North and other small reconstruction projects funded by TFA.

Ms. Zurack stated that Finance would prepare the specific data relative to Ms. Youssouf question but it appears that the principle is going up and the interest going down.

Minutes of the June 12, 2012 Finance Committee Meeting

**MEDICAID ELIGIBILITY INPATIENT PROCESSING REPORT
STATUS OF CONVERTING SELF-PAY PATIENTS TO MEDICAID**

MAXINE KATZ

Ms. Katz stated that the Medicaid eligibility report as April 2012 corporate-wide show a continual lag in application submitted compare to last year for the same period. Eligible decisions are slightly lower but the facilities have made significant progress in reducing the gap. The approval rate of applications submitted to Medicaid decisions is at 89% which is slightly better than last year for the same period at 87%. Although there are fewer applications submitted, more of those applications are being approved. The decrease in applications submitted is primarily due to a decrease in discharges and a shift in payor mix, from Medicaid to Medicaid managed care. There are more patients with insurance coming to HHC facilities which decrease the pool of patients to pursue for eligibility. However, the Corporation is continuing its improvement efforts and a second pass on the value stream is scheduled for review of all of the improvements activities that have transpired to-date to determine if the goals were achieved and the next step. The two models have shown improvements in terms of days to submit the application and getting a response to those submissions.

Ms. Youssouf asked when will it be decided which model will be used as best practice throughout the Corporation.

Ms. Katz stated that the plan is to make that determination by September 2012. There will be an event to determine which is best. Some of the facilities have implemented one of the models or some of the components of those models.

Mr. Rosen asked if steps are being taken to address the PCAP issue which has decreased compared to being close to 100% in prior years. Ms. Katz stated that PCAP is down and is under review and some of the issues are related to timing in addition to the decrease in discharges and managed care companies including these women into managed care plans.

Dr. Stocker stated that HHC has put forth a lot of effort in addressing this process that has resulted in some changes over the years; however, the question is whether it is beneficial to have the facilities present to the Committee the status of their processing efforts. In reviewing the Medicaid Eligibility report, Bellevue has consistently lagged its target more than the majority of the other facilities so perhaps the facility can present their status to the Committee.

Mr. Cohen, Chief Financial Officer, South Manhattan Network stated that the facility is prepared to present to the Committee in September 2012.

Dr. Stocker confirming that Bellevue will present in September 2012 the facility's status of the Medicaid eligibility processing.

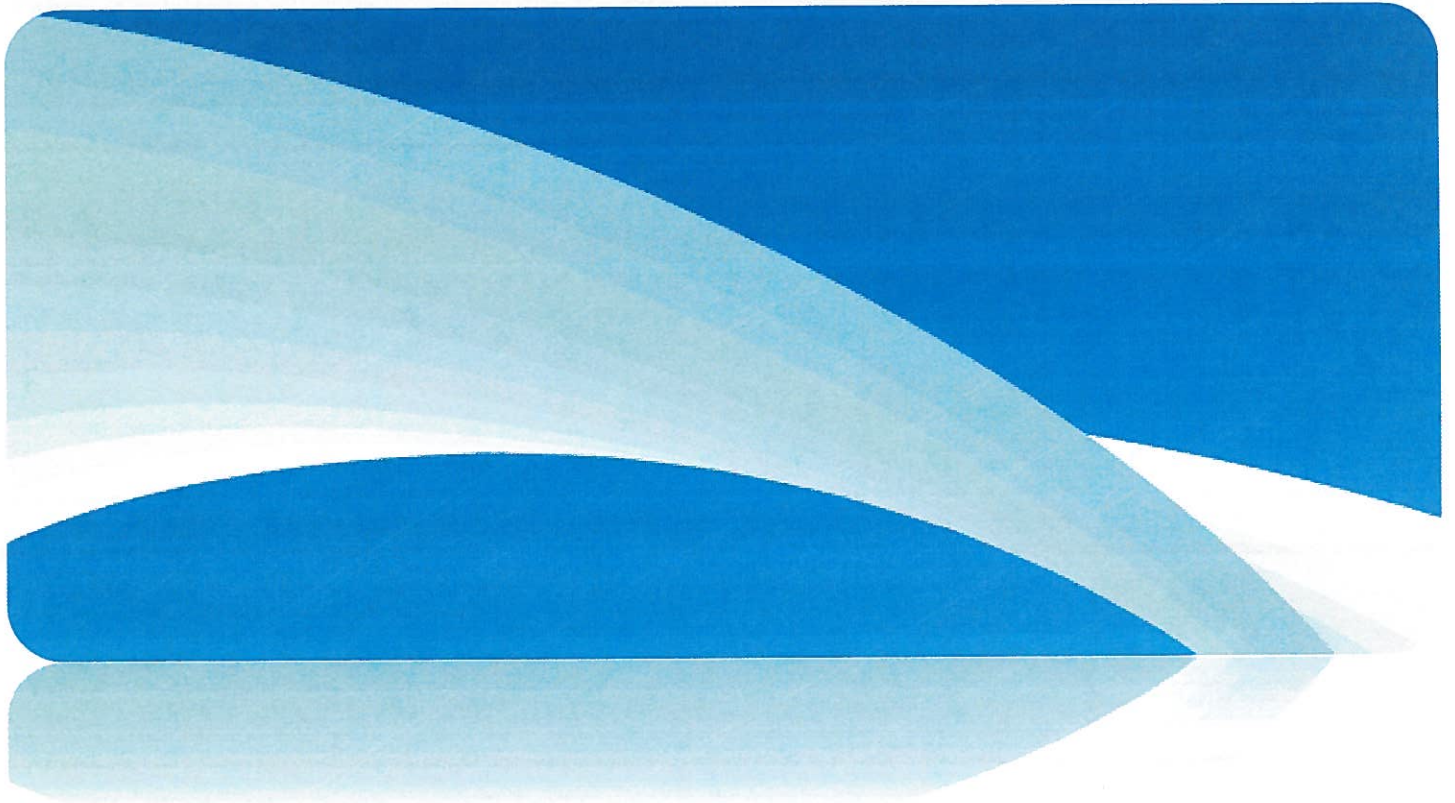
Mr. Rosen again extended well wishes to Mr. Midgal on his retirement.

ADJOURNMENT

BERNARD ROSEN

Minutes of the June 12, 2012 Finance Committee Meeting

There being no further business to discuss, the meeting was adjourned at 9:56 a.m.



**KEY INDICATORS & CASH RECEIPTS &
DISBURSEMENTS REPORTS**

KEY INDICATORS
FISCAL YEAR 2012 UTILIZATION

Year to Date
May 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	18,303	18,614	-1.7%	5.9	6.0	1.0706	1.0738
North Central Bronx	7,279	7,366	-1.2%	4.5	4.3	0.7016	0.7273
<u>Generations +</u>							
Harlem	9,739	10,697	-9.0%	5.3	5.5	0.9814	0.9343
Lincoln	21,428	23,186	-7.6%	4.8	5.3	0.9167	0.9150
Belvis DTC	60,449	63,666	-5.1%				
Morrisania DTC	91,112	74,354	22.5%				
Renaissance	62,443	70,460	-11.4%				
<u>South Manhattan</u>							
Bellevue	22,850	22,743	0.5%	6.1	6.0	1.0952	1.1255
Metropolitan	10,813	10,666	1.4%	4.6	4.8	0.7740	0.8464
Coler	264,076	309,594	-14.7%				
Goldwater	286,238	295,071	-3.0%				
Gouverneur - NF	61,767	67,317	-8.2%				
Gouverneur - DTC	258,695	289,652	-10.7%				
<u>North Central Brooklyn</u>							
Kings County	21,980	21,422	2.6%	5.8	5.7	1.0169	1.0622
Woodhull	12,776	14,203	-10.0%	5.0	4.7	0.8183	0.8318
McKinney	105,703	104,700	1.0%				
Cumberland DTC	90,144	98,956	-8.9%				
East New York	77,622	79,951	-2.9%				
<u>Southern Brooklyn / S I</u>							
Coney Island	15,298	16,204	-5.6%	6.2	5.8	1.0542	1.0439
Seaview	100,104	99,691	0.4%				
<u>Queens</u>							
Elmhurst	22,462	23,499	-4.4%	5.2	5.1	0.9293	0.9004
Queens	11,910	14,374	-17.1%	5.1	5.0	0.8808	0.7979
<u>Discharges/CMI-- All Acutes</u>							
	174,838	182,974	-4.4%			0.9576	0.9574
<u>Visits-- All D&TCs</u>							
	640,465	677,039	-5.4%				
<u>Days-- All SNFs</u>							
	817,888	876,373	-6.7%				

Notes:

Utilization

Acute: discharges excluding psych and rehab; D&TC; reimburseable visits; SNF; chronic and rehab days

Average Length of Stay

Actual: discharges divided by days; excludes one day stays.

Expected: weighted average of DRG specific corporate average length of stay using APR-DRGs

All Payor CMI

All acute discharges are grouped using the 2012 New York State APR-DRGs

KEY INDICATORS
FISCAL YEAR 2012 BUDGET PERFORMANCE (\$s in 000s)
Year to Date
May 2012

NETWORKS	FTE's VS 6/18/11	RECEIPTS		DISBURSEMENTS		BUDGET VARIANCE	
		actual	better / (worse)	actual	better / (worse)	better / (worse)	
North Bronx							
Jacobi	(104.5)	\$ 425,589	\$ 7,236	\$ 491,206	\$ 18,202	\$ 25,438	2.7%
North Central Bronx	(7.5)	<u>155,360</u>	<u>14,003</u>	<u>158,269</u>	<u>9,674</u>	<u>23,678</u>	<u>7.7%</u>
	(112.0)	\$ 580,950	\$ 21,239	\$ 649,476	\$ 27,877	\$ 49,115	4.0%
Generations +							
Harlem	(45.5)	\$ 251,547	\$ (10,979)	\$ 324,370	\$ (25,489)	\$ (36,468)	-6.5%
Lincoln	(1.0)	385,330	10,892	443,720	9,939	20,831	2.5%
Belvis DTC	(1.0)	12,888	2,056	13,307	1,995	4,051	15.5%
Morrisania DTC	3.0	21,531	3,538	23,899	4,539	8,076	17.4%
Renaissance	<u>2.0</u>	<u>14,695</u>	<u>1,660</u>	<u>20,416</u>	<u>694</u>	<u>2,354</u>	<u>6.9%</u>
	(42.5)	\$ 685,990	\$ 7,167	\$ 825,711	\$ (8,322)	\$ (1,155)	-0.1%
South Manhattan							
Bellevue	(56.0)	\$ 572,807	\$ (1,718)	\$ 648,670	\$ (4,853)	\$ (6,571)	-0.5%
Metropolitan	(57.0)	231,065	(21,154)	281,380	7,108	(14,046)	-2.6%
Coler	(32.5)	84,841	(7,974)	122,805	(15,097)	(23,071)	-11.5%
Goldwater	(45.5)	114,248	(14,097)	160,118	(15,598)	(29,695)	-10.9%
Gouverneur	<u>(26.0)</u>	<u>81,360</u>	<u>2,008</u>	<u>82,290</u>	<u>7,684</u>	<u>9,693</u>	<u>5.7%</u>
	(217.0)	\$ 1,084,321	\$ (42,935)	\$ 1,295,264	\$ (20,756)	\$ (63,691)	-2.7%
North Central Brooklyn							
Kings County	(119.0)	\$ 591,093	\$ 33,313	\$ 634,004	\$ 2,856	\$ 36,169	3.0%
Woodhull	(94.5)	\$ 283,448	\$ (39,422)	\$ 365,159	\$ 3,873	\$ (35,549)	-5.1%
McKinney	(23.0)	37,552	(3,571)	41,311	(762)	(4,333)	-5.3%
Cumberland DTC	(8.0)	19,860	(1,106)	30,286	(5,681)	(6,787)	-14.9%
East New York	<u>(2.0)</u>	<u>19,739</u>	<u>2,101</u>	<u>20,175</u>	<u>1,627</u>	<u>3,728</u>	<u>9.5%</u>
	(246.5)	\$ 951,692	\$ (8,685)	\$ 1,090,935	\$ 1,912	\$ (6,772)	-0.3%
Southern Brooklyn/SI							
Coney Island	21.0	\$ 261,687	\$ 17,492	\$ 323,114	\$ 7,196	\$ 24,688	4.3%
Seaview	<u>(20.0)</u>	<u>35,651</u>	<u>(4,386)</u>	<u>44,980</u>	<u>20</u>	<u>(4,366)</u>	<u>-5.1%</u>
	1.0	\$ 297,338	\$ 13,106	\$ 368,094	\$ 7,216	\$ 20,321	3.1%
Queens							
Elmhurst	(61.0)	\$ 440,590	\$ (13,144)	\$ 488,057	\$ 29,895	\$ 16,751	1.7%
Queens	<u>(8.5)</u>	<u>277,718</u>	<u>12,606</u>	<u>321,174</u>	<u>(20,414)</u>	<u>(7,808)</u>	<u>-1.4%</u>
	(69.5)	\$ 718,308	\$ (538)	\$ 809,231	\$ 9,481	\$ 8,943	0.6%
NETWORKS TOTAL	(686.5)	\$ 4,318,600	\$ (10,646)	\$ 5,038,711	\$ 17,407	\$ 6,761	0.1%
Central Office	(252.0)	651,079	1,073	220,126	12,329	13,402	1.5%
HHC Health & Home Care	8.0	17,782	(14,909)	34,679	(311)	(15,220)	-22.7%
Enterprise IT	<u>547.0</u>	<u>0</u>	<u>0</u>	<u>150,464</u>	<u>6,166</u>	<u>6,166</u>	<u>3.9%</u>
GRAND TOTAL	(383.5)	\$ 4,987,461	\$ (24,482)	\$ 5,443,979	\$ 35,591	\$ 11,110	0.1%

Notes:

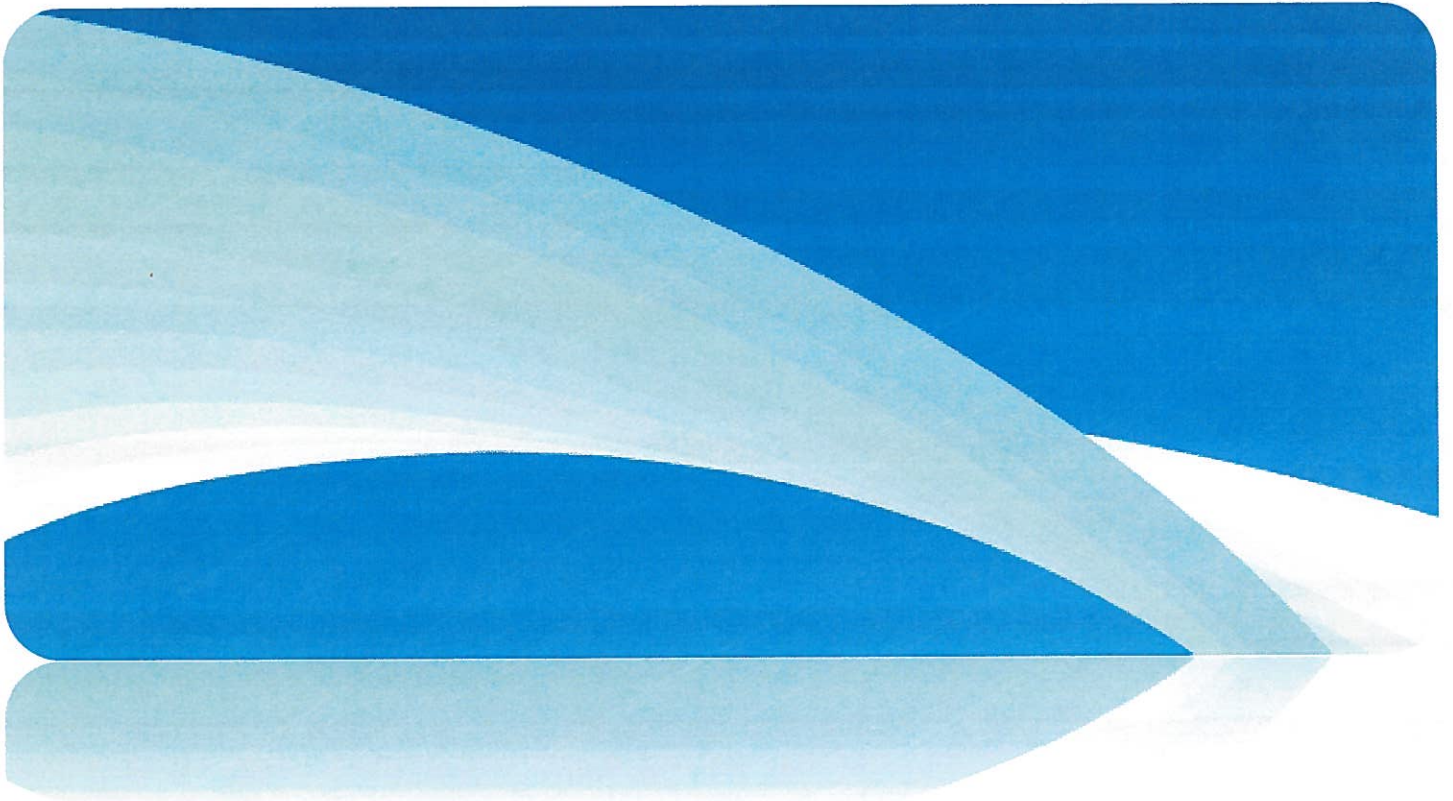
Residents & Grants are included in the reported FTE's.
Reported FTE's are compared to 6/18/11.

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 May 2012			Fiscal Year To Date May 2012		
	actual 2012	actual 2011	better / (worse)	actual 2012	actual 2011	better / (worse)
Cash Receipts						
Inpatient						
Medicaid Fee for Service	\$ 102,544	\$ 96,997	\$ 5,548	\$ 1,009,237	\$ 1,081,896	\$ (72,659)
Medicaid Managed Care	55,133	49,565	5,568	536,096	546,130	(10,034)
Medicare	36,972	46,208	(9,236)	508,598	482,176	26,422
Medicare Managed Care	25,595	24,772	823	235,370	237,097	(1,727)
Other	<u>21,061</u>	<u>21,318</u>	<u>(257)</u>	<u>214,708</u>	<u>208,847</u>	<u>5,861</u>
Total Inpatient	\$ 241,305	\$ 238,859	\$ 2,446	\$ 2,504,009	\$ 2,556,145	\$ (52,135)
Outpatient						
Medicaid Fee for Service	\$ 21,258	\$ 18,739	\$ 2,520	\$ 188,155	\$ 226,605	\$ (38,450)
Medicaid Managed Care	29,932	38,155	(8,224)	394,064	328,403	65,661
Medicare	5,627	5,089	538	61,626	58,134	3,492
Medicare Managed Care	24,762	5,694	19,067	105,756	71,792	33,964
Other	<u>12,335</u>	<u>14,753</u>	<u>(2,419)</u>	<u>145,843</u>	<u>133,577</u>	<u>12,267</u>
Total Outpatient	\$ 93,914	\$ 82,431	\$ 11,482	\$ 895,445	\$ 818,512	\$ 76,933
All Other						
Pools	\$ 102,753	\$ 13,857	\$ 88,896	\$ 432,018	\$ 445,468	\$ (13,450)
DSH / UPL	-	-	-	883,056	1,107,686	(224,630)
Grants, Intracity, Tax Levy	5,219	15,979	(10,759)	211,925	222,938	(11,013)
Appeals & Settlements	(2,351)	(43)	(2,309)	11,368	44,577	(33,210)
Misc / Capital Reimb	<u>5,405</u>	<u>4,841</u>	<u>564</u>	<u>49,639</u>	<u>54,166</u>	<u>(4,527)</u>
Total All Other	\$ 111,025	\$ 34,634	\$ 76,392	\$ 1,588,006	\$ 1,874,835	\$ (286,829)
Total Cash Receipts	\$ 446,244	\$ 355,924	\$ 90,320	\$ 4,987,461	\$ 5,249,492	\$ (262,031)
Cash Disbursements						
PS	\$ 185,039	\$ 187,436	\$ 2,397	\$ 2,245,374	\$ 2,282,256	\$ 36,883
Fringe Benefits	65,762	83,614	17,853	896,172	860,919	(35,252)
OTPS	138,457	99,779	(38,678)	1,161,049	1,096,705	(64,345)
City Payments	-	-	-	250,113	182,956	(67,157)
Affiliation	79,975	74,532	(5,443)	806,393	778,764	(27,629)
HHC Bonds Debt	<u>7,953</u>	<u>7,969</u>	<u>16</u>	<u>84,879</u>	<u>86,926</u>	<u>2,047</u>
Total Cash Disbursements	\$ 477,186	\$ 453,330	\$ (23,856)	\$ 5,443,979	\$ 5,288,526	\$ (155,453)
Receipts over/(under) Disbursements	\$ (30,942)	\$ (97,406)	\$ 66,464	\$ (456,519)	\$ (39,034)	\$ (417,484)

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

	Month of May 2012			Fiscal Year To Date May 2012		
	actual 2012	budget 2012	better / (worse)	actual 2012	budget 2012	better / (worse)
Cash Receipts						
Inpatient						
Medicaid Fee for Service	\$ 102,544	\$ 118,962	\$ (16,418)	\$ 1,009,237	\$ 1,065,474	\$ (56,237)
Medicaid Managed Care	55,133	56,406	(1,273)	536,096	565,620	(29,524)
Medicare	36,972	37,848	(876)	508,598	467,224	41,374
Medicare Managed Care	25,595	21,966	3,629	235,370	227,644	7,726
Other	<u>21,061</u>	<u>19,763</u>	<u>1,298</u>	<u>214,708</u>	<u>204,815</u>	<u>9,893</u>
Total Inpatient	\$ 241,305	\$ 254,944	\$ (13,639)	\$ 2,504,009	\$ 2,530,777	\$ (26,768)
Outpatient						
Medicaid Fee for Service	\$ 21,258	\$ 22,388	\$ (1,129)	\$ 188,155	\$ 214,842	\$ (26,687)
Medicaid Managed Care	29,932	28,061	1,871	394,064	346,878	47,186
Medicare	5,627	6,031	(404)	61,626	64,338	(2,712)
Medicare Managed Care	24,762	5,980	18,782	105,756	87,433	18,323
Other	<u>12,335</u>	<u>12,236</u>	<u>99</u>	<u>145,843</u>	<u>134,553</u>	<u>11,290</u>
Total Outpatient	\$ 93,914	\$ 74,695	\$ 19,218	\$ 895,445	\$ 848,044	\$ 47,401
All Other						
Pools	\$ 102,753	\$ 104,480	\$ (1,727)	\$ 432,018	\$ 430,763	\$ 1,256
DSH / UPL	-	-	0	883,056	883,056	(0)
Grants, Intracity, Tax Levy	5,219	9,618	(4,399)	211,925	208,954	2,971
Appeals & Settlements	(2,351)	64,703	(67,054)	11,368	59,331	(47,964)
Misc / Capital Reimb	<u>5,405</u>	<u>4,831</u>	<u>574</u>	<u>49,639</u>	<u>51,017</u>	<u>(1,378)</u>
Total All Other	\$ 111,025	\$ 183,631	\$ (72,606)	\$ 1,588,006	\$ 1,633,122	\$ (45,115)
Total Cash Receipts	\$ 446,244	\$ 513,270	\$ (67,026)	\$ 4,987,461	\$ 5,011,942	\$ (24,482)
Cash Disbursements						
PS	\$ 185,039	\$ 184,870	\$ (169)	\$ 2,245,374	\$ 2,237,846	\$ (7,527)
Fringe Benefits	65,762	68,555	2,793	896,172	904,913	8,741
OTPS	138,457	141,434	2,977	1,161,049	1,203,810	42,760
City Payments	-	-	-	250,113	249,507	(606)
Affiliation	79,975	71,389	(8,586)	806,393	795,901	(10,492)
HHC Bonds Debt	<u>7,953</u>	<u>7,963</u>	<u>10</u>	<u>84,879</u>	<u>87,593</u>	<u>2,714</u>
Total Cash Disbursements	\$ 477,186	\$ 474,210	\$ (2,975)	\$ 5,443,979	\$ 5,479,571	\$ 35,591
Receipts over/(under) Disbursements	\$ (30,942)	\$ 39,059	\$ (70,001)	\$ (456,519)	\$ (467,628)	\$ 11,110



INFORMATION ITEM

#1

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

FACILITY	Fiscal Year To Date As of May 2012					
	Medicaid Applications Submitted	Medicaid Eligible Decisions*	Ineligible Decisions	Add'l Info Requested	PCAP Applications Submitted	Perinatal Care Assistance Program (PCAP) Eligible
BELLEVUE	4,943	3,942	584	413	615	555
CONEY ISLAND	2,502	2,164	118	115	687	624
ELMHURST	4,467	4,408	105	64	2,551	2,497
HARLEM	1,411	1,242	55	88	425	455
JACOBI	2,944	2,545	352	97	905	886
KINGS	4,347	3,958	150	123	1,581	1,598
LINCOLN	2,764	2,590	86	146	1,192	1,135
METROPOLITAN	1,971	1,686	107	93	896	916
NCB	1,281	1,211	59	64	883	919
QUEENS	2,407	2,231	119	106	970	993
WOODHULL	2,247	2,017	98	99	1,014	1,037
TOTAL	31,284	27,994	1,833	1,408	11,719	11,615

FACILITY	Fiscal Year To Date As of May 2011					
	Medicaid Applications Submitted	Medicaid Eligible Decisions*	Ineligible Decisions	Add'l Info Requested	PCAP Applications Submitted	Perinatal Care Assistance Program (PCAP) Eligible
BELLEVUE	5,303	4,594	380	378	890	762
CONEY ISLAND	2,513	2,028	154	220	747	705
ELMHURST	4,447	4,274	114	96	2,759	2,655
HARLEM	1,497	1,328	88	154	548	513
JACOBI	2,773	2,339	195	183	1,243	1,153
KINGS	4,108	3,684	237	267	1,930	1,784
LINCOLN	3,051	2,887	56	124	1,211	1,171
METROPOLITAN	2,270	1,902	201	158	902	852
NCB	1,253	1,097	69	59	905	910
QUEENS	2,721	2,302	107	215	1,296	1,191
WOODHULL	2,304	2,121	89	118	1,053	1,011
TOTAL	32,240	28,556	1,690	1,972	13,484	12,707

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