

BOARD OF DIRECTORS MEETING
THURSDAY, OCTOBER 31, 2013
A-G-E-N-D-A

<p>Call to Order - 4 pm</p>	<p>Dr. Stocker</p>
<p>1. Adoption of Minutes: September 25, 2013</p>	
<p><u>Chairman's Report</u></p>	<p>Dr. Stocker</p>
<p><u>President's Report</u></p>	<p>Mr. Aviles</p>
<p>>>Action Items<<</p>	
<p><u>Corporate</u></p>	
<p>2. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to negotiate and execute requirements contracts with seven (7) architecture & engineering (AE) firms: ARRAY Arch., PC; Ewing Cole Architects, PC; Francis Cauffman, LLP; Hellmuth, Obata, Kassabaum, PC; MJCL Architects, LLP; Perkins Eastman Architects, PC; Stonehill & Taylor Architects, PC, to provide professional AE/MEP design services; seven (7) mechanical, electrical, & plumbing (MEP) firms: Greenman-Pedersen, Inc.; Jacob Feinberg Katz & Michaeli Consulting Group; Kallen & Lemelson Consulting Engineers, LLP; Lizardos Engineering Associates, PC; Parsons Brinkerhoff, Inc., RG Vanderweil Engineers, LLP and WSP USA Corporation, to provide professional MEP design services; and four (4) Local Law 11 Inspection & AE firms: Superstructures Engineering + Architect, PLLC; Desman Associates; Raman and Oundjian Eng. + Insp. Services, PC; and Thornton Tomasetti, to provide professional Local Law 11 inspection and filing services and AE services in connection with Local Law 11 compliance on an as-needed basis at various facilities throughout the Corporation. The contracts shall be for a term of one year with two (2) one-year options for renewal, solely exercisable by the Corporation, for a cumulative amount not to exceed \$15,000,000 for services provided by these consultants. <i>(Capital Committee – 10/10/2013)</i> EEO: Approved; Conditional: Perkins Eastman / VENDEX: Pending</p>	<p>Ms. Youssouf</p>
<p>3. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to negotiate and execute requirements contracts with three (3) Special Inspections & Material Testing firms: MT Group; HAKS; and Universal Testing + Inspection, to provide professional services on an as-needed basis at various facilities throughout the Corporation. The contracts shall be for a term of one year with two (2) one-year options for renewal, solely exercisable by the Corporation, for a cumulative amount not to exceed \$3,000,000 for services provided by these consultants. <i>(Capital Committee – 10/10/2013)</i> EEO: Approved / VENDEX: Pending</p>	<p>Ms. Youssouf</p>
<p>4. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to negotiate and execute a framework contract with LVI Demolition Services, Inc., to provide Emergency Response Services designed to support HHC in the event of an emergency or catastrophic occurrence that causes damage to the Corporation's facilities. The Emergency Preparedness and Recovery Contract will be for a term of three (3) years with an option to renew for an additional two (2) year period solely exercisable by the Corporation. Cost incurred due to an emergency responded to by this vendor shall be reported to the Board of Directors subsequent to the emergency preparedness and restoration. <i>(Finance Committee – 10/15/2013)</i> EEO: Approved / VENDEX: Approved</p>	<p>Mr. Rosen</p>
<p>5. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to negotiate and execute contracts on behalf of HHC facilities with Betz Mitchell Associates, Inc., Jzanus LTD., MBI Associates Inc., MCS Claims Services, Inc. and NCO Financial Systems, Inc. for the collection of delinquent inpatient accounts. These contracts are for a period of three (3) years with an option to extend to two (2) additional one-year periods solely exercisable by the Corporation. <i>(Finance Committee – 10/15/2013)</i> EEO: Approved / VENDEX: Pending</p>	<p>Mr. Rosen</p>
<p align="right"><i>(over)</i></p>	

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<p>6. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to negotiate and execute a contract with Simpler North America, LP on a sole source basis in order to continue and expand the implementation of Breakthrough throughout the Corporation. Funding for this contract shall not exceed \$4,416,500 for the period from November 1, 2013 through October 31, 2014. <i>(Strategic Planning Committee – 10/15/2013)</i> EEO: Approved / VENDEX: Pending</p>	<p align="center">Ms. Bolus</p>
<p>7. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to negotiate and execute a management contract with Crothall Healthcare, Inc. to manage the Corporation's biomedical equipment services operations for each facility. The contract will be for a term of nine (9) years. The contract shall be for an amount not to exceed \$252,884,799 over the nine year term of the contract. <i>(Finance Committee – 10/15/2013)</i> EEO: Approved / VENDEX: Pending</p>	<p align="center">Mr. Rosen</p>
<p>8. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to negotiate and enter into a contract with Dyntek Services, Inc., McAfee's authorized reseller and maintenance provider for security hardware, software licenses, related maintenance and professional services through a NYS Office of General Services contract, for a term of two (2) years and nine (9) months, in an amount not-to-exceed \$11,360,499. <i>(Med & Professional Affairs / IT Committee – 10/17/2013)</i></p>	<p align="center">Dr. Stocker</p>
<p><u>Southern Brooklyn/Staten Island Health Network</u></p>	
<p>9. RESOLUTION revising the resolution adopted September 27, 2012 that authorized the President of the New York City Health and Hospitals Corporation to execute a sublease agreement with Meals on Wheels of Staten Island, Inc., for the development and operation of a facility housing kitchen, office, and storage functions on the campus of Sea View Hospital Rehabilitation Center and Home such that the area rented be increased from 65,340 square feet (approximately 1.5 acres) to 75,855 square feet (approximately 1.74 acres) including land for a 22,400-square-foot facility as had previously been authorized. <i>(Capital Committee – 10/10/2013)</i></p>	<p align="center">Ms. Youssouf</p>
<p><u>MetroPlus Health Plan, Inc.</u></p>	
<p>10. RESOLUTION appointing George M. Proctor as a member of the Board of Directors of MetroPlus Health Plan, Inc., a public benefit corporation formed pursuant to Section 7385(20) of the Unconsolidated Laws of New York, to serve in such capacity until his successor has been duly elected and qualified, or as otherwise provided in the Bylaws of MetroPlus. <i>(MetroPlus Board – 9/24/2013)</i></p>	<p align="center">Mr. Rosen</p>
<p><u>Committee Reports</u></p>	
<ul style="list-style-type: none"> ➤ Audit (September and October 2013) ➤ Capital ➤ Equal Employment Opportunity ➤ Finance ➤ Governance ➤ Medical & Professional Affairs / Information Technology (September and October 2013) ➤ Strategic Planning 	<p align="center">Ms. Youssouf Ms. Youssouf Rev. Lacey Mr. Rosen Rev. Lacey Dr. Stocker Ms. Bolus</p>
<p><u>Subsidiary Board Report</u></p>	
<ul style="list-style-type: none"> ➤ MetroPlus Health Plan, Inc. (September and October 2013) 	<p align="center">Mr. Rosen</p>
<p><u>Facility Governing Body / Executive Session</u></p>	
<ul style="list-style-type: none"> ➤ Coney Island Hospital ➤ Sea View Hospital Rehabilitation Center and Home 	
<p>Semi-Annual Report (Written Submission Only)</p>	
<ul style="list-style-type: none"> ➤ Coler Nursing Facility ➤ Goldwater Specialty Hospital ➤ Goldwater Nursing Facility 	
<p>>>Old Business<<</p>	
<p>>>New Business<<</p>	
<p>Adjournment</p>	<p align="center">Dr. Stocker</p>

NEW YORK CITY HEALTH AND HOSPITALS CORPORATION

A meeting of the Board of Directors of the New York City Health and Hospitals Corporation (the "Corporation") was held in Room 532 at 125 Worth Street, New York, New York 10013 on the 25th of September 2013 at 4:00 P.M. pursuant to a notice which was sent to all of the Directors of the Corporation and which was provided to the public by the Secretary. The following Directors were present in person:

Dr. Michael A. Stocker
Mr. Alan D. Aviles
Josephine Bolus, R.N.
Dr. Jo Ivey Boufford
Dr. Vincent Calamia
Mr. Robert Doar
Dr. Herbert F. Gretz, III
Dr. Adam Karpati
Ms. Anna Kril
Rev. Diane E. Lacey
Mr. Robert F. Nolan
Ms. Emily A. Youssouf

Andrea Cohen was in attendance representing Deputy Mayor Linda Gibbs, and Dr. Amanda Parsons was in attendance representing Commissioner Thomas Farley, each in a voting capacity. Dr. Stocker chaired the meeting and Mr. Salvatore J. Russo, Secretary to the Board, kept the minutes thereof.

ADOPTION OF MINUTES

The minutes of the meeting of the Board of Directors held on July 25, 2013 were presented to the Board. Then, on motion made by Dr. Stocker and duly seconded, the Board unanimously adopted the minutes.

1. RESOLVED, that the minutes of the meeting of the Board of Directors held on July 25, 2013, copies of which have been presented to this meeting, be and hereby are adopted.

CHAIRPERSON' S REPORT

Dr. Stocker received the Board's approval to convene an Executive Session to discuss matters of quality assurance and personnel.

Dr. Stocker updated the Board on approved and pending Vendex and will report on the status of pending Vendex at the next Board meeting.

Dr. Stocker announced the schedule of the FY2014 annual public meetings as follows: November 7, 2013, Sea View Hospital Rehabilitation Center and Home; November 18, 2013, Lincoln Medical and Mental Health Center; November 25, 2013, Elmhurst Hospital Center; November 26, 2013, Woodhull Medical and Mental Health Center; December 9, 2013, Bellevue Hospital Center.

Dr. Stocker informed the Board that New York State law requires compliance training and asked that the Board members complete their training by November 1, 2013.

PRESIDENT' S REPORT

Mr. Aviles' remarks were in the Board package and made available on HHC's internet site. A copy is attached hereto and incorporated by reference.

Rev. Lacey acknowledged Joe Schick and The Fund for HHC for the wonderful job done at the ribbon cutting ceremony of the new Henry J. Carter Specialty Hospital and Nursing Facility.

ACTION ITEMS

RESOLUTIONS

2. **Ratifying the contract amendment** executed by the President of the New York City Health and Hospitals Corporation with **Crothall Healthcare, Inc.** for an amount not to exceed \$129,795,066 in connection with a **Declaration of Emergency** to restore the Corporation's facilities that sustained **damage due to Hurricane Sandy.**

- and -

3. **Ratifying the contract amendment** executed by the President of the New York City Health and Hospitals Corporation with **Johnson Controls, Inc.** for an amount not to exceed \$102,190,077 in connection with a **Declaration of Emergency** to restore the Corporation's facilities that sustained **damage due to Hurricane Sandy.**

Marlene Zurack, Senior Vice President and Chief Financial Officer and John Levy, President of Base Tactical, reported on the status and progress of recovery activities resulting from Hurricane Sandy. Mr. Aviles reiterated the need to have emergency contractors available to HHC for emergency work.

Dr. Stocker moved the adoption of the resolutions which were duly seconded and unanimously adopted by the Board.

RESOLUTION

4. Authorizing and approving its adoption to negotiate and execute a contract with **The Nash Group** for **enterprise-wide nursing optimization**. The contract shall be for a period of three years with one, three-year option to renew exercisable solely by the Corporation, in an amount not to exceed \$7,000,000 for the entire term of six years.

Dr. Ross Wilson, Senior Vice President and Corporate Chief Medical Officer; Lauren Johnston, Senior Assistant Vice President and Chief Nurse Executive; and Deborah Terry, President of the Nash Group gave an overview of optimization plans to increase the efficient utilization of HHC's nursing workforce. Ms. Terry reported that a pilot program at Harlem Hospital Center and Elmhurst Hospital Center successfully tested the technology sought to accomplish this task. It is estimated that it will take 18 months to roll out the corporate-wide program.

Dr. Stocker moved the adoption of the resolution which was duly seconded and unanimously adopted by the Board.

RESOLUTION

5. Authorizing the President of the New York City Health and Hospitals Corporation to modify the existing contract with **The Gordian Group, Inc.** to broaden its scope to the provisions of **project management services** to the Corporation with respect to projects performed by the Corporation's **Indefinite Quantity Construction Contractors-IQCCs**-to **increase its funding** from \$1,500,000 to not more than \$4,000,000, and to extend its term to October 30, 2015.

Ms. Youssouf moved the adoption of the resolution, which was duly seconded and unanimously adopted by the Board.

RESOLUTION

6. Adopting the Corporation's **Mission Statement and Performance Measures** as required by the **Public Authorities Reform Act**.

Dr. Stocker moved the adoption of the resolution, which was duly seconded and unanimously adopted by the Board.

RESOLUTION

7. Authorizing the President of the New York City Health and Hospitals Corporation to execute a **license agreement** with **Joseph Gheraldi Playwright Theatre** for use and occupancy of space for the operation of a community theater at the **Sea View Hospital Rehabilitation Center and Home**.

Ms. Youssouf moved the adoption of the resolution which was duly seconded and unanimously adopted by the Board.

RESOLUTION

8. Approving the **Harlem Hospital Center Parking Facility Project**, authorizing the President of the New York City Health and Hospitals Corporation to execute a contract known as the **Federal-Aid Highway and Marchiselli-Aid Local Project Agreement with the New York State Department of Transportation to provide funding** for the Project, and confirming the availability of the funds necessary to complete the Project.

Ms. Youssouf moved the adoption of the resolution which was duly seconded and unanimously adopted by the Board.

RESOLUTION

9. Authorizing the President of the New York City Health and Hospitals Corporation to execute a three-year terminable **license agreement** with **Heritage Health and Housing, Inc.** for Heritage's use and occupancy of approximately 20,000 square feet at 1727 Amsterdam Avenue in Manhattan for its operation of a Federally Qualified Health Center at an occupancy rate during the first year of the license of \$18 per square foot for the approximately 14,000 square feet that Heritage currently occupies on the first, second and fourth floors and at \$35 per square foot for

the additional approximately 6,000 square feet to which Heritage will expand on the third floor at a rate of \$35 per square foot for the entire premises after the first year of the license-such rates to be inclusive of heat, hot water and electricity.

Ms. Youssouf moved the adoption of the resolution which was duly seconded and unanimously adopted by the Board.

BOARD COMMITTEE REPORTS

Attached hereto is a compilation of reports of the HHC Board Committees that have been convened since the last meeting of the Board of Directors. The reports were received by the Chairman at the Board meeting.

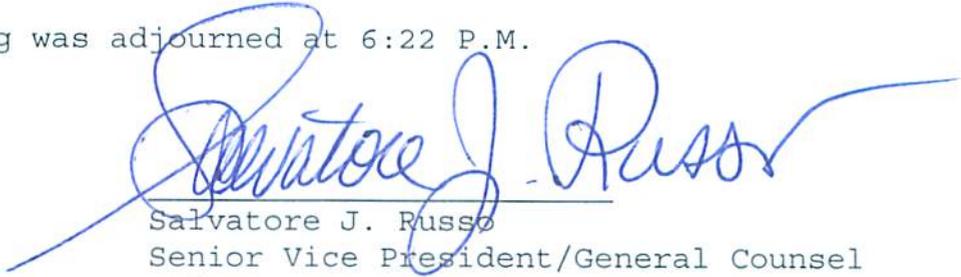
FACILITY GOVERNING BODY/EXECUTIVE SESSION

The Board convened in Executive Session. When it reconvened in open session, Dr. Stocker announced that the Board approved the promotion of Chris Constantino to Senior Vice President of the Queens Health Network.

Dr. Stocker reported that the Board of Directors as the governing body of Lincoln Medical and Mental Health Center and Gouverneur Healthcare Services Long-Term Care, reviewed, discussed and adopted the facilities written reports presented; and approved the Woodhull Medical and Mental Health Center's governing body report as well as the minutes of the prior report on June 28, 2012. The Board also approved Alan Aviles' annual evaluation.

ADJOURNMENT

Thereupon, there being no further business before the Board, the meeting was adjourned at 6:22 P.M.



Salvatore J. Russo
Senior Vice President/General Counsel
and Secretary to the Board of Directors

COMMITTEE REPORTS

Capital Committee – September 12, 2013

As reported by Ms. Emily Youssef

Senior Assistant Vice President's Report

Roslyn Weinstein, Senior Assistant Vice President, Office of the President, provided an overview of the meeting agenda, which included four action items and three information items. She advised that action items for consideration would be: 1) a license agreement for the continued operation of the Joseph Gheraldi Playwright Theatre at Sea View Hospital Rehabilitation Center and Home, 2) a resolution requesting approval of the Harlem Parking project, 3) a license agreement for Heritage Health and Housing to occupy space in 1727 Amsterdam Avenue, a building owned by HHC; and 4) a modification to an existing contract with the Gordian Group, which proposes expansion to their services. Ms. Weinstein further advised that status reports would be provided for the projects in delay.

That concluded her report.

Action Items:

Authorizing the President of the New York City Health and Hospitals Corporation ("the Corporation" or "Licensor") to execute a revocable license agreement with the Joseph Gheraldi Playwright Theatre (the "Licensee") for use and occupancy of space for the operation of a community theater at the Sea View Hospital Rehabilitation Center and Home (the "Facility").

Ms. Youssef read the resolution into the record. Angelo Mascia, Executive Director, Sea View Hospital Rehabilitation Center and Home, and Joseph Gheraldi, Sea View Playwright Theatre, were present to discuss the item.

Mr. Mascia explained that the theatre had been operating at the facility since 1984 and this resolution requested an additional five (5) year term. He noted that the organization occupied space in what was previously the Protestant Chapel on the campus, and in addition to paying the annual occupancy fee, they were in process of replacing the roof, and had converted the boiler, all at their own expense. He added that they perform five (5) shows a year, for which they provide tickets to facility residents.

There being no questions or comments, the Committee Chair offered the matter for a Committee vote.

On motion by the Chair, the Committee approved the resolution for the full Board's consideration.

Approving the Harlem Hospital Parking Facility Project (the "Project"), authorizing the President of the New York City Health and Hospitals Corporation to execute a contract known as the Federal-Aid Highway and Marchiselli-Aid Local Project Agreement with the New York State Department of Transportation to provide funding for the Project, and confirming the availability of the funds necessary to complete the Project.

Ms. Youssef read the resolution into the record. Stephen Lawrence, MD, Deputy Executive Director, Harlem Hospital Center, Louis Iglhaut, Associate Executive Director, Generations+/Northern Manhattan Health Network, and Dean Moskos, Director, Office of Facilities Development were present to discuss the item.

Mr. Iglhaut advised that the resolution requested approval of a \$12.6 million spending limit for the project. This approval would obligate Federal funds allowing HHC to use a \$7.2 million grant from the New York State Department of Transportation. He explained that two independent estimates were completed for this project; one by the Dormitory Authority of the State of New York (DASNY) and McKissack, and, one performed by Jacobson, executed through Central Office. The two estimates were quite close so the project team was comfortable with the established budget. Both estimates included the full scope of work and both came in at \$11.2 million. Contingencies and a \$528,000 fee for construction documents had been added. Of the \$12.6 million, \$7.2 million would come from the Federal government, \$3.5 million would be coming from already allocated HHC funds, from the Harlem Major Modernization project, and the remaining \$2.2 million was anticipated to come from funds for future Capital Projects.

Mr. Moskos explained that the \$3.5 million reallocated from the modernization project were funds that were originally scoped for a parking structure that was ultimately cut out of the modernization project, so DASNY had reduced their modernization work order to reflect this adjustment. He said that the remainder of the \$5.5 million, approximately \$2 million, was funding available in the Capital Plan that had not been allocated to specific projects. The funds were originally part of a lump sum included in the 10 year plan. He noted that HHC was awaiting approval from the Office of Management and Budget (OMB). Ms. Youssef asked where the money was being reallocated from, noting that the Harlem Major Modernization project was over budget. Mr. Moskos said that the \$3.5 million was parked in the Modernization project but was earmarked specifically for a parking

structure. The other \$2 million, a lump sum, would be coming from the outer years of the Capital Plan and had not yet been allocated for any projects.

Michael Stocker, MD, Chairman of the Board, asked how far back the original master plan for the Modernization project went. Mr. Moskos said 2004. Dr. Stocker asked what other components of that original master plan would still not be completed. Mr. Iglhaut advised that when \$47 million were removed from the original project, it was determined that renovations to the Martin Luther King (MLK) Pavilion and demolition of the Women's Pavilion would not be completed, and the building of a 300 space parking structure would not take place.

Ms. Youssouf asked if demolition would be part of the scope of the project being presented. Mr. Iglhaut said yes. Ms. Youssouf asked for an explanation of what the demolition would cost, what was being demolished, and whether any offices and/or employees needed to be relocated. Mr. Iglhaut advised that there were very few offices in the building; a majority of it was vacant.

Ms. Youssouf again noted that the modernization project was over budget and said that she believed the \$5.5 million must all be coming from other sources. There was no money allocated or set aside because it was used on the project. Mr. Moskos said that the \$2 million was coming from overall Capital.

Alan Aviles, President, New York City Health and Hospitals Corporation, explained that decisions had been made to free up capital that was not being utilized on the original project scope but it was being determined where the additional \$2 million would come from.

Josephine Bolus, RN, asked when the other project components that had been eliminated would be completed. Mr. Aviles said that they would be completed when and if they could be. He noted that the parking issue was of great importance and approval of the \$7.2 million Federal money contributed to it being dealt with at present. Dr. Lawrence advised that the facility had lost approximately 60% of their on campus parking and relocation efforts had not provided a sufficient number of replacement spaces.

Dr. Stocker said that the Board had been making great efforts to control spending and keep budgets in line and asked whether the team was comfortable with the estimates. Mr. Iglhaut said yes. Ms. Youssouf asked if the estimates included the demolition, relocation of staff, etc. Mr. Iglhaut said yes, demolition of the Old Nurse's Residence and the old power plant on campus were both part of the project scope.

Mr. Aviles asked if the \$7.2 million was the final grant total after monies were removed as a result of the Federal sequester. Mr. Iglhaut said yes. It was originally \$8 million and went down to \$7.2 million.

Mr. Iglhaut explained that full project scope would also alleviate congestion on 136th street, where ambulances are active. Ms. Youssouf requested that, moving forward, demolition and other project components always be reflected in written materials so that it is clear just what is included. She wants to see a full project scope clearly presented.

Ms. Youssouf reiterated that she did not want to see the project come before the committee with a budget overrun, and that it should contain an adequate contingency. Mr. Iglhaut said that the estimate with a larger contingency was relied upon, and additional time had been added to the project timeline to provide for filing of paperwork, approvals and other time consuming processes.

There being no further questions or comments, the Committee Chair offered the matter for a Committee vote.

On motion by the Chair, the Committee approved the resolution for the full Board's consideration.

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a 3-year terminable license agreement with Heritage Health and Housing, Inc. ("Heritage") for Heritage's use and occupancy of approximately 20,000 square feet at 1727 Amsterdam Avenue in Manhattan (the "Building") for its operation of a Federally Qualified Health Center at an occupancy rate during the first year of the license of \$18/sq. ft. for the approximately 14,000 square feet that Heritage currently occupies on the 1st, 2nd, and 4th floors and at \$35/sq. ft. for the additional approximately 6,000 square feet to which Heritage will expand on the 3rd floor and at a rate of \$35/sq. ft. for the entire premises after the first year of the license such rates to be inclusive of heat, hot water and electricity.

Ms. Youssouf read the resolution into the record. Stephen Lawrence, MD, Deputy Executive Director, Harlem Hospital Center, Louis Iglhaut, Associate Executive Director, Generations+/Northern Manhattan Health Network, and A. Simmons, Heritage Health and Housing, were present to discuss the item.

Dr. Lawrence explained that Heritage House wished to expand their footprint in the building, into approximately 6,000 square-feet of vacant space. He noted that new rates would be set at fair market value, and after one year the space that was already occupied by Heritage House would be increased to that same fair market rate.

Ms. Youssouf asked what the difference between a license agreement and a lease agreement would be. Salvatore Russo, General Counsel, advised that license agreements were terminable on short notice, leases typically have longer terms, and leases require additional sign-offs from City Hall. Mr. Iglhaut stated that this was a first step to getting the rates in alignment and official agreements in place.

Ms. Weinstein added that Jeremy Berman, Deputy Counsel, had worked diligently on the agreement, done much research, and was very well informed in drafting the resolution and the proposed agreement.

There being no further questions or comments, the Committee Chair offered the matter for a Committee vote.

On motion by the Chair, the Committee approved the resolution for the full Board's consideration.

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to modify the existing contract with The Gordian Group, Inc. (the "Consultant") to broaden its scope to the provision of project management services to the Corporation with respect to projects performed by the Corporation's Indefinite Quantity Construction Contractors ("IQCCs"), to increase its funding from \$1.5 Million to not more than \$4 Million, and to extend its term to October 30, 2015.

Ms. Youssouf read the resolution into the record. Dean Pearce, Senior Director, Office of Facilities Development, and Sophia Rim, Gordian Group, were present to discuss the item.

Mr. Pearce advised that under the original contract scope the Gordian Group provided bid documents, bidding assisted contract document preparation, training, program maintenance, management software and program tracking for a fee of 1.95% of each executed project. He stated that almost \$500,000 of the initial \$1.5 million contract had been expended and the contract would expire on November 2, 2014. He explained that the proposed resolution was seeking approval to expand responsibilities of the Gordian Group to include Construction Management (CM) services on an as needed basis for an additional fee of 10%. Additional responsibilities would include the following: determination of whether a project is appropriate for IQCC, identification of a contractor, conducting a joint scope meeting, development of a detailed scope of work, a reviewed price proposal, and monitoring of construction progress and reporting status to HHC. In short, all documents, review and approval of requisitions, and collection and distribution of close-out documents would be included.

There being no further questions or comments, the Committee Chair offered the matter for a Committee vote.

On motion by the Chair, the Committee approved the resolution for the full Board's consideration.

Information Items

Project Status Reports

Emergency Department – Lincoln Medical and Mental Health Center

Mr. Iglhaut advised that since last reported the project had been going quite well, there were no changes to scope or budget, and completion was expected for the end of the year. Dr. Stocker asked how long the project had been going on. Mr. Iglhaut said that original plans had been laid out in 1999 and there had been a number of iterations. Dr. Stocker asked for advisement when the project was complete. Mr. Iglhaut said absolutely.

Ms. Youssouf asked if other updates would be provided. Ms. Weinstein said no.

That concluded the progress reports.

Community Relations Committee – September 3, 2013 **As reported by Josephine Bolus, RN, MS**

Chairperson's Report

Mrs. Bolus welcomed members of the Committee and invited guests.

Before proceeding with the Annual Activities Reports from the Community Advisory Boards from the North Bronx and Southern Brooklyn/Staten Island Networks, Mrs. Bolus highlighted some notable developments that have occurred since the last meeting in May.

Mrs. Bolus began her report by once again expressing her appreciation for the annual Marjorie Matthews Advocacy Awards for CAB and Auxiliary members. She stated that the July 17th event at Dr. Susan Smith McKinney Nursing and Rehabilitation Center was truly memorable – despite the

heat wave. She added that she was thankful for the shade and how beautifully decorated the garden was. In addition, the interaction among the awardees, their families, colleagues and staff felt more than ever like an extended HHC "family" reunion.

Mrs. Bolus reported that, the primary election for local Council and Citywide races is one week from today. She stated that, as it was done last year, HHC is partnering with the Office of Voter Assistance for a major voter registration campaign. Also, all CABs and facilities are sponsoring educational and outreach events. Mrs. Bolus reported that the voter registration deadline for the general election is Friday, October 11th. If a runoff primary is necessary before the general election, that will occur on October 1st.

Mrs. Bolus informed the Committee that October 1st is significant in another way. That is the day when the State will begin enrollment for its "New York State of Health" program under New York's health exchange program. Mrs. Bolus stated that there will be more information on that issue over the coming weeks as advertisements and marketing efforts begin in earnest. She reminded the Committee that each state has been given the option under the Affordable Care Act (Obamacare) to set up their own health exchanges that would allow persons and businesses to shop for health insurance. Mrs. Bolus added that, while enrollment will start on October 1st, coverage will actually begin on January 1st. Mrs. Bolus explained that, if a person earns less than \$45,960 as an individual or \$94,200 for a family of 4, they may be eligible for financial assistance that will make coverage more affordable. She noted that, it is estimated that approximately 1.1 million people could obtain coverage through the New York State of Health program and Medicaid enrollment could increase by 510,000. Mrs. Bolus stated that many of these newly insured patients will hopefully visit HHC facilities. Mrs. Bolus added that, one important factor that will help is that MetroPlus is among the healthcare plans offering coverage through the exchange and will be offering an affordable package.

Moving on from discussion of insurance coverage to that of preventive care, Ms. Bolus stated that she has received many reports about how CABs and Auxiliaries have been active this summer with preventive health outreach programs. This includes participation at numerous health fairs and also now at several farmers markets.

Mrs. Bolus reported that, at both Lincoln and Harlem Hospitals, a unique program has been developed in partnership with the New York City Health and Mental Hygiene Department, Wholesome Wave, and the Fulfillment Fund to promote healthy eating for patients who are at risk of obesity. She added that the Fruit and Vegetable Prescription Program (FVRx) includes nutritional counseling and a "prescription" to eat more healthy produce. It also provides patients with "Health Bucks" that can be redeemed at local farmers markets for free fruit and vegetables for them and their families.

In national news, Mrs. Bolus reported that Healthgrades, an organization that helps healthcare consumers evaluate and compare hospital performance, named 2 HHC hospitals as "Top Performers" in July. Coney Island Hospital was awarded for the provision of maternity care and women's health and Woodhull Medical and Mental Health Center was named for GYN Surgery. Mrs. Bolus acknowledged the staff at those hospitals.

Mrs. Bolus brought to everyone's attention that HHC is now posting new features on its website (www.nyc.gov/hhc) on a regular basis. She noted that these focus on strategies and practices that are improving and strengthening care. In addition, there are features on the website now focusing on initiatives to better care for hypertension and the use of therapy dogs. Mrs. Bolus encouraged all to visit the website to learn more about these and other programs.

Mrs. Bolus concluded her report by reminding everyone that the next Community Relations Committee meeting is November 19th.

Mrs. Bolus turned to Mr. Aviles for his remarks.

PRESIDENT REMARKS

Mr. Aviles greeted everyone wishing that they all had a great summer. He reminded them to get ready to advocate with the new/future Mayor on behalf of HHC. He stated that his remarks include two important issues that are relevant to the two Networks that will give a report of their facilities' Community Advisory Board activities.

Mr. Aviles started with the North Bronx Network, and reported that inpatient labor and delivery services and the neonatal intensive care unit services were suspended at North Central Bronx Hospital (NCBH) as of August 12, 2013. Mr. Aviles stated that this decision was made as a result of issues over a protracted period of time. These issues relating to both a transition of management for that service across both of the network's hospitals with regard to HHC's ability to maintain adequate staffing as the facility has recently lost a number of senior OB attending physicians. Mr. Aviles explained that, while they were successful in recruiting replacements for most of those vacancies, they tended to be junior obstetricians. He added that, for patient safety reasons, it is customary to pair a senior obstetrician with a junior obstetrician for every shift, 24 hour a day, 7 days a week. Because there were some adverse events in the OB Department that raised some concerns in the North Bronx Network, OB services were suspended at NCB so that they could be consolidated along with the staff at Jacobi. Mr. Aviles informed the Committee that in the last years, NCB delivers an average of 1,400 babies and Jacobi, 1900. Mr. Aviles noted that fortunately, Jacobi's space was originally configured for approximately 3,500 deliveries; therefore, there was still adequate space to accommodate those deliveries and the consolidation of the staff necessary for adequate staffing for every shift 7 days a week.

Mr. Aviles reported that 95 of the 103 affected NCB employees were transferred to Jacobi and the other eight were assigned to NCB physicians at their requests. Mr. Aviles added that the facility did an excellent job in reaching out to all the mothers that were receiving pre-natal care and were expected to deliver in the next few months at NCB. He added that, for those mothers that were unreachable by phone, home visits were made to ensure that they were aware of NCB's change in providing labor and delivery services. Mr. Aviles reported that all the affected expectant mothers were contacted and informed about their new options. Mr. Aviles also reported that HHC has contracted with a private ambulance to transport OB patients from NCB to Jacobi 24/7 at no cost. He noted that, in general, most of the expected mothers have agreed to deliver at Jacobi. He added that since the consolidation of labor and delivery service from the two hospitals, staffs feel more confident as they have more support and staffing is much more adequate. Mr. Aviles informed the Committee that recruitment for vacant positions is ongoing. He announced that a new Director of Obstetrical and Gynecological services has been hired and will start on November 1, 2013. He added that the new Director will assess and oversee the service delivery at both hospitals going forward.

Turning to the South Brooklyn/Staten Island Network, Mr. Aviles reported that earlier this summer, there was a very unfortunate incident involving the blood bank at Coney Island Hospital. A very frail elderly and very ill patient died after receiving a mismatched blood transfusion. Mr. Aviles noted that although there have not had this type of incident at Coney Island Hospital in a decade, the fatal error did trigger lots of internal and external reviews and regulatory surveys. Mr. Aviles stated that the State Health Department (SDOH) got involved and was very concerned because they were not persuaded that procedures were being followed as they should be. In addition, Coney Island's staff was nervous about the survey team as some of the staff did not speak English as their primary language. Also, the SDOH were not persuaded that all of the staff in the blood bank was as knowledgeable as they should have been. Consequently, the SDOH had ordered to suspend the blood bank services at Coney Island Hospital. In addition, the SDOH had asked the Corporation to voluntarily submit a recertification of the blood bank, which is a lengthy process to start the blood bank all over again. Mr. Aviles reported that in the interim, KCHC has stepped up as a sister facility and is providing most of what is needed in connection with blood typing, screening, antibody identification and compatibility testing. Mr. Aviles informed the Committee that HHC does maintain Type-O blood, universal donor, for absolute emergencies. Mr. Aviles reported that, thus far, that system has been working reasonably well and Coney Island Hospital has been able to keep its OR open and to continue to keep its maternity services running in the event that blood is needed for deliveries. Mr. Aviles added that it may take a while to get to the point for CIH to be recertified in full for the blood bank. Mr. Aviles informed the Committee that the Corporation will engage some consultants in the process to make sure that we get it right.

Mr. Aviles continued his remarks and stated that, needless to say that CIH has gone through a lot over the course of last year. He noted that CIH is still recovering from the damage done by Hurricane Sandy. As a matter of fact, Mr. Aviles stated that another Med Surg unit has just recently been re-opened. Two other Med Surg units of about 37 beds are still closed, as well as the Emergency Department. Mr. Aviles informed the Committee that the Corporation took advantage of the downtime to expand the Psychiatric ED and that the expanded ER is near completion. It is projected that the NYSDOH will be back by the end of this month to survey the ED and the Psychiatric ED and at the same time to reopen the Med Surg units as well. Mr. Aviles added that CIH is expected to be fully operational at full capacity by the end of this month. Mr. Aviles ended his remarks by commending CIH's leadership as well as the CAB members for their support.

Ms. Elizabeth Thompson from the Jacobi Hospital Community Advisory Board said that, as an O negative Blood Type donor, she has to go to 68th street to donate blood. She asked why there is not a Blood Bank station in the Bronx. Mr. Aviles answered that generally, HHC uses the New York Blood Bank which is responsible to set up their donor stations. Mr. Aviles added that on occasions, mobile drives are conducted. He noted that maintain of blood is a community resource for the entire city. He added that the most efficient way for HHC to meet its need is to rely on the New York Blood Bank. Mr. Aviles encouraged employees as well as patients to donate to the Blood Bank.

Ms. Brown clarified that the New York Blood Bank is an independent organization, not affiliated with HHC. Ms. Brown added that she will be happy to work with Ms. Thompson to communicate to the Blood Bank about the issues of access for individuals who live in the Bronx. Ms. Brown promised Ms. Thompson to leave her business card with her at the end of the meeting for follow-up. Ms. Brown stated that both Ms. Thompson and Ms. Hannah Nelson of Jacobi's leadership can communicate to the Blood Bank about that issue. Ms. Brown added that, while they do not have a full time location, they may well consider how people who live in the Bronx can access their services. Ms. Brown noted that, there is a shortage of O negative Blood Type.

Mrs. Bolus thanked all the members who contribute to the Blood Bank.

Mrs. Bolus acknowledged Mr. William Walsh, Senior Vice President, North Bronx Network, Ms. Hannah Nelson, Public Affairs Director, Jacobi Medical Center, Mr. Arthur Wagner, Senior Vice President, Southern Brooklyn/Staten Island Network, Mr. Angelo Mascia, Executive Director, Sea View Hospital Rehabilitation Center & Home and all the CAB members of the North Bronx and Southern Brooklyn/Staten Island networks.

Adoption of Minutes

Mrs. Bolus noted that a quorum had been established and she requested a motion for the adoption of the minutes of May 7, 2013. A motion was made and seconded. The minutes were adopted.

North Bronx Healthcare Network

Jacobi Medical Center (Jacobi) Community Advisory Board

Mrs. Bolus introduced Mr. Silvio Mazella, Chairperson of the Jacobi Community Advisory Board and invited him to present the CAB's annual report.

Mr. Mazella began the Jacobi CAB's report by thanking the members of the Committee for the opportunity to present. Mr. Mazella informed members of the Committee and all invited guests that he is the newly elected CAB Chairperson for Jacobi. Mr. Mazella added that he has been a member of the Jacobi CAB for the past thirteen years, and Chair the CAB Emergency Department Sub-Committee.

Mr. Mazella reported that this was another active and exciting year for the Jacobi Medical Center's Community Advisory Board. He noted that once again the Jacobi CAB sponsored 911 Memorial Event, the event was held at the Memorial Garden on the Jacobi campus. Mr. Mazella added that the Memorial Garden was created after 9/11 to pay tribute to victims of 9/11 and to offer the patients and community members a place of tranquility. Mr. Mazella continued and stated that "each year the Memorial Event is well attended and the program is memorable and sensitive to the nature of the event." Mr. Mazella extended an invitation to members of the Committee, CAB Chairpersons and guests. Mr. Mazella noted that this year's event will be held on Wednesday, September 11th starting at 8:30 a.m. at Jacobi Medical Center.

Mr. Mazella continued and reported that the Jacobi CAB sponsored a Legislative Forum, and shared relevant information on keeping Jacobi Medical Center strong. He noted that the forum was well attended by CAB members, hospital employees, elected officials and community members.

Mr. Mazella informed members of the Committee and invited guests that the Jacobi CAB sponsored its 3rd Annual Mental Health Conference that took place during the month of May to recognize National Mental Health Month. Mr. Mazella added that Ms. Sylvia Lask, former CAB Chairperson and current Vice Chairperson was instrumental in organizing the Conference. Mr. Mazella added that the Conference topic was "Housing - Another Challenge for The Mentally Ill." Mr. Mazella added that the Jacobi CAB had the good fortune of having guest speakers who are experts in the field present, including HHC's LaRay Brown who spoke on Strategic Collaborations: Creating Access to Housing. Mr. Mazella noted that the Mental Health Conference was well attended by over one hundred people, comprised of hospital staff and professionals from community base organizations. Mr. Mazella stated that "based on the success of this year's conference, the Jacobi CAB already have plans to sponsor another Conference in May 2014."

Mr. Mazella reported that Jacobi's Medical Center priorities are led by the hospital's determination to become one of the safest hospitals in the nation. Mr. Mazella added that the hospital's LEAN initiative, which is an ongoing improvement program hospital-wide, has been very successful in helping to make Jacobi's services more efficient, effective and safe. He added that in addition, the North Bronx Network is in the process of a hospital-wide Service Excellence initiative that aims to embrace new standards for service and customer satisfaction.

Mr. Mazella continued and reported that the most significant health issues in the community include obesity, diabetes, asthma, hypertension and mental health issues at a significantly high rate. Mr. Mazella noted that the Bronx is also at the center of the HIV/AIDS epidemic.

Mr. Mazella informed the Committee and invited guests that the Jacobi CAB learn about the incidence of these serious illnesses and the hospital's scope of services and unique programs during the CAB's monthly meetings. Mr. Mazella added that Mr. Walsh, Senior Vice President of the North Bronx Healthcare Network provides the CAB a comprehensive review of hospital and fiscal issues as well as information about new programs and initiatives.

Mr. Mazella reported that the CAB is proud of Jacob Medical Center's new, modern Ambulatory Care Pavilion, Inpatient Facility, Psychiatry Emergency Department and newly renovated areas throughout its original hospital. Mr. Mazella added that in addition to the revitalization and transformation of the hospital's interior, Jacobi has recently undergone a major transformation of its exterior. He noted safety improvements to the grounds include roadway markings, such as pedestrian crosswalks, handicapped accessible sidewalk curbs, new sidewalks where none existed, sidewalk night lighting fixtures, roadway night lighting fixtures, illuminated signage, and emergency call boxes in parking lots. In addition, the grounds are beautified with new plantings and additional amenities include bicycle storage racks, benches and trash receptacles.

Mr. Mazella concluded the Jacobi CAB report by stating "Jacobi Medical Center has a history of medical accomplishments and innovations. The hospital offers unique services and programs. The staff is knowledgeable and compassionate. The CAB is proud of the hospital and proud to say that "Jacobi Is What Great Looks Like."

North Central Bronx Hospital (NCB) Community Advisory Board

Mrs. Bolus introduced Ms. Cheryl Alleyne, CAB Vice Chairperson of NCB Community Advisory Board and invited her to present the CAB's annual report on behalf of Ms. Esme Sattaur-Low, the Chairperson.

Ms. Alleyne began the CAB's report with greetings to members of the Committee, CAB Chairpersons and invited guests. Ms. Alleyne noted that she has been on the NCBH CAB for the past twelve years.

Ms. Alleyne reported that North Central Bronx Hospital has provided quality care to the Norwood Community for over thirty-five years, serving generations of families. She noted that NCBH is a hospital that community members are comfortable and familiar with, and it is a hospital that community members trust, having received compassionate care from experienced providers.

Ms. Alleyne informed members of the Committee and invited guests that Esme Sattaure-Low CAB Chairperson, and the CAB sponsored a special event focusing on the ongoing crisis of gun violence. Ms. Alleyne noted that at this special event there were two guest speakers that shared a wealth of information: Dr. Sheldon Teperman, Associate Professor of Surgery and Director of Trauma and Critical Care Services at Jacobi who has long been a committed advocate of gun control.

Ms. Alleyne added that Dr. Sheldon presented, "Gun Violence: A Trauma Surgeon's Perspective" and also included a compelling video. She noted that in addition, Erik Cliette, Director of Injury Prevention at Harlem Hospital Center presented, "Gun Down, Life Up" and also included a moving video that documented the initiative to provide youths an alternative to gangs and gang violence.

Ms. Alleyne reported that the NCBH CAB participated in the Annual Bill Lane Social Work Disaster Response Conference. Ms. Alleyne explained that this year's presentation focused on Hurricane Sandy's impact on HHC as well as the emergency preparations at NCBH. She added that in addition to a keynote presentation on professional resilience in a shared trauma environment, Cathy Sacks, Associate Executive Director for the Emergency Department at Coney Island Hospital provided a powerful look at how Coney Island Hospital coped with Hurricane Sandy, providing lessons for all of us.

Ms. Alleyne continued and reported that the community's most significant health issues include obesity, diabetes, hypertension and mental health issues. Ms. Alleyne added that special care for geriatric patients with psychiatric disorders is a pressing concern. Ms. Alleyne noted that the Executive and Clinical leadership keeps the CAB informed of these serious and complex illnesses as well as the hospital's response to the health issues of the community during the CAB's monthly meetings. Ms. Alleyne also added that the CAB receives presentations from the Network's Safety Officer and the Network's Chief Financial Officer during which time the CAB have the opportunity to ask questions and learn more about the hospital's economic challenges.

Ms. Alleyne concluded the NCBH CAB report by commending Mr. William Walsh, Senior Vice-President, North Bronx Healthcare Network, for always providing a comprehensive review of issues and concerns, and about new hospital programs and initiatives. Ms. Alleyne explained that the hospital-wide Service Excellence program aims to encourage staff at all levels to provide patients with a safe, clinically effective and positive experience. Ms. Alleyne added that the NCBH CAB is proud of the hospital and will support it. She noted that the CAB celebrate all the good work NCBH has done when they say, "North Central Bronx Hospital is what great looks like."

Southern Brooklyn/Staten Island Network

Coney Island Hospital (Coney Island) Community Advisory Board

Mrs. Bolus introduced Ms. Queenie Huling, Chairperson of the Coney Island Community Advisory Board and invited her to present the CAB's annual report.

Ms. Huling began her presentation by introducing herself and thanking the Committee for giving her the opportunity to share the Coney Island Hospital CAB report. She also acknowledged Arthur Wagner, Sr. Vice President, Southern Brooklyn/Staten Island Network and Executive Director of Coney Island Hospital, Robert Cooper, Associate Executive Director of Public Affairs and fellow CIH CAB members who were in attendance.

Ms. Huling reported that 2012 thru 2013 were challenging years for most of CIH CAB members. She noted that many of the CAB members were severely affected by super storm Sandy. Ms. Huling stated that "the Coney Island community lost homes, schools, medical facilities, businesses, churches, libraries, and post offices. However, through faith and perseverance we survived and today we are stronger, better than before and more unified."

Ms. Huling continued and reported that the Coney Island CAB continues to support the leadership of the hospital in many ways to ensure that the needs of the community are met. Ms. Huling noted the following events in which the Coney Island CAB participated:

- On January 25, 2013 CAB hosted its Annual Legislative Breakfast at Tom's Restaurant in Coney Island. The event went well and was attended by local elected officials, and the community.
- On January 23, 2013 attended Coney Island Townhall Meeting hosted by Congressman Hakeem Jeffries held at Coney Island Gospel Assembly. The meeting addressed the community needs and concerns subsequent to Super Storm Sandy on the West end of the Island.

- On February 17, 2013 attended Community Board 13 monthly meeting.
- On March 9th Rosanne Degennaro, Herb Roberts, Marty Bromberger and she manned a CAB table at the Coney Island Health & Wellness day event held at Public School 188. In addition, the hospital's Outreach Department conducted free blood pressure screening and dietary consultations at the event.
- On March 21, several CAB members participated in CIH consumer and community focus groups.
- On April 8th gave testimony at HHC's Board of Directors Brooklyn based Annual Public Meeting opposing the permanent relocation of Ida G. Israel Community Health Center.
- On May 21, attended 60th Precinct Community Affairs meeting, invited all in attendance to CAB 2013 Annual Public Meeting. Flyers were also distributed at the meeting.
- On June 6, 2013 Coney Island CAB hosted a successful Annual Public Meeting. It was informative and well attended.
- On June 23, 2013 Rosanne Degennaro and she attended the grand opening of Senator Diane saving's office & block party. We also manned a CAB's table.
- On July 17, Peter Hermida received the Marjorie Mathews recognition award.
- On August 6, 2013 Coney Island CAB manned a table at National Night Out. In addition, the hospital's Outreach Department conducted blood pressure screening.
- On August 30th the CAB hosted a voter registration drive at CIH farmer's market.

Ms Huling reported that in the Coney Island Hospital community, the most significant health care service needs /concerns are:

- To replace the Ida G. Israel Community Health Center, that was destroyed by Super Storm Sandy, to the west end of Coney Island.
- The financial support and provision for a level one trauma center, and the continued modernization of CIH in plans for the redevelopment of Coney Island by NYC EDC/Coney Island Development Corp.
- Improving the level of community/patient satisfaction.
- Expanding access to Specialty Geriatric Medical Care Services in light of the fact that Southern Brooklyn has the largest Geriatric population in NYC and CIH is surrounded by no less than six (6) Naturally Occurring Retirement Communities.
- Ensuring the future continued success of HHC's mission in the midst of national health care reform and governmental budget crisis.
- Ensuring that the community's medical needs are addressed under the HHC restructuring plan, especially those needs which involve hypertension, diabetes, obesity, and cancer.

Ms. Huling explained that some of the needs and concerns were identified through local community board(s) meetings, reports from community organizations, community health profile data and needs assessments. Ms. Huling noted that the leadership of Coney Island is helping to address these needs/ concerns.

Ms. Huling continued and stated "for example: in 2013 Senior staff held meetings with local Elected Officials to discuss the hospital's equipment needs. The Brooklyn Delegation of the NY City Council allocated \$1.8M to Coney Island Hospital for various equipment and services. In addition, the leadership plans to replace the Ida G. Israel Community Health Center which includes the construction of a modular building on property owned by the New York City Housing Preservation and Development Corporation (HPD) located on Surf Avenue between 17th and w18th Streets.

Ms. Huling reported that the Hospital's leadership is also taking steps to maintain working relationships with the six retirement community organization (NORCs) in CIH's primary service area. Ms. Huling noted that various departments, including patient relations, social work, strategic planning, medical affairs, and public affairs continue to meet with staff to monitor the continuity of care of its older patient population and is collaborating with the retirement community organizations, skill nursing facilities and adult homes to ensure that patients avail themselves of the supportive social and clinical services offered in the Community.

Ms. Huling informed all that Coney Island Hospital strategic priorities is to: replace Ida G. Israel Community Health Center to the West end of Coney Island, Clinical Excellence, Patient Safety, Patient & Customer Satisfaction, Information Technology, Facilities & infrastructure financial stewardship and high quality workforce. Ms. Huling added that the CAB has a representative on the hospital's patient safety and patient satisfaction committee. She noted that both representatives were term limited effective August 31, 2013. She stated that "the CAB will select two new representatives to fill those vacancies." Ms. Huling noted that the CAB also provides input and suggestions in strategic and other plans presented at CAB meetings.

Ms. Huling reported that the most frequent complaints raised by patients are the waiting time and traveling to Sea View Hospital in Staten Island for mammograms. She noted that the most frequent compliments received from patients are about the high quality of care provided to them by the doctors, nurses, and other support staff. Ms. Huling added that the community also complimented the Farmer's Green Market, the community art exhibitions and the overall cleanliness of the hospital. Ms. Huling added that from the CAB's perspective cleanliness of the hospital is very good, the condition of the hospital is satisfactory and the appearance is satisfactory. She noted that signage regarding HHC's options program is posted in high traffic areas.

Ms. Huling continued and highlighted the Coney Island CAB's 2012 participation in the following outreach activities:

- In July Rosanne Degennaro received the Marjorie Matthews Recognition Award.
- On September 17th , several of CAB members attended a Voter Registration training at HHC
- On September 25, CAB hosted its first Voter Registration drive in honor of national Voter Registration Day at CIH.
- On October 10th, CAB hosted it 2nd registration drive at Ida G. Israel Community Health Center.
- On October 24th, several CAB members attended the Council of CAB's Annual Conference Held at Jacob Medical Center.
- Mr. Herb Roberts and she attended HHC & the Center for Medicare & Medicaid Services - Medicare 101 Workshop hosted by CIH.
- Members attended Hurricane Sandy's Planning & Restoration Committee meeting hosted by Marty Markowitz, Brooklyn Borough President regarding the hurricane effect on C.I.
- On Nov. 18th toured the affected areas of Coney Island with Rev. Al Sharpton, President of National Action Network, Charles Hynes, Brooklyn District Attorney Congressman Hakeem Jeffries, Senator John Sampson, Assemblyman Alex Brook-Kransy, Councilman Dominick Recchia and Councilman Jumannee Williams.
- On Nov. 29th attended Deputy Mayor Gibbs Planning Committee Meeting regarding the needs of the community as a result of sandy & prior to Sandy.
- On December 10th, attended Gerristen Beach Association Town Hall Meeting hosted by Senator Golden and on
- On Dec.17th, attended Southern Brooklyn Democratic Club Executive Meeting. Kings County Democratic Chairman, Frank Seddio was the guest speaker.

Mr. Huling reported that through the CAB's contact with community organizations, CAB members helped to identify and coordinate outreach activities.

Ms. Huling concluded the Coney Island CAB report by again thanking Mr. Wagner for his dedication and leadership and HHC's Board of Directors Community Relations Committee for the opportunity to share last year's activities.

Sea View Hospital Rehabilitation Center and Home (Sea View) Community Advisory Board

Mrs. Bolus introduced Mr. Joseph Tornello, Chairperson of the Sea View Community Advisory Board and invited him to present the CAB's annual report.

Mr. Tornello began his presentation by thanking members of the Community Relations Committee for the opportunity to present the Sea View CAB's annual report. Mr. Tornello introduced himself as being a member of the Sea View CAB for more than ten (10) years and he noted that this is his second year as Chair of the board.

Mr. Tornello stated that he "greatly appreciates his role as the CAB's Chairperson, representing the community, the residents and relatives of residents of Sea View."

Mr. Tornello reported that the senior staff of Sea View provides the CAB with a very comprehensive report about the plans and programs for the facility during the CAB's monthly meetings. Mr. Tornello noted how helpful the staff is with answering the many questions and concerns raised by CAB members.

Mr. Tornello concluded his report by informing members of the Committee and invited guests that Sea View Hospital and Rehabilitation Center provides high quality health care to its residents. Mr. Tornello stated that his "comment about the services is not just from his point of view but, rather comments made by the Sea View community."

Mr. Tornello was reminded by Ms. Agnes Abraham, Chairperson, Council of CABs about the importance of attending the Council of CABs' monthly meeting.

Finance Committee – September 17, 2013

As reported by Mr. Bernard Rosen

Senior Vice President's Report

Before beginning her report, Ms. Marlene Zurack introduced to the Committee, Brian Ancona, newly appointed Chief Financial Officer (CFO) of Gouverneur Healthcare Services. The reporting would include two items, cash flow and Healthcare Exchange. As of September 13, 2013, HHC's cash balance was \$149 million or nine days of cash on hand (COH). As the Committee was informed throughout last fiscal year, this fiscal year, FY 14 will be much tighter than in previous years. Some of the Committee members were at last week's Audit Committee where the FY 13 year-end financial statement was presented by Mr. Weinman, Corporate Comptroller that is reflective of the current cash trend. The overall trend towards reduced reimbursements has impacted HHC significantly. The storm has had two significant impacts that will be discussed in more detail by Mr. Covino. One being the difference between the actual costs of keeping the staff on board at Coney Island and Bellevue hospitals during the time those facilities were closed and there were revenue losses. The total cost for those expenses is estimated at \$250 million. While HHC is fortunate to get Community Development Block Grant (CDBG) monies of \$183 million there is a net loss of \$67 million. In addition, pursuant to the accountants, HHC is unable to record all of the FEMA revenue related to the storm for incurred expenses due to the accounting practice that the revenue has to be obligated or approved by FEMA to the extent of the expenses and FEMA has yet to approve those grants. Cash is tight and the reimbursement system for high Medicaid safety net hospitals in NYS has become critical and HHC is feeling the brunt of it. For HHC, it may not be the same the other hospitals due to the match funding from the City. However, it is anticipated and projected that HHC will end the year with a positive balance which is contingent upon several large funding payments from the federal government in order to remain solvent. One is the 1115 waiver and the state supplemental Medicaid payments. This week, HHC is at nine days of COH but projecting to end the year at the same level as last year FY 13 at \$132 million and 19 days of COH if all of those items are received.

Committee member Ms. Emily Youssouf asked Ms. Zurack if she would share with the Committee one of the recommendations from HHC's outside auditing firm, KPMG that was discussed at the Audit Committee last week relative to the utilization.

Ms. Zurack stated that one of the things that was discussed at that Committee was that HHC had a decline of approximately \$400 million in revenue from FY 12 to FY 13. \$250 million that is related to the storm; however, \$150 million is related to declines in utilization that has been constant over the last few years and as per KPMG is also a factor at other hospitals in the healthcare industry. To address this issue corporate finance and corporate planning will be working together on reviewing the utilization trends compared to the industry in an effort to identify some of the causes for the decline.

Ms. Andrea Cohen, Agent Representative for Deputy Mayor Linda Gibbs, asked if the reduction in utilization is across the system or services; up or down.

Ms. Zurack stated that Mr. Covino would be covering that trend as part of the Key Indicators report. It is both in and out but geographically different. Some of the facilities were up and some were down in utilization which is shown on the reports that will be presented by Mr. Covino.

Ms. Cohen asked if it is geographically across services such as nursing homes versus outpatient services.

Ms. Zurack stated that the services are consistent and geographically inconsistent. Mr. Covino stated that included in the year to year expenses, the decline is apparent, excluding Bellevue and Coney Island due to the storm.

Ms. Youssouf added that in addition to the joint planning review it was also suggested that HHC should also look at the various geographic.

Ms. Zurack agreed adding that it would be in terms of the market share such as the hospital closures in Brooklyn. Some of HHC Brooklyn facilities have declines in utilization.

Mr. Rosen added that the analysis of the \$400 million shortfall, \$250 million related to the storm and \$150 million due to the decline in utilization is extremely helpful in terms of the Committee understanding of the problem. It is important to note that the \$150 million can be recovered so there is some opportunity for HHC to recover.

Ms. Zurack stated that in addition to utilization the reduction in the rates should also be included as part of that decline. The rate cuts played a significant role in the reduction in reimbursement.

Healthcare Exchanges

Ms. Zurack stated that as part of HHC's approach in addressing the Healthcare Exchange issues, Mr. Bekker, CFO, Generation +/Northern Manhattan Network has been appointed the chair of a workgroup for the healthcare exchanges to address the impact on HHC's Medicaid application processing and HHC Options programs. HHC has been working to improve the flow of the Medicaid application processing and starting January 1, 2014 those efforts will become moot due to the proposed change in the process that will be dramatic. The workgroup is comprised of some of the staff involved in revenue cycle, HHC Options and Medicaid applications. There is also representation from the President's office, MetroPlus, Communications/Marketing, internal and external given the magnitude of the change for HHC's patient population and staff. Therefore, all of those elements are essential. The initial meeting was held in August 2013 from which subgroups were developed. One of which Ms. Zurack will head the incentive group that will review how the new insurance options will affect HHC Options program and how HHC can assist and urge individuals to sign-up for insurance. Another group headed by Mr. Bekker will review the training requirement for HHC staff involved in the process and the change role of the staff given that the new process will be completely different from the existing one. The third group will review the process flows and automation requirements for the new process that will be very different. The Exchanges are opened to the uninsured and to those who want to sign-up for the qualified health plans beginning October 1, 2013. To some extent that October 1 date will affect HHC as well. Medicaid applications will flow through the Exchange starting in January 1, 2014. Mr. Bekker will be asked to report back to the Committee next month after the workgroup has formalized a plan to present to the group. MetroPlus has its own activities in addition to others.

Ms. Cohen cautioned that given that it is a brand new process and the State has yet to finalize its plan, whatever is developed by HHC should be considered as a draft given that the Exchange is a moving target.

Ms. Zurack agreeing with Ms. Cohen added that given the circumstances, HHC does not have a final plan due to the lack of key data points needed for the plan that are not completed by the State. Ms. Zurack concluded her report.

Mr. Rosen stated that the reports that would be presented were the year-end final reports for the prior FY 13.

Key Indicators/Cash Receipt & Disbursement Report

Mr. Fred Covino before beginning the reporting thanked key staff for their efforts in the CDBG funding process that included, Krista Olsen, Senior Director, Finance, Rebecca Fischer, Associate Executive Director, Bellevue Hospital, Darren Collington and staff at Coney Island Hospital and OMB staff, Megan Meagher and Krista Rafella. The CDBG funding for HHC totals \$183 million and is in process for payment by OMB. This payment is the largest single draw in CDBG history which is a major accomplishment for HHC. Mr. Covino brought to the attention of the Committee that a page had been added to the Key Indicators report to provide an overview of the differentiation of the year-to-year receipts for Bellevue and Coney Island and the remaining facilities. Throughout last year the reporting included the impact on those two facilities due to the storm and that page was reflective of that reporting. Starting with page 1, utilization for acute discharges was down by 8.7% or 16,000 discharges, excluding Bellevue and Coney Island, the decrease is less than 1% or .84%, 1,250 discharges. The D&TCs were down by 11.4% or 80,000 visits compared to last year and nursing home days were down by 14.3% or 126,000 days due to the transitioning at Coler/Goldwater and construction at Gouverneur.

Ms. Cohen asked if the data included the facilities outpatient departments' workload. Mr. Covino stated that it was not included. Continuing with the reporting, the ALOS, all of the facilities with the exception of Lincoln were 1/3 day of the corporate average. Lincoln was 6/10 day less than the corporate average. The CMI was up by 1.64% compared to last year and is the highest it has been all year and is the second consecutive year that an increase has occurred. FTES were down by 931 versus the FY. The details of the decrease would be presented as part of the PS Quarterly Report. In summarizing the year-end facilities/network performance for FY 13, Mr. Covino reported that the North Bronx ended the year with a \$21 million surplus for the fourth consecutive year; Generations+/Northern Manhattan Health Network ended the year with a \$11 million deficit which ended that network's run of consecutive years of a budget surpluses; South Manhattan ended the year with a \$294 million deficit primarily due to the impact of the storm; North Central Brooklyn ended with a \$78 million deficit due primarily to a \$48 million reduction in Medicaid fee-for-service receipts; Southern Brooklyn/Staten Island Network ended with a \$280 million deficit primarily due to the storm and ending their four consecutive years of surpluses; Queens Health Network ended with a \$14 million deficit despite the surplus at Elmhurst.

Ms. Youssouf asked what the hospitals with large surpluses attributable to.

Mr. Covino stated that the hospitals with the surpluses are due to the continuation of the roll of surpluses year after year such North Bronx and Elmhurst.

Ms. Youssouf added that it includes the prior year.

Ms. Zurack stated that it would include the prior year roll if a network ended the year with a surplus the surplus monies are rolled into the next year's budget. Some facilities keep it as a cushion and let it last for long time which is what happened in the North Bronx while others have started to erode their surplus which is what has happened at Generations+/Northern Manhattan Network.

Ms. Youssouf asked what the surpluses represent. Ms. Zurack stated that it is only a budget performance. In terms of turnaround there has been some improvements due to both increased revenues and cost containment reductions that have contributed to the improvement while Gouverneur was largely on the cost side.

Mr. Covino continuing with the reporting stated that receipts were \$118 million worse than last year due largely to the closure of Bellevue and Coney Island hospitals due to the storm. Expenses were \$134 million better than last FY due to the delay in City payments of \$242 million offset by an increase of \$87 million in OTPS which included an additional \$147 million in OTPS expenses related to the storm as part of the clean-up at Bellevue, Coney Island and Coler. Page 4 the additional page that included the breakout of the receipts to show the impact of the storm at Bellevue, Coney Island and Coler and all the other facilities. On a cash basis the \$240 million shown is close to the reference Ms. Zurack made in terms of the \$250 million. There was a significant reduction in Medicaid fee-for-service in both the inpatient and outpatient, exclusive of the storm. Medicaid fee-for-service inpatient was down by 12,000 cases, 63,000 psych days.

Ms. Youssouf asked how much of the reduction in revenue is related to the reimbursement changes and utilization.

Ms. Zurack stated that utilization is down by 1% inpatient ¾ rates and ¼ rates based on Mr. Weinman's analysis. Included in the utilization are beds that are not in service due to construction at Gouverneur and the Coler/Goldwater reconstruction. Out of the \$150 million, \$20 million was at the nursing home and the remainder was at the acute hospital, \$60 million outpatient and \$80 million inpatient.

Mr. Rosen commented that the bulk of the deficit is related to rate reductions. Ms. Zurack replied that is sectors, nursing homes, outpatient, due to the beds, due to construction of the acute hospitals and D&TCs, in addition to a combination of the rates.

Board Chairman, Dr. Michael Stocker asked if the Exchange would make up for the difference in utilization in the hospitals based on the utilization projections for MetroPlus.

Mr. Covino stated that in the FY 14 budget there is not a large increase in membership projected.

Ms. Zurack stated that in the budget MetroPlus was very conservative in its projections. In response to Dr. Stocker's question, this is part of the preparation for the Exchanges on the MetroPlus side. As part of HHC's workgroup which also includes HRA, the group will review all of the options in terms of opportunities. Some individuals who are singles or couples without children must earn less than 100% of the federal poverty level (FPL) to be eligible for Medicaid compared to 138% as part of the new Exchanges. This is the new population that HHC will be working with. In addition those individuals who are now Medicaid eligible and do not sign-up will need to pay a tax penalty. For one year NYS is going to cross-subsidize what was once family health plus (FHP), 138%-150% FPL who will be required to go into the Exchange. The cohort of the FHP population must sign up for the qualified health plan that will get a subsidy that will make the premiums and co-pays the same as the FHP. However, that subsidy is most strongly achieved for people who sign-up for a plan that is below the second lowest premium of plans in the State. In other words, if a plan such as United, which is the most expensive, the payment would be the difference between the second lowest. HIP, United and MetroPlus were the lowest. MetroPlus would be free for that group. Those individuals who are in all of the plans will either pay more money or switch to Fedelis, HIP or MetroPlus which are the opportunities Dr. Stocker may have been referring to. There may be other opportunities among the populations that were not Medicaid eligible but were eligible but did not have an incentive to join. There is a very conservative forecast included in the FY 14 budget given the lack of data points needed to do a more in-depth projection.

Ms. Youssouf asked what percentage of HHC's patient population is the 100-130% of FPL and how many do not have insurances.

Ms. Zurack stated that HHC does not have that data.

Ms. Karen Lane, Deputy Commissioner, Human Resources Administration (HRA) stated that data was not readily available but that as an estimate it would not be a small one. The number would be a significant one from 100-138% of FPL for singles and childless couples would not be insignificant.

Ms. Youssouf asked if those individuals would have coverage. Ms. Lane stated that they would be uninsured.

Ms. Youssouf asked if the charity and undocumented would be covered.

Ms. Zurack stated that they will not get any subsidy or tax penalties, completely unaffected by the Exchange.

Mrs. Bolus asked if those patients would fit into the HHC Options program. Ms. Zurack stated that they would but as part of the incentives, HHC is reviewing as part of the subcommittee is to ensure that the Options program does not create a disincentive for those who are eligible to sign-up. There is a need to continue to protect those patients who are not eligible. It is a very complicated process.

Ms. Lane stated that the expectation is after the first year more will be known about the process. The tax penalty is \$150.00 for people who do not make a lot of money and is a taxpayer at the end of 2014. It will either be \$150.00 or 1% of the annual earnings. There will be a learning curve during the first year and the impact will be more significant in the following year.

Mr. Rosen asked what the marketing strategies are to assist individuals in signing up.

Ms. Zurack stated that there will a navigator program that will assist individuals in the process. The NYS has allocated \$13 million which is not a lot of money in grants for the not-for-profit hospitals to assist individuals in this process.

Ms. Cohen stated that there will be an organized system that will allow individuals to review all of the plans and compare them to the standard benefits.

Ms. Youssouf asked if that would be on the internet.

Ms. Lane stated that HRA is working closely with HHC to ensure that the system currently in place that helps get people onto Medicaid starting in January 2014, there will still be a way for people to continue to get onto Medicaid either through the Exchange if eligible or the disabled and blind population and certain other programs that get their benefits through other programs such as cash assistance, and foster care will remain with HRA. That is an expense population and 20% of the volume but much more significant in terms of cost.

Ms. Zurack stated that one of the things that Mr. Bekker will report on next month is HHC's efforts in reviewing the training of its staff so that HHC can assist its patients and getting HHC staff certified appropriately given that this process will raise numerous questions.

Mrs. Bolus asked how does HealthFirst rank in terms of the rates.

Ms. Zurack stated that HealthFirst premiums are much higher at \$450.00 compared to MetroPlus at \$360.00. So far the FHP, the \$90.00 payment would be required to stay in HealthFirst. The premium costs are significant for any of those plans at any of the levels. HHC is working diligently to get to a plan that will work best for its patient population.

Mrs. Bolus asked how the Exchange will affect the dual eligible.

Ms. Lane stated that there is a group called the modified adjusted group income (MAGI) and non-MAGI. If an individual goes through the MAGI category those patients will continue to receive their benefits and will not be affected by the Affordable Care Act (ACA) rule and continue to go through HRA. The problem for HHC and other hospitals is that the staff will need to determine if a patient is MAGI.

After a lengthy discussion by the Committee regarding the complexities of the Exchange and how it will impact HHC's patient population and finances, it was concluded that between October 1, 2013 and January 1, 2014, HHC will be extremely active in reviewing and understanding the process involved in getting individuals signed-up for the Exchanges and minimizing the impact to its patients where possible. Additionally, HHC will continue its close relationship with HRA to ensure that the flow of the application process continues without impacting HHC's revenue stream.

Mr. Covino continuing with the cash receipts and disbursement report stated that inpatient receipts were down by \$400 million of which \$244 million was due to the impact of the storm at Bellevue and Coney Island. Additionally, \$291 million is due to the decline in Medicaid fee for service which represented 12,000 in paid Medicaid cases. Outpatient was down \$97 million of which \$43 million was due to impact of the storm at Bellevue and Coney Island and a decline in Medicaid fee-for-service. All other was up by \$195 million due to the DSH/UPL payments and the receipt of \$105 million that was not anticipated due to the DSH spend up of \$523 million against the \$400 million anticipated funds which has been delayed until December 2013. Grants increased by \$69 million of which \$62 million was related to the FEMA grant. Expenses were over budget by \$6 million primarily due to an increase in overtime expenses that will be covered in more detail as part of the PS quarterly report. Fringe benefits were \$21 million better due to the \$23 million FICA recovery for residents. OTPS expenses were \$79 million worse than budget due to \$147 million in expenses related to the restoration as a result of the storm at Bellevue, Coney Island and Coler.

Ms. Youssouf noted that the FTE reduction was not covered in the reporting. Mr. Covino stated that it would be covered as part of the PS quarterly report that would be presented later on the agenda. The report was concluded.

Action Items:

Ratifying the contract amendment executed by the President of the New York City Health and Hospitals Corporation (the "Corporation") with Crothall Healthcare, Inc. ("Crothall") for an amount not to exceed \$129,795,066 in connection with a Declaration of Emergency to restore the Corporation's facilities that sustained damage due to Hurricane Sandy.

Ratifying the contract amendment executed by the President of the New York City Health and Hospitals Corporation (the "Corporation") with Johnson Controls, Inc. ("JCI") for an amount not to exceed \$102,190,077 in connection with a Declaration of Emergency to restore the Corporation's facilities that sustained damage due to Hurricane Sandy.

Ms. Zurack before reading the resolution stated that the Committee had been informed a few months ago of the need to increase the contracts for JCI and Crothall due to the work performed by various subcontractors in getting Bellevue and Coney Island up and running after the storm in addition to the work done at Coler. Mr. John Levy, Consultant, Base Tactical would present the details of the recovery process as it relates to the expenses for both JCI and Crothall as part of the contract terms that allowed HHC to use the services of those two major firms in the restoration process at those facilities. Given that the only difference in the two resolutions is the dollar amount, both resolutions were read up front.

Mr. Levy stated that last November 2012 the impact of the storm was not just limited to Bellevue and Coney Island but all of the facilities, outpatient clinics and D&TCs that precipitated an immediate need to restore those facilities and clinics operationally in order to mitigate the loss in revenue as a result of closures and expenses. HHC had two contractors, Crothall and JCI who were in place to provide cleaning services in the facilities while JCI provided mechanical repairs to the systems throughout all of the hospitals. Those two contractors were procured for the emergency services by Mr. Aviles. The type of services provided by each contractor as reflected on the slide showed that Crothall provided for the actual remediation firms Signals Restorations that was involved in a series of services that included pumping the water out the affected areas, cleaning up all of the debris and sanitizing the facilities and the restoration of the architectural aspects of the building that included replacing the walls, floors and ceilings, lighting fixtures and plumbing. While that was taking place, JCI was working on all of the mechanical systems and in many cases providing temporary electrical and other types of services to the hospitals while designing and installing permanent services. Through those efforts, Bellevue opened in February 2013. Coler lost all of its services and patients in the facilities were without electricity but were subsequently restored. Coney Island opened in various stages over the period of last winter and all of that help to mitigate the exposure of a \$15 million loss in revenue weekly. The timeline for the period Crothall and Signal did complete all of their services at the end of July 2013. JCI is approximately 95% completed with some continuing work ongoing at Bellevue. There are other aspects that can only be repaired one way and those repairs are ongoing. Elevators in general are difficult to restore quickly due to the parts and electrical equipment and the mechanics involved and the inspection certification process. Once the two contracts provided the emergency services that Mr. Aviles declared in December 2013, the goal was to restore services to those two facilities so that services and patients could return to those facilities. In some cases there are some temporary repairs and in other instances the electrical systems have been moved from the basement to higher levels at Coler and Bellevue permanent electrical systems have been replaced on the 1st floor. At Coney Island there is a temporary electrical switch gear that is at a higher level until the permanent work is completed. Crothall and Signal did permanent work to the basement at Bellevue and the construction to Coney Island 1st floor to allow the emergency department and other services to open that are necessary. At Coney Island there are some very continuous and tentative services being provided. The MRI, CAT scans and other imaging equipment were lost permanently due to the water and a temporary MRI and CAT scan are in place in trailers and temporary areas for x-ray imaging services in various parts of the hospital while the permanent work is ongoing and the project worksheets for FEMA. The resolutions total \$231 million authorized by HHC and FEMA agreed to allow HHC to create expedited worksheets back in December 2012 for \$137 million. FEMA has initially paid \$83 million of the \$137 million. Some of the work done by the contractors was on a permanent basis does not get paid as part of the \$137 million project worksheet known as emergency services Category B and permanent work goes into Category E and cannot be drawn down against the \$137 million.

Ms. Cohen asked if those funds flow through HHC or FEMA pays those contractors directly.

Ms. Zurack stated that the monies flow from the federal to the state government to the City to HHC as a sub-applicant to NYC application.

Ms. Cohen asked if those funds were reflected in the budget.

Ms. Zurack stated that the \$83 million is included in the budget. However, HHC spent \$159 million in FY 13 thru August 2013 \$109 million was spent. However, HHC could only book \$83 million as cash received. The auditors would not accept the \$137 million to book as revenue.

Mr. Levy stated that the \$83 million is out of the \$137 million in response to Ms. Youssouf's question. The primary contractors JCI and Crothall have subcontracted services to a number of contractors with no experience and were not aware of the type of documentation that is required by FEMA. HHC's Comptroller's office audited all of the invoices before submission to FEMA and there were numerous subcontractors that had to be contacted and informed of the documentation requirements. Initially, the primary contractors were asked to do that process but were unable to appropriately perform that function. JCI who has many subcontractors mechanical have been very slow in producing the invoices and documentation as required. Invoices are submitted weekly from JCI and Crothall to HHC's finance department for auditing purposes before submission to FEMA who also does their own audit. When there is an agreement by both FEMA and HHC the documentation must be sent to FEMA and NYS in a format approved by FEMA. When that submission is approved by FEMA, HHC can begin to drawdown against those funds.

Ms. Youssouf asked if FEMA is only obligated for the \$137 million.

Ms. Zurack stated that they are not only for those two contractors, JCI and Crothall. There is another \$4 to \$5 million for internal expenses for generators, etc.

Ms. Youssouf asked if the CDBG monies included in those numbers. Ms. Zurack stated that those funds totaling \$183 million are separate. Mr. Levy will be responsible for the completion process for the permanent work. Given the emergency FEMA had a very expedited process for what HHC has received to-date. This is the traditional process for the permanent work.

Mr. Rosen asked for clarification of the obligated requirement by FEMA.

Mr. Levy stated that obligation applies to whether the reference is to Category B or permanent work. HHC has submitted a document to FEMA and NYS that includes the narrative and scope of what happened. The scope of work that needs to be repaired, an estimate of what those costs will be and FEMA must agree to that scope and if agreed will commit it to their system in Washington which is called an obligation.

Mr. Rosen added that the expectation is that the process will be completed and approved by FEMA.

Mr. Levy stated that the money that was spent \$231 million is a combination of emergency work which total \$137 million and \$121 million is for permanent work that those contractors have expended. In order for HHC to recover those funds, individual permanent project worksheets by hospital must be completed. Bellevue and Coney Island and Coler will have individual worksheets for submission to FEMA. The engineering firms are providing the damage estimated required for the completion of those worksheets.

Ms. Zurack stated that FEMA is reviewing the details of the invoices and may disallow some of those expenses based on their review of some of those expenses and charges. Mr. Levy and his team have been invaluable in that process and without their expertise; HHC would have been harmed significantly.

Mr. Levy stated that it is unfortunate but not unique to HHC. NYC is also undergoing the same level of scrutiny by FEMA as part of the process which is typical in the resolution of the project worksheets.

Dr. Stocker asked Mr. Levy how HHC is doing compared to others based on his expertise in this process.

Mr. Levy stated that based on conversations with others in the industry, HHC appear to be leading the pack. Based on conversations with the engineering firms who report on how the FEMA teams are responding in NJ. There are regular meeting with OMB and their staff who also attend HHC meetings. The general consensus is that from a documentation standpoint, HHC is moving along well. Through all of the efforts, HHC has had a very successful outcome. There were some disputes by FEMA but HHC has been successful in convincing FEMA of the legitimacy of those claims. In another month, Base Tactical will be prepared to report back to the Committee on the outcome of those issues. Additionally, Ms. Zurack has developed a relationship with the federal coordinating officer who is second in charge of this disaster recovery and that relationship appears to allow HHC to have a better relationship with FEMA. In terms of the calendar of what to expect, the expectation are drawn out due to the project work obligation into next year. While that is occurring the engineering contractors are producing the cost analyses which is required in order for HHC to tap additional funding streams.

Ms. Youssouf asked for further clarification of the damage estimates and permanent work obligation.

Mr. Levy explained that the project worksheets in terms of needing a claim. First a damage assessment must be completed for each hospital for both the mechanical and architectural sides which then is put onto a project worksheet or claim. There is a claim at Bellevue for the building and another for all of the contents in the basement that were damaged by the storm. There are claims for Coney Island, Coler, and Metropolitan. There will be approximately forty project worksheets that will be submitted to FEMA before completion. All of the project worksheets will be submitted within the next ninety to one hundred twenty days and obligated by January 1, 2014. A benefit cost analysis (BCA) is done and completed for all of the projects. There are two types of hazard mitigation that are allowed by FEMA. As previously mentioned the 406 mitigation is directly provided to HHC to harden the facilities based on the damages at the facilities. The 404 mitigation is a large sum of money provided by two buckets of money that flow through NYS who makes that pool of money available to almost anyone who has had damages from the last three storms, Lee, Irene and Sandy. Base Tactical is attempting to solicit some of the grants from 404. In order to make a request from any one of those mitigation program 404 or 406 an enormous amount of documentation is required. The most complicated piece is the cost benefit analysis that would document the need for the request for protecting the facilities against future harm. The cost benefit analysis is in process and the first draft for Bellevue from the engineering firm is expected within the week.

Ms. Cohen asked when would HHC need to pay for various projects as compared to when HHC expects FEMA reimbursement or will HHC prepay and wait to get the funds from FEMA for that activity going forward.

Ms. Zurack stated that NYC has put in the capital plan for NYC capital appropriations that 90% federal and 10% general obligation (GO) debt. When this process is completed by Mr. Levy in parallel to the certificate to precede process which is part of the City budget and HHC will then be able to register the work orders for the permanent work against those City categories. The invoices flow will be to NYC so it is a slight cash flow that the City created so that HHC could move forward with the work. HHC is working very closely with OMB on this project to ensure that the flow is maintained with the FEMA requirements.

Mr. Levy stated that by early 2014, HHC will be in the design stages of its permanent work and hardening of the facilities and some of the work could start by the end of this year. Some things have been done already such as the flood gates at Bellevue in order to protect the facility this year. There has been temporary implementation of dams and other elements at Coney Island so that there is some short term protection. Essentially by the fourth quarter it is anticipated that the design and bidding processes to start the permanent reconstruction and hardening of the facilities that will continue for the next two years.

Ms. Youssouf asked if the flood gates and dams are in place at those facilities.

Mr. Levy stated that the flood gates are scheduled for completion by the end of September 2013 similar to what is being used at 55 Water Street to block or hold back the amount of water that would go into the facility. Other temporary devices are on site at Coney Island that can be implemented in the event of a storm. There are portable dams that are filled with water and air. The Corporation has undertaken two processes to sign Crothall to an emergency contract in the event of another disaster. HHC is in the process of securing a long term contractor for these services on an immediate notice prior to a storm.

Ms. Youssouf asked if that would include back-up generators. Mr. Levy replied that it would as part of the emergency contract requirement.

The resolutions were approved for the full Board's consideration.

Information Items:

PS Quarterly Key Indicators Report FY 13

Mr. Covino reported that expenses were \$6 million over budget primarily due to overtime increased spending. There was a significant reduction in FTEs during the year, a total of 931 against the target of 702 for the year, exceeding the target by 229 FTEs. The bulk of the FTE reduction was in environmental services, clericals and aides and orderlies. Since the implementation of the freeze in 2009, FTEs are down by 3,737 and the bulk of that reduction was in environmental services a total of 1,331; 930 in clericals; 799 aides and orderlies; 443 tech/specs; managers 22 and 47 physicians. Nurses increased by 18 and residents by 110. Overtime was over budget by \$4.5 million year over year. It is important to note that the overtime budget for the year was not increased but included a reduction in the previous year. At Coler the overtime budget was reduced; however, FTEs decreased at a faster rate thereby increasing the need for overtime.

Ms. Youssouf asked how much of the overtime expenses were related to the storm.

Mr. Covino stated that initially there was a \$6.5 million. Ms. Zurack interjected that based on the claim to FEMA it was \$6.5 million.

Mr. Covino stated that the point was that in the detailed analysis there were some reductions at some of facilities in overtime that on a net basis overtime only increased by \$2.5 to \$3 million.

Ms. Youssouf stated that as per the report, overtime increased by \$12 million and if \$6.5 million was related to the storm that would be a net increase of \$5.5 million; therefore, it is not clear how the net became \$2.5 million.

Mr. Covino stated that the majority of the increase occurred at the end of the year. Ms. Youssouf pointed out the report was for the year-end and the total increase was \$12 million.

Ms. Zurack stated that during the first quarter it was only up by \$2.5 million but increased by year-end.

Mr. Covino stated that there was a surplus in overtime during the year and the bulk of the increase in overtime spending was in nurses, service aides, patient care tech/associates and behavioral health associates.

Ms. Youssouf asked if HHC has done any types of studies or analyses to identify potential savings by converting the overtime expenses to full time positions such as nurses where the bulk of the overtime was spent.

Mr. Covino stated that the nurse registry is down by \$12 million which would indicate a shift in expenses from nurse registry to overtime. The savings are primarily due to closures at Bellevue and Coney Island due to the storm.

Ms. Youssef stated that the question was whether there has been any analyses done to see if there would be savings. Mr. Covino stated that there is a lot of variability in the cost of overtime versus nurse registry given the different specialties in certain areas.

Ms. Zurack stated that HHC will be reviewing this in more detail as part of a nursing optimization project this is being undertaken by Dr. Wilson.

Dr. Wilson added that a resolution would be forthcoming for the Board's approval to engage the services of NASH to optimize nursing costs that includes overtime, per diem costs and registry. The analysis will be based on a side by side, ward by ward analysis which is a very detailed process that is expected to result in savings.

Mr. Covino continuing with the report stated that allowances decreased by \$3.5 million during the year. As an overview, the reduction in FTEs of 931 on an annualized basis would equate to \$55.5 million with fringes it would increase to \$85 million and the net of the overtime and nurse registry and allowances the baseline for the year was reduced by \$96 million.

Mr. Rosen asked if the average salary was \$50K. Mr. Covino stated that it was \$59K. The report was concluded.

Payor Mix Reports

Ms. Zurack informed the Committee that Krista Olsen, Senior Director, Finance would present the payor mix reports as part of the change in linking the workload to the expenses and revenue budget reporting in response to the Committee's request.

Ms. Krista Olsen stated that in the inpatient discharges there were two things to note in comparing last year to this year. There is a timing issue; the FY 12 data was run using the Soarian data base at a later point and time during the year so the shift from self-pay to Medicaid is further along in FY12 compared to FY 13. The Bellevue and Coney Island impact if excluded was a 1,500 decrease in discharges.

Ms. Youssof asked if that decrease in discharges also represented the same in patients. Ms. Olsen stated that it did and about 1/3 of that was in Medicaid self-pay population and 2/3 in commercial managed care after excluding Bellevue and Coney Island.

Ms. Cohen commented that of the 2/3 reduction in commercial appears rather larger given that it is a small portion of the payor mix.

Ms. Olsen stated that it is not exactly 2/3. Continuing with the reporting, Ms. Olsen stated that the adult payor mix comparison did not show any major changes in the acute facilities, however, the D&TCs improved in the payor mix from the prior year to last year. Patients insured was at 83% in FY 12 compared to 85% in FY 13 and visits ensured at 93% compared to 95%. The same trend was in the pediatrics payor mix report. No major changes except in the D&TCs increased from 88% to 90%; patients insured for both years was at 92%.

Mr. Rosen asked if the reimbursement is based on visits as opposed to patients. Ms. Olsen stated that is based on visits.

Ms. Zurack added that it was initially on visits but MetroPlus has an added incentive for HHC that would allow for additional risk pool monies if HHC treats its patients with fewer visits which means that it is on both as opposed only one. In the new healthcare reform model, the incentive is to have patients cared for outside of the facilities via, e-mail, phone, etc. Therefore, the traditional discharges and visits must be adapted to the new reality.

Ms. Olsen noted that the reduction in visits to patients is a reflection of fewer patients at HHC.

Medicaid Eligibility Report

Ms. Maxine Katz stated the Medicaid eligibility report showed that there is an upward and downward trend not only in Medicaid submissions for FY 13 year-end. Compared to last year there was an upward trend in the percentage of decisions to applications submitted but toward the later part of the year there was a decline. The decline began in the second quarter and continued throughout the year. There is some speculation that the decrease may be attributable to the storm but it is not clear whether that was the primary factor. There was a decrease in the approval rate as well.

Dr. Stocker stated that the Medicaid percent of approvals to submissions showed a decline particularly at Coney Island in the 4th quarter. It is not clear how the decline would be attributable to the storm since the decline was in the 4th quarter.

Ms. Katz stated that it started to decline in the second quarter so it is difficult to determine whether it was related to the storm. The month decline began in November 2012 and continued through the 4th quarter. The comparison to last year is reflective of that decline.

Ms. Lane stated that there has been a trend in the Medicaid program across the board and there are 3.2 million NYC residents currently on Medicaid. The speculation is that basically the majority of those who were eligible for Medicaid are already covered and those individuals who are now applying are not eligible. There have not been any changes in the Medicaid eligibility determinations during the storm or that period of time that would cause a decrease. Perhaps during the time around the storm people were strapped financially and panicked and put in applications for Medicaid but were not eligible.

Ms. Zurack asked Ms. Lane if that trend was city-wide as opposed to just HHC.

Ms. Lane stated that it has been seen slightly at other hospitals. However, HHC numbers are not that different from the other hospitals. There has been a trend over the years in terms of people being concerned about getting health insurance and therefore submitting applications.

Mr. Rosen asked what will be the impact of the 3.1 million individuals on Medicaid. Ms. Lane stated that 70% will go to the Exchange and 30% will remain with HRA.

Dr. Stocker added that Coney Island in 2012 was at 92% and dropped to 72% in FY 13 which is a significant decrease months after the storm.

Ms. Katz agreed adding that there is also a lag in the decisions to submissions. Coney Island inpatient unit was close so there were no applications submitted.

Mr. Aviles stated there is a possibility that the restrictions on ambulance runs to those hospitals affected by the storm were on diversions and to the extent Medicaid turned out to be fully emergency Medicaid, patient services may have affected the mix of those cases in terms of acuity due to those diversions.

Dr. Stocker asked what percentage of HHC's population is related to emergency Medicaid.

Ms. Zurack stated that typically HHC does not track that data but did get some data from NYS based on historical trends and it is about 50%.

Ms. Youssouf added that this has been an issue that has been discussed repeatedly over the years and as noted in the footnote the applications do not match the decisions during that period.

Dr. Stocker stated that would explain the percentage exceeding 100%.

Ms. Zurack stated that the hospital care investigators were working in the patients rooms therefore the lag may be due to the displacement of the staff during that period. Mr. Paul Pandolfini, Chief Financial Officer (CFO), Coney Island Hospital was asked to address the issue.

Mr. Pandolfini stated that the staff is still not housed in regular offices but are a more accommodating area that occurred around April 2013. Also there is no longer any MAP on-site at the facility for the application processing by HRA. Additionally the low patient volume from January 2013 to March 2013 is also a factor in the lag.

Ms. Lane stated that the processing time did not change during the storm. There were a few days lost at 180 Water Street and 260 11th Avenue that resulted in a slight slowdown but not a major factor in the processing particularly with HHC there was no major change.

Ms. Zurack stated that there may have been a delay in the processing at Coney Island due to the relocation of the staff.

Ms. Lane stated that should not have been a factor in terms of HHC's cash flow given that the billing can be retroactive up to 90 days for coverage; therefore, regardless of when the application was submitted the stay would have been covered.

Ms. Youssouf added that the issue is that the Medicaid application submitted is the actual FY number but not the decision; therefore it make it difficult to determine what the data represents and it should be interpreted.

Ms. Lane stated that another factor could have been that there were multiple applications submitted. HRA had a very large presence in the region trying to get patients signed up. There were restorations centers and perhaps through all of those efforts of getting people signed up there were multiple applications submitted. When a duplicate application is received HRA suspends the status.

Ms. Zurack asked that Coney Island review the data in more detail in an effort to pinpoint the reason for the decline.

Dr. Stocker stated that the variation by facility was approximately a 20% variance and does not appear to be a timing issue; however the reason for the variation is not clear.

Ms. Katz agreed and concluded the report.

******** End of Reports ********

**ALAN D. AVILES
HHC PRESIDENT AND CHIEF EXECUTIVE
REPORT TO THE BOARD OF DIRECTORS
SEPTEMBER 25, 2013**

PATIENT SAFETY EXPO WINNERS ANNOUNCED

Patient Safety has been a cornerstone priority during my tenure as President of HHC, and an area where we have made dramatic improvement over time. I am always reminded of our accomplishments in providing safe care when I attend HHC's annual Patient Safety Expo. This year's Expo on September 16 again showed our commitment, as 26 clinical teams reported outstanding successes in safe care.

A panel of judges selected prize winners whose work demonstrated the most impressive results.

- Coler-Goldwater was this year's Grand Prize winner. It also took First Prize in Long-Term Care, as well as a People's Choice Award, for reducing the use of unnecessary antipsychotics in the management of dementia-related behaviors.
- Jacobi earned First Prize in Acute Care for reducing the incidence of catheter-related urinary tract infections.
- HHC Health and Home Care won First Prize in Community-based Services, for preventing unnecessary readmissions for discharged patients.
- The President's Choice Award was given to two hospitals -- to Bellevue, for improving identification and early management of severe sepsis, and to Elmhurst for reducing sepsis mortality through its early goal-directed therapy protocol.
- Metropolitan won a second People's Choice Award, for improving protocols to identify and prevent incidents of violence in behavioral health patients.

I know the Board joins me in congratulating our winners, along with all HHC entrants. Their efforts and hard work make the difference by helping us provide care that is not only of the highest quality, but is as safe as it can possibly be.

**NEW APPROACH BRINGS BETTER BLOOD PRESSURE CONTROL
FOR HHC PATIENTS**

An HHC pilot program, called "Treat to Target," increases the role of registered nurses in the treatment of high blood pressure levels and allows for more frequent and more focused clinic visits. During a year-long pilot, the program helped patients achieve healthier blood pressure levels and reduce their risk of heart attacks and strokes at seven HHC facilities. The pilot resulted in an additional 372 patients with controlled blood pressure at the seven locations, potentially leading to 18 fewer heart attacks and nine fewer strokes in those patients. HHC will now expand the "Treat to Target" program to all hospitals and Diagnostic & Treatment Centers.

Under HHC's "Treat to Target" program strategy, patients with hypertension have an initial visit with a physician to set and agree upon a goal for desired blood pressure levels and a medication plan to achieve it. Patients then work closely with a nurse, who helps them take control of their illness and is empowered to closely monitor and assist with necessary

medication adjustments. The nurse also directs patients to other services that may be helpful in overcoming obstacles to blood pressure management, such as lack of access to healthy food or substance abuse. Patients in the program will typically be in contact with a nurse every 2-3 weeks until the target blood pressure goal is reached.

The nurse-led "Treat to Target" hypertension pilot program led to significant increases in the number of hypertension patients who effectively managed their high blood pressure. Over the next year, as part of its Patient Centered Medical Home transformation, HHC is working to implement a similar approach for patients with multiple chronic illnesses including diabetes, depression, and high cholesterol.

WTC ENVIRONMENTAL HEALTH CENTER FEATURED DURING ANNUAL 9/11 COMMEMORATION

Twelve years after the 9/11 attacks, HHC continues to play a critical role in caring for those who lived or worked in the area. NY1 News did a story on HHC's WTC Environmental Health Center and interviewed Terry Miles, Executive Director of the Center, who explained that WTC-related ailments can cause a variety of symptoms, including coughing, wheezing, shortness of breath, sinus congestion, digestive problems, depression and anxiety. Another story on Fox 5 News featured the art exhibit "Shifting Clouds" at Bellevue Hospital Center. All the artists represented were patients who lived, volunteered or worked in the area and are now being treated for 9/11-related illnesses. The exhibit celebrated the resilience of patient-artists who have engaged in art therapy at the WTC Environmental Health Center. The art conveyed feelings that may still reflect the aftermath of trauma, but also demonstrated enhanced well-being.

HHC's WTC Environmental Healthcare Center at Bellevue, Elmhurst and Gouverneur continues to treat thousands of people who were affected by the destruction of the World Trade Center.

HHC LAUNCHES FLU VACCINATION CAMPAIGN IN RESPONSE TO A NEW REGULATION FROM NEW YORK STATE

Following a recent New York State regulation that addresses vaccination requirements for healthcare personnel, HHC has issued a new Operating Procedure 20-57, Reducing the Prevalence of Influenza. Operating Procedure 20-57 states that all HHC staff, contracted personnel, and volunteers must be vaccinated against the flu or wear a mask for the duration of the flu season and details practices, scope, personnel, and other pertinent information that reinforce HHC's support for full compliance with the State's regulation.

As the Board knows, seasonal flu is a serious and potentially life-threatening disease. In New York City, approximately 2,000 people die every year from flu and pneumonia, with the elderly and the very young at higher levels of risk. To protect our employees and patients against the flu and to comply with the State's regulation, HHC has launched a comprehensive corporate-wide flu vaccination campaign, intended to raise our levels of staff vaccination to more than 90 percent. Although the official start of flu season is a date to be announced by the NYS Health Commissioner, we're moving forward strongly now, and have sufficient vaccine inventory for all employees and for patient demand. Of course, as in previous years, HHC is providing free flu vaccinations for all staff across the system at numerous locations across the corporation.

We also want to ensure that all personnel understand the new flu policy and are informed about how and where they can get vaccinated or how they can otherwise comply with the new policy.

To help facilities effectively share information about the new regulation with staff, the Internal Communications Group (ICG) has created a communications toolkit that includes key messages and important communication materials. The campaign slogan is "Rolling Up Our Sleeves: HHC United Against the Flu." An intranet site, available through the HHC Insider, gives employees up-to-date information about the flu and where and when flu vaccination is available.

A parallel campaign about HHC's efforts to get patients and all New Yorkers vaccinated is being launched shortly. As stewards of HHC's commitment to exceptional healthcare, I know that the members of the Board will join staff in rolling up their sleeves and getting vaccinated against the flu.

FEDERAL UPDATE

On October 1, the funding for all non-entitlement federal government programs is scheduled to terminate. The House has passed a Continuing Resolution (CR) that would extend government spending at current levels through approximately December 15, 2013. This CR includes a de-funding of the Accountable Care Act, which would invite a Presidential veto and possibly lead to a government shutdown October 1. The Senate is expected to strip out the ACA defunding and send the CR back to the House.

The debt ceiling is expected to be reached in mid-October. The President has said that any debt ceiling extension should not be used as leverage on other politically contentious issues; however, his political opponents are still apparently looking to this as a vehicle to cut entitlement funding.

Once again, Congress is faced with addressing an imminent drastic cut to physician Medicare fees that has its origins in a formula for physician reimbursement established back in 1997. Twelve times since then, Congress has avoided implementation of these rate cuts by coming up with short term delays in implementation. The cost of a permanent "Doc Fix" also known as the SGR or Sustainable Growth Rate for physician's Medicare reimbursement has steadily grown over the years and recently has been estimated by the Congressional Budget Office at \$130 billion. The SGR expires January 1. A permanent SGR fix would need offsets to cover its negative impact on the federal budget projections, which raises the serious potential of cuts to GME, IME, and Hospital Outpatient reimbursement rates, as well as another extension of the Medicaid DSH cuts. If implemented, these proposed cuts would generate losses to HHC, over a ten-year period, as follows: GME - \$215 million, IME - \$626 million, HOPD - \$187 million, and an additional Medicaid DSH cut in 2023 of \$495 million.

The new health insurance marketplaces created by the Affordable Care Act are set to open October 1. Our healthplan, MetroPlus, is participating on the new insurance exchange and is well positioned to gain new membership as enrollments take effect in January.

Immigration reform, at least any comprehensive reform, is unlikely to get a House floor vote until next year. The Senate passed their Immigration Reform bill in late June with a 15-year path to citizenship, during which no Medicare or Medicaid benefits would be

available to immigrants. The Senate bill does not change the current eligibility criteria for Emergency Medicaid. The House will not pass the Senate bill. The House has cleared five immigration bills through committees that deal with border security, agricultural workers, interior enforcement, E-Verify, and high-skilled visas similar to the H1 visa provisions contained in the Senate-passed bill. Only the border-security bill that came out of the House Homeland Security Committee has had any Democratic support.

HHC CELEBRATES THE 10TH ANNIVERSARY OF TAKE CARE NEW YORK MONTH

October marks the tenth anniversary of our Take Care New York (TCNY) campaign -- public education and awareness events at public hospitals and health centers where NYC residents can get preventive health screenings. We will continue our effort to curb obesity by challenging New Yorkers to eat healthier and create measurable fitness goals. Participants will receive a triple assessment that includes measuring Body Mass Index (BMI), blood pressure and cardiovascular fitness. Those who complete the fit test will receive an exercise prescription, tips for healthier eating and a pedometer to encourage them to be more active. We will have "Commit to Be Fit" stations at sixty events offering flu shots and screenings for HIV, blood pressure, cancer, asthma, diabetes and other health conditions that affect children and adults. We are also partnering with Shape Up NYC! to provide a series of exercise classes during October to include aerobics, yoga, Zumba, Latin cardio, calypso cardio and other exercise routines.

This year, to commemorate the tenth anniversary of the campaign, HHC will implement an innovative social media component. We will follow ten of our employees on Facebook as they each go through one of the Take Care New York screenings. We'll document the screenings with photos and announce the results. I encourage all board members to follow HHC's Facebook page and Like and Share our social media posts during the campaign.

During the campaign we will also leverage our relationship with local media partners to obtain pro-bono placement of our message with broadcast and print media outlets. We will support the facilities with collateral materials to promote the sixty "Commit to Be Fit" flu shot and screening events.

HHC AND CMS GIVE WORKSHOPS TO EDUCATE PATIENTS ABOUT MEDICARE, THE AFFORDABLE CARE ACT AND HEALTH INSURANCE EXCHANGES

For the third year in a row, HHC is collaborating with the Centers for Medicare and Medicaid Services (CMS) to hold free public workshops at HHC hospitals and large health centers to help New Yorkers understand and get the most out of health benefits between September 24 and December 4.

The workshops are scheduled to take place during the Medicare open enrollment period, October 1 to December 7, 2013. The workshops will provide Medicare information and materials that are current, accurate and consistent for those who are new to Medicare, those who want a refresher course and prepare coming-of-agers (approaching age 65). Senior citizens are a significant and growing part of our patient population and we are providing this important information to assist them in making informed decisions about their healthcare.

The sessions will also include information on health care reform, the Affordable Care Act and "New York State of Health," the new health insurance exchange established by New York State to assist consumers in selecting and purchasing health insurance plans. Open enrollment at New York State of Health begins October 1 and runs through March 31, 2014. Many people want to learn more about the Affordable Care Act and the State's new health insurance exchange, which contains numerous insurance options and offers many New Yorkers subsidies to make coverage affordable. Health insurance specialists from CMS will conduct 13 learning sessions at HHC hospitals and health centers.

LEADERSHIP DEVELOPMENT PROGRAM WELCOMES NEW EMPLOYEE PARTICIPANTS

On June 5th the second cohort of middle managers and their coaches began the Corporate Leadership Development program conducted by the Advisory Board Company. The 114 participants and 37 coaches have already attended two of the five full day sessions, which are: the Healthcare Management Intensive, Critical Thinking and Problem Solving, Instilling Accountability, Facilitating Effective Teamwork, and Impact through Influence. The coaches also participated in a half day session on Coaching for Full Potential.

Coaches are working with the managers on over 100 individual and group projects designed to reinforce what was learned in the sessions. The Advisory Board facilitator holds between session calls with coaches to guide progress and help address issues. Participants, coaches, and executive sponsors received access to the Harvard Manage Mentor+, an online resource with additional computer based training modules.

The Supervisory Development Program, a second segment of our Workforce Development Plan, began this month. New supervisors from across the Corporation came together for four full-day sessions spread over a four-week period. The program combines classroom and e-learning modules. The program was developed with input from focus groups and includes sessions on Labor Relations; Team Development; Patient/Employee Safety; Managing Workplace Conflict; Evaluating Performance and Emotional Intelligence.

I would like to thank Caroline Jacobs for leading these important programs. The initiatives are part of our investment in developing our workforce consistent with our Workforce Development Strategic Plan.

ARTIST KENNY SCHARF KICKS OFF THE FUND'S NEW PROJECT -- The Arts @ Kings

With a spectacular mural by famed artist Kenny Scharf, The Fund for HHC is launching The Arts @ Kings, a long-term influx of transformative and therapeutic arts projects at Kings County Hospital Center that will engage the hospital, arts, and local communities in creative and healing efforts.

Scharf's untitled work completely transforms a seemingly innocuous but important thoroughfare in the Kings Behavioral Health building -- the stairwell that connects the adolescent and pediatric psychiatric inpatient units. The artist, a contemporary of Keith Haring and a major star of the early graffiti art movement, conceived and realized the project after a visit arranged by RxArt, a non-profit arts organization that places unique artworks in public hospital settings. The Fund for HHC and RxArt have previously

collaborated to bring significant works of art to numerous spaces within HHC, including the commissioned photography of Terry Richardson and Ryan McGinley for the Kings County Pediatric and Adolescent Psychiatric Units. In the coming year, working with RxArt, Kings County Hospital leadership, community organizations, and the burgeoning arts community in Brooklyn, The Fund will support arts installations at Kings that will highlight the transformative relationship between art and healing.

After months of planning and design, Mr. Scharf's mural was painted entirely during the weekend of September 13-15. Floor-to-ceiling playful and iconic imagery now fills the previously stark and institutional stairwell that is used every day by young patients. The now-vibrant and energetic space is already causing positive buzz in the adolescent and pediatric units, with reviews ranging from "awesome" to "I love it," and the following commission offer: "When can he paint my room?" Accordingly to the Fund's Executive Director, Joe Schick, through The Arts @ Kings, The Fund for HHC "hopes to impact medical and behavioral health outcomes with the arts as an inspirational catalyst for positive change."

HHC IN THE NEWS HIGHLIGHTS

Broadcast

Ribbon Cutting Held for State-of-The-Art East Harlem Medical Facility, NY1, 08/21/13

Harlem Hospital Closely Monitors Hypertension Patients, Dr. Matthews Hurley, Harlem Hospital, NY1, 08/06/13

Produce prescriptions helping families fight obesity, Dr. Katherine Szema, Lincoln Hospital, Fox News, 08/01/13

Produce contamination, Dr. Fernando Jara, Lincoln Hospital, News 12 Bronx, 08/02/13

Singer Alicia Keys Promotes HIV Awareness At Harlem Hospital, WCBS Radio, NY1, 08/22/13

Woodhull Medical Center's video project aims to promote school readiness in low-income infants, Dr. Alan Mendelsohn, Bellevue Hospital, News 12 Brooklyn, 08/28/13

Nutrition and Diabetes, Lorena Drago, Lincoln Hospital, BronxNet TV "Dialogo Abierto", 09/12/13

No Bitter Pill: Doctors Prescribe Fruits And Veggies, Dr. Katherine Szema, Lincoln Hospital, St. Louis Public Radio, 09/13/13

Bronx 9/11 victims remembered at Jacobi Medical Center, News 12 Bronx, 09/11/13

9/11 Art Exhibit at Bellevue Hospital, FOX 5 News, 09/11/13

WTC Healthcare Programs Continue To Treat Those Affected By 9/11 Attacks, Terry Miles, Executive Director, WTC Healthcare Center, Bellevue, NY1, 09/11/13

Hand washing and vaccinations, Telemundo Ch. 47, Dr. Randolph Nunez, Lincoln Hospital 08/25/13

Woman Goes into Labor on LIRR Platform, Gives Birth in Penn Station, Bellevue Hospital, WNBC Ch. 4, 08/08/13 (Also covered by WABC Ch. 7, Univision Ch. 41)

Dr. Oz rushes to help tourist hit by New York taxi, Bellevue Hospital, CNN, 08/20/13 (Also covered in The Wall Street Journal, NY Daily News, USA Today, NY1, The Guardian)

Print

100 Most Influential People in Healthcare – 2013, HHC President Alan D. Aviles, Modern Healthcare, 08/26/13

Alexander Upgraded To Exec Director At Bellevue Hospital, The Chief, 08/30/13 (Also covered in Crain's Health Pulse)

Bellevue, Gouverneur Changes, Lynda Curtis, Mendel Hagler, Crain's Health Pulse, 08/21/13

A new health care facility for New Yorkers with disabilities to open in East Harlem, Henry J. Carter Hospital New York Daily News, 08/22/13

It was a great day in Harlem for Hank Carter, Henry J. Carter Hospital, The New York Amsterdam News, September 5-11, 2013 (Also covered in El Diario, Crain's Health Pulse)

Workshops will explain Medicare, NCB, Jacobi, Lincoln, The Riverdale Press, 09/19/13

Crain's Symposium, President Alan D. Aviles, Crain's Health Pulse, 09/12/13

IBM Awarded Contract to Build Analytics Platform for NYC Hospital System, Bert Robles, HHC Modern Healthcare, 09/18/13

\$10 Million HHC Contract, Crain's Health Pulse, 09/19/13

Party Prescription: Murals and Music, Kings County Hospital, The Wall Street Journal, 09/17/13

Hospitals, communities stand strong 12 years after 9/11, HHC WTC Environmental Health Center, America's Essential Hospitals, 09/11/13

WTC health center serves Staten Island residents, students, volunteers affected by Sept. 11 attacks, HHC WTC Environmental Health Center, Staten Island Advance, 09/10/13

Art therapy helps New Yorkers cope with trauma from 9/11, Bellevue Hospital, NY City Lens, 09/11/13

'Fragmented' Cancer Care, Dr. Margaret Kemeny, Director of Queens Cancer Center of Queens Hospital, Modern Healthcare, 09/14/13

Alicia Keys returns to Harlem to advocate HIV/AIDS awareness, Harlem Hospital, New York Amsterdam News, 08/29/13

Levin, Woodhull and Bellevue Announce Hospital-Based Program to Promote School Readiness, The Greenpoint Gazette, 08/30/13 (Also covered in DNAifo.com)

Hurricane Sandy - Sound preparation, vigilant care for patients and staff, HHC, Alan Aviles, Bellevue and Coney Island hospitals, America's Essential Hospitals, August 26, 2013

Immunization Fair Helps Kids, Lincoln Hospital, Amsterdam News, 09/19/13

Community pharmacies are effective locations for rapid HIV testing, Dr. Yvette Calderon, Adult Urgent Care Director, Jacobi Hospital, Medical Xpress, 08/07/13

Summertime Meet & Greet, Lincoln Hospital, Newslite, August/September 2013

Vaccinations and hygiene basics for a healthier school year, Dr. Randolph Nunez, Lincoln Hospital, The Bronx Free Press, 09/19/13

Diabetes education program at Lincoln Hospital earns re-accreditation, Dr. Lorena Drago, Lincoln Hospital, The Bronx Free Press, 07/14/13

Prescribing Healthy Eating Across New York City, Alan D. Aviles, HHC, Ridgewood Times Newsweekly, August 2013

RESOLUTION

Ratifying the contract amendment executed by the President of the New York City Health and Hospitals Corporation (the "Corporation") with Crothall Healthcare, Inc. ("Crothall") for an amount not to exceed \$129,795,066 in connection with a Declaration of Emergency to restore the Corporation's facilities that sustained damage due to Hurricane Sandy.

WHEREAS, the President of the Corporation issued a Declaration of Emergency on November 21, 2012 due to damage caused by Hurricane Sandy (DR-4085-NY) (the "Storm") to certain facilities of the Corporation and reported the issuance of the Declaration of Emergency to the Corporation's Board of Directors on November 29, 2012;

WHEREAS, as a result of the Storm, the Corporation's facilities were damaged and substantial and extraordinary work was undertaken to stabilize, secure, and reopen the facilities as quickly as possible to assure patient care to the communities served by the Corporation's facilities; and

WHEREAS, the Corporation entered into a contract amendment with Crothall to do emergency construction and restoration work at Bellevue Hospital Center, Coney Island Hospital, Metropolitan Hospital Center and Coler-Goldwater Specialty Hospitals and Nursing Facility and several other HHC facilities which work was beyond the scope of the original contract awarded to Crothall; and

WHEREAS, the Corporation has paid or is in the process of paying Crothall for work satisfactorily completed; and

WHEREAS, the Corporation has filed or is in the process of filing claims with FEMA in connection with the damage caused by the Storm for work performed, that is eligible for FEMA reimbursement for which the Corporation to date has received \$83,000,000 in reimbursements from FEMA.

NOW THEREFORE, be it

RESOLVED, that the action taken by the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a contract amendment executed by the President of the New York City Health and Hospitals Corporation with Crothall Healthcare, Inc. for an amount not to exceed \$129,795,066 in connection with a Declaration of Emergency to restore the Corporation's facilities that sustained damage due to Hurricane Sandy be, and the same hereby is, ratified.

RESOLUTION

Ratifying the contract amendment executed by the President of the New York City Health and Hospitals Corporation (the "Corporation") with Johnson Controls, Inc. ("JCI") for an amount not to exceed \$102,190,077 in connection with a Declaration of Emergency to restore the Corporation's facilities that sustained damage due to Hurricane Sandy.

WHEREAS, the President of the Corporation issued a Declaration of Emergency on November 21, 2012 due to damage caused by Hurricane Sandy (DR-4085-NY) (the "Storm") to certain facilities of the Corporation and reported the issuance of the Declaration of Emergency to the Corporation's Board of Directors on November 29, 2012;

WHEREAS, as a result of the Storm, the Corporation's facilities were damaged and substantial and extraordinary work was undertaken to stabilize, secure, and reopen the facilities as quickly as possible to assure patient care to the communities served by the Corporation's facilities; and

WHEREAS, the Corporation entered into a contract amendment with JCI to do emergency construction and restoration work at Bellevue Hospital Center, Coney Island Hospital, Metropolitan Hospital Center and Coler-Goldwater Specialty Hospitals and Nursing Facility and several other HHC facilities which was beyond the scope of the original contracts awarded to JCI; and

WHEREAS, the Corporation has paid or is in the process of paying contractors for work satisfactorily completed; and

WHEREAS, the Corporation has filed or is in the process of filing claims with FEMA in connection with the damage caused by the Storm for work performed, that is eligible for FEMA reimbursement of which the Corporation to date has received \$83,000,000 in reimbursements from FEMA.

NOW THEREFORE, be it

RESOLVED, that the action taken by the President of the New York City Health and Hospitals Corporation to execute a contract amendment to Johnson Controls, Inc. for an amount not to exceed \$102,190,077 in connection with a Declaration of Emergency to restore the Corporation's facilities that sustained damage due to Hurricane Sandy, awarded be, and the same hereby, is ratified.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to negotiate and execute a contract with The Nash Group ("Nash") for enterprise-wide nursing optimization. The contract shall be for a period of three years with one, three-year option to renew exercisable solely by the Corporation, in an amount not to exceed \$7 million for the entire term of the contract, including the initial and optional renewal terms.

WHEREAS, the Corporation desires to deploy staff more efficiently and reduce annual staffing costs; and

WHEREAS, the Corporation will enhance continuity of care, diminish incidental shifts, vacancies and lessen recruitment needs, improve patient flow and close admission and discharges gap, and meet financial expectations without laying off staff or changing skill mix; and

WHEREAS, a Negotiated Acquisition ("NA") was issued on May 24, 2013 in accordance with the Corporation's operating procedures; and

WHEREAS, the selection committee evaluated the proposals using criteria specified in the NA, and the committee recommended that The Nash Group be awarded the contract; and

WHEREAS, facilities will monitor utilization, deployment and progress toward agreed upon staffing and financial targets; and

WHEREAS, the overall responsibility for monitoring the contract shall be under the Senior Vice President/Corporate Chief Medical Officer, Division of Medical & Professional Affairs.

Now, **THEREFORE**, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation") be and hereby is authorized to negotiate and execute a contract with The Nash Group ("Nash") for enterprise-wide nursing optimization. The contract shall be for a period of three years with one, three-year option to renew exercisable solely by the Corporation, in an amount not to exceed \$7 million for the entire term of the contract, including the initial and optional renewal terms.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to modify the existing contract with The Gordian Group, Inc. (the "Consultant") to broaden its scope to the provision of project management services to the Corporation with respect to projects performed by the Corporation's Indefinite Quantity Construction Contractors ("IQCCs"), to increase its funding from \$1.5 Million to not more than \$4 Million, and to extend its term to October 30, 2015.

WHEREAS, pursuant to a contract with the Corporation dated November 4, 2011, the Consultant has been helping to manage the work of the IQCCs by providing a set of prices for standard construction activities to be used by IQCCs to bid on work awarded by the Corporation, a set of model contracts and a system for tracking the work of the IQCCs with a not-to-exceed amount of \$1.5 Million of which close to \$500,000 has been spent; and

WHEREAS, the prior contract will expire, after all options held by the Corporation are exercised, on November 2, 2014; and

WHEREAS, the Corporation has identified a broader role for the Consultant in managing its IQCCs under a full program of project management;

NOW THEREFORE, be it

RESOLVED, the President of the New York City Health and Hospitals Corporation (the "Corporation") be, and he hereby is, authorized to modify the existing contract with The Gordian Group, Inc. (the "Consultant") to broaden its scope to the provision of project management services to the Corporation with respect to projects performed by the Corporation's Indefinite Quantity Construction Contractors ("IQCCs"), to increase its funding from \$1.5 Million to not more than \$4 Million, and to extend its term to October 30, 2015.

RESOLUTION

Adopting the Corporation's Mission Statement and Performance Measures as required by the Public Authorities Reform Act

WHEREAS, the New York State Public Authorities Reform Act of 2009 requires local public authorities such as the Corporation to adopt each year a mission statement and performance measures to assist the Corporation in determining how well it is carrying out its mission; and

WHEREAS, the Corporation has posted on its website a mission statement that is a refined version of the purposes of the Corporation as expressed in the legislation which created HHC and in the HHC By-Laws; and

WHEREAS, the Corporation keeps extensive data on numerous performance measures for internal monitoring and external reporting; and

WHEREAS, the Corporation has selected performance measures addressing the core functions and values of the Corporation for reporting to the Office of the State Comptroller's Authorities Budget Office (ABO) as required by the Public Authorities Reform Act; and

WHEREAS, the ABO has required reporting of the Corporation's mission and performance measures, as well as responding to certain additional questions, on a form provided by that office and requires that the Board of Directors read and understand the mission statement and read and understand the responses provided to the ABO; and

WHEREAS, the attached "Mission Statement and Performance Measures" is identical to the last report approved by the Board of Directors except that the performance measures have been updated;

NOW, THEREFORE, be it

RESOLVED that the attached "Mission Statement and Performance Measures" as required by the Public Authorities Reform Act is hereby adopted.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation ("the Corporation" or "Licensor") to execute a revocable license agreement with the Joseph Gheraldi Playwright Theatre (the "Licensee") for use and occupancy of space for the operation of a community theater at the Sea View Hospital Rehabilitation Center and Home (the "Facility").

WHEREAS, in June 2008, the Board of Directors of the Corporation authorized the President to enter into a license agreement with the Licensee; and

WHEREAS, the Licensee is a non-profit organization which provides community theater performances, and has been occupying space and performing at the Facility since 1984; and

WHEREAS, the Facility continues to have space available in the Protestant Chapel appropriate to accommodate the Licensee's needs.

NOW THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation" or "Licensor") be and hereby is authorized to execute a revocable license agreement with the Joseph Gheraldi Playwright Theatre (the "Licensee") for use and occupancy of space for the operation of a community theater at the Sea View Hospital Rehabilitation Center and Home (the "Facility").

The Licensee shall be granted the continued use and occupancy of approximately 2,573 square feet of space in the Protestant Chapel (the "Licensed Space") to house administrative functions, auditions, rehearsals, and performances. The Licensee shall pay an occupancy fee of \$7,598 per year. The occupancy fee shall be subject to 5% annual increases. In addition, the Licensee shall provide a minimum of twenty-four (24) tickets to the Facility annually for various performances. The Licensee shall provide heat, telephone, maintenance, housekeeping and grounds maintenance. The Facility shall provide all other utilities.

The Licensee shall be required to indemnify and hold harmless the Corporation and the City of New York from any and all claims arising out of the use of the Licensed Space and shall provide appropriate insurance naming the Corporation and the City of New York as additional insured parties.

The License Agreement shall not exceed a term of five (5) years without further authorization by the Board of Directors of the Corporation and shall be revocable by either party on sixty (60) days prior notice.

RESOLUTION

Approving the Harlem Hospital Parking Facility Project (the "Project"), authorizing the President of the New York City Health and Hospitals Corporation to execute a contract known as the Federal-Aid Highway and Marchiselli-Aid Local Project Agreement with the New York State Department of Transportation to provide funding for the Project, and confirming the availability of the funds necessary to complete the Project.

WHEREAS, a grant of approximately \$8 million in federal aid has been made available to Harlem Hospital Center through the New York State Department of Transportation for the purpose of building a parking facility; and

WHEREAS, Harlem Hospital is ready to proceed with the project known as the Harlem Hospital Parking Facility Project; and

WHEREAS, in order to avail itself of this funding opportunity, HHC is required to enter into an agreement, known as the Federal-Aid Highway and Marchiselli-Aid Local Project Agreement, with the New York State Department of Transportation to establish the funding for the project; and

WHEREAS, the Federal-Aid Highway and Marchiselli-Aid Local Project Agreement requires that a duly adopted resolution of our governing body that approves the Project, authorizes the execution of the Federal-Aid Highway and Marchiselli-Aid Local Project Agreement, and confirms available funding;

NOW, THEREFORE, be it

RESOLVED that the Harlem Hospital Parking Facility Project is approved, the President of the New York City Health and Hospitals Corporation is authorized to execute the Federal-Aid Highway and Marchiselli-Aid Local Project Agreement, and the availability of funding is confirmed.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a 3-year terminable license agreement with Heritage Health and Housing, Inc. ("Heritage") for Heritage's use and occupancy of approximately 20,000 square feet at 1727 Amsterdam Avenue in Manhattan (the "Building") for its operation of a Federally Qualified Health Center at an occupancy rate during the first year of the license of \$18/sq. ft. for the approximately 14,000 square feet that Heritage currently occupies on the 1st, 2nd, and 4th floors and at \$35/sq. ft. for the additional approximately 6,000 square feet to which Heritage will expand on the 3rd floor and at a rate of \$35/sq. ft. for the entire premises after the first year of the license such rates to be inclusive of heat, hot water and electricity.

WHEREAS, in the mid 1970's the Building, consisting of four floors totaling approximately 59,000 square feet plus a basement, was jointly constructed by the Corporation and the City of New York (the "City") to serve as a primary care facility to be operated by the Corporation but the fiscal crisis left both the City and the Corporation without funds to develop and operate such a program; and

WHEREAS, to make use of the Building, the City licensed approximately half to Washington Heights-West Harlem-Inwood Mental Health Council, Inc. ("Council") for the operation of a community mental health center which evolved in subsequent years into a license of the entire Building with the balance being used for an ambulatory care facility both of which were financed largely by City Medicaid and other City funds; and

WHEREAS, although the Corporation had no program at the Building, it was drawn into being its manager and administrator due to the original (though aborted) plans and intentions of the planners and builders of the Building; and

WHEREAS, Council split into two entities: Upper Manhattan Mental Health Center ("Upper Manhattan") and Heritage with Upper Manhattan operating the behavioral health programs and Heritage operating the ambulatory care clinic that came to include pediatrics, adolescent health, adult medicine, geriatrics, medical case management, nutrition counseling, health education, dental care as well as HIV primary care, and podiatry services; and

WHEREAS, during recent years as circumstances changed further, the City Department of Health had occupied most of the 3rd floor of the Building but then vacated the space leaving it empty; and

WHEREAS, since the late 1980's the Corporation has endeavored, without success, to withdraw from any role with the Building given its tangential relationship to the Corporation thereby leaving the Corporation with the burden of operating the Building through Harlem Hospital Center, collecting the license fees from the occupants of the building and supporting the deficit at which the Building operates; and

WHEREAS, due to the Corporation's renewed efforts to transfer all responsibility for the Building to the City, the City agreed that the Building would be treated as part of the Corporation's real estate portfolio and therefor the Corporation could exercise all management authority over the Building that it exercises over other properties over which it has jurisdiction; and

WHEREAS, Heritage has developed into a respected not-for-profit corporation whose board is minority controlled and has come to play an important role in providing primary care services to the residents of West Harlem; and

**Page Two – Resolution
Heritage Health and Housing, Inc.**

WHEREAS, the Corporation wishes to enter into market rate leases with Upper Manhattan and Heritage for their continued occupancy of the Building but has not yet completed the necessary negotiations or taken the various statutorily required procedural steps to do so; and

WHEREAS, Heritage has received a Federal grant to expand its FQHC operations into the portion of the 3rd floor of the Building vacated by the City Department of Health but such grant funds must be spent quickly, well ahead of the time when the Corporation could reasonably complete the legal steps required to enter into a fixed term lease; and

WHEREAS, the Corporation wishes to grant Heritage a license for its currently occupied space on the 1st, 2nd, and 4th floors and the vacated Department of Health space on the 3rd floor and Heritage is willing to proceed on the basis of a terminable license agreement with the hope that a fixed term lease will be successfully negotiated and all required approvals obtained.

NOW THEREFORE, be it

RESOLVED, the President of the New York City Health and Hospitals Corporation (the "Corporation") be, and he hereby is, authorized to execute a 3-year terminable license agreement with Heritage Health and Housing, Inc. ("Heritage") for Heritage's use and occupancy of approximately 20,000 square feet at 1727 Amsterdam Avenue in Manhattan (the "Building") for its operation of a Federally Qualified Health Center at an occupancy rate during the first year of the license of \$18/sq. ft. for the approximately 14,000 square feet that Heritage currently occupies on the 1st, 2nd, and 4th floors and at \$35/sq. ft. for the additional approximately 6,000 square feet to which Heritage will expand on the 3rd floor and at a rate of \$35/sq. ft. for the entire premises after the first year of the license such rates to be inclusive of heat, hot water and electricity.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to negotiate and execute requirements contracts with seven AE firms; ARRAY Arch., PC, Ewing Cole Architects, PC, Francis Cauffman, LLP, Hellmuth, Obata, Kassabaum, P.C. (HOK), MJCL Architects, LLP, Perkins Eastman Architects, PC, Stonehill & Taylor Architects, PC, to provide profession AE/MEP design services; seven MEP firms, Greenman-Pedersen Inc, Jacob Feinberg Katz & Michaeli Consulting Group (JFK & M), Kallen & Lemelson Consulting Engineers, LLP, LIZARDOS Engineering Associates, PC, Parsons Brinckerhoff, Inc., R.G. Vanderweil Engineers, LLP and WSP USA, Corporation to provide professional MEP design services; and four Local Law Inspection & AE firms, Superstructures Engineering + Architecture, PLLC, Desman Associates, Raman and Oundjian Eng. + Insp. Services, PC and Thornton Tomasetti to provide professional Local Law 11 inspection and filing services and AE services in connection with Local Law 11 compliance on an as-needed basis at various facilities throughout the Corporation. The contracts shall be for a term of one year with two (2) one-year options for renewal, solely exercisable by the Corporation, for a cumulative amount not to exceed \$15,000,000 for services provided by these consultants.

WHEREAS, the facilities of the Corporation may require professional AE/MEP design services and Local Law 11 inspection and filing services and professional AE design services in connection with Local Law 11 compliance; and

WHEREAS, the Corporation has determined that the needs of the Networks for these services can best be met by utilizing outside firms, on an as-needed basis, through a requirements contract; and

WHEREAS, the Corporation conducted a selection process for such professional services through a Request for Proposals (RFP), and determined that these consultants' proposals best met the Corporation's needs; and

WHEREAS, the overall monitoring of this Contract shall be under the direction of the Senior Assistant Vice President, Facilities Development.

NOW, THEREFORE, be it

RESOLVED, the President of the New York City Health and Hospitals Corporation (the "Corporation") be and hereby is authorized to negotiate and execute requirements contracts with seven AE firms; ARRAY Arch., PC, Ewing Cole Architects, PC, Francis Cauffman, LLP, Hellmuth, Obata, Kassabaum, P.C. (HOK), MJCL Architects, LLP, Perkins Eastman Architects, PC, Stonehill & Taylor Architects, PC, to provide profession AE/MEP design services; seven MEP firms, Greenman-Pedersen Inc, Jacob Feinberg Katz & Michaeli Consulting Group (JFK & M), Kallen & Lemelson Consulting Engineers, LLP, LIZARDOS Engineering Associates, PC, Parsons Brinckerhoff, Inc., R.G. Vanderweil Engineers, LLP and WSP USA, Corporation to provide professional MEP design services; and four Local Law Inspection & AE firms, Superstructures Engineering + Architecture, PLLC, Desman Associates, Raman and Oundjian Eng. + Insp. Services, PC and Thornton Tomasetti to provide professional Local Law 11 inspection and filing services and AE services in connection with Local Law 11 compliance on an as-needed basis at various facilities throughout the Corporation. The contracts shall be for a term of one year with two (2) one-year options for renewal, solely exercisable by the Corporation, for a cumulative amount not to exceed \$15,000,000 for services provided by these consultants.

EXECUTIVE SUMMARY

REQUIREMENTS CONTRACTS

AE/MEP and LL11 INSPECTIONS & AE PROFESSIONAL SERVICES

ARRAY Arch., PC, Ewing Cole Architects, PC, Francis Cauffman, LLP, Hellmuth, Obata, Kassabaum, P.C. (HOK), MJCL Architects, LLP, Perkins Eastman Architects, PC, Stonehill & Taylor Architects, PC, Greenman-Pedersen Inc., Jacob Feinberg Katz & Michaeli Consulting Group (JFK & M), Kallen & Lemelson Consulting Engineers, LLP, LIZARDOS Engineering Associates, PC, Parsons Brinckerhoff, Inc., R.G. Vanderweil Engineers, LLP, WSP USA, Corporation, Superstructures Engineering + Architecture, PLLC, Desman Associates, Raman and Oundjian Eng. + Insp. Services, PC, Thornton Tomasetti

OVERVIEW: The Corporation seeks to execute eighteen (18) requirements contracts for one year, with options to renew for two additional one-year periods, for a total amount over three years, not-to-exceed \$15,000,000 to provide AE/MEP and LL11 Inspection & AE/MEP Professional Services on an as-needed basis at any HHC facility.

NEED: The various facilities of the Corporation may require/need AE/MEP and LL11 Inspection & AE/MEP Professional Services. Due to fluctuating demands and the licensing requirements for these services, the Corporation has determined that these needs can best be met by utilizing outside firms on an as-needed basis through requirements contracts.

New York City's "Facade Inspection Safety Program" (FISP), also known as Local Law 11, requires that owners of buildings with six or more stories above an exposed basement wall inspect their exterior walls and appurtenances every 5 years. A Qualified Exterior Wall Inspector certified by the NYC Department of Buildings (NYCDOB) must conduct this inspection and submit it for review and approval to the NYCDOB. There must be a physical inspection of at least one wall usually by a scaffold drop and all exposed walls must be inspected. The inspection report documents any conditions found and indicates if they are safe, unsafe, or safe with a repair and maintenance program. Unsafe conditions must be repaired immediately, and any condition noted as Safe with a repair and maintenance program must be remedied during the next five years in order to prevent its automatic classification as an unsafe condition during at the next inspection. As of 2011 a staggered inspection cycle has been developed by the DOB. Filing dates are determined by the last digit of the buildings Block Numbers. The 7th Cycle ran from 2/21/10 to 2/21/2013 and the 8th Cycle runs from 2/21/15 to 2/21/19. The Local Law 11 consultants also assist NYCHHC in the design for repairs and maintenance of the entire building envelope including the walls, windows and roofs.

TERMS: The professional services will be provided pursuant to the terms and conditions of the requirements contracts.

COSTS: Not-to-exceed \$15,000,000 over three years, for the eighteen (18) firms.

FINANCING: Capital, pending development of specific projects to be funded by bond proceeds, expense or other funds.

Page Two – Executive Summary
AE/MEP and LL11 Inspections & AE Professional Services

SCHEDULE: Upon contract execution, a base period of one year, with an option to renew for two additional contract periods of one year each, solely at the discretion of the Corporation.

HHC EXPERIENCE:

AE FIRMS	
Consultant	Previous HHC Contracts
MJCL Architects, LLP	11/07/2011-11/06/2013, \$16.1 M pool
Francis Cauffman, LLP	None
ARRAY Arch., PC	none
Perkins Eastman Architects, PC	11/07/2011-11/06/2013, \$16.1 M pool
Hellmuth, Obata, Kassabaum, P.C. (HOK)	none
Stonehill & Taylor Architects, PC	none
Ewing Cole Architects, PC	none

MEP FIRMS	Previous HHC Contracts
LIZARDOS Engineering Associates, PC	none
WSP USA, Corporation	none
Greenman-Pedersen Inc.	11/07/2011-11/06/2013, \$16.1 M pool
Parsons Brinckerhoff, Inc.	none
R.G. Vanderweil Engineers, LLP	none
Jacob Feinberg Katz & Michaeli Consulting Group (JFK & M)	none
Kallen & Lemelson Consulting Engineers, LLP	11/07/2011-11/06/2013, \$16.1 M pool

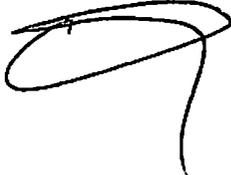
LL11 Inspection/ AE Firms	Previous HHC Contracts
Superstructures Engineering + Architecture, PLLC	11/07/2011-11/06/2013, \$16.1 M pool
Desman Associates	None
Raman and Oundjian Eng. + Insp. Services, PC	None
Thornton Tomasetti	None

VENDEX: Approval Pending

EEO: Approval pending for WSP USA. Approved for all others.

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Marsha K. Powell
Director, Engineering Services
Central Office – Office of Facilities Development

FROM: Manasses C. Williams 

DATE: September 9, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, Array Architects, P.C., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): Office of Facilities Development

Contract Number: _____ Project Number: Provide A/E & MEP Professional Services

Submitted by: Office of Facilities Development

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Marsha K. Powell
Director, Engineering Services
Central Office – Office of Facilities Development

FROM: Manasses C. Williams 

DATE: September 9, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, Wilson, Jarvis Patel Architecture & Engineering, P.C. dba EwingCole, has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): Office of Facilities Development

Contract Number: _____ Project Number: Provide A/E & MEP Professional Services

Submitted by: Office of Facilities Development

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Marsha K. Powell
Director, Engineering Services
Central Office – Office of Facilities Development

FROM: Manasses C. Williams

DATE: September 24, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, Francis Cauffman, has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): Office of Facilities Development

DCN: #2093

Project: AE and MEP Design Services

Submitted by: Office of Facilities Development

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Marsha K. Powell
Director, Engineering Services
Central Office – Office of Facilities Development

FROM: Manasses C. Williams 

DATE: September 9, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, Hellmuth, Obata & Kassabaum, P.C., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): Office of Facilities Development

Contract Number: _____ Project Number: Provide A/E & MEP Professional Services

Submitted by: Office of Facilities Development

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Marsha K. Powell
Director, Engineering Services
Central Office – Office of Facilities Development

FROM: Manasses C. Williams 

DATE: September 9, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, MJCL Architects, PLLC, has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): Office of Facilities Development

Contract Number: _____ Project Number: Provide A/E & MEP Professional Services

Submitted by: Office of Facilities Development

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Marsha Powell
Director
Office of Facility Development Contracts Services

FROM: Manasses Williams 

DATE: August 22, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, Perkins Eastman Architects, PC. has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): HHC's Corporate Wide

Contract Number: _____

Project: Professional Consultant Services for A/E and MEP Design Services

Submitted by: Office Facility Development Contracts Services

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:pt

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Marsha K. Powell
Director, Engineering Services
Central Office – Office of Facilities Development

FROM: Manasses C. Williams 

DATE: September 9, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, Stonehill & Taylor Architects, P.C., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): Office of Facilities Development

Contract Number: _____ Project Number: Provide A/E & MEP Professional Services

Submitted by: Office of Facilities Development

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Marsha K. Powell
Director, Engineering Services
Central Office – Office of Facilities Development

FROM: Manasses C. Williams 

DATE: September 18, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, Greenman-Pedersen, Inc., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): Office of Facilities Development

DCN: #2093

Project: Professional Consultant Services for MEP Design Services

Submitted by: Office of Facilities Development

EEO STATUS:

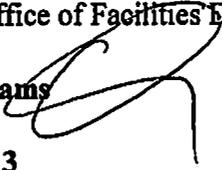
1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Marsha K. Powell
Director, Engineering Services
Central Office – Office of Facilities Development

FROM: Manasses C. Williams 

DATE: September 24, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, Jacob Feinberg Katz & Michaeli Consulting Group, LLC, has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): Office of Facilities Development

DCN: #2093

Project: MEP Design Services

Submitted by: Office of Facilities Development

EEO STATUS:

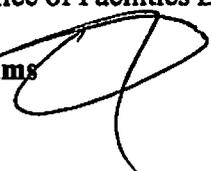
1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Marsha K. Powell
Director, Engineering Services
Central Office – Office of Facilities Development

FROM: Manasses C. Williams 

DATE: September 9, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, Kallen & Lemelson, Consulting Engineers, LLP, has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): Office of Facilities Development

Contract Number: _____ Project Number: Provide Consulting Services for MEP Design

Submitted by: Office of Facilities Development

EEO STATUS:

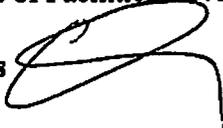
1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Marsha K. Powell
Director, Engineering Services
Central Office – Office of Facilities Development

FROM: Manasses C. Williams 

DATE: September 24, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, LIZARDOS Engineering Associates, P.C., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): Office of Facilities Development

DCN: #2093

Project: MEP Design Services

Submitted by: Office of Facilities Development

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO

TO: Marsha K. Powell
Director, Engineering Services
Central Office – Office of Facilities Development

FROM: Manasses C. Williams 

DATE: September 10, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, Parsons Brinckerhoff, Inc., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): Office of Facilities Development

Contract Number: _____ Project Number: Provide A/E & MEP Professional Services

Submitted by: Office of Facilities Development

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Marsha K. Powell
Director, Engineering Services
Central Office – Office of Facilities Development

FROM: Manasses C. Williams 

DATE: October 21, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, R.G. Vanderweil Engineers, P.C., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): Office of Facilities Development

Contract Number: DCN 2093

Project: Provide MEP Design Services

Submitted by: Office of Facilities Development

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Marsha K. Powell
Director, Engineering Services
Central Office – Office of Facilities Development

FROM: Manasses C. Williams

DATE: September 18, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, SUPERSTRUCTURES Engineering + Architecture, PLLC, has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): Office of Facilities Development

DCN: #2092

Project: Provide Local Law 11 Inspections & A/E Design Services

Submitted by: Office of Facilities Development

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Marsha Powell, R.A.
Director, Engineering Services
Office of Facilities Development

FROM: Manasses Williams

DATE: October 21, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, Desman, Inc. dba Desman Associates, has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise [] Woman Business Enterprise [] Non-M/WBE

Project Location(s): HHC's Corporate Wide

Contract: _____

Project: LL 11 Inspection and AE Design Services/
DCN #2092

Submitted by: Office of Facilities Development

EEO STATUS:

1. Approved
2. [] Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. [] Not approved
4. [] Conditionally approved subject to EEO Committee Review

COMMENTS:

c: pt

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Marsha K. Powell
Director, Engineering Services
Central Office – Office of Facilities Development

FROM: Manasses C. Williams 

DATE: September 18, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, Raman and Oundjian Engineering & Inspection Services, PC, has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise [] Woman Business Enterprise [] Non-M/WBE

Project Location(s): Office of Facilities Development

DCN: #2092 Project: Provide Local Law 11 Inspections & A/E Design Services

Submitted by: Office of Facilities Development

EEO STATUS:

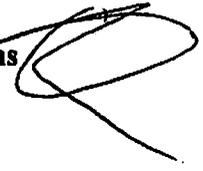
1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Marsha K. Powell
Director, Engineering Services
Central Office – Office of Facilities Development

FROM: Manasses C. Williams 

DATE: October 21, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, Thornton Tomasetti, Inc., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): Office of Facilities Development

Contract Number: DCN 2092 Project: Provide Local Law 11 Inspections & AE Design Services

Submitted by: Office of Facilities Development

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to negotiate and execute requirements contracts with three (3) Special Inspections & Material Testing firms; MT Group, HAKS and Universal Testing + Inspection to provide professional services on an as-needed basis at various facilities throughout the Corporation. The contracts shall be for a term of one year with two (2) one-year options for renewal, solely exercisable by the Corporation, for a cumulative amount not to exceed \$3,000,000 for services provided by these consultants.

WHEREAS, the facilities of the Corporation may require Special Inspections & Material Testing services; and

WHEREAS, the Corporation has determined that the needs of the Networks for these services can best be met by utilizing outside firms, on an as-needed basis, through a requirements contract; and

WHEREAS, the Corporation conducted a selection process for professional design services through a Request for Proposals (RFP), and determined that these consultants' proposals best met the Corporation's needs; and

WHEREAS, the overall monitoring of this Contract shall be under the direction of the Assistant Vice President, Facilities Development.

NOW, THEREFORE, be it

RESOLVED, the President of the New York City Health and Hospitals Corporation (the "Corporation") be and hereby is authorized to negotiate and execute requirements contracts with three (3) Special Inspections & Material Testing firms; MT Group, HAKS and Universal Testing + Inspection to provide professional services on an as-needed basis at various facilities throughout the Corporation. The contracts shall be for a term of one year with two (2) one-year options for renewal, solely exercisable by the Corporation, for a cumulative amount not to exceed \$3,000,000 for services provided by these consultants.

**EXECUTIVE SUMMARY
REQUIREMENTS CONTRACTS**

MT Group, HAKS, Universal Testing + Inspection

SPECIAL INSPECTIONS & MATERIAL TESTING

OVERVIEW: The Corporation seeks to execute three (3) requirements contracts for one year, with options to renew for two additional one-year periods, for a total amount over three years, not-to-exceed \$3,000,000 to provide Special Inspections & Material Testing on an as-needed basis at any HHC facility.

NEED: The various facilities of the Corporation may require/need Special Inspections & Material Testing Services. Due to fluctuating demands and the licensing requirements for these services, the Corporation has determined that these needs can best be met by utilizing outside firms on an as-needed basis through requirements contracts.

Special Inspections are conducted during the construction process to verify that work is being done in accordance to approved plans and specifications. Special Inspections must be performed by Special Inspectors on behalf of a qualified Special Inspection Agency. As of May 2012 Special Inspection Agencies must be registered with the NYC Department of Buildings. Owners are required to hire inspection agencies directly to assure their independence from the contractors. There are close to 50 different types of inspections required including some of the following:

Flood Zone Compliance - The special inspector shall perform a flood zone compliance inspection showing that the building was constructed in the appropriate location and at the proper elevation using methods that will minimize flood damage. For new construction, an elevation progress inspection will be required showing the elevation of the lowest floor.

Fire Alarm Test - The special inspector will make a field visit after the complete fire alarm has been installed and is ready for testing. The inspector will verify that all horns sound, all strobes light up, all devices are installed in their appropriate location as shown on the approved drawings and that the installation was completed in a professional manner. The inspector will also make sure that all necessary interior and exterior devices are tied in and programmed properly so that they activate simultaneously.

Emergency Power Systems - The special inspector will field check to see that the power system was installed according to the approved engineering drawings. He will look at the quality of the installation, the materials used, the supports, the feeder lines and other aspects to ensure that they have been completed with good building practice.

**Page Two – Executive Summary
Special Inspections & Materials Testing**

Other inspections include: Concrete, Steel, Masonry, Soils – Site Preparation, and Soils – Fill Placement & In Place Density, Foundations, Curtain walls, Fire-stopping, and Mechanical systems.

TERMS: The professional services will be provided pursuant to the terms and conditions of the requirements contracts.

COSTS: Not-to-exceed \$3,000,000 over three years, for the three (3) firms.

FINANCING: Capital, pending development of specific projects to be funded by bond proceeds, expense or other funds.

SCHEDULE: Upon contract execution, a base period of one year, with an option to renew for two additional contract periods of one year each, solely at the discretion of the Corporation.

HHC EXPERIENCE:

Consultant	Previous HHC Contracts
MT Group	None
HAKS	1/19/2012-1/18/2014, \$6M Construction Management pool
Universal Testing + Inspection	None

VENDEX: Pending. Documents for all vendors have been submitted to Legal Affairs.

EEO: Approved.

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Marsha K. Powell
Director, Engineering Services
Central Office – Office of Facilities Development

FROM: Manasses C. Williams

DATE: September 18, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, MT Group, LLC, has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): Office of Facilities Development

DCN: #2094

Project: Special Inspection and Materials Testing Services

Submitted by: Office of Facilities Development

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:



NEW YORK CITY HEALTH AND HOSPITALS CORPORATION
 125 Worth Street · Suite 401 · New York · New York · 10013
 212-788-3380 · Fax: 212-788-3689 · E-mail: manasses.williams@nychhc.org

Manasses C. Williams
 Assistant Vice President
 Affirmative Action/EEO

TO: Marsha K. Powell
 Director, Engineering Services
 Central Office – Office of Facilities Development

FROM: Manasses C. Williams 

DATE: September 10, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, HAKS Engineers, Architects & Land Surveyors, P.C., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise [] Woman Business Enterprise [] Non-M/WBE

Project Location(s): Office of Facilities Development

Contract Number: _____ Project Number: Provide A/E & MEP Professional Services

Submitted by: Office of Facilities Development

EEO STATUS:

1. Approved
2. [] Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. [] Not approved
4. [] Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Marsha K. Powell
Director, Engineering Services
Central Office – Office of Facilities Development

FROM: Manasses C. Williams 

DATE: September 24, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, Universal Testing & Inspection Services, Inc., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): Office of Facilities Development

DCN: #2094

Project: Special Inspections & Materials Testing Services

Submitted by: Office of Facilities Development

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to negotiate and execute a framework contract with LVI Demolition Services, Inc., to provide Emergency Response Services designed to support HHC in the event of an emergency or catastrophic occurrence that causes damage to the Corporation's facilities. The Emergency Preparedness and Recovery Contract will be for a term of three years with an option to renew for an additional two year period solely exercisable by the Corporation. Cost incurred due to an emergency responded to by this vendor shall be reported to the Board of Directors subsequent to the emergency preparedness and restoration.

WHEREAS, on October 29, 2012 Hurricane Sandy caused substantial damage to numerous HHC facilities, which required the evacuation of all patients and staff from Bellevue Hospital Center and Coney Island Hospital; and

WHEREAS, the Corporation wishes to assure that all necessary resources are available to provide Emergency Response Services to support the Corporation in the event of a Force Majeure or man-made emergency; and

WHEREAS, a Request for Proposals (RFP) was issued seeking the services of an Emergency Response Services firm expert in responding to catastrophic events such as Fires, Floods, Hurricanes, Biological or Hazardous Materials spill; and

WHEREAS, a selection committee using criteria specified in the RFP determined that LVI Demolition Services, Inc., is the highest rated of all proposers and will best meet the Corporations requirements; and

WHEREAS, the President of the Corporation shall be responsible for the overall management, monitoring and enforcement of the contract.

NOW, THEREFORE, BE IT RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation") be and hereby is authorized to negotiate and execute a framework contract with LVI Demolition Services, Inc., to provide Emergency Response Services designed to support HHC in the event of an emergency or catastrophic occurrence that causes damage to the Corporation's facilities. The Emergency Preparedness and Recovery Contract will be for a term of three years with an option to renew for an additional two year period solely exercisable by the Corporation. Cost incurred due to an emergency responded to by this vendor shall be reported to the Board of Directors subsequent to the emergency preparedness and restoration.

EXECUTIVE SUMMARY

LVI's experience spans 27 years of providing emergency preparedness and remediation services in acute care hospital environments.

LVI's core services are hazardous material abatement, interior and structural demolition, mold remediation, fire/smoke/water restoration, biological and chemical decontamination, and decommissioning.

The purpose of this Contract is to have an Emergency Preparedness and Remediation Contractor to provide preparedness plans, remediation and stabilization services on an as needed basis if property damage from an emergency event were to occur at any of the New York City Health and Hospitals Corporation ("HHC") facilities. LVI will be required to assess certain vulnerable HHC facilities to determine its readiness to withstand a catastrophic storm and make recommendations on areas for improvement and assist the Corporation in its Emergency Preparedness Plan. The firm shall also be expected to provide advance temporary staging of equipment, including but not limited to pumps, generators and boilers to protect against service interruptions due to utility failures, and/or mitigation measure such as sandbags or portable flood barriers designed to protect facilities from damage. In the event HHC's facilities are damaged the LVI will be assigned remediation and restoration projects which will range in costs.

The President of the Corporation or his designee shall authorize LVI to implement the approved emergency plan as required in response to an emergency or catastrophic event and establish a not to exceed cap on the agreed upon plan. The President shall report to the Board of Directors all expenditures related to the emergency as a notice item in the Board of Directors' agenda.

CONTRACT FACT SHEET

New York City Health and Hospitals Corporation

Contract Title: Emergency Preparedness and Remediation
Project Title & Number: Emergency Preparedness and Remediation
Project Location: HHC Corporate and Facilities
Requesting Dept.: Central Office Operations

Successful Respondent: LVI Demolition Services, Inc.

Contract Amount: In the event HHC's facilities are damaged LVI will be assigned remediation and restoration projects which will range in costs.

Contract Term: Three years with one (1), two (2) year option to renew, solely exercisable at the discretion of HHC.

Number of Respondents: 5

Range of Proposals:

Consulting -	\$175.00 to \$249.00
Project Director -	\$85.00 to \$150.00
Restoration Project Mgr. -	\$85.00 to \$90.00

Minority Business Enterprise Invited: Yes

Funding Source: Capital

Method of Payment: Time and Rate
Other: explain

EEO Analysis: Approved

Compliance with HHC's McBride Principles? Yes

Vendex Clearance Approved

(Required for contracts in the amount of \$100,000 or more awarded pursuant to an RFP, NA or as a Sole Source, or \$100,000 or more if awarded pursuant to an RFB.)

CONTRACT FACT SHEET(continued)

Background (include description and history of problem; previous attempts, if any, to solve it; and how this contract will solve it):

The purpose of this Contract is to have an Emergency Preparedness and Remediation Contractor to provide preparedness plans, remediation and stabilization services on an as needed basis if property damage from an emergency event were to occur at any of the New York City Health and Hospitals Corporation ("HHC") facilities. LVI will be required to assess certain vulnerable HHC facilities to determine its readiness to withstand a catastrophic storm and make recommendations on areas for improvement and assist the Corporation in its Emergency Preparedness Plan. The firm shall also be expected to provide advance temporary staging of equipment, including but not limited to pumps, generators and boilers to protect against service interruptions due to utility failures, and/or mitigation measure such as sandbags or portable flood barriers designed to protect facilities from damage. In the event HHC's facilities are damaged LVI will be assigned remediation and restoration projects which will range in costs.

CONTRACT FACT SHEET (continued)

Contract Review Committee

Was the proposed contract presented at the Contract Review Committee (CRC)?

The Contract Review Committee (CRC) reviewed and approved the issuance of a Request for Proposal (RFP) on its July 17, 2013 meeting.

Has the proposed contract's scope of work, timetable, budget, contract deliverables or accountable person changed since presentation to the CRC? If so, please indicate how the proposed contract differs since presentation to the CRC:

No.

CONTRACT FACT SHEET (continued)

Selection Process:

Selection Committee Members:

1. Joseph Quinones, SAVP, Operations, Chairman
2. Dan Collins, Director, Coney Island
3. Mike Buchholz, SAED, Coler
4. Edie Coleman, SAD, Metropolitan
5. Frederick Corvino, AVP, Budget
6. Michael Rawlings, Director, Bellevue

List of firms responding to RFP:

1. BMS CAT, Inc.
2. Interstate Restoration, LLC
3. LVI Demolition Services, Inc.
4. Polygon AB
5. Signal Restoration Services

The RFP process was utilized to test the market. Through advertisement and sending the RFP to a broad range of firms we received interest at the "bidders' conference" from eight firms and five firms submitted proposals. The Evaluation Committee selected LVI cost effective plan to assist HHC in its Emergency Preparedness Plan and ability to fund and utilize all necessary resources to remediate and restore damaged facilities.

The selection criteria was:

1. Ability to assist HHC in its Emergency Preparedness plan.
2. Ability to bring all necessary equipment and resources to protect the facilities from damage.
3. Ability to fund and utilize all necessary resources to remediate and restore damaged facilities.
4. Plans to integrate with HHC's CMMC applications.
5. Cost effectiveness of plan.

The justification for the selection of LVI was its cost effective plan to assist HHC in its Emergency Preparedness Plan and ability to fund and utilize all necessary resources to remediate and restore damaged facilities.

Scope of work and timetable:

Response Time (if event occurs without lead time)

- a. LVI is expected to be available to perform all services identified in the Agreement 24 hours a day, 7 days a week, and 365 days a year.
- b. Response time to a project once contracted by HHC shall be as follows:
 - A return call confirming receipt and Expected Time of Arrival at site within 2 hours of initial call from an HHC representative.
 - Arrival at site within 12 hours of initial call from an HHC representative. Arrival at site within 36 hours of initial call if extenuating emergency or weather conditions have closed airports and entranceways into New York City.
 - In any case, time is of the essence and LVI understands that they are under Agreement with HHC and HHC is to be serviced on a priority basis, and any delay in responding shall be held to the minimum possible.

Task Order

Within 24 hours of the initial response to an emergency LVI and HHC's Corporate Representative will develop the milestone schedule of task completion and this will be incorporated into the Task Order issued to the Supplier/Contractor. HHC's Corporate Representative will provide the Task Order to LVI within 24 hours of the initial response.

General Requirements

The terms of HHC as represented by HHC's Corporate Representative are defined herein.

- a. LVI shall provide all labor, tools, equipment, material, permits, insurance and means necessary to complete the task called for.
- b. LVI is required to have ALL underground utilities located before performing any work when applicable
- c. LVI will comply with requirements of local, state, and federal laws and regulations governing construction, permits, and industry standards including but not limited to the following:
 - Applicable codes including but not limited to Building, Mechanical, Plumbing, Electrical, and Life Safety Codes including local requirements for permits and inspection.
 - Health and safety regulations (OSHA).
 - Environmental protection regulations (EPA – local, State and Federal)
 - Health Department regulations
 - Local Fire Department and Fire Marshall's regulations and requirements
 - All Prevailing Wage laws governing Public Works projects in the City of New York and State of New York
- d. LVI, subcontractors and their workers are required to wear branded attire at all times while working on site.
- e. LVI is required to use their own power generators to supply electrical power needed to perform the work, unless approved in writing by HHC's Corporate Representative. Such approval must be granted on an individual project by project basis based on specific requirements; approval for one project or location does not grant approval at a different project or location. LVI to provide their own portable toilet, location to be approved by HHC's Corporate Representative.
- f. HHC's Corporate Representative shall be required to authorize emergency response and material/tools and personnel needed. In emergency situations, a designee of a Corporate Representative can provide emergency authorization provided via email or other written/nonverbal documentation authorizing the delegation of authority is

- provided from the Corporate Representative.
- g. LVI shall keep full and detailed accounts and exercise such controls as may be necessary for proper financial management under this contract. HHC and their accountants shall be afforded access to, and shall be permitted to audit and copy, the financial records and other data relating to this Contract.
 - h. Access to the Property, parking, equipment storage and staging and any and other miscellaneous items related to use and occupancy of the Site during the Work shall be coordinated with HHC's Corporate Representative.
 - i. Unless authorized by HHC, works hours are limited to 7 AM to 6 PM Monday through Saturday.
 - j. LVI shall be responsible for receiving, storage, and security of all materials supplied by Supplier/Vendor.
 - k. LVI must submit Material Safety Data Sheets of all hazardous chemicals that they will be using, at or in possession of, while on the property before material delivery or work.
 - l. LVI should designate a job foreman/project manager who will be familiar with the entire scope of work, schedule, daily progress, and shall be available to HHC's Corporate Representative for field communications. The foreman/project manager will keep a daily log of job activities, itemized work, and labor/staffing levels.
 - m. Within 24 hours of initial response, LVI to provide the HHC's Corporate Representative phone numbers where key personnel such as foreman and/or project managers can be reached 24 hours a day inclusive of any or all of the following: Home phone numbers, pager numbers, and cell phone numbers. LVI to respond immediately after contact. Three copies of the list shall be provided.
 - n. LVI shall keep the on-site management staff informed of the current schedule and any changes. LVI shall provide regular status updates for any ongoing project.
 - o. LVI to coordinate and manage schedule between any Sub Contractors to the Supplier/Contractor, HHC and any other HHC Contractors or Sub Contractors.
 - p. LVI shall familiarize himself with the local weather conditions and forecast as may from time to time change, and shall schedule the work during fair weather conditions, and shall protect the work and the building interiors from inclement weather at all times. VLI is to keep all buildings weather tight or have suitable materials on hand, At the conclusion of daily work, during lunch, breaks, etc., provisions will be made to cover unfinished work, tight against wind and water damaged. All work to be completed under weather conditions suitable for the work.
 - q. LVI shall take the required measures to maintain safety in the work area. LVI will be required to cordon off a construction zone on a per building basis in order to restrict the presence of pedestrian and vehicular traffic, and will provide clearly marked and protected lanes for residents to access the building and individual units.
 - r. LVI shall take all appropriate measures to protect the landscaping, irrigation system, utility wiring and piping, air conditioning equipment, doors, windows, automobiles, and other items located within the general construction area from the damage, and shall promptly repair, and/or replace any damaged item at the sole expense of the Supplier/Contractor. Only workers skilled in the appropriate trade shall perform such repairs and/or replacements.
 - s. LVI is responsible for cleanup on a daily basis, and shall keep the job site neat and orderly during the workday.
 - t. LVI is responsible for the lawful storage, handling and disposal of all debris. LVI shall not use any of the dumpsters provided for the use of the facilities or those of other contractors.
 - u. LVI shall coordinate effort with others who may from time to time also be working in the area.
 - v. All materials shall be new and as specified, and LVI shall warranty all materials and labor for a period of ONE (1) YEAR from the day of substantial completion. LVI shall also honor any other applicable warranties, whether expressed or implied and shall honor all warrantee and/or serviceability statutes per venue or jurisdiction.

- w. LVI shall comply with inspection process as required by the permitting agency, and shall furnish HHC with the original permit card indicating final acceptance, and a certificate of completion, if appropriate, as issued by said permitting agency.
- x. LVI shall perform all Work in strict accordance with the terms of the Contract.

Provide a brief costs/benefits analysis of the services to be purchased.

The impact of Hurricane Sandy on the New York City public hospital system will exceed \$800 million to cover response, repairs, revenue loss and the permanent reconstruction work needed to prevent flood damage in the future. Therefore, in order to determine its readiness to withstand a catastrophic storm if they were to occur and make recommendations on areas for improvement and assist the Corporation in its Emergency Preparedness Plan.

Provide a brief summary of historical expenditure(s) for this service, if applicable.

NONE

Provide a brief summary as to why the work or services cannot be performed by the Corporation's staff.

Corporate staff does not have the requisite experience, resources or expertise in such matters

Will the contract produce artistic/creative/intellectual property? Who will own it? Will a copyright be obtained? Will it be marketable? Did the presence of such property and ownership thereof enter into contract price negotiations?

NONE

CONTRACT FACT SHEET (continued)

Contract monitoring (include which Senior Vice President is responsible):

Antonio Martin – Executive Vice-President/Chief Operating Officer

Equal Employment Opportunity Analysis (include outreach efforts to MBE/WBE's, selection process, comparison of vendor/contractor EEO profile to EEO criteria. Indicate areas of under-representation and plan/timetable to address problem areas):

Received By E.E.O.: September 16, 2013
Date

Analysis Completed By E.E.O.: September 18, 2013
Date

Manasses Williams
Name

Office of Legal Affairs

MEMORANDUM

To: David Larish
Materials Management

From: Karen Rosen 
Assistant Director

Date: October 1, 2013

Subject: VENDEX Approval

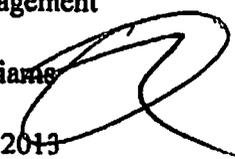
For your information, on October 1, 2013 VENDEX approval was granted by the Office of Legal Affairs for the following company:

LVI Demolition Services, Inc.

cc: Norman M. Dion, Esq.

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: David Larish
Director Procurement Systems and Operations
Materials Management

FROM: Manasses Williams 

DATE: September 18, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, LVI Demolition Services, Inc., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): HHC's Corporate wide

Contract Number: _____ Project: Emergency Preparedness/Emergency Response Services

Submitted by: Procurement Systems and Operation

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c: pt

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation to negotiate and execute contracts on behalf of HHC facilities with Betz Mitchell Associates, Inc., Jzanus LTD., MBI Associates Inc., MCS Claim Services, Inc., and NCO Financial Systems, Inc. for the collection of delinquent inpatient accounts each for a period of three years with an option to extend for up to two additional one-year terms solely exercisable by the Corporation

WHEREAS, optimizing collection of payments for inpatient services rendered to patients at its hospitals is essential for the Corporation to carry out its obligations; and

WHEREAS, the Corporation currently uses the services of five collection firms to assist in the collection of outstanding payments and continues to require the services of several collection firms; and

WHEREAS, the Corporation conducted a competitive selection process for collection services, using a Request for Proposals ("RFP") and, as a result of the Corporation's evaluation process determined which five agencies best meet the requirements of the Corporation and would be most advantageous to the Corporation; and

WHEREAS, the overall monitoring of this contract will be under the direction of the Senior Vice President, Finance and the Senior Assistant Vice President, Revenue Management

NOW, THEREFORE, be it:

RESOLVED, that the President of the New York City Health and Hospitals Corporation be and is hereby authorized to negotiate and execute contracts on behalf of HHC facilities with Betz Mitchell Associates, Inc., Jzanus LTD., MBI Associates Inc., MCS Claim Services, Inc., and NCO Financial Systems, Inc. for the collection of delinquent inpatient accounts. These contracts are for a period of three years with options to extend for up to two additional one-year terms solely exercisable by the Corporation.

EXECUTIVE SUMMARY

The Corporation has utilized the services of collection agencies for inpatient accounts since 1974.

The Corporation has undertaken many initiatives over the years in an attempt to increase collections through its own efforts. Some of these initiatives include establishing Medicaid Office on-site, setting up a direct connection to Medicaid's EMEDNY eligibility system, searching for information through HHS Worker Connect the city-wide agency information data base, obtaining access to Social Security information, preparing pre-natal Medicaid applications (PCAP) prior to admission, thereby having an active number at time of admission, and instituting a pre-collection inpatient letter.

HHC staff determines a patient's ability to pay by verifying third party eligibility or by completing a Medicaid application on behalf of those patients who are uninsured. HHC completed approximately 42,922 such Medicaid applications during FY 2013. For those uninsured patients who do not become enrolled in Medicaid, the HHC Options program offers a reduction of hospital bills. However, HHC can collect from third party payers, prepare Medicaid applications or offer a reduction of bills when patients are able to provide the necessary information. Although bad debt referrals have steadily declined from prior contract years, the Corporation still requires the services of inpatient collection agencies. In Fiscal Year 2012, inpatient collection agencies collected \$26.2 million with commission fees of \$4.7 million paid resulting in a net benefit to HHC of \$21.5 million. The five (5) contracts, resulting from the Corporation's Request for Proposals (RFP) and the Collection Agency Selection Committee's review and evaluation process, will enable the Corporation to continue to optimize its collection effort through the use of collection agencies.

Agencies were evaluated on their ability to perform collection services in accordance with the requirements specified in the RFP and included: collection techniques, knowledge of third party billing procedures and Medicaid eligibility rules, experience in the health care debt collection environment, electronic media and report generation capability, and staff resources. Commission fees were considered amongst all other

factors. The agencies selected were the highest scoring firms in relationship to their compliance with the necessary areas stipulated in the RFP.

Five (5) contracts will be awarded and each agency will receive approximately 20% of the referred accounts. Each hospital will be assigned two (2) or three (3) agencies. The five (5) collection agencies that best met the requirements of the Corporation are: Betz Mitchell Associates, Inc. at 18%, JZanus Ltd. At 19%, MBI Associates Inc. at 12%. MCS Claim Services Inc. at 16%, and NCO Financial Systems, Inc. at 17%. Contracts are to be awarded for a three (3) year period with two (2) possible one (1) year extensions, at the Corporation's option, for a maximum period of five (5) years.

CONTRACT FACT SHEET

New York City Health and Hospitals Corporation

Contract Title: INPATIENT DEBT COLLECTION SERVICES

Project Title & Number: INPATIENT DEBT COLLECTION SERVICES
Project location: ALL HHC ACUTE AND SKILLED NURSING FACILITIES
Requesting Dept.: FINANCE

Successful Respondent: Betz Mitchell Associates, Inc., JZanusLtd., MBI Associates
Inc., MCSClaim Services, Inc., NCO Financial Systems, Inc.

Contract Amount: Contingency

Contract Term: 3 Years Renewable Thereafter For 2 Additional 1-year Periods

Number of Respondents: 14
(If sole source, explain in Background section)

Range of Proposals: 6.95% to 30%

Minority Business Enterprise Invited: Yes If no, please explain: _____

Funding Source: General Care Grant: explain Capital
Other: explain REVENUE OFFSET

Method of Payment: Lump Sum Per Diem Time and Rate
Other: explain CONTINGENCY FEE

EEO Analysis: Completed

Compliance with HHC's McBride Principles? Yes No Pending for all contracts

Vendex Clearance Yes No Pending for all contracts

(required for contracts in the amount of \$50,000 or more awarded pursuant to an RFP or as a sole source, or \$100,000 or more if awarded pursuant to an RFB.)

CONTRACT FACT SHEET (continued)

Background (include description and history of problem; previous attempts, if any, to solve it, and how this contract will solve it):

Since 1974, the Corporation has found it necessary to use collection agency services to supplement its in-house collection efforts.

The Corporation determines patient's ability to pay their hospital bills by verifying insurance coverage or by completing Medicaid applications on behalf of those patients who are uninsured and under-insured.

HHC completed 42,922 applications during FY'13. HHC Options, our charity care program is available to reduce hospital bills for uninsured and under-insured patients who do not obtain Medicaid coverage. However, HHC can only collect from insurance plans, prepare Medicaid applications or offer a reduction of bills when patients provide the required information. The collection agencies can assist debtor patients with applying for Medicaid, appealing Medicaid eligibility denials or obtaining insurance coverage denied during the hospitalization. The collection agencies are mandated to follow HHC policy for advising patients about the availability of HHC's charity care program, HHC Options to reduce their hospital bills.

Over the years, the Corporation has undertaken many initiatives to increase collections. Some of the initiatives include: establishing Medicaid offices on-site; setting up direct connection to Medicaid's EMEDNY eligibility system; obtaining access to Social Security and Medicare information; preparing pre-natal Medicaid applications for expectant mothers with incomes up to 200% FPL to obtain active Medicaid prior to delivery; and sending out pre-collection letters. HHC staff determines patients' ability to pay their hospital bills by finding third party eligibility or by completing Medicaid applications on behalf of those patients who are uninsured. Although referrals are declining, the Corporation referred \$78 million in bad debt inpatient accounts in FY'12 to collection agencies.

The purpose of the RFP is to continue utilizing inpatient debt collection services. An extensive outreach was undertaken by mailing individual notices to all firms that contacted HHC, has done business with HHC in the past and by advertising in the City Record. The RFP requires agencies have at least two years health care experience.

Assignment of inpatient bad debt accounts will be divided into approximately five (5) equal grouping based upon FY'13 hospital volumes. Each hospital will be assigned to two (2) or three (3) collection agencies.

Therefore, the execution of these contracts will enable the Corporation to continue to optimize its collection efforts through the use of collection agencies.

CONTRACT FACT SHEET (continued)

Contract Review Committee

Was the proposed contract presented at the Contract Review Committee (CRC)? (include date):

The proposed contract was presented to the Contract Review Committee on June 5, 2013

Has the proposed contract's scope of work, timetable, budget, contract deliverables or accountable person changed since presentation to the CRC? If so, please indicate how the proposed contract differs since presentation to the CRCs:

NO

CONTRACT FACT SHEET (continued)

Selection Process (attach list of selection committee members, list of firms responding to RFP, list of firms considered, describe here the process used to select the proposed contractor, the selection criteria, and the justification for the selection):

The selection process consisted of evaluating proposals received in response to the Corporation's Request for Proposals (R.FP). The responding agencies (Betz Mitchell Associates Inc., Century financial Services, Inc., Collection Bureau Hudson Valley, Inc, FHS Financial Services, Inc., JZanus Ltd., L J Ross Associates, MBI Associates, Inc., MCS Claim Services, Inc., M&M Recovery Services LLC, NCO Healthcare Services, POM Recoveries, RTR Financial Services, Inc., Ruben & Raine, and UCB (Intelligent Solutions). were evaluated on their ability to perform collection services in accordance with the following RFP requirements: collection techniques, knowledge of third party billing procedures, NY Medicaid application requirements, health care debt collection and billing experience, electronic file data and reporting capabilities and staff resources. Commission fees, which were one component of the evaluation process, were taken into account. Evaluation forms were completed by selection committee members (Tanya Blanchette, North Bronx Network; Melvin Bobea, Central Office Revenue Management -IT; Dick Cheng, Woodhull Hospital; Lourdes Colon, Generations Plus Network; Yvonne Cummings, Central Office Revenue Management; Michelle Figueroa, South Manhattan Network; Richard Gallo, Queens Network; Michael Shanker, Coney Island Hospital; William Swensen, Kings County Hospital; Jay Weinman, Corporate Comptroller) based on the reading of the Proposals and following discussion of each proposal at committee meetings.

Agencies that were determined to best meet the needs of the Corporation were selected for contracts.

Scope of work and timetable:

The contractor shall provide the Corporation with services for the collection of payment for delinquent patient bills for inpatient services rendered at Corporation hospitals when insurance coverage is absent, unknown or insufficient or when patients fail to furnish sufficient information to determine if insurance coverage is in effect for the admission period.

These services will encompass all collection activities including, but not limited to: preparation of Medicaid applications; assisting patient with applying for insurance through the Health Exchange (New York State of Health); preparing and submitting, if appropriate, insurance claims; informing patients of bill reduction opportunities through HHC Options; sending dunning statements; performing skip tracing for bad addresses/ phone numbers; and litigating cases. Bad debt cases will be referred for three years with the possibility of two one-year extensions.

CONTRACT FACT SHEET (continued)

Costs/Benefits:

\$26.2 million were collected based upon the activities of the collection agencies in FY' 12 at a cost of \$4.7 million for a benefit of \$21.5 million

Why can't the work be performed by Corporation staff:

Hospital staff follow sound and prudent business practices, i.e. timely patient interviews and follow up to determine patients' ability to pay the hospital bill. Accounts of patients that do not provide insurance coverage information, or cooperate in the Medicaid enrollment process and do not make payments within 120 days from the date of the 1st bill generated are referred to collection agencies. Collection agency success with non-cooperative patients is related directly to their ability to initiate legal action.

*Will the contract produce artistic/creative/intellectual property? Who will own it?
Will a copyright be obtained? Will it be marketable? Did the presence of such
property and ownership thereof enter into contract price negotiations?*

This contract will not produce artistic/ creative/ intellectual property.

Contract monitoring (include which Senior Vice President is responsible):

The Senior Vice President for Finance and the Senior Assistant Vice President of Revenue Management is responsible for overall monitoring of these contracts.

CONTRACT FACT SHEET(continued)

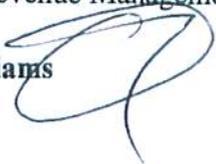
Equal Employment Opportunity Analysis (include outreach efforts to MBE/WBE's, selection process, comparison of vendor/contractor EEO profile to EEO criteria. Indicate areas of under-representation and plan/timetable to address problem areas):

Received By E.E.O. _____
Date

Analysis Completed By E.E.O. _____
Date Name

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Yvonne I. Cummings
Senior Director
Central Office – Revenue Management/Operations

FROM: Manasses C. Williams 

DATE: September 9, 2013

SUBJECT: EEO CONTRACT COMPLIANCE

The proposed contractor/consultant, Betz-Mitchell Associates, Inc., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise [] Woman Business Enterprise [X] Non-M/WBE

Project Location(s): HHC Corporate-Wide.

Contract Number: _____ Project: Provide: Inpatient Debt Collection Services

Submitted by: Revenue Management/Operations.

EEO STATUS:

1. [x] Approved
2. [] Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. [] Not approved
4. [] Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO

manasses.williams@nychhc.org

TO: Yvonne I. Cummings
Senior Director
Central Office – Revenue Management/Operations

FROM: Manasses C. Williams 

DATE: September 9, 2013

SUBJECT: EEO CONTRACT COMPLIANCE

The proposed contractor/consultant, MCS Claim Services, Inc., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): HHC Corporate-Wide.

Contract Number: _____

Project: Provide: Inpatient Debt Collection Services

Submitted by: Revenue Management/Operations.

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Yvonne I. Cummings
Senior Director
Central Office – Revenue Management/Operations

FROM: Manasses C. Williams 

DATE: September 9, 2013

SUBJECT: EEO CONTRACT COMPLIANCE

The proposed contractor/consultant, Jzanus Ltd., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents. This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): HHC Corporate-Wide.

Contract Number: _____ Project: Provide: Inpatient Debt Collection Services

Submitted by: Revenue Management/Operations.

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO

manasses.williams@nychhc.org

TO: Yvonne I. Cummings
Senior Director
Central Office – Revenue Management/Operations

FROM: Manasses C. Williams 

DATE: September 9, 2013

SUBJECT: EEO CONTRACT COMPLIANCE

The proposed contractor/consultant, MBI Associates, Inc., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): HHC Corporate-Wide.

Contract Number: _____ Project: Provide: Inpatient Debt Collection Services

Submitted by: Revenue Management/Operations.

EEO STATUS:

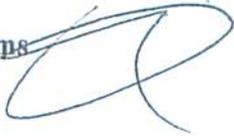
1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Yvonne I. Cummings
Senior Director
Central Office – Revenue Management/Operations

FROM: Manasses C. Williams 

DATE: September 18, 2013

SUBJECT: EEO CONTRACT COMPLIANCE

The proposed contractor/consultant, NCO Financial Systems, Inc., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): HHC Corporate-Wide.

Contract Number: _____ Project: Provide: Inpatient Debt Collection Services

Submitted by: Revenue Management/Operations.

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to negotiate and execute a contract with Simpler North America, LP ("Simpler") on a sole source basis in order to continue and expand the implementation of *Breakthrough* throughout the Corporation. Funding for this contract shall not exceed \$4,416,500 for the period from November 1, 2013 through October 31, 2014.

WHEREAS, in recognition of the breakthrough nature of improvements made using Lean techniques, in November, 2007, the Board authorized the Corporation to enter into a contract with Simpler for Lean consultation and training to launch *Breakthrough*, which contract was later amended with Board approval in October, 2010, for a total term of six years; and

WHEREAS, said contract with Simpler will expire on October 31, 2013; and

WHEREAS, Simpler has provided Lean consultation and training effectively and satisfactorily to staff at nineteen Corporation sites including Central Office, and the Corporation desires to strengthen the infrastructure toward increasing capacity to manage without Simpler and align with strategic goals including selected value streams and implement the Daily Management System at more HHC facilities and services; and

WHEREAS, the Corporation has realized \$28.47 million in cost savings and \$348.93 million in new revenues through over 1,300 Breakthrough improvement events, reaching 8,339 employees; and

WHEREAS, given the significant financial, efficiency and staff engagement benefits generated through Breakthrough activities, including an accumulated return on the value of the Simpler contract of greater than \$18.46 per dollar invested, and given the widespread support among clinical, financial and operational leadership across the Corporation toward a more deep and broad application of Breakthrough, the Corporation seeks to develop significant site-based and central expertise to maintain and continue to grow its Breakthrough capacity through training and consultation; and

WHEREAS, because the unique systems, tools and structure that Simpler has used to assist the Corporation in developing and implementing Breakthrough cannot be replicated by any other vendor, the Corporation wishes to contract with Simpler on a sole source basis for these services; and

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

NOW THEREFORE, BE IT

RESOLVED, that the President of the New York City Health and Hospitals Corporation be and hereby is authorized to negotiate and execute a contract with Simpler North America, LP on a sole source basis in order to continue and expand the implementation of *Breakthrough* throughout the Corporation. Funding for this contract shall not exceed \$4,416,500 for the period from November 1, 2013 through October 31, 2014.

EXECUTIVE SUMMARY

PURPOSE

HHC's current 6 year contract with Simpler, NA is ending as of October 31, 2013. Over these years Simpler has provided system development, coaching, training, strategic planning and sensei/consultative services to HHC leadership and employees to implement Breakthrough. HHC has been pleased with Simpler's performance. For several years, HHC has worked to develop internal capacity to grow and sustain Breakthrough. Although HHC expects to require external support at diminishing levels over a period of years, we will begin to reduce Simpler support this next year – November 2013 through October 2014.

In order to ensure a smooth initial transition, we propose a one-year, sole source contract with Simpler in the amount of \$4,416,500, or 20% less than the amount of current 12-month contract (\$5.5 million). HHC staff will take over significant responsibilities for services previously provided by Simpler, including support for all new site launches, provision of all five levels of certification classes, and ongoing event and ad hoc support of select sites. Simpler will continue to help us develop our internal capacity for self-reliance, including accelerated deployment of the daily management system, support of select sites, teaching advance tools, supporting the cascading of hoshin kanri initiatives and management, and leadership coaching and standard work.

Seven years ago, few hospitals were using lean, few consulting firms were experienced in bringing lean to health care and HHC knew little about the approach that would best fit our culture. We chose to work with a firm that was almost exclusively focused on lean versus the many other improvement methods available. As a result, Breakthrough is closely aligned to the Toyota production system (TPS). Toyota draws upon the work of Deming, Ford, TQM, quality circles and many other well accepted performance and quality tools and innovators to create a set of tools it embeds in a culture of respect, accountability and continuous improvement. More than 45 years in the making, TPS provides a solid system of layered and broadly applicable tools that Simpler has adopted with little adaptation. By working with simpler, HHC has been able to align breakthrough to the most time-tested process improvement and culturally attuned improvement system that has proven reliability and sustainability. The system has proven to be well suited for HHC's culture.

A review of consultant firms that offer 'lean' services demonstrates that only a handful of firms offer pure TPS-based lean, vs. Lean Six Sigma and who also have any significant experience in health care. None of these firms has the breadth and depth of experience in health care that simpler holds. Moving away from simpler at this time will not only slow the momentum HHC has built but will introduce confusion and wasteful variation. HHC has struggled to ensure consistency of approach and spreadability across the corporation over the last six years. However, today, any facilitator can work in any site, any steering team member uses the same language, and any a3 workshop will

teach the same problem solving method. HHC is poised to use this consistency of approach to spread process improvements in areas of priority across sites. Over the years, Simpler has also learned from HHC and has customized its approach and training to correspond with HHC unique culture and environment. There are not any consultant resources familiar with Lean who would be able to duplicate Simpler's experience and customization without undergoing a long and expensive 'learning curve' to HHC's detriment.

Therefore, it is requested that the proposed contract be considered as a Sole Source with Simpler NA, LP as there are not any other resources available which can duplicate the approaches brought to HHC by Simpler at this crucial junctures. The credibility and expertise which Simpler has demonstrated to the HHC leadership and staff and the customization of approach to be effective in HHC's culture and environment would be undermined. Trying to introduce another source for Lean services will result in losses to the Breakthrough effort instead of the gains planned with Simpler over the next year. The division of OI&E will also embark on a competitive bid process to secure ongoing, albeit reduced, lean consulting services for a multi-year period to commence at the end of the proposed simpler contract period.

BACKGROUND

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

CONTRACT HISTORY

Process and Date	Period/Purpose	Amount	Cumulative Total
Approval of original contract (November 2007)	Years 1-3 (11/1/07 - 10/31/10) with 2, 1-year optional renewal years	\$5,000,000 for Years 1-3	\$5,000,000
First Amendment (January 2010)	Increase budget authority for the original period (Years 1 – 3) to add depth and breadth to contractor scope*	Add \$2,000,000 to Years 1-3	\$7,000,000
Renewal and Second Amendment (October 2010)	Execute the first of 2 optional renewal years (Year 4: 11/1/10-10/31/11) and add a third optional renewal year to ensure development of all sites and build self-sustaining infrastructure	Add \$3,112,700 for Year 4	\$10,112,700
2 nd Renewal and Third Amendment	Executed 2 nd of 3 optional renewal years (Year 5: 11/1/11-10/31/12)	Add \$4,879,650 for Year 5	\$14,992,350
3 rd Renewal and Fourth Amendment	Executed 3 rd of 3 optional renewal years (Year 6: 11/1/12-10/31/13)	Add \$5,500,000 for Year 5	\$20,492,350

Simpler has performed well, providing onsite training and consultation that enabled HHC to generate site-specific and enterprise-wide improvements.

OUTCOMES TO DATE

In the almost six years that HHC has implemented Breakthrough with Simpler's support, HHC has realized \$348.93 million in new revenues and \$28.47 in cost savings. In addition, 8,339 staff has been engaged in Breakthrough events and over 1,300 Rapid Improvement Events have been completed. The cumulative return on direct investment for the first six years of this contract is \$377.4 million on a contract budgeted expense of \$20,492,350. Breakthrough has now been implemented at 19 of HHC's major sites¹ resulting in improvements in areas such as peri-operative services, emergency departments, inpatient units, ambulatory care, revenue cycle, imaging and behavioral health. Not only has this effort resulted in increased revenue and cost savings but it has also improved safety, efficiency and capacity, and decreased patient waits, unnecessary staff and patient movement and un-needed steps in numerous processes. ROI continues to grow at an increased rate: the cumulative ROI over these 6 years is \$18.41 financial contribution for each \$1 spent on the contract.

CONTRACT SCOPE

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

1. Visioning and Strategy

Providing Executive coaching and mentoring supporting the deployment of Hoshin Kanri and chartered strategic A3s to ensure alignment of goals across the corporation and accelerate spread of business improvements across strategic service areas. More extensive mentoring and coaching will be provided to the leadership on transforming into a Lean Leader and using these skills to transform their areas of responsibilities.

2. Value Stream Improvement

Providing sensei mentoring to particularly newer sites and staff on the development and implementation of new and existing Value Streams and resultant RIEs to both train staff to conduct these events as well as ensure their improvement's effectiveness and alignment with HHC strategic goals.

3. Daily Management System (DMS)

Providing expert lean coaching and mentoring for Takt Time attainment through onsite coaching including visual management, problem solving and corrective action, event preparation and follow up, benefits tracking, and developing a rigorous discipline in adherence to standard work. In this contract year, HHC will experience a very rapid deployment of DMS throughout the

organization. One of the outcomes of DMS deployment will be the enhanced sustainment of gains achieved through Breakthrough.

4. Business System Architecture and Infrastructure

Provide transformation program management, core team development, developing transformation policies, data collection and analytics, organization design, lean capability assessments and assistance in building the HHC Improvement System. Even though most of the training is being taken over by HHC staff, the highest level of certification training: Platinum, will still be conducted by Simpler staff for part of this year and Simpler will assist HHC in the development of a leadership training curriculum.

Simpler will support the following activities this budget period:

- Provide onsite, regular consultation: Almost half of the Simpler staff time will be assigned to work directly at the facilities according to the sites' competency and plans. Sensei will support improvement activities in increments of 4.5 days ('weeks'). Training and support at existing sites will concentrate on coaching of leaders and managers, and specialized event activities like VSAs, VVSMs, 2p and Mission A3s. Training and support at newer sites will be to help build the skill level of staff and the infrastructure needed to implement and sustain Breakthrough improvements.
- Provide focused support for the implementation of the Daily Management System: Simpler will allocate .5 FTE (equivalent to 2 weeks per month) to support of specific value streams that are active across the enterprise, e.g., peri-operative, inpatient, emergency, ambulatory care or mental health services. Simpler will work with the enterprise Breakthrough office and individual sites to identify effective Breakthrough practices that have relevance to other sites, and to spread these across and within sites. This activity will provide a showcase of best practices as well as engage sites for more rapid, systemic spread.
- Provide Value Stream sensei on-site one week per month to continue the development and spread of the Peri-Operative model value stream initiated at Jacobi Medical Center and one more site to be determined.
- Provide Gemba coaches to work directly with sites to provide ongoing coaching and support for those directly responsible for doing the work. The Gemba coaches will work to ensure that improvements gained through RIEs and DMS activities are sustained.
- Provide Transformational Plan of Care (TPOC) assessments on an ongoing basis to the HHC facilities to ensure their alignment with HHC goals and assess their current capabilities and help develop improvements to their transformational plans and approaches.
- Development and project management: Simpler will allocate .5 FTE sensei (equivalent to 2 weeks per month) to planning and continued development of Breakthrough, the HHC Improvement System in collaboration with and under the management of the Senior Vice

President, Organizational Innovation and Effectiveness. This work will include expansion of prior Hoshin Kanri/Strategy Deployment activity, identification and deployment of advanced tools and strategies at the enterprise and site level, leadership development and training, and facilitation and alignment of all communications between site and other sensei assigned to HHC.

- Training: Simpler will be responsible for only a limited engagement in Platinum Certification and support for the development of a leadership training series. All other classes are now the responsibility of HHC Breakthrough staff.

Contract Benefit to HHC:

This contract will ease the transition of HHC toward a more self-reliant future. In addition, results of the most recent year include:

- New Revenue: \$90 million, Cost Savings: \$10 million
- Number of Rapid Improvement Events: 300
- Number of additional employees participating in Breakthrough activities: 5,700
- Rapidly expanded number of sites will be trained in the Daily Management System and thereby being able to continuously improve and sustain these improvements (up to 75 areas)
- Leadership will be more skilled and knowledgeable about the application of tools to plan, implement and sustain Breakthrough activities.
- Sites will have increased capability to manage projects, increase the effectiveness of their Breakthrough events and the ability to use more advanced tools to achieve greater success. Employees will be empowered to problem solve and improve the processes in their own areas.
- Patient and employee satisfaction will be increased due to the elimination of wasteful, unneeded processes, wait times and unnecessary movements.

CONTRACT MANAGEMENT

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

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

CONTRACT FACT SHEET

New York City Health and Hospitals Corporation

Contract Title: Simpler North America, L.P.
Project Title & Number: Simpler NA Contract
Successful Respondent: Simpler, North America, L.P.
Project Location: Enterprise Wide

Contract Amount: \$4,416,500.00

Contract Term: November 1, 2013 through October 31, 2014

Requesting Dept.: Organizational Innovation and Effectiveness
Number of Respondents: Sole Source
(If sole source, explain in Background section)

Range of Proposals: \$ N/A to \$

Minority Business Enterprise Invited: N/A If no, please explain:

Funding Source: General Care Capital
 Grant: explain
 Other: explain

Method of Payment: Lump Sum Per Diem Time and Rate
 Other: explain Deliverable-based

EEO Analysis: Approved: August 28, 2013

Compliance with HHC's McBride Principles? Yes No

Vendex Clearance Yes No (pending approval)

(required for contracts in the amount of \$50,000 or more awarded pursuant to an RFP or as a sole source, or \$100,000 or more if awarded pursuant to an RFB.)

CONTRACT FACT SHEET (continued)

Background (include description and history of problem; previous attempts, if any, to solve it; and how this contract will solve it):

In November 2007, the New York City Health and Hospitals Corporation (HHC) executed a contract with Simpler Consulting, Incorporated (now Simpler North America, LP) for a three year period ending October 31, 2010. This contract for Lean training and consultation was procured through a competitive Request for Proposals process. From five qualified respondents, Simpler was selected based on experience, approach and cost. The contract was amended in January 2010 to increase the contract amount by \$2,000,000 for a total of \$7,000,000 in order to develop a larger cadre of internal Breakthrough experts and to increase the length of the Contractor's consultants (sensei) engagement at each site in order to make deep, substantive improvements within critical value streams. The contract was renewed and amended in October, 2010 extending the period of the contract through October 31, 2011 and increasing the contract to an amount not to exceed \$10,112,700. The contract also contained two options to renew the contract at HHC's discretion. The contract was renewed and amended for a second time in October, 2011 extending the period of contract through October 31, 2012 and increasing the contract to an amount not to exceed \$14,992,350. A third option to renew the contract was added at this time. This original contract was renewed and extended for a third time in October, 2012 for an amount not to exceed \$5.5 million (total contract amount of \$20,492,350) to end on October 31, 2013. The contract is managed by Joanna Omi, Senior Vice President in the Division of Organizational Innovation and Effectiveness.

HHC proposes to execute a new contract with Simpler NA for the period of November 1, 2013 through October 31, 2014. As had been planned, the amount of the proposed contract has been reduced by 20% from the current year's amount of \$5.5 million to a total of \$4,416,500. This is in keeping with HHC's plan to steadily decrease reliance upon the Simpler consultants with the ultimate goal of implementing essentially all ongoing operational aspects of Breakthrough without reliance on outside sources.

HHC has used Simpler's expertise, materials, approaches and development tools to create and deploy, not institute HHC's organizational transformation toward becoming a community of engaged problem solvers. Simpler's staff has been engaged at all levels of the organization from the executive leadership for strategic planning (Hoshin Kanri), mentoring and development to conducting classes for all levels of staff and being 'sensei' To the Corporate Office And Sites in the implementation of the Breakthrough Improvement System.

It is critical that HHC maintain continuity of approach in implementing Breakthrough (Lean) at HHC. There are many different approaches and structures used by other consultants which could move HHC backward rather

than forward trying to understand the differences and the confusion this will cause. Seven years ago, few hospitals were using lean, few consulting firms were experienced in bringing lean to health care and HHC knew little about the approach that would best fit our culture. We chose to work with a firm that was almost exclusively focused on lean versus the many other improvement methods available. As a result, breakthrough is closely aligned to the Toyota production system (TPS). Toyota draws upon the work of Deming, Ford, TQM, quality circles and many other well accepted performance and quality tools and innovators to create a set of tools it embeds in a culture of respect, accountability and continuous improvement. More than 45 years in the making, TPS provides a solid system of layered and broadly applicable tools that simpler has adopted with little adaptation. By working with simpler, HHC has been able to align breakthrough to the most time-tested process improvement and culturally attuned improvement system that has proven reliability and sustainability. The system has proven to be well suited for HHC's culture.

A review of consultant firms that offer 'lean' services demonstrates that only a handful of firms offer pure TPS-based lean vs. Lean Six Sigma, and who also have any significant experience in health care. None of these firms has the breadth and depth of experience in health care that Simpler holds. Moving away from Simpler at this time will not only slow the momentum HHC has built but will introduce confusion and wasteful variation. HHC has struggled to ensure consistency of approach and spreadability across the corporation over the last six years. However, today, any facilitator can work in any site, any steering team member uses the same language, and any A3 workshop will teach the same problem solving method. HHC is poised to use this consistency of approach to spread process improvements in areas of priority across sites. Over the years, Simpler has also learned from HHC and has customized its approach and training to correspond with HHC unique culture and environment. There are not any consultant resources familiar with Lean who would be able to duplicate Simpler's experience and customization without undergoing a long and expensive 'learning curve' to HHC's detriment.

Therefore, it is requested that the proposed contract be considered as a Sole Source with Simpler NA, LP as there are not any other resources available which can duplicate the approaches brought to HHC by Simpler at this crucial junctures. The credibility and expertise which Simpler has demonstrated to the HHC leadership and staff and the customization of approach to be effective in HHC's culture and environment would be undermined. Trying to introduce another source for Lean services will result in losses to the Breakthrough effort instead of the gains planned with Simpler over the next year. The division of OI&E will also embark on a competitive bid process to secure ongoing, albeit reduced, lean consulting services for a multi-year period to commence at the end of the proposed simpler contract period.

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

1. Visioning and Strategy

Providing Executive coaching and mentoring supporting the deployment of Hoshin Kanri and chartered strategic A3s to ensure alignment of goals across the corporation and accelerate spread of business improvements across strategic service areas. More extensive mentoring and coaching will be provided to the leadership on transforming into a Lean Leader and using these skills to transform their areas of responsibilities.

2. Value Stream Improvement

Providing sensei mentoring to particularly newer sites and staff on the development and implementation of new and existing Value Streams and resultant RIEs to both train staff to conduct these events as well as ensure their improvement's effectiveness and alignment with HHC strategic goals.

3. Daily Management System (DMS)

Providing expert lean coaching and mentoring for Takt Time attainment through onsite coaching including visual management, problem solving and corrective action, event preparation and follow up, benefits tracking, and developing a rigorous discipline in adherence to standard work. In this contract year, HHC will experience a very rapid deployment of DMS throughout the organization. One of the outcomes of DMS deployment will be the enhanced sustainment of gains achieved through Breakthrough.

4. Business System Architecture and Infrastructure

Provide transformation program management, core team development, developing transformation policies, data collection and analytics, organization design, lean capability assessments and assistance in building the HHC Improvement System. Even though most of the training is being taken over by HHC staff, the highest level of certification training: Platinum, will still be conducted by Simpler staff for part of this year and simpler will assist HHC in the development of a leadership training curriculum.

CONTRACT FACT SHEET(continued)

Contract Review Committee

Was the proposed contract presented at the Contract Review Committee (CRC)? (include date):

The last renewal and amendment to the current contract with Simpler, NA was presented on October 3, 2012. The proposed new contract has not been previously presented to the CRC.

Has the proposed contract's scope of work, timetable, budget, contract deliverables or accountable person changed since presentation to the CRC? If so, please indicate how the proposed contract differs since presentation to the CRC:

No

CONTRACT FACT SHEET (continued)

Selection Process (attach list of selection committee members, list of firms responding to RFP, list of firms considered, describe here the process used to select the proposed contractor, the selection criteria, and the justification for the selection):

Since the first Contract was awarded to Simpler, there have been a number of other companies started which offer similar types of services: Some offer Six Sigma only, some a combination of Six Sigma and Lean, some offer a lean derivative but not really applicable to healthcare. Of the few companies which offer lean development and training, Simpler has the most experience with health care organizations; working on the transformation of large, multi-faceted organizations; and adheres closely to the Toyota Production System model. Further, they only employ as consultants sensei's who have been a plant manager in a lean organization so they have the demonstrated skills and experience to lead another organization on its transformational path. However, what makes Simpler truly unique is the knowledge, skills and approaches which Simpler has learned and developed through its soon to be six year contract with HHC. Over the years, Simpler has also learned from HHC and has customized its approach and training to correspond with HHC unique culture and environment. There are not any consultant resources familiar with Lean who would be able to duplicate Simpler's experience and customization without undergoing a long and expensive 'learning curve' to HHC's detriment. Other companies offering different approaches and structures would move HHC backward rather than forward while HHC's staff tries to understand the differences and deal with the resultant confusion. This will definitely slow down the momentum HHC has built up with Simpler's assistance to improve at an increased rate.

Therefore, it is requested that the proposed contract be considered as a Sole Source with Simpler NA, LP as there are not any other resources available who can duplicate the approaches brought to HHC by Simpler, the credibility and expertise which Simpler has demonstrated to the HHC leadership and staff and the customization of approach to be effective in HHC's culture and environment.

Scope of work and timetable:

Notational Schedule from Simpler (contractor) is included as attachment.

CONTRACT FACT SHEET (continued)

Costs/Benefits

Progress to Date:

Current Contract Period: 11/1/07-10/31/13
Current Contract Value: \$20,492,350
Expenditures to date: (7/31/13): \$18,812,337
Encumbrances to date: (8/12/13): \$253,575
Anticipated expenditures by: 10/31/13: \$1,426,438

Benefits:

Under the current contract with Simpler NA during the period of November 1, 2007 through August 31, 2013 Breakthrough Events have generated:
New Revenue: \$ 348.93 million (sources include improved charge capture, collections, managed care, reduction of denied claims and increased inpatient and ED volume)

Cost Savings: \$ 28.47 million (sources include reduction in volume of med/surg supplies purchased, reduced use of agency/temporary personnel, reduction in pharmacy expenses, reduction in respiratory supply expenses)
Total: \$ 377.4 million.

This has resulted in a return of \$18.41 in new revenues and savings for each \$1 invested in our contract with Simpler.

Number of Rapid Improvement Events completed: 1,398

Total number of HHC Employees participating in Breakthrough Events:
12,120

Anticipated (conservative):

November 1, 2013 through October 31, 2014:

Expense: \$ New Revenue: \$ 90 million Cost Savings: \$ 10 million

Number of Rapid Improvement Events Completed: 300

Total number of HHC employees participating in Breakthrough Events: 5,700

Anticipated ROI is over \$22 per each \$1 invested in the proposed contract.

Why can't the work be performed by Corporation staff:

We have already initiated reducing our dependence on Simpler consultants by reducing the proposed annual contract amount by 20% compared to last year. It is planned by the end of three years we will have eliminated significant reliance on outside sources to provide Breakthrough services. However, there are many aspects of Breakthrough deployment including the highest level of certification training, application of varied and sophisticated planning and diagnostic tools and onsite manager and leader coaching and mentoring that HHC staff is not yet able to provide. Further, while HHC continues to develop in-house expertise, the assistance that simpler provides, especially for leaders

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

Date: 10 October 2013

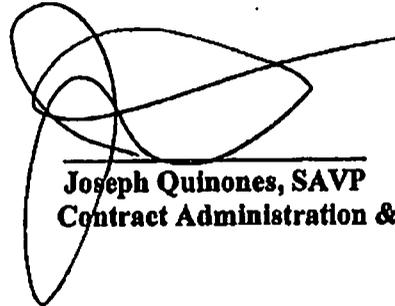
**To: Joanna Omi
Larry Hansley**

Document Control Number: 2136

Description: Application to enter into contract for Breakthrough with Simpler North America, LP on behalf of the New York City Health and Hospitals Corporation, Division of Organizational Innovation and Effectiveness.

The Contract Review Committee (CRC) reviewed the referenced submission during its October 9, 2013 meeting. The CRC authorizes proceeding with the Contract with the following provisions:

- A PowerPoint presentation of the accomplishments of Breakthrough, number of value streams, number of rapid improvement events, number of fish bone events, etc., by facility and the mechanisms employed to share information about Breakthrough improvements.



**Joseph Quinones, SAVP
Contract Administration & Control**

The Contract Liaison must confirm incorporation of changes; resubmission is not required. A copy of the revised documents must be submitted to the CRC Chairperson.

cc: File

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Larry Hansley
Director
Central Office - Office of Organizational Innovation and Effectiveness

FROM: Manasses C. Williams

DATE: August 28, 2013

SUBJECT: EEO CONTRACT COMPLIANCE

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

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): HHC Corporate-Wide.

Contract Number: 14106852 Project: Provide Lean Consulting Services

Submitted by: Office of Organizational Innovation and Effectiveness

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:



Lean Consultation And Training *(Support for Breakthrough)*

Contract with
SIMPLER NORTH AMERICA

Presentation to the NYCHHC Board of Directors
October 31, 2013

For Discussion

- Contract History
- Proposed Contract
- Future Plans

Contract History

- Breakthrough initiated November 2007
- Simpler procured via competitive RFP
 - **SCOPE:** Lean consultation and support services
 - **TERM:** 3 years (2007—2010 with 2 one-year optional renewals)
 - **ORIGINAL BUDGET:** \$5M
 - **FIRST AMENDMENT:** Increase total to \$7m; no change in term (January 2010)
 - **FIRST OPTION RENEWAL AND AMENDMENT:** (October 2010)
 - Exercise first one-year renewal option (Year 4)
 - Add \$3.1m for Year 4
 - Add a third optional renewal year to the contract (for a total potential of 6 years)
 - **SECOND OPTION RENEWAL AND AMENDMENT:** (October 2011)
 - Exercise second one-year renewal option (Year 5)
 - Added \$4.9 m for year 5
 - **THIRD OPTION RENEWAL AND AMENDMENT:** (October 2012)
 - Exercise third and final one-year renewal option (Year 6)
 - Added \$5.5m for year 6
 - Contract Total: \$20.5 m for 6 years

Active Breakthrough Sites

South Manhattan

- Bellevue
- Metropolitan
- Gouverneur
- Coler Goldwater

Generations+

- Lincoln
- Harlem
- Belvis
- Morrisania
- Renaissance

North Bronx

- Jacobi
- North Central Bronx

Queens

- Elmhurst
- Queens

North Central Brooklyn

- Woodhull
- Cumberland
- Kings County

South Manhattan

- Coney Island

Enterprise

- Health & Home Care
- Central

- **19 Active Sites**
- **71 Active Improvement Areas**

FINANCIAL BENEFITS

New Revenues (\$348.93M) + Cost Savings (\$28.47M)=\$377.4M*
Inpatient Documentation & Coding Accounts for 57.7% of revenues

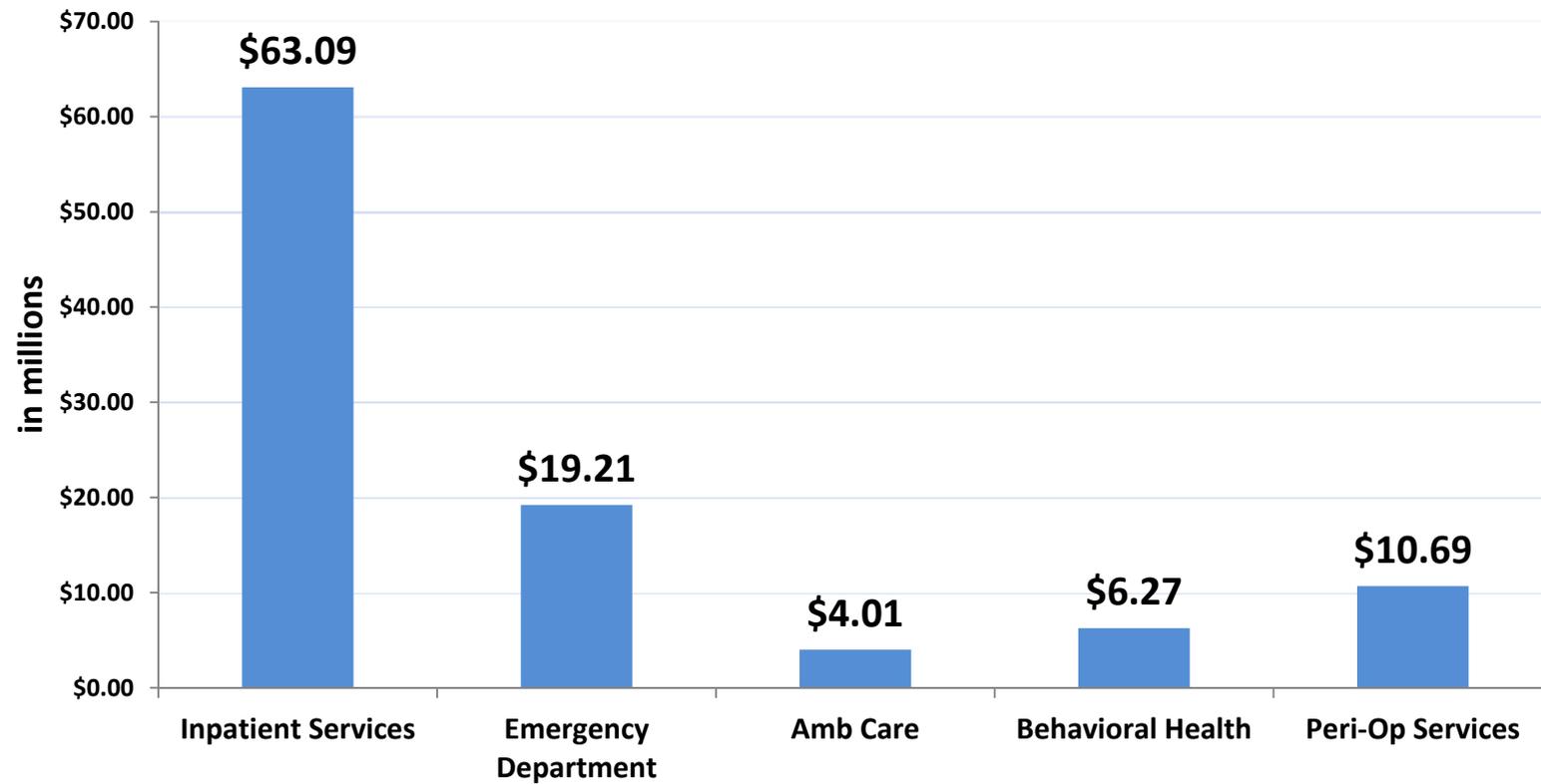
**Cumulative Revenue and Cost Savings
November 1, 2007 – August 31, 2013**



* Includes revenue reported for July and August, 2013.

90% of Cost Savings and New Revenues are Generated in the 5 Major Value Streams

**Value Streams Total Contribution
July 1, 2012- August 31, 2013**



Strong Return on Investment

Financial Benefit per \$ Consultant Cost

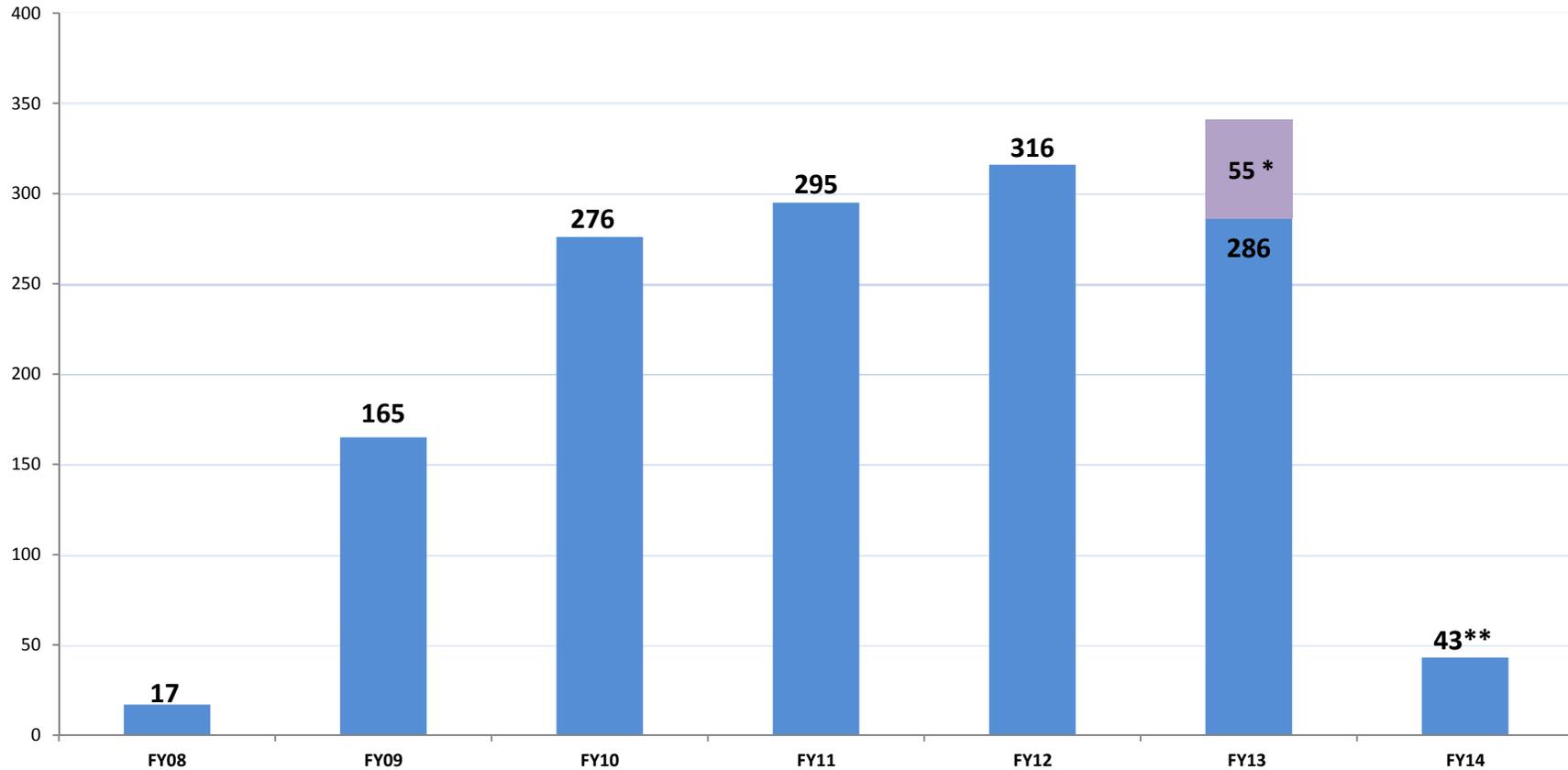
November 1, 2007 – August 31, 2013

Contract Year	Contract Expense	Cost Savings/New Revenue	\$Benefit/\$1 Invested
2007/2008	\$1,718,600	\$5.5 M	\$3.20
2008/2009	\$1,800,100	\$27.1 M	\$15.01
2009/2010	\$3,482,300	\$98.1 M	\$28.19
2010/2011	\$3,112,700	\$87.0 M	\$27.97
2011/2012	\$4,827,770	\$61.1 M	\$12.65
2012/2013	\$5,500,000	\$98.6 M*	\$17.93
Total	\$20,441,470	\$377.4 M*	\$18.46

*Includes cost savings and revenues reported through August, 2013

1,398 RIEs Completed

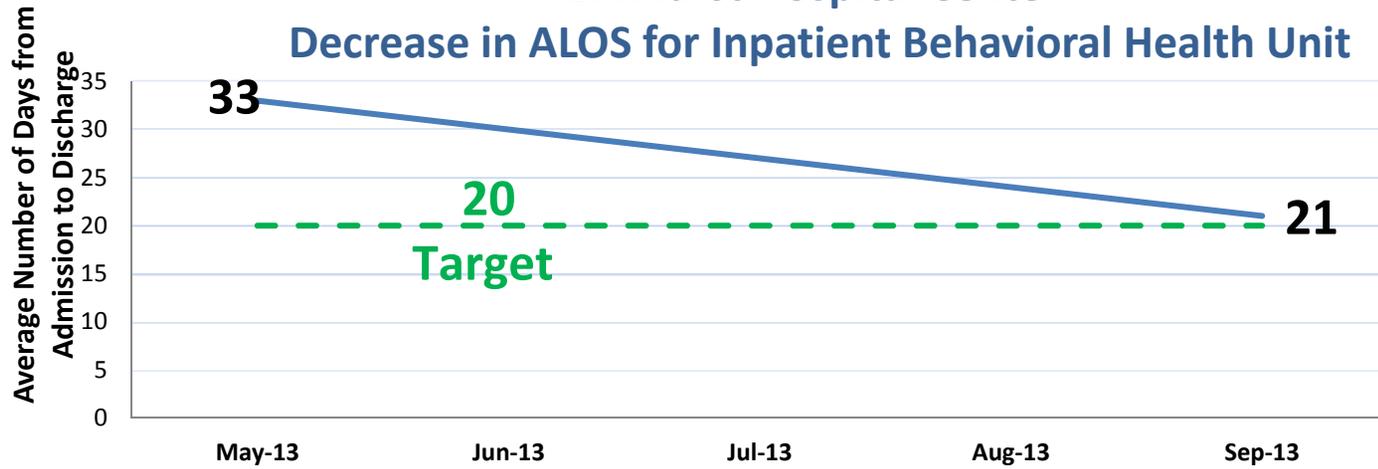
November 1, 2007- August 31, 2013



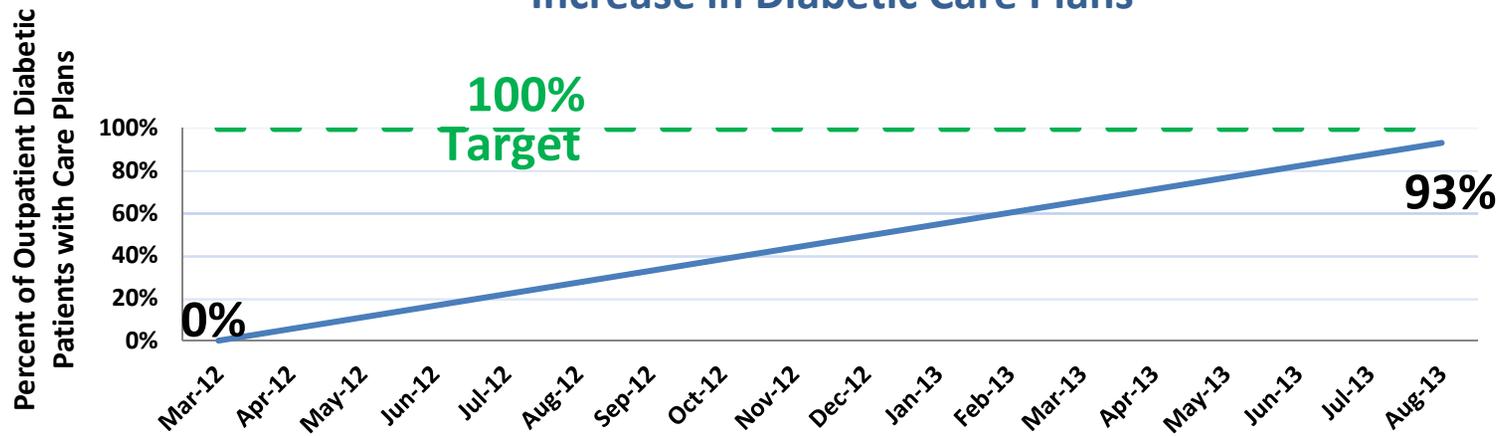
* Assuming continuation of the pace of monthly events performed immediately before Hurricane Sandy, an additional 55 events would have been conducted in the period of November through April in FY13.

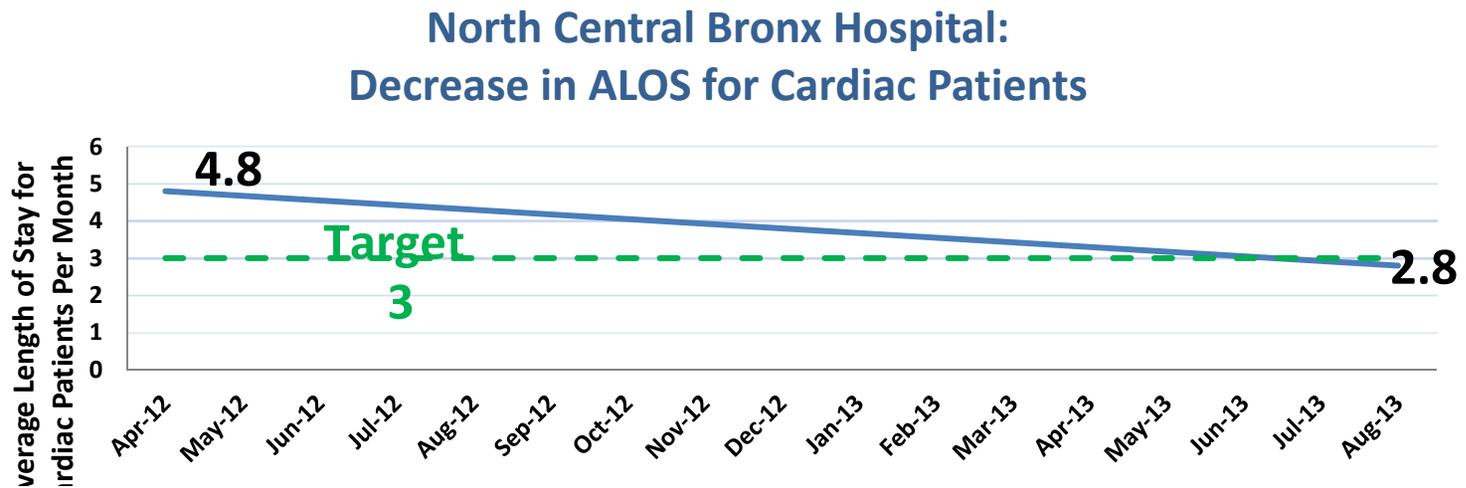
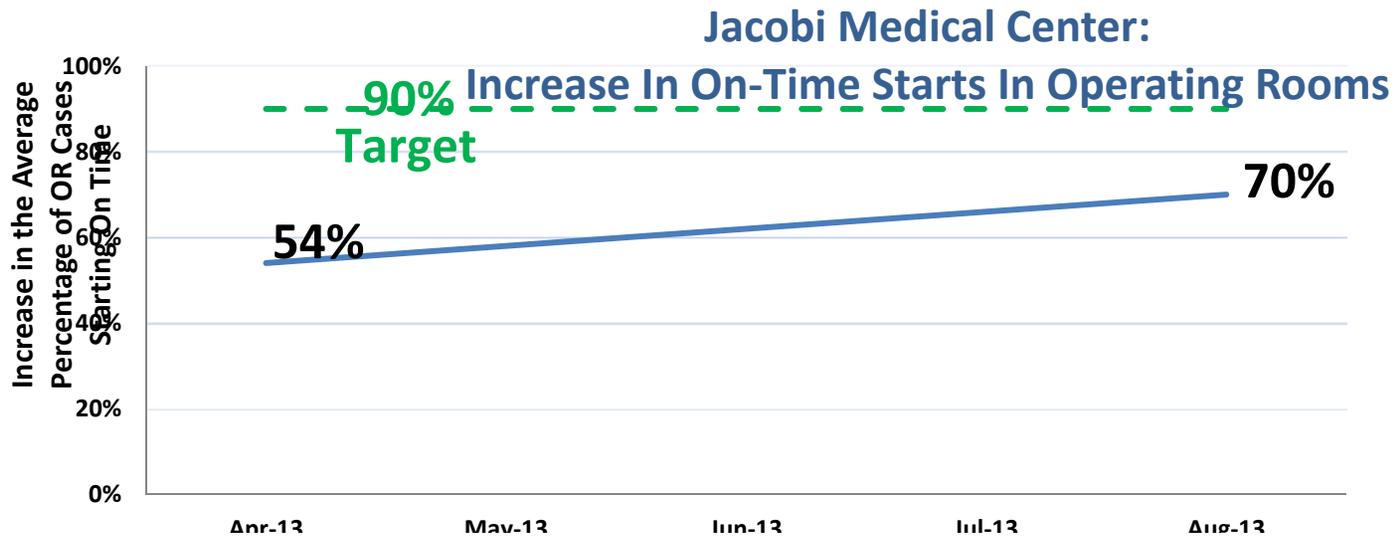
** Reflects July and August only

Elmhurst Hospital Center: Decrease in ALOS for Inpatient Behavioral Health Unit



Queens Hospital Center: Increase in Diabetic Care Plans





Harlem Hospital Center: Decrease Average Turnaround Time in O.R.

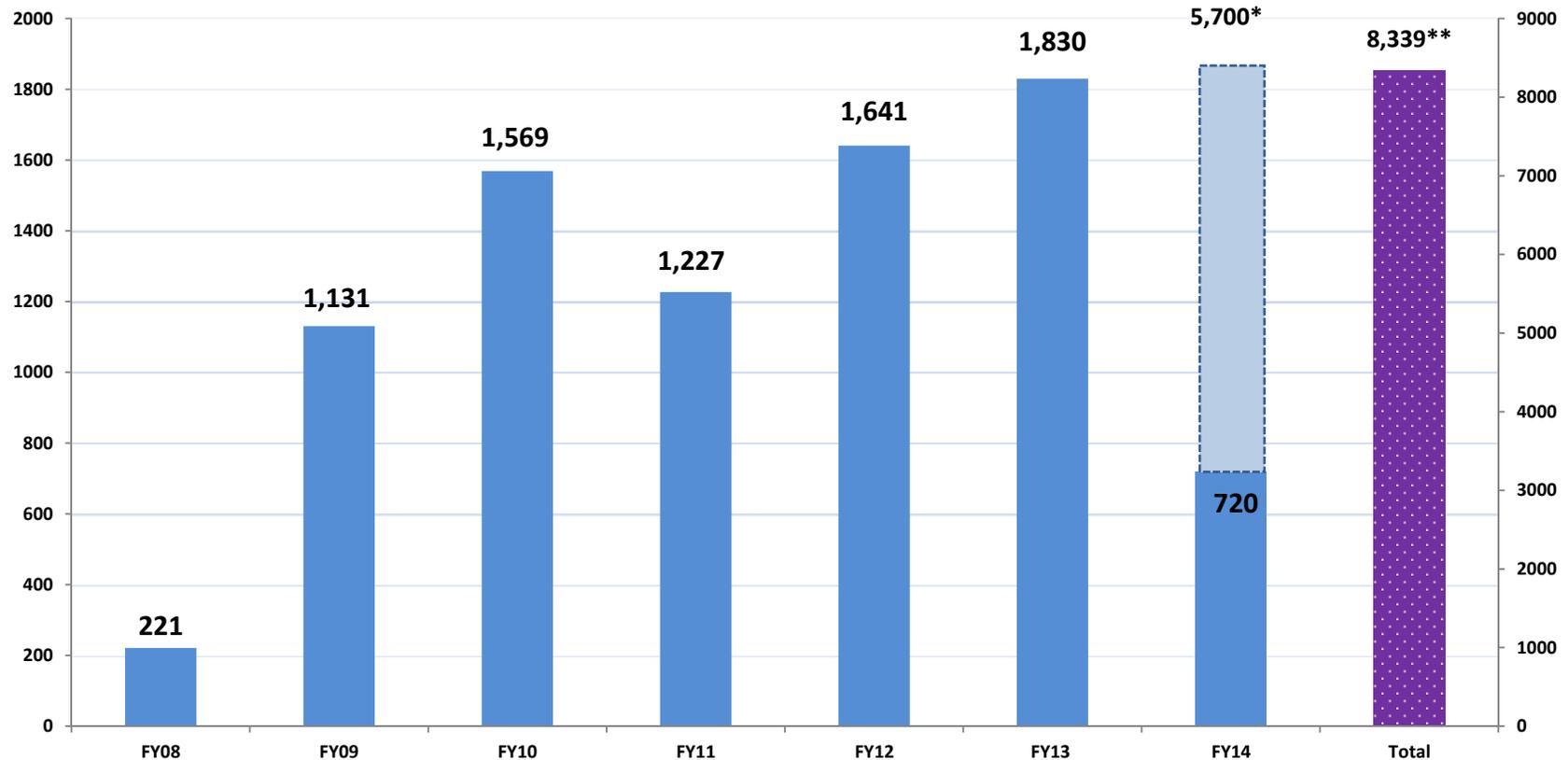


Woodhull Medical and Mental Health Center: Percentage Increase of Patients Seeing Their Primary Care Provider



Employee Engagement Will Increase Significantly this Year

November 1, 2007 - August 31, 2013

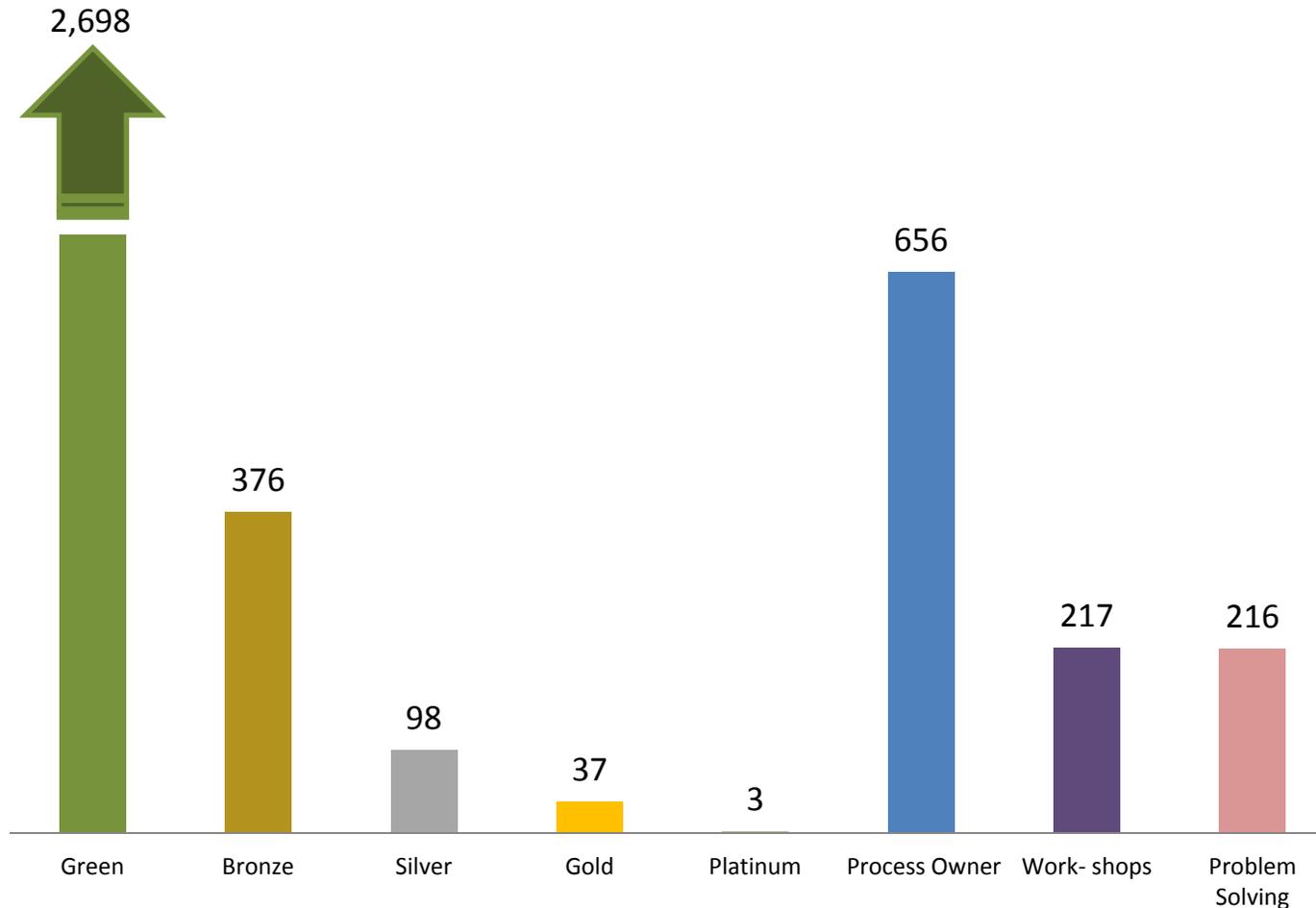


Note: New engagement is defined as first-time participation in a Breakthrough class or an improvement event of 4 or more days (excludes BAW and workshops less than 4 days).

*Projected based upon increased Green Level classes, new DMS engagement and increased improvement events.

**Actual for November 1, 2007 through August 31, 2013

3,511 Employees Have Participated in Training

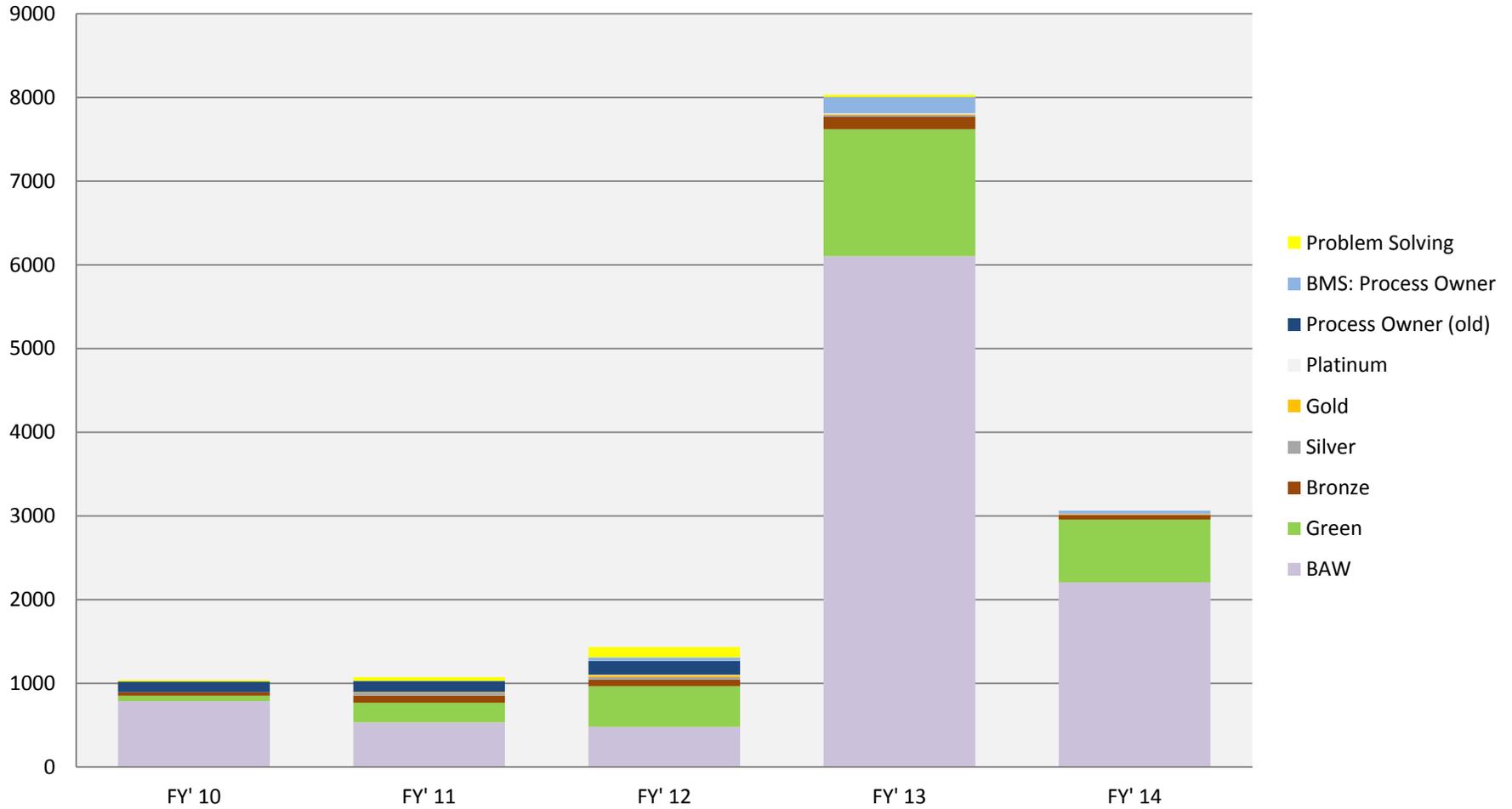


NOTES:

1. Certification courses (Green, Bronze, Silver, Gold and Platinum, in ascending order) are sequential; enrollment requires passing the prior level.
2. Certification classes require completion of didactic (and as relevant, practical) training, successfully passing course exams and completion of post-class experiential requirements.

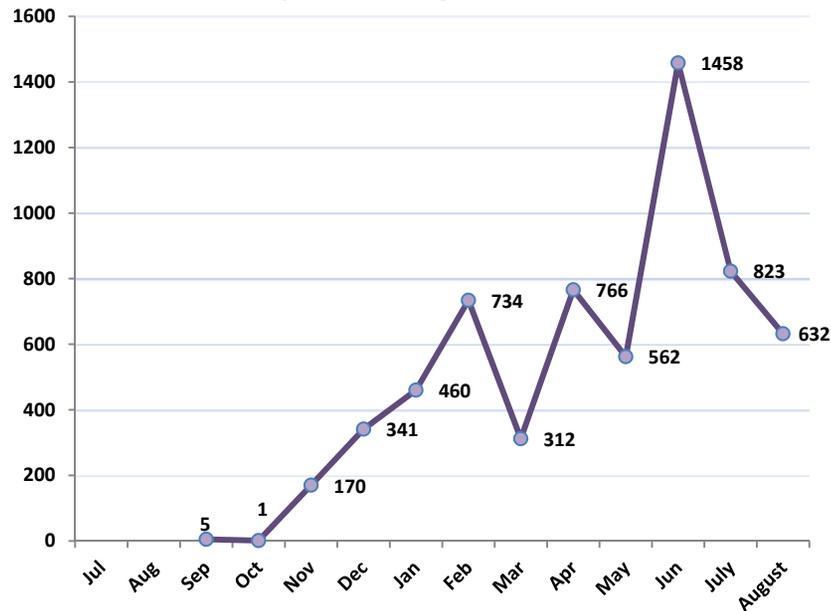
Breakthrough Training Significantly Increased in FY 13 and Continues to Increase in FY14

Breakthrough Training by Fiscal Year



Greater Access to Training has Prompted Significantly Expanded Participation

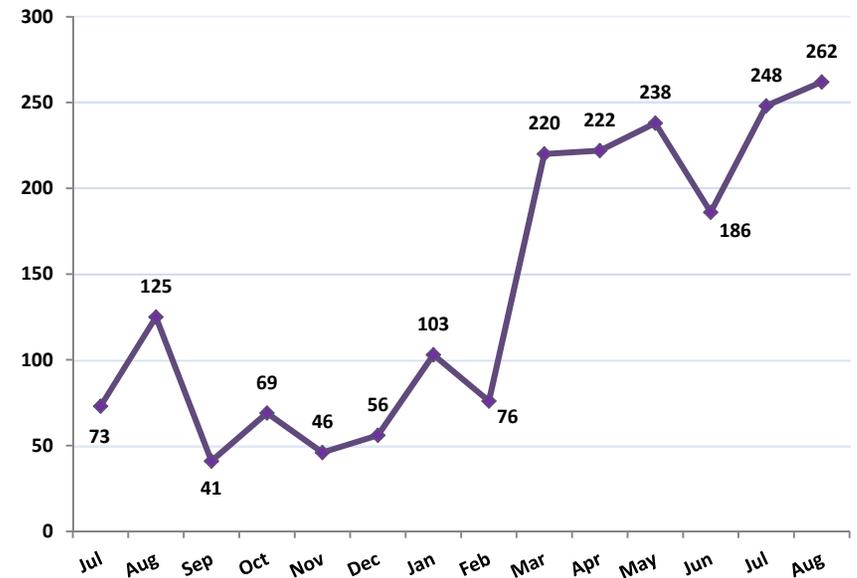
Breakthrough Awareness Class Completion
July 1, 2012- August 31, 2013



Note:

- On-line BAW training introduced in November, 2012
- Peak in BAW completion in June was created by 'rush' of employees meeting June 30th target date for completion.

Green Class Completion
July 1, 2012- August 31, 2013



Note: Expansion of trainers to include facility staff started in March, 2013

Summary of Contract Provisions

PERIOD: November 2013 through October 2014

VALUE: \$4.4m (20% reduction from the current contract amount of \$5.5m)

SCOPE: Continue to build HHC capacity for lean transformation and self-sufficiency

- Increased **site/network sensei focus on advanced tools, executive and steering team** leadership and management, process owner and sponsor **coaching, alignment** with business goals
- Increased enterprise sensei focus on **hoshin kanri** deployment and management, **executive coaching, TPOC reviews**
- Expanded support for launch and sustainment of **Daily Management System**
- Continued support of **model value streams and cells**
- Complete transfer of all certification training to HHC
- Create and enable the infrastructure for **spread** of improvements and innovation between sites

APPROACH: A larger network of internal and external experts with more narrow development focus

- Allocate sensei on a network basis where possible
- Greater alignment between sensei team and Breakthrough Deployment Officers
- Network sensei where possible
- Identify sensei/HHC Breakthrough staff dyads to ensure transfer of knowledge
- Ensure standardized stable core infrastructure (strategies, techniques, comprehension) is in place at all sites

Creating Self-Sufficiency: Developing internal competencies and capacity

HHC has gained expertise and independence in major areas:

- **Dedicated and embedded experts:**
 - Training in 5 levels of certification and additional topical courses
 - Breakthrough Development Initiative
 - Personal Development Plans
 - Creation of Platinum Cadre – internal team of experts, cross fertilization between sites, expanded training team
 - Expansion of site-based training offerings
- **Spreading Improvements**
 - Monthly internal gemba walks
 - Semi-monthly external gemba walks
 - Select external speakers and trainings
 - Monthly BDO meetings, active BDO and sponsor network
 - Standing agenda item at select clinical council meetings
 - Annual Breakthrough conference
 - Membership in Healthcare Value Network
 - Extensive repository of documentation from past events (E-Files)
 - Intranet site with resources, success stories, news, calendar (moving to Sharepoint)
 - Sharepoint site with shared templates, tools, documents for BDO/trainer use
- **Sustaining change**
 - Standard work for executive, value stream and enterprise steering committees
 - Visual management (process control boards) for 30-60-90 day event follow-up
 - Daily Management System for visual management and tiered leader briefs
 - Hoshin kanri Level 0 and Level 1 metrics, monthly Leadership Meeting review
 - “Yokoten Repository” and standard work in development for 2014
- **Site support: launching new sites, providing monthly and ad hoc event coaching to sites (RIEs, VSA, VVSM, 2P, tools, scoping and problem solving)**

Creating Self-Sufficiency, continued

Ongoing transitional support from Simpler:

- Hoshin kanri: alignment of lean competencies and business goals, coaching in X matrix and tracker development, monthly management meetings
- Daily Management System: continued expansion with new site launching and sustainment activities
- Model value streams and cells: continued support while dedicated HHC staff assume greater support roles
- Leadership development: continued development of enterprise, executive (site) and value stream steering committees, leadership training and coaching
- Human Development: ensuring the sustainability of the human infrastructure needed to support Breakthrough
- TPOC Reviews: anticipated transfer of select aspects

Future Plans

- Continue to embed Breakthrough more deeply and more widely
- Conduct competitive bid process for future years
- Further reduce amount of annual spend in Breakthrough Year 8
- Continue to reduce external assistance for all but strategic and select needs

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to negotiate and execute a management contract with Crothall Healthcare, Inc. ("Crothall"). Crothall will manage the Corporation's biomedical equipment services operations for each facility. The contract will be for a term of nine (9) years. The contract shall be for an amount not to exceed \$252,884,799 over the nine (9) year term of the contract.

WHEREAS, the Corporation, in FY 2012, spent approximately \$46 million to operate its biomedical equipment services operations; and

WHEREAS, given the projected financial position of the Corporation and the need to close a substantial deficit in the Corporation's budget, biomedical equipment services was a service that was reviewed and identified as a source of savings and cost avoidance in the Corporation's Restructuring Plan; and

WHEREAS, a Request for Proposal was issued on June 17, 2013 seeking to enter into a service and management contract with a biomedical equipment services company to manage the full extent of the Corporation's biomedical equipment services operations; and

WHEREAS, a selection committee reviewed and rated the submitted proposals using criteria specified in the Request for Proposal and gave Crothall the highest rating of any other proposer; and

WHEREAS, the Crothall proposal is estimated to save the Corporation \$168 million over the nine (9) years of the proposed contract; and

WHEREAS, the Corporation wishes to assign its biomedical equipment services managerial functions to Crothall, an entity whose core business is biomedical equipment services and management for the purpose of improving patient care, patient safety, and cost reductions; and

WHEREAS, the Executive Vice President/COO shall be responsible for monitoring and enforcing the contract terms and conditions.

NOW, THEREFORE, BE IT

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation") to negotiate and execute a management contract with Crothall Healthcare, Inc. ("Crothall"). Crothall will manage the Corporation's biomedical equipment services operations for each facility. The contract will be for a term of nine (9) years. The contract shall be for an amount not to exceed \$252,884,799 over the nine (9) year term of the contract.

EXECUTIVE SUMMARY

The Current Situation:

The Corporation's total cost for biomedical equipment services, personnel services, and OTPS expenses related to biomedical equipment services in fiscal year 2012 were \$46 million. The Corporation's projected expenditures over the next nine (9) years will total \$467 million if the Corporation does nothing.

The Solution – Competitive Solicitation:

The Corporation, as part of its Restructuring Plan, issued a Request for Proposal on June 17, 2013 with the following objectives: attract the most experienced and largest providers of biomedical equipment management and services; improve patient care; improve patient safety; improve the quality of biomedical equipment services through management controls; reduce HHC's costs; and increase production and quality throughout HHC's biomedical equipment services to achieve maximum efficiencies.

The Results:

As a result of the Request for Proposal, the Corporation wishes to enter into a contract with Crothall Facilities Management, Inc., who has provided a substantial savings guarantee of \$168 million over the nine (9) year term of the contract, a 36% savings from our total costs.

CONTRACT FACT SHEET

New York City Health and Hospitals Corporation

Contract Title: Biomedical Equipment Service and Management
Project Title & Number: Biomedical Equipment Service and Management DCN# 2141
Project Location: Corporate-wide
Requesting Dept.: Central Office Operations

Successful Respondent: Crothall Facilities Management, Inc.
Contract Amount: Not to exceed \$252,884,799 for the full 9 years.
Contract Term: 9 years.

Number of Respondents: 6
(If Sole Source, explain in Background section)

Range of Proposals: \$ 191,249,435 to \$310,895,967

Minority Business Enterprise Invited: Yes If no, please explain:

Funding Source: General Care

Method of Payment: Time and Rate

EEO Analysis: Approved

Compliance with HHC's McBride Principles? Yes

VENDEX Clearance Pending

(Required for contracts in the amount of \$100,000 or more awarded pursuant to an RFP, NA or as a Sole Source, or \$100,000 or more if awarded pursuant to an RFB.)

CONTRACT FACT SHEET (continued)

Background (include description and history of problem; previous attempts, if any, to solve it; and how this contract will solve it):

HHC's total cost for biomedical equipment management, personnel services, and OTPS expenses related to biomedical equipment management in fiscal year 2012 were \$46 million. HHC's projected expenditures over the next 9 years will total \$466.6 million if HHC did nothing.

HHC, as part of its Restructuring Plan, issued a Request for Proposal on June 17, 2013 with the following objectives: attract the most experienced and largest providers of biomedical equipment management and services; improve patient care; improve patient safety; improve the quality of biomedical equipment services through management controls; reduce HHC's costs; and increase production and quality throughout HHC's biomedical equipment services to achieve maximum efficiencies.

As a result of the Request for Proposal, HHC wishes to enter into a contract with Crothall Facilities Management, Inc., who has provided a substantial savings guarantee of \$168 million over the 9 year term of the contract, a 36% savings from our total costs.

CONTRACT FACT SHEET (continued)

Contract Review Committee

Was the proposed contract presented at the Contract Review Committee (CRC)? (include date):

The Contract Review Committee (CRC) reviewed and approved the issuance of a Request for Proposal (RFP) on its June 5, 2013 meeting.

The Contract is being presented for approval on October 7, 2013

Has the proposed contract's scope of work, timetable, budget, contract deliverables or accountable person changed since presentation to the CRC? If so, please indicate how the proposed contract differs since presentation to the CRC:

The scope of work, timetable, budget, contract deliverables, and accountable person have not changed since the presentation to the CRC on June 5, 2013.

CONTRACT FACT SHEET (continued)

Selection Process (attach list of selection committee members, list of firms responding to RFP or NA, list of firms considered, describe here the process used to select the proposed contractor, the selection criteria, and the justification for the selection):

Selection Committee Members:

Neal Agovino, AED Operations, South Manhattan
Louis Capponi, Chief Medical Informatics Officer, EITS
William Hicks, Deputy Executive Director, Generations+
Joanne Lischin, AED Compliance, Kings County
Peter Lucey, AED, Coney Island
John Maharaj, Director, Bio-med Eng., South Manhattan
Dean Mihaltses, AED, Elmhurst
Joseph Quinones, Sr. A VP, Contract Administration & Control
Enrick Ramlakhan, AVP, Business Applications
Chris Rust, AED Finance, Jacobi/NCB

List of firms responding to RFP:

1. Aramark Healthcare Technologies
2. Crothall Healthcare, Inc.
3. GE Healthcare
4. Modern Medical Systems
5. Philips Healthcare
6. Sodexo, Inc.

The selection criteria:

1. Firm's standards and controls to ensure quality patient care and patient safety.
2. Firm's experience, organization and resources to manage HHC's Biomed Equipment.
3. Firm's staffing plan and qualifications including methodology to manage maintenance and repairs.
4. Firm's plan to integrate with HHC's CMMS Applications.
5. Firm's cost effectiveness of proposal.

Crothall was selected through the RFP process with an evaluation conducted by an evaluation committee. The evaluation committee was comprised of both HHC Central Office and Facility representatives. The vendor selection was conducted in two (2) stages. The first stage was for the committee to evaluate the submitted proposals and initial presentations and narrow the selection down to three (3) vendors. The final three (3) vendors were then asked to meet with the evaluation committee to discuss their proposals in more detail. The committee members used the evaluation criteria outlined in the RFP and stated below to rate each vendor's ability to perform the services requested. Crothall was the highest rated vendor.

CONTRACT FACT SHEET (continued)

Scope of work and timetable:

Scope:

This RFP seeks a vendor to provide all biomedical equipment services, maintenance, inspections and repairs, as well as managing services contracts for the Biomedical Equipment of HHC's facilities. The scope of work includes:

- Standardization of all HHC facilities to one biomedical equipment vendor for maintenance, repair, and contract services.
- Rightsizing of the HHC's biomedical equipment.
- Significantly lower HHC's cost of biomedical equipment management, services, and supplies by improving and simplifying pricing structures, and creating efficiencies.

Timetable:

Based on their review, their knowledge of our business, locations and information provided in the RFP, Crothall's projected timetable for implementing the Biomedical Equipment Service and Management program is 120 days.

Provide a brief costs/benefits analysis of the services to be purchased.

HHC's projected 9 year costs are \$466M. Crothall will provide HHC with an estimated \$168 million in savings over the 9 year life of the contract based on a 9 year projected program cost of \$298M. The program costs consist of \$252M for the Crothall contract and \$46M in PS costs that will remain on HHC payroll.

Provide a brief summary of historical expenditure(s) for this service, if applicable.

Not applicable.

Provide a brief summary as to why the work or services cannot be performed by the Corporation's staff.

The work can be performed by HHC's staff, but it is not a core service of HHC and is inefficient and significantly more costly. HHC can no longer absorb this expense. The savings must be achieved in accordance with HHC's Restructuring Plan.

Will the contract produce artistic/creative/intellectual property? Who will own it? Will a copyright be obtained? Will it be marketable? Did the presence of such property and ownership thereof enter into contract price negotiations?

Not Applicable.

Contract monitoring (include which Senior Vice President is responsible):

Antonio Martin – Executive Vice-President / Chief Operating Officer

CONTRACT FACT SHEET (continued)

Equal Employment Opportunity Analysis (include outreach efforts to MBE/WBE's, selection process, comparison of vendor/contractor EEO profile to EEO criteria. Indicate areas of under-representation and plan/timetable to address problem areas):

Received By E.E.O. _____
Date

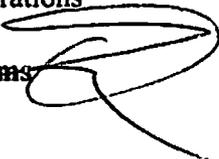
Analysis Completed By E.E.O. _____
Date

Name

EEO has been approved.

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO
manasses.williams@nychhc.org

TO: Angela Mariani
Director
Central Office - Operations

FROM: Manasses C. Williams 

DATE: October 15, 2013

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, Crothall Facilities Management, Inc., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): HHC Corporate-Wide

Contract Number: Project: Provide: Clinical Engineering Services

Submitted by: Central Office - Operations

EEO STATUS:

1. Approved
2. Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

c:

Presentation To The Board Of Directors

***Biomedical Equipment Services
and Management RFP***

October 31, 2013



Why HHC Needs a Vendor to Manage Biomedical Equipment

- Restructuring Leadership Committee identified Biomedical Equipment as one of the 39 projects to achieve Corporate savings objectives.
- A management contract is needed to standardize repair and maintenance services of medical equipment, and lower costs throughout the Corporation.
- HHC is currently experiencing a lack of effective management of equipment inventory.
- HHC is currently experiencing a lack of effective technology to track equipment within the facilities.
- If HHC does not control rising costs by deploying the skills and experience of a vendor, HHC will need to allocate limited resources from patient care to cover increased costs for the repair and maintenance of medical equipment.



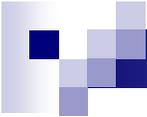
Vendor Selection

- HHC issued an RFP in accordance with HHC operating procedures.
- The RFP Selection Committee chose Crothall Facilities Management, Inc. as the highest rated proposer for both cost and quality. ◀
- HHC's proposed contract with Crothall will include a savings guarantee of \$168.5 million over the nine year term of the contract.



Who is Crothall Healthcare?

- HHC currently contracts with Crothall Healthcare, Inc. for Environmental Services Management. The contract is in its second year.
- Crothall provides Biomedical Equipment services to over 200 Healthcare clients. Including:
 - CHRISTUS Health. Contract for 4 years with CHRISTUS, a 27 facility account in Texas and Louisiana.
 - Louisiana State University Health Sciences Center. Contract for 7 years with LSU, a 650 bed facility.
- Crothall has been providing Biomedical Equipment services for over 30 years.



Crothall Responsibilities

- **Oversee HHC's Biomedical Services.**
 - Crothall is to hire qualified HHC managers to oversee the Biomedical Services staff.
 - Crothall will provide specialized Diagnostic Imaging staff.
- **Train staff to improve performance.**
- **Oversee repair and maintenance of over 66,000 HHC assets.**
- **Deploy best methods across the Corporation to improve cost effectiveness in the repair and maintenance of medical equipment.**
- **Control personnel services costs and overtime costs.**
- **Crothall's staffing plan will include 16 Managers and 52 HHC staff.**

Biomedical Cumulative Savings and Costs for 9 Years

	<u>Contract Fees & Expenses</u>	<u>OTPS</u>	<u>HHC Mgmt Salary</u>	<u>Crothall Mgmt</u>	<u>PS</u>	<u>Total</u>
9 YR HHC Baseline	\$0	\$399.87M	\$11.33M	\$0	\$55.40M	\$466.61M
9 YR Projection using Crothall	\$27.68M	\$198.94M	\$0	\$26.26M	\$45.22M	\$298.11M
Savings / (Loss)	(\$27.68M)	\$200.93M	\$11.33M	(\$26.26M)	\$10.18M	\$168.50M

Contract Costs Breakdown

OTPS Expenses	\$198,940,213
Crothall Management & Fringe Benefit	\$26,263,829
Direct Expenses	\$16,071,498
Management Fee	\$11,609,259
Subtotal Contract Costs	\$252,884,799
HHC Expenses	
Group 12 Wage Expenses	\$26,141,242
Group 12 Benefit Expenses	\$16,163,214
Group 12 Overtime Expenses	\$2,918,794
Subtotal HHC Expenses	\$45,223,251
Total Expenses	\$298,108,049

Biomedical Annual Savings and Costs

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Total
HHC Mgmt	\$1.14M	\$1.17M	\$1.20M	\$1.23M	\$1.26M	\$1.29M	\$1.32M	\$1.35M	\$1.39M	\$11.33M
Crothall Mgmt	(\$2.59M)	(\$2.66M)	(\$2.74M)	(\$2.82M)	(\$2.91M)	(\$3.00M)	(\$3.09M)	(\$3.18M)	(\$3.28M)	(\$26.26M)
HHC PS	\$5.59M	\$5.72M	\$5.86M	\$6.00M	\$6.14M	\$6.29M	\$6.44M	\$6.60M	\$6.76M	\$55.40M
Crothall PS	<u>(\$5.54M)</u>	<u>(\$4.93M)</u>	<u>(\$4.62M)</u>	<u>(\$4.73M)</u>	<u>(\$4.84M)</u>	<u>(\$4.96M)</u>	<u>(\$5.08M)</u>	<u>(\$5.20M)</u>	<u>(\$5.32M)</u>	<u>(\$45.22M)</u>
<i>Total PS</i>	<i>(\$1.39M)</i>	<i>(\$0.70M)</i>	<i>(\$0.31M)</i>	<i>(\$0.33M)</i>	<i>(\$0.36M)</i>	<i>(\$0.38M)</i>	<i>(\$0.41M)</i>	<i>(\$0.43M)</i>	<i>(\$0.45M)</i>	<i>(\$4.75M)</i>
Contract Fees	(\$3.37M)	(\$3.37M)	(\$3.37M)	(\$3.05M)	(\$3.05M)	(\$2.84M)	(\$2.88M)	(\$2.88M)	(\$2.88M)	(\$27.68M)
HHC OTPS	\$39.33M	\$40.57M	\$41.76M	\$43.01M	\$44.30M	\$45.63M	\$47.00M	\$48.41M	\$49.86M	\$399.87M
Crothall OTPS	<u>(\$22.07M)</u>	<u>(\$22.15M)</u>	<u>(\$21.91M)</u>	<u>(\$21.97M)</u>	<u>(\$22.04M)</u>	<u>(\$22.10M)</u>	<u>(\$22.16M)</u>	<u>(\$22.23M)</u>	<u>(\$22.31M)</u>	<u>(\$198.94M)</u>
<i>Total PS and Fees</i>	<i>\$13.90M</i>	<i>\$15.05M</i>	<i>\$16.48M</i>	<i>\$17.99M</i>	<i>\$19.22M</i>	<i>\$20.69M</i>	<i>\$21.95M</i>	<i>\$23.29M</i>	<i>\$24.68M</i>	<i>\$173.25M</i>
Total Savings	\$12.50M	\$14.36M	\$16.18M	\$17.66M	\$18.86M	\$20.31M	\$21.55M	\$22.86M	\$24.22M	\$168.50M



Savings And Additional Benefits

- Savings guarantee by contract with Crothall over the 9 year term of the contract will be \$168.5 million.
 - Continuation with current Biomedical Equipment operations will incur PS, Overtime, and OTPS costs of \$466.6 million.
 - If Crothall manages the operations PS, Overtime, and OTPS, costs will be \$298.1 million.
 - Average annual savings of \$18.7 million.

- Additional Benefits
 - Inventory monitoring.
 - Asset utilization monitoring.



Savings And Additional Benefits

Continued

- No union employees will be terminated as a consequence of outsourcing Biomedical Equipment Services and Management.
- Current management employees shall have the opportunity to become employees of Crothall Facilities Management, Inc.
- Inventory will be monitored by Crothall, and assessments made by facility as to utilization of equipment and review down sizing and right sizing of HHC assets.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (“the Corporation”) to negotiate and enter into a contract with Dyntek Services, Inc., McAfee’s authorized reseller and maintenance provider for security hardware, software licenses, related maintenance and professional services through a NYS Office of General Services (“NYS OGS”) contract, for a term of 2 years and 9 months, in an amount not-to-exceed \$11,360,499.

WHEREAS, the Corporation will be able to better protect its assets including electronic patient health information (ePHI) and raise the level of regulatory compliance including HIPAA; and

WHEREAS, the Corporation requires security solutions and services to safeguard mission critical business and clinical applications used for patient care and allow HHC to prevent and respond to security incidents in an efficient and cost effective manner; and

WHEREAS, the Corporation issued a Solicitation on August 30, 2013 to obtain responses from authorized vendors of McAfee products and services in accordance with the Corporation’s operating procedures for purposes of entering into a consolidated enterprise agreement to effectively and efficiently address the Corporation’s needs; and

WHEREAS, the NYS OGS contract prices for such services and maintenance are discounted from market price; and

WHEREAS, the accountable person for this procurement is the Senior Vice President/Corporate Chief Information Officer.

NOW, THEREFORE, BE IT:

RESOLVED, THAT the President of the New York City Health and Hospitals Corporation be and hereby is authorized to negotiate and enter into a contract with Dyntek Services, Inc., McAfee’s authorized reseller and maintenance provider for security hardware, software licenses, related maintenance and professional services through a NYS Office of General Services (“NYS OGS”) contract, for a term of 2 years and 9 months, in an amount not-to-exceed \$11,360,499.

Executive Summary – McAfee Enterprise Licensing Agreement

The accompanying resolution requests approval to negotiate and enter into a contract with Dyntek Services, Inc. to purchase hardware, software, related maintenance and professional services on an on-going basis in an amount not to exceed \$11,360,499 for 2 years and 9 months.

Through this program (McAfee's Enterprise License Agreement or "ELA"), HHC is undertaking an important initiative to protect its critical assets including ePHI (electronic patient health information), comply with regulatory requirements and improve the operational efficiency of its security and risk management operations while reducing its security expenditures. HHC is facing an overwhelming task of dealing with complex security issues, targeted attacks, more stringent regulatory requirements (HIPAA/HITECH) and increased risk of data breaches. In addition, as HHC continues with the consolidation of its data centers and prepares for EMR/EPIC, it is extremely important that the correct security controls are in place at the hospitals as well as the data centers.

HHC spent almost \$3.4 million for the GRM data breach in FY 2011. Most recent statistics by the Ponemon Institute put data breaches at \$214 per record and on average \$7.2 million per data breach. For the amount of patient data HHC deals with, this could have a detrimental impact to the Corporation. The Encryption, Intrusion Prevention System (IPS), and Data Loss Prevention (DLP) projects were undertaken to reduce the likelihood of such breaches, provide protection against new threats and safeguard our data centers from the outside as well as inside. The encryption project has been completed as of 9/15/2013, the IPS project is 7.6% complete (2 out of the 26 facilities) and the DLP proof of concept has been kicked off as of 8/1/13. As part of the ELA, HHC can complete these projects and avoid almost \$27.6 million in costs

The Enterprise License Agreement will allow HHC to procure, implement and manage security controls in a cost effective manner. The agreement provides approximately 70% discount over list price and provides payments for the hardware, software, services and support in a fixed annual payment schedule. In addition, the program will (i) improve HHC's ability to prevent and respond to cyber security incidents, (ii) pass on to Dyntek the responsibility for hiring and retention of skilled security staff and (iii) provide access to McAfee's (Intel) state of the art technology and research. Having access to the right information and resources at the right time can make all the difference when dealing with a cyber-attack.

Over the past three fiscal years (FY 11, 12 and 13), HHC spent on an average \$2.88 million per year with McAfee for software, hardware and maintenance. As part of the ELA, HHC will be spending approximately \$4.1 million per year for the duration of the contract. The additional \$2.7 million over 2 year and 9 months will allow HHC to avoid \$27.6 million in costs for approved and in progress security projects, reduce the risk of data breaches, provide security assurance to the business and elevate its overall security

posture. Below is a cost comparison with and without the ELA for finishing currently approved projects, maintenance, professional services and new security solutions:

	With ELA	Without ELA	Cost Avoidance
Intrusion Prevention System Deployment; Data Loss Prevention; Maintenance; Services; New Security Solutions	\$11,360,499.34	\$39,048,134.79	\$27,628,631.61

A solicitation was sent out and Dyntek Services, Inc. was selected as the winner based on lowest pricing.

CONTRACT FACT SHEET

New York City Health and Hospitals Corporation

Contract Title: McAfee Enterprise Licensing Agreement
Project Title & Number: McAfee Enterprise Licensing Agreement
Project Location: Enterprise Wide
Requesting Dept.: EITS/ Infrastructure Services
Number of Respondents: 3
(If Sole Source, explain in Background section)

Successful Respondent: Dyntek Services, Inc.
Contract Amount: \$11,360,499.34
Contract Term: 2 years and 9 months

Range of Proposals: \$ 11,360,499.34 to \$12,224,444.37

Minority Business Enterprise Invited: Yes No If no, please explain: _____

Funding Source: General Care Grant: explain _____
 Capital Other: explain _____

Method of Payment: Lump Sum Per Diem Time and Rate
Other: explain Annual payment schedule

EEO Analysis: N/A _____

Compliance with HHC's McBride Principles? Yes No

Vendex Clearance Yes No N/A (TPC, Caution Check completed)

(Required for contracts in the amount of \$100,000 or more awarded pursuant to an RFP, NA or as a Sole Source, or \$100,000 or more if awarded pursuant to an RFB.)

CONTRACT FACT SHEET (continued)

Background (include description and history of problem; previous attempts, if any, to solve it; and how this contract will solve it):

Through this program (McAfee's Enterprise License Agreement or "ELA"), HHC is undertaking an important initiative to protect its critical assets including ePHI (electronic patient health information), comply with regulatory requirements and improve the operational efficiency of its security and risk management operations while reducing its security expenditures. HHC is facing an overwhelming task of dealing with complex security issues, targeted attacks, more stringent regulatory requirements (HIPAA/HITECH) and increased risk of data breaches. In addition, as HHC continues with the consolidation of its data centers and prepares for EMR/EPIC, it is extremely important that the correct security controls are in place at the hospitals as well as the data centers.

HHC spent almost \$3.4 million for the GRM data breach in FY 2011. Most recent statistics by the Ponemon Institute put data breaches at \$214 per record and on average \$7.2 million per data breach. For the amount of patient data HHC deals with, this could have a detrimental impact to the Corporation. The Encryption, Intrusion Prevention System (IPS), and Data Loss Prevention (DLP) projects were undertaken to reduce the likelihood of such breaches, provide protection against new threats and safeguard our data centers from the outside as well as inside. The encryption project has been completed as of 9/15/2013, the IPS project is 7.6% complete (2 out of the 26 facilities) and the DLP proof of concept has been kicked off as of 8/1/13. As part of the ELA, HHC can complete these projects and avoid almost \$27.6 million in costs

Contract Review Committee

Was the proposed contract presented at the Contract Review Committee (CRC)? (include date):

Scheduled to present at Sept 26th, 2013 CRC meeting.

Has the proposed contract's scope of work, timetable, budget, contract deliverables or accountable person changed since presentation to the CRC? If so, please indicate how the proposed contract differs since presentation to the CRC:

N/A

CONTRACT FACT SHEET (continued)

Selection Process (attach list of selection committee members, list of firms responding to RFP or NA, list of firms considered, describe here the process used to select the proposed contractor, the selection criteria, and the justification for the selection):

McAfee, Inc. has a NYS OGS Contract (#PT65091). A solicitation to purchase hardware, software, maintenance and services was issued to 13 vendors, who were listed as McAfee value-added resellers on this contract.

There were 3 proposals received. All 3 proposals were reviewed by HHC IT Infrastructure Services staff to determine whether they met the solicitation requirements. The award was based on lowest proposed price.

List of Firms Considered/Responding to Solicitation

1. McAfee
 2. Dyntek
 3. Jim Krantz & Associates dba Krantz Secure Technologies
 4. Tailwind Associates
 5. AMR Networks
 6. Nexus Consortium, Inc.
 7. SHI (Software House International)
 8. CDW Government LLC
 9. Sure Technology
 10. Dimension Data
 11. NH&A, LLC
 12. Source It Technologies, LLC
 13. Horizon Systems
-

Scope of work and timetable:

As part of the McAfee Enterprise Licensing Agreement (ELA) the HHC security team will procure and deploy 18 Intrusion Prevention Systems (IPS) in FY 14, 27 IPSs in FY 15 and 13 IPSs in FY 16. This project will significantly reduce the impact on the data center or any other facility of any unauthorized or malicious activity.

The HHC security team will also procure and deploy Data Loss Prevention (DLP) in FY 14 and FY 15. This project will significantly limit intentional or unintentional disclosure of ePHI and other sensitive information in an unauthorized manner.

In addition to IPS and DLP rollouts, the HHC Security Team and the HHC Clinical Information Systems (CIS) team will collaborate to deploy McAfee Antivirus for the HHC SharePoint environment.

Also, in FY 14 and FY 15, HHC security team will upgrade the vulnerability management infrastructure to increase security and regulatory compliance.

In addition to these projects, HHC will leverage McAfee professional services and resident security engineers throughout the duration of the contract, to improve its security and risk management processes, including, but not limited to better prevention and response to cyber security incidents. The Term of the contract is 2 years and 9 months.

CONTRACT FACT SHEET (continued)

Provide a brief costs/benefits analysis of the services to be purchased.

Dyntek, Inc. offered the lowest price for the requested products and services as indicated above. This request is for an Enterprise Licensing Agreement with Dyntek, Inc. for a cost of \$11,360,499.34 for a 2 year and 9 month term. As shown below, through discounted pricing via the NYS OGS Contract, this agreement results in a savings for the Corporation.

Total Spend without an Enterprise Licensing Agreement (2 Year 9 months) = \$39.04M

Total Spend with the Enterprise Licensing Agreement (2 year 9 months) = \$11.36M

Cost Avoidance (2 year 9 months) = \$27.6M

	With ELA	Without ELA	Cost Avoidance
Intrusion Prevention System Deployment; Data Loss Prevention; Maintenance; Services; New Security Solutions	\$11,360,499.34	\$39,048,134.79	\$27,628,631.61

Provide a brief summary of historical expenditure(s) for this service, if applicable.

Fiscal Year	Total Spend
2011	\$3,232,513 (Software, Hardware and Support)
2012	\$3,237,974 (Software, Hardware and Support)
2013	\$2,191,041 (Software and Support)

Average annual spend: \$2.88 million

Provide a brief summary as to why the work or services cannot be performed by the Corporation's staff.

HHC does not have the appropriate staff to complete the services included in this contract. In order to attain the same capabilities as the vendor, HHC would require staff certified in the multiple technologies and would need to provide for on-going training in order to make recommendations to improve operations, services and reduce cost. The discounts included in the Enterprise Licensing Agreement keep the cost of solutions and professional services lower than the cost of solutions alone without the Enterprise Licensing Agreement.

Will the contract produce artistic/creative/intellectual property? Who will own it?

Will a copyright be obtained? Will it be marketable? Did the presence of such property and ownership thereof enter into contract price negotiations?

No artistic/creative/intellectual property will be produced from this contract

CONTRACT FACT SHEET (continued)

Contract monitoring (include which Senior Vice President is responsible):

This contract will be administered by Bert Robles, Senior VP / Corporate CIO

Equal Employment Opportunity Analysis (include outreach efforts to MBE/WBE's, selection process, comparison of vendor/contractor EEO profile to EEO criteria. Indicate areas of under-representation and plan/timetable to address problem areas):

N/A.

Received By E.E.O. _____
Date

Analysis Completed By E.E.O. _____
Date

Name



Application to enter into contract for McAfee Enterprise Licensing Agreement with Dyntek Services, Inc.



Meeting

October 14, 2013

Presenter: Sal Guido



Background Summary

Current Industry Threat Landscape

- In 2011, NYCHHC spent **\$3.4M** as a result of the GRM (Vendor) data breach
- Sutter Health is facing anywhere **from 9.25M-\$4.25** billion in class action lawsuits.
- Stolen medical records can bring **\$50** apiece on the underground market.
- **\$214** - Per capita cost for a breached medical record
- Average cost of a breach - **\$5.4M** (2013 Ponemon Breach report)*
- **94%**of healthcare organizations suffered at least one data breach during the past 2 years (2012 Ponemon Breach report)*
- Post breach preventative action taken by victims (4 year average based on 2009-12 Ponemon Breach reports)*
 - **44.75%** companies implemented Data Loss Prevention
 - **57%** expanded the use of encryption, tokenization and other cryptographic techniques
 - **22.5%** companies strengthened their perimeter controls
 - **39.75%** companies implemented endpoint security solutions
- * **Note:** Ponemon is an annual study amongst approx. 50 companies across 14 sectors including healthcare



HHC Requirements

- Significantly reduce or prevent hacking attempts
- Protect against cyberattacks and data breaches
- Avoid/reduce harm caused by a virus outbreak
- HIPAA security compliance
- Reduce security expenditure
- Skilled security personnel
- Improve security processes
- Vendor support

Current State

- Resource constraints (financial & personnel)
- Breach driven security strategy
- Vendor support does not fully meet our needs in emergent situations

In Scope with Contract Solution

- Confidentiality, Integrity and Availability of Electronic Personal Health Information (ePHI)



Solution Summary

McAfee Enterprise Licensing Agreement - New Capabilities

Network Security

- Network Intrusion Prevention Devices for all HHC facilities
- Network Data Loss Prevention Devices
- eMail Protection Technologies for the HHC Corporation

Endpoint Protection

- Advanced Anti-Malware Technologies
- Application Control
- Hardware Assisted Security Technologies
- Advanced Remote Desktop Management
- Endpoint Security for Virtual Environments
- Real-time collection of Endpoint data
- Advanced Root-kit detection

Data Protection

- Sharepoint Security
- Virtual Server Security

- **Endpoint Encryption (Existing)**
- Host Data Loss Prevention

Risk & Compliance

- Vulnerability scanning
- Asset Discovery and monitoring
- Database monitoring and protection
- Network Policy and Configuration Auditing
- Risk Advisory Services

Services from ELA:

- Highest Level Premium support



Financial Analysis

Historical Spend

Description	FY11	FY12	FY13	Total Spend
New Products and Support	\$3.23M	\$3.23M	\$2.19M	\$8.65M

Future Spend

Description	FY14(9mos)	FY15	FY16	Total Spend
New Products, Support & Pro. Services	\$3.04M	\$4.05M	\$4.25M	\$11.36M

Benefits

- Comply with regulatory requirements and improve security postures while reducing potential security expenditures.
- HHC will avoid \$27.6 M in product costs with the ELA; cost without ELA \$39 M .
- Information & Transactions remain trustworthy
- Systems are available with minimal downtime
- Protect personal & sensitive corporate information
- Enable new application or infrastructure



Procurement Approach

- **13 vendors were solicited via NYS OGS contract**
- **3 bids received**
- **Recommendation: Direct agreement with Dyntek Services, Inc. based on lowest responsive bid**

Vendor Information	Contract #	Bid Amount	No Bid	No Reply
Dyntek Services, Inc.	NYS OGS PT65091	\$11,360,499.34		
Source IT Technologies	NYS OGS PT65091	\$12,224,444.37		
SHI	NYS OGS PT65091	\$12,005,250.61		
McAfee	NYS OGS PT65091		X	
Dimension Data	NYS OGS PT65091		X	
Sure Technology	NYS OGS PT65091			X
CDW	NYS OGS PT65091			X
NH&A, LLC	NYS OGS PT65091			X
Jim Krantz & Assoc	NYS OGS PT65091			X
Horizon Systems	NYS OGS PT65091			X
Nexus Consortium	NYS OGS PT65091			X
Tailwind Associates	NYS OGS PT65091			X
AMR Networks	NYS OGS PT65091			X



Questions

Questions?

RESOLUTION

Revising the resolution adopted September 27, 2012 that authorized the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a sublease agreement with Meals On Wheels of Staten Island, Inc. ("Meals On Wheels"), for the development and operation of a facility housing kitchen, office, and storage functions on the campus of Sea View Hospital Rehabilitation Center and Home (the "Facility") such that the area rented be increased from 65,340 square feet (approximately 1.5 acres) to 75,855 square feet (approximately 1.74 acres) including land for a 22,400-square-foot facility as had previously been authorized.

WHEREAS, on September 27, 2012 the Corporation's Board of Director adopted the attached resolution authorizing a sublease with Meals On Wheels in the form attached; and

WHEREAS, Meals on Wheels now realizes that it did not request from the Corporation enough space at the Facility to allow for all necessary parking, driveway and loading area; and

WHEREAS, Meals on Wheels wishes to correct its error by obtaining approval to sublease an additional 10,515 square feet; and

WHEREAS, a Public Hearing was held on January 18, 2012, in accordance with the requirements of the Corporation's Enabling Act at which the area to be subleased by Meals on Wheels was described as "approximately 2 acres;" and

WHEREAS, prior to lease execution, the proposed sublease is subject to the approval of the City Council and the Office of the Mayor as to the additional 10,515 square feet to be included.

NOW, THEREFORE, be it

RESOLVED, that the resolution adopted September 27, 2012 authorizing the President of the New York City Health and Hospitals Corporation to execute a sublease agreement with Meals On Wheels of Staten Island, Inc., for the development and operation of a facility housing kitchen, office, and storage functions on the campus of Sea View Hospital Rehabilitation Center and Home be revised such that the area rented be increased from 65,340 square feet (approximately 1.5 acres) to 75,855 square feet (approximately 1.74 acres) including land for a 22,400-square-foot facility as had previously been authorized.

EXECUTIVE SUMMARY

SUBLEASE AGREEMENT MEALS ON WHEELS OF STATEN ISLAND, INC. SEA VIEW HOSPITAL REHABILITATION CENTER AND HOME

OVERVIEW: The President seeks authorization from the Board of Directors of the Corporation to revise a resolution adopted September 27, 2012 authorizing the President to enter into a sublease with Meals on Wheels of Staten Island, Inc. ("Meals on Wheels"), for the development and operation of a facility housing kitchen, office and storage functions on the campus of Sea View Hospital Rehabilitation Center and Home ("Sea View").

**PROGRAM/
NEED:** Meals on Wheels of Staten Island, Inc., a non-profit corporation based in Staten Island, has been delivering hot meals to the borough's frail and elderly since the 1970s. Meals are currently prepared in the organization's kitchen located on Port Richmond Avenue and delivered using a combination of Meals on Wheels staff-driven vehicles and vehicles driven by volunteers. Over the past three years, the organization's meal recipient census has grown to nearly 800 people across the borough. The existing kitchen was forecasted to manage up to 550 meal recipients receiving two meals daily. As the elderly population on Staten Island continues to grow, Meals on Wheels acknowledges the need to expand its capabilities to meet the increasing demand for its services.

Meals on Wheels will build an approximately 22,400-square-foot building on Sea View's campus on an approximately 75,855-square-foot parcel of land that is currently vacant. The new facility will house a full capacity kitchen for food preparation and storage and administrative offices. The facility will also accommodate vehicular activity connected with loading prepared food on vehicles for delivery and the movement of trucks delivering food and other kitchen supplies. The Sea View campus location provides a central location from which the entire borough can be accessed.

A Public Hearing was held on January 18, 2012, in accordance with the requirements of the Corporation's Enabling Act, and, prior to lease execution the proposed sublease is subject to approval of the City Council and the Office of the Mayor.

REVISION This revision changes the area rented from approximately 65,340 square feet to approximately 75,855 square feet. Meals on Wheels will remain responsible for all costs associated with the design, construction, and operation of the facility. There will be no change in Meals on Wheels' anticipated \$4 Million development budget. There shall be no increase or other change in the size of the building that Meals on Wheels will construct. The revision will not alter Meals on Wheels' intended use of the property.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation" or "Landlord") to execute a sublease agreement with Meals On Wheels of Staten Island, Inc. (the "Tenant" or "Meals On Wheels"), for the development and operation of a facility housing kitchen, office, and storage functions on the campus of Sea View Hospital Rehabilitation Center and Home (the "Facility").

WHEREAS, Meals On Wheels, a non-profit corporation based in Staten Island, has been delivering hot meals to the borough's frail and elderly since the 1970s; and

WHEREAS, the organization's kitchen currently located on Port Richmond Avenue has limited food preparation capabilities and is no longer able to meet the demand for its services as the meal recipient census grows; and

WHEREAS, locating a new kitchen on the Facility's campus will enable Meals On Wheels to continue to provide its meals to the Staten Island community, and the Facility will benefit from the revenue produced by the sublease; and

WHEREAS, a Public Hearing was held on January 18, 2012, in accordance with the requirements of the Corporation's Enabling Act, and, prior to lease execution, the proposed sublease is subject to the approval of the City Council and the Office of the Mayor.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation" or "Landlord") be and hereby is authorized to execute a sublease agreement with Meals On Wheels of Staten Island, Inc. (the "Tenant" or "Meals On Wheels"), for the development and operation of a facility housing kitchen, office, and storage functions on the campus of Sea View Hospital Rehabilitation Center and Home (the "Facility").

The Tenant shall have use and occupancy of an approximately 65,340-square-foot parcel of land located on the northern portion of the Facility's campus ("the Demised Premises"). The Tenant shall develop and operate an approximately 22,400-square-foot facility on the Demised Premises. The balance of the parcel shall be developed for parking use. The initial term of the sublease shall be twenty-five (25) years. The sublease shall contain one 14-year renewal option and one 10-year option exclusive to the Tenant. The base rent for the initial term shall be \$94,740 per year.

The rent during the initial term shall be escalated by three (3) percent per year compounded annually. The rent shall be subject to re-appraisal prior to the commencement of each renewal option.

Page Two – Resolution
Meals On Wheels – Sea View

The Tenant shall be responsible for the design, construction, and operation of the residential facility. Design documents shall be subject to review and approval of the Landlord, such approval not to be unreasonably withheld. The tenant has estimated approximately \$4 million for the development of the planned 22,400 square-foot facility.

The Tenant shall be responsible for all interior and exterior structural and non-structural maintenance and repairs to the facility. The cost of all utilities shall be the Tenant's responsibility.

The Tenant shall indemnify and hold harmless the Corporation and the City of New York from any and all claims arising by virtue of its use of the Demised Premises, and shall also provide appropriate insurance naming each as additional insured parties.

Board Approved 9.27.12

EXECUTIVE SUMMARY

SUBLEASE AGREEMENT MEALS ON WHEELS OF STATEN ISLAND, INC. SEA VIEW HOSPITAL REHABILITATION CENTER AND HOME

OVERVIEW: The President seeks authorization from the Board of Directors of the Corporation to execute a sublease with Meals On Wheels of Staten Island, Inc. ("Meals On Wheels"), for the development and operation of a facility housing kitchen, office and storage functions on the campus of Sea View Hospital Rehabilitation Center and Home ("Sea View").

**PROGRAM/
NEED:**

Meals On Wheels of Staten Island, Inc., a non-profit corporation based in Staten Island, has been delivering hot meals to the borough's frail and elderly since the 1970s. Meals are currently prepared in the organization's kitchen located on Port Richmond Avenue and delivered using a combination of Meals On Wheels staff-driven vehicles and vehicles driven by volunteers. Over the past three years, the organization's meal recipient census has grown to nearly 800 people across the borough. The existing kitchen was forecasted to manage up to 550 meal recipients receiving two meals daily. As the elderly population on Staten Island continues to grow, Meals On Wheels acknowledges the need to expand its capabilities to meet the increasing demand for its services.

Meals On Wheels will build an approximately 22,400-square-foot building on Sea View's campus on an approximately 65,000-square-foot parcel of land that is currently vacant. The new facility will house a full capacity kitchen for food preparation and storage and administrative offices. The facility will also accommodate vehicular activity connected with loading prepared food on vehicles for delivery and the movement of trucks delivering food and other kitchen supplies. The Sea View campus location provides a central location from which the entire borough can be accessed.

A Public Hearing was held on January 18, 2012, in accordance with the requirements of the Corporation's Enabling Act, and, prior to lease execution the proposed sublease is subject to approval of the City Council and the Office of the Mayor.

TERMS: Meals On Wheels will have use and occupancy of an approximately 65,340-square-foot parcel of land located on the northern portion of the Facility's campus ("the Demised Premises"). Meals On Wheels will develop and operate an approximately 22,400-square-foot facility on the Demised Premises. The balance of the parcel shall be developed for parking use. The initial term of the sublease will be twenty-five (25) years.

Page Two – Executive Summary
Meals On Wheels – Sea View

The sublease will contain one 14-year renewal option and one 10-year option exclusive to Meals On Wheels. The base rent for the initial term will be \$94,740 per year.

The rent during the initial term will be escalated by three (3) percent per year compounded annually. The rent will be subject to re-appraisal prior to the commencement of each renewal option.

Meals On Wheels will be responsible for the design, construction, and operation of the residential facility. Design documents shall be subject to review and approval of the Landlord, such approval not to be unreasonably withheld. Meals On Wheels has estimated approximately \$4 million for the development of the planned 22,400 square-foot facility.

Meals On Wheels will be responsible for all interior and exterior structural and non-structural maintenance and repairs to the facility. The cost of all utilities will be Meals On Wheels' responsibility.

Meals On Wheels will indemnify and hold harmless the Corporation and the City of New York from any and all claims arising by virtue of its use of the Demised Premises, and will also provide appropriate insurance naming each as additional insured parties.

Board Approved 9.27.12

SUMMARY OF ECONOMIC TERMS

SITE:	Sea View Hospital Rehabilitation Center and Home 460 Brielle Avenue Borough of Staten Island Block 955, Lot 1
TENANT:	Meals On Wheels of Staten Island, Inc. 304 Port Richmond Avenue Staten Island, N.Y. 10302
PARCEL SIZE:	Approximately 65,340 square feet
TERM:	Twenty-five (25)-year initial term
RENEWAL OPTIONS:	One 14-year option, one 10-year option
RENT:	\$94,740 per year
ESCALATION:	3% per year compounded annually
APPRAISALS/ RESETS:	Prior to the commencement of each renewal option
UTILITIES:	The cost of all utilities shall be the tenant's responsibility.
MAINTENANCE:	The tenant shall responsible for all interior and exterior structural and non-structural maintenance and repairs to the facility.

Board Approved 9.27.12

July 2, 2013

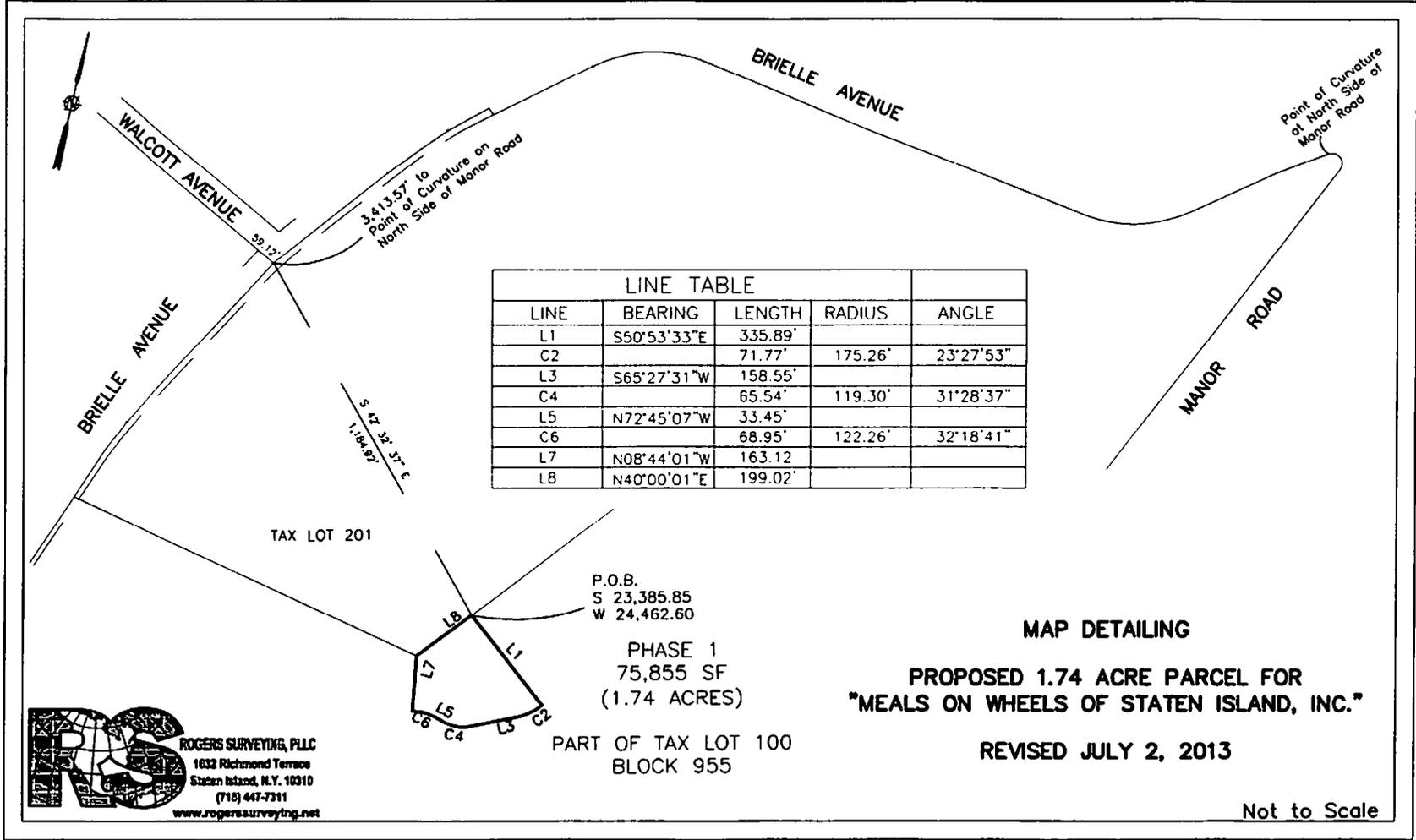
PROPOSED PHASE 1
1.74 ACRE PARCEL
"MEALS ON WHEELS OF STATEN ISLAND, INC."
PART OF TAX LOT 100 BLOCK 955
BOROUGH OF STATEN ISLAND, CITY OF NEW YORK

All that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Borough of Staten Island, County of Richmond, City and State of New York, and bounded and described by the following;

BEGINNING at a point inside said Tax Lot 100 Block 955, said point of BEGINNING having coordinates South 23,385.85 and West 24,462.60 and being described by the following two (2) courses:

- a. Starting on the easterly record line of Brielle Avenue (Irregular Width), said point being located a distance of 3,413.57 feet westerly from the point of curvature on the north side of Manor Road. Said point also being located as being on a prolongation of the southerly side of Walcott Avenue and its intersection with the said easterly record line of Brielle Avenue;
- b. THENCE on a bearing South 42-32-37 E for a distance of 1,184.92 feet to the point or place of BEGINNING and running thence the following several courses:
 1. THENCE South 50-53-33 E for a distance of 335.89 feet to a point of non-tangent curvature;
 2. THENCE along a curve bearing to the right, having a radius of 175.26 feet, a central angle of 23-27-53 for an arc length of 71.77 feet to a point of non-tangency;
 3. THENCE South 65-27-31 West for a distance of 158.55 feet to a point of non-tangent curvature;
 4. THENCE along a curve bearing to the right, having a radius of 119.30 feet, a central angle of 31-28-37 for an arc length of 65.54 feet to a point of non-tangency;
 5. THENCE North 72-45-07 West for a distance of 33.45 feet to a point of non-tangent curvature;
 6. THENCE along a curve bearing to the left, having a radius of 122.26 feet, a central angle of 32-18-41 for an arc length of 68.95 feet to a point;
 7. THENCE North 08-44-01 West for a distance of 163.12 feet to a point;
 8. THENCE North 40-00-01 East for a distance of 199.02 feet to the point or place of BEGINNING.

The above described parcel contains an area of 75,855 Square Feet or 1.74 acres.



LINE TABLE				
LINE	BEARING	LENGTH	RADIUS	ANGLE
L1	S50°53'33"E	335.89'		
C2		71.77'	175.26'	23°27'53"
L3	S65°27'31"W	158.55'		
C4		65.54'	119.30'	31°28'37"
L5	N72°45'07"W	33.45'		
C6		68.95'	122.26'	32°18'41"
L7	N08°44'01"W	163.12'		
L8	N40°00'01"E	199.02'		

P.O.B.
S 23,385.85
W 24,462.60

PHASE 1
75,855 SF
(1.74 ACRES)

PART OF TAX LOT 100
BLOCK 955

MAP DETAILING

**PROPOSED 1.74 ACRE PARCEL FOR
"MEALS ON WHEELS OF STATEN ISLAND, INC."**

REVISED JULY 2, 2013

Not to Scale

ROGERS SURVEYING, PLLC
1632 Richmond Terrace
Staten Island, N.Y. 10310
(718) 447-7311
www.rogerssurveying.net

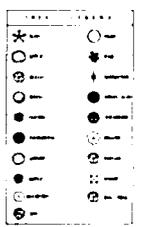
THESE PLANS AND SPECIFICATIONS ARE SUBJECT TO THE APPROVAL OF THE BOARD OF SUPERVISORS OF THE BOROUGH OF STATEN ISLAND, NEW YORK, AND THE COUNTY OF RICHMOND, NEW YORK. THE BOARD OF SUPERVISORS HAS REVIEWED THESE PLANS AND SPECIFICATIONS AND HAS GRANTED ITS APPROVAL TO THE SAME. THE COUNTY OF RICHMOND HAS REVIEWED THESE PLANS AND SPECIFICATIONS AND HAS GRANTED ITS APPROVAL TO THE SAME. THE BOARD OF SUPERVISORS AND THE COUNTY OF RICHMOND HAVE REVIEWED THESE PLANS AND SPECIFICATIONS AND HAVE GRANTED THEIR APPROVAL TO THE SAME. THE BOARD OF SUPERVISORS AND THE COUNTY OF RICHMOND HAVE REVIEWED THESE PLANS AND SPECIFICATIONS AND HAVE GRANTED THEIR APPROVAL TO THE SAME.

THE UNDERGROUND UTILITY INFORMATION SHOWN HEREON IS ONE OF THE BEST AVAILABLE SOURCES OF INFORMATION. AS PROVIDED BY THE REGIONAL UTILITY COMMISSIONERS' REGIONAL UTILITY PUBLIC ACCOUNTING BOARD FOR THE STATE OF NEW YORK. THE ACCURACY OF THIS INFORMATION IS NOT GUARANTEED BY THE DESIGNER AND CONSTRUCTION OF THIS PROJECT IS AT THE RISK OF THE CONTRACTOR.

DATE MAP:
 COMMENTS AND REVISIONS ARE REFERENCED TO THE NUMBER OF THESE MAPS. ALL REVISIONS OF THIS MAP SHALL BE MADE BY THE DESIGNER. ALL REVISIONS SHALL BE MADE BY THE DESIGNER. ALL REVISIONS SHALL BE MADE BY THE DESIGNER. ALL REVISIONS SHALL BE MADE BY THE DESIGNER.

LEGAL GRADE SHOWN THIS:
 EXISTING GRADE SHOWN THIS: (1) 1/8"
 PROPOSED GRADE SHOWN THIS: (1) 1/8"
 EXISTING ELEVATION SHOWN THIS: (1) 1/8"

NOTE:
 THE INFORMATION CONTAINED ON THIS MAP IS FOR INFORMATION ONLY. IT IS NOT TO BE USED FOR ANY OTHER PURPOSE. THE INFORMATION CONTAINED ON THIS MAP IS FOR INFORMATION ONLY. IT IS NOT TO BE USED FOR ANY OTHER PURPOSE. THE INFORMATION CONTAINED ON THIS MAP IS FOR INFORMATION ONLY. IT IS NOT TO BE USED FOR ANY OTHER PURPOSE.

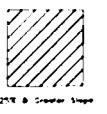


Map of Survey
 Statens
 March 13, 2013
 Tax Lots P/O 100
 Tax Block 055
 Filled Map Lots
 Filled Map Block
 Filled Map
 Deed
 Borough of Staten Island
 County of Richmond
 New York, NY

MAP DETAILING
PROPOSED 1.74 ACRE PARCEL FOR
"MEALS ON WHEELS OF STATEN ISLAND, INC."

POB
 S. 23, 345.84'
 W. 24, 452.80'
 PHASE 1
 15, 855.37'
 17.74 ADDRESS
 PART OF TAX LOT 100
 BLOCK 055

HILLSIDE PRESERVATION COMPUTATIONS
 S = 1.3 100
 S = 4.27% SLOPE
 L = CONTOUR INTERVAL (FEET)
 L = LENGTH OF CONTOUR LINE (FEET)
 A = NET LOT AREA (SQ. FEET)
 S = 27, 131.100
 S = 4.27% SLOPE



Project No.	000000	Job #	0000	Scale	1" = 100'
Date	3/13/13	Client	Meals on Wheels of Staten Island, Inc.	Address	Block 955 P/O Lot 100 Staten Island, New York
Drawn by	PK	Checked by	PK	Scale	1" = 100'
Proj. File	000007	Proj. No.	000007	Proj. No.	000007
Proj. No.	PK	Proj. No.	PK	Proj. No.	PK

3001

CERTIFIED ONLY TO
 Meals on Wheels of Staten Island, Inc.

RESOLUTION

Appointing George M. Proctor as a member of the Board of Directors of MetroPlus Health Plan, Inc., a public benefit corporation formed pursuant to Section 7385(20) of the Unconsolidated Laws of New York ("MetroPlus"), to serve in such capacity until his successor has been duly elected and qualified, or as otherwise provided in the Bylaws of MetroPlus.

WHEREAS, a resolution approved by the Board of Directors of the New York City Health and Hospitals Corporation ("HHC") on October 29, 1998, authorized the conversion of MetroPlus Health Plan from an operating division to a wholly owned subsidiary of HHC; and

WHEREAS, the Certificate of Incorporation designates HHC as the sole member of MetroPlus and has reserved HHC the sole power with respect to electing members of the Board of Directors of MetroPlus; and

WHEREAS, the Bylaws of MetroPlus authorize the President of HHC to select two directors of the MetroPlus Board subject to election by the Board of Directors of HHC; and

WHEREAS, the President of HHC has selected Mr. Proctor to serve as a member of the Board of Directors of MetroPlus; and

WHEREAS, the Board of Directors of MetroPlus has approved said nomination;

NOW, THEREFORE, be it

RESOLVED, that the HHC Board of Directors hereby appoint George Proctor to the MetroPlus Board of Directors to serve in such capacity until his successor has been duly elected and qualified, or as otherwise provided in its Bylaws.

EXECUTIVE SUMMARY

Pursuant to the Certificate of Incorporation of MetroPlus, HHC has the sole power with respect to electing members of the Board of Directors of MetroPlus. The Bylaws of MetroPlus authorize the President of HHC to select two directors of the Plan's Board subject to election by the Board of Directors of HHC.

The President has nominated George M. Proctor to serve as a member of the MetroPlus Board.

Mr. Proctor is currently Senior Vice President for the North-Central Brooklyn Health Network which includes Woodhull Medical Center, Cumberland Diagnostic and Treatment Center, Kings County Hospital, Dr. Susan Smith McKinney Skilled Nursing Facility, East New York Diagnostic and Treatment Center and the various community health centers in North and Central Brooklyn. Before joining the North-Central Brooklyn Health Network, Mr. Proctor served as the Executive Director of Queens Hospital Center.

Mr. Proctor's career in the New York City Health and Hospitals Corporation began in 1983 when he joined HHC as its Budget Director. He later served as Chief Financial Officer at Harlem Hospital Center and then joined Kings County Hospital Center in 1995 as the Chief Operating Officer/Chief Financial Officer. In 2005, Mr. Proctor was promoted to the position of Chief Operating Officer for the Central Brooklyn Health Network.

Mr. Proctor has an extensive record of achievement and has demonstrated a longstanding commitment to the public health system's mission after 30 years of dedicated service.

His knowledge and commitment to the mission and vision of HHC and MetroPlus Health Plan will make him a valued member of the MetroPlus Board.