

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

**FEBRUARY 11, 2014
10:00 A.M.
HHC BOARD ROOM
125 WORTH STREET**

AGENDA

- I. CALL TO ORDER** **JOSEPHINE BOLUS, RN**
- II. ADOPTION OF JANUARY 14, 2014
STRATEGIC PLANNING COMMITTEE MEETING MINUTES** **JOSEPHINE BOLUS, RN**
- III. SENIOR VICE PRESIDENT'S REPORT** **LARAY BROWN**
- IV. INFORMATION ITEM:**
- i. 2014-15 STATE FISCAL YEAR EXECUTIVE BUDGET OVERVIEW**
WENDY SAUNDERS, ASSISTANT VICE PRESIDENT
OFFICE OF INTERGOVERNMENTAL RELATIONS
- V. OLD BUSINESS**
- VI. NEW BUSINESS**
- VII. ADJOURNMENT** **JOSEPHINE BOLUS, RN**

MINUTES

STRATEGIC PLANNING COMMITTEE MEETING OF THE BOARD OF DIRECTORS

JANUARY 14, 2014

The meeting of the Strategic Planning Committee of the Board of Directors was held on January 14, 2014, in HHC's Board Room located at 125 Worth Street with Josephine Bolus presiding as Chairperson.

ATTENDEES

COMMITTEE MEMBERS

Josephine Bolus, NP-BC, Chairperson of the Committee
Alan Aviles
Anna Kril
Robert F. Nolan
Bernard Rosen
Michael A. Stocker, M.D., Chairman of the Board

OTHER MEMBERS PRESENT

Andrea Cohen (Representing Deputy Mayor L. Barrios-Paoli)

OTHER ATTENDEES

S. Browne, Executive Vice President, CAMBA/CAMBA Housing Ventures
J. DeGeorge
M. Dolan, Senior Assistant Director, DC 37
C. Fiorentini, Analyst, New York City Independent Budget Office
J. Oplustil, President and CEO, CAMBA/CAMBA Housing Ventures
K. Raffaele, Analyst, Office of Management and Budget
D. Rowe, Executive Vice President, CAMBA/CAMBA Housing Ventures
E. Schneider, Associate Director, New York State Nurses Association

HHC STAFF

S. Abbott, Assistant Director, Corporate Planning and HIV Services
M. Belizaire, Assistant Director of Community Affairs, Office of Intergovernmental Relations
L. Brown, Senior Vice President, Corporate Planning, Community Health and Intergovernmental Relations

T. Carlisle, Associate Executive Director, Corporate Planning Services
E. Casey, Assistant Director, Corporate Planning and HIV Services
D. Cates, Chief of Staff, Office of the Chairman
J. DeJesus, Administrator, World Trade Center Environmental Health Center
M. Dunn, EEO Officer, Jacobi Medical Center
D. Green, Senior Assistant Vice President, Corporate Planning Services
L. Guttman, Assistant Vice President, Office of Intergovernmental Relations
L. Haynes, Assistant Systems Analyst, President's Office
L. Hansley, Director, Organizational Innovation, and Effectiveness
C. Jacobs, Senior Vice President, Patient Safety, Accreditation and Regulatory Services
L. Johnston, Senior Assistant Vice President, Medical and Professional Affairs
J. Jurenko, Senior Assistant Vice President, Office of Intergovernmental Relations
S. Kleinbart, Director of Planning, Coney Island Hospital
D. Lesane, Associate Director, Kings County Hospital Center
Z. Liu, Senior Management Consultant, Corporate Planning Services
P. Lockhart, Secretary to the Corporation, Office of the Chairman
K. Madej, Director of Social Media, Communications and Marketing
A. Marengo, Senior Vice President, Communications and Marketing
A. Martin, Executive Vice President and Chief Operating Officer, President's Office
K. McGrath, Senior Director, Communications and Marketing
H. Mason, Deputy Executive Director, Kings County Hospital Center
I. Michaels, Director, Media Relations, Communications and Marketing
T. Miles, Executive Director, World Trade Center Environmental Health Center
J. Omi, Senior Vice President, Organizational Innovation and Effectiveness
K. Park, Associate Executive Director, Finance, Queens Health Network
C. Patterson, Senior Associate Executive Director, Kings County Hospital Center
C. Penn, Associate Director, Harlem Hospital Center
S. Penn, Deputy Director, World Trade Center Environmental Health Center
C. Philippou, Assistant Director, Corporate Planning Services
D. Peter, Senior Associate Director, Planning, Woodhull Medical and Mental Health Center
S. Russo, Senior Vice President and General Counsel, Office of Legal Affairs
W. Saunders, Assistant Vice President, Office of Intergovernmental Relations
D. Shi, Senior Director, Medical and Professional Affairs
R. Solomon, Associate Director, Lincoln Medical and Mental Health Center
A. Umeozor, M.D., Attending Physician/Hospitalist, Kings County Hospital Center
M. Winiarski, Assistant Director, Corporate Planning Services
K. Whyte, Senior Director, Corporate Planning, Community Health and Intergovernmental Relations
C. Wong, Assistant Director, Corporate Planning Services

CALL TO ORDER

The meeting of the Strategic Planning Committee was called to order at 10:00 a.m. by the Strategic Planning Committee Chairperson, Josephine Bolus, NP-BC. The minutes of the December 10, 2013, meeting of the Strategic Planning Committee were adopted.

SENIOR VICE PRESIDENT REMARKS

Ms. Brown greeted and informed the Committee that her remarks would include a brief update of federal, state and city issues.

Federal Update

Ms. Brown reported that, before adjourning in December, Congress had passed and the President signed a two year budget agreement. She explained that the budget agreement set broad targets but appropriations bills would still be necessary to fund federal programs within those targets. She added that some of the highlights of the agreement included \$85 billion in spending cuts and the replacement of most of the sequester cuts with revenue derived from the imposition of various fees. Ms. Brown stated that the sequester-mandated 2% reduction in payments made to Medicare providers remained and had been extended to 2023. She reminded the Committee that this reduction could cost HHC \$18 million a year.

Ms. Brown reported that, attached to the Bipartisan Budget Act of 2013 were provisions that would provide three months of relief to doctors who participate in the Medicare program. She explained that, this temporary Medicare fix, at cost of \$7 billion, should give Congress enough time to finalize the provisions of a permanent "fix" during the early part of the next calendar year. Ms. Brown noted that, without this Congressional intervention, doctor's Medicare payments would have been reduced by 20.1 % as of January 1, 2014.

Ms. Brown stated that, as part of the offset for this patch, several provisions that would impact HHC were included. One provision extended the Medicaid Disproportionate Share Hospital (DSH) reductions by another year to 2023. This could cost HHC a total of \$421.8 million that year alone, when one includes the local match. On the other hand, the national 5% mandated Medicaid DSH cuts were delayed for 2014 and 2015, which could have reduced HHC's funding by an estimated \$56.5 million for each of those years. Ms. Brown reported that the Medicaid DSH cut that was slated for 2016, which would have been 5%, had been doubled to 10%. This will consequently double HHC's proportional estimated DSH cut in 2016 to \$113 million. She commented that the hospital industry was pleased with the push back of the Medicaid DSH cuts but the long term threat to Medicaid DSH remained.

Ms. Brown reported that, another significant offset in the legislation was a change in the criteria that defined what constituted a long term hospital (LTCH). To be an LTCH, the new criteria mandate that 50% of total discharges come from Medicare patients who were either originally in an Intensive Care Unit (ICU) for three days prior to admission to an LTCH or were patients on ventilators for at least 96 hours prior to admission. Ms. Brown cautioned that, since the legislation mandated that this 50% had to be established against all discharges – Medicare, Medicaid, private insurance, and uninsured - the new criteria could create a significant issue for HHC's Henry J. Carter Specialty Hospital. She explained that,

given its safety net role, and also based on the fact that it has a mostly Medicaid patient base, the Henry J. Carter LTCH is unlikely to meet these thresholds. Ms. Brown informed the Committee that, since passage, her staff had been working with Congress and other LTCHs to garner support from the House Ways and Means Committee to include a technical amendment in the pending appropriations bill to limit the discharges for consideration to Medicare Fee-for-Service (FFS) only. That is, the smaller the universe, the more likely that the Henry J. Carter LTCH could achieve that 50% threshold. Ms. Brown acknowledged two members of her staff, Ms. Judy Chesser and Mr. Leonard Guttman, Assistant Vice Presidents, for their advocacy efforts on this issue.

Ms. Brown informed the Committee that, amongst the numerous proposals that had been presented to extend unemployment insurance benefits (which had been allowed to expire), a proposal was presented to extend those benefits with funding provided through an added extension of the 2% Medicare sequester reduction.

State Update

2014 State of the State

Ms. Brown announced that the 2014 Legislative Session had commenced last week when Governor Cuomo delivered his annual State of the State address. The 233 page written version of the speech was titled "Building on Success," which aptly described the major theme of the address – a review of the successes of the Cuomo Administration over the first three years. Ms. Brown added that the Governor had also spent a significant part of his address on economic development and tax relief. With the exception of his mention of medicinal marijuana provision at 20 hospitals, Governor Cuomo's oral presentation did not include any new health initiatives. Ms. Brown noted that Governor Cuomo briefly mentioned that, within the two percent overall spending cap that he had implemented, the State could make investments in healthcare, education and economic development while still providing the tax relief he had promised.

Ms. Brown reported that, in the written document, the Governor had announced an initiative to establish 11 Regional Health Improvement Collaboratives (RHICs) across the State. These new entities, which would be modeled on the successful Finger Lakes Health System Agency, would include "practitioners," hospitals, nursing homes, community health centers, health plans, and patients. The RHICs would be charged with planning, facilitating, and coordinating activities to transform the health care system with a goal to "collectively address issues of prevention, access, cost, quality, and population health. Governor Cuomo also had indicated that the State would develop "uniform data" to be used by the RHICs to design interventions. The data would be able to be queried and be adjusted regionally. It will be used to "assess population health, cost drivers, hot spots and vulnerabilities among providers," to measure the healthcare providers' performance as well as to educate and engage consumers.

Ms. Brown reported that, additionally, the Governor proposed a public-private partnership between the State Department of Health and the organ donation community, which would be designed to increase enrollment in the Organ Donation Registry and to improve consent rates. Lastly, Ms. Brown reported that the Governor's address also discussed his medical marijuana proposal, but did not offer any new details.

City Update

City Council Update

Ms. Brown reported that Council Member Melissa Mark Viverito had been unanimously elected Council Speaker by her colleagues last week. Ms. Brown stated that, she along with her staff had worked closely with Speaker Viverito, particularly on the Coler-Goldwater transition to Henry J. Carter Specialty Hospital and the East 99th Street housing project. Ms. Brown informed the Committee that Council Member Viverito's East Harlem district included Metropolitan Hospital. Council Member Viverito has been very actively engaged in Metropolitan Hospital Center's Community Advisory Boards (CABs) activities including the CAB's annual public meeting and legislative forums. Ms. Brown explained that, in addition to a new Speaker, there were also new appointments to various committees. Ms. Brown reported that, thus far, the only announced change had been the appointment of Council Member Brad Lander as the Chairperson of the Rules Committee. Ms. Brown stated that this position was traditionally the first announced, which allowed for any necessary changes to the Council rules to be made. She added that additional changes concerning new committee chairs and committee make-up along with staffing changes would be forthcoming over the next few weeks. Ms. Brown congratulated the Speaker and expressed HHC's commitment to continuing to work closely with her and her staff over the next four years.

INFORMATION ITEMS

Presentation by CAMBA Housing Ventures

Joanne M. Oplustil

President and Chief Executive Officer, CAMBA/CAMBA Housing Ventures

Ms. Brown reminded the Committee that HHC had been engaged in several collaborations with housing providers and housing developers. The idea of collaborating with housing providers to develop vacant lands and/buildings that once housed HHC facilities but are no longer needed for healthcare was brought to the Committee as part of the strategic direction of HHC's facilities. She added that the objectives of such collaborations were to ensure that to the extent possible patients' access to supportive and/or affordable housing would be optimized; and moreover, to support the City's broader policy to facilitate the development of affordable housing in various communities. Ms. Brown stated that CAMBA Gardens, a housing development with 209 units of affordable and supportive housing, located on the campus of Kings County Hospital Center, was an example of that collaboration. Ms. Brown introduced Ms. Joanne Oplustil, President and Chief Executive Officer of CAMBA/CAMBA Housing Ventures and invited her to provide the Committee with an update on the CAMBA Gardens project.

Ms. Oplustil thanked the Committee for the opportunity to report on the on time completion of the CAMBA Gardens project. She introduced Ms. Sharon Browne and Mr. David Rowe, Executive Vice Presidents of CAMBA Housing Ventures, Inc. (CHV). Ms. Oplustil began her presentation by providing a brief overview of CAMBA. She reported that CAMBA had been in existence for over 35 years in the Flatbush section of Brooklyn, New York. She informed the Committee that CAMBA had expanded to provide over 160 different programs citywide and that CAMBA had a service budget of over \$100 million. Ms. Oplustil explained that CAMBA's programs and services covered six key areas including

economic development, education and youth, family support, health, housing, and legal services. Ms. Oplustil reported that, in 2005, CAMBA had taken over a third of the City's homeless shelters. She commented that, while CAMBA was good at running shelters, CAMBA preferred not to. At that time, CAMBA made a decision that it would not continue to manage shelters without having a solution to the problem. This led to the creation of CAMBA Housing Ventures and CAMBA's dive into supportive housing development. Ms. Oplustil reported that, thus far, CAMBA had been very successful in completing 605 units of supportive housing (this includes CAMBA Gardens I), at a construction cost of \$179 million. She announced that there were 175 units under construction in Brooklyn at a cost \$60 million with an additional 300 units in the pipeline (293 of these units will be for CAMBA Gardens II).

Ms. Oplustil informed the Committee that her CAMBA Gardens presentation/update would include:

- Completed project photo
- Review CAMBA Gardens project details: project financing, unit counts, affordability, amenities and on site services provided by CAMBA etc.
- Construction update including local job and economic impacts
- Review project timeline and milestones accomplished on schedule
- Leasing update
- Sustainability: Green and energy efficient design
- Recognition and upcoming events

Ms. Oplustil commented on the completed picture of the CAMBA Gardens project which is located at 690 and 738 Albany Avenue in Brooklyn. She described the buildings as appearing exactly the same as the rendered drawing that was displayed on presentation slide #3. She informed the Committee that CAMBA Gardens was comprised of two buildings. She explained that the driveway that led to Kings County Hospital and the parking lot was situated between the two buildings. Ms. Oplustil reported that CAMBA/CAMBA Housing Ventures, Inc. had closed on the deal in July 2011 and completed the project on time in October 2013.

Ms. Oplustil described the CAMBA Gardens Project as the following:

- In October 2013, CAMBA Housing Ventures (CHV) completed 209 units of transit oriented, sustainable, affordable, and supportive housing within two new construction buildings on the Kings County Hospital Center campus. CAMBA, Inc. (CAMBA) provides on-site social services.
- CAMBA Gardens replaced two costly to operate vacant buildings with a community asset and generated revenue for HHC (at the same time).
- CAMBA Gardens is a model for a partnership between a public hospital, non-profit developer, service provider, and community stakeholders. Co-locating housing and healthcare is a critical component for facilitating the stability and health of all tenants. CAMBA Gardens presents a unique and beneficial opportunity to provide revenue for the hospital and provide tenants with access to preventive medicine to improve health outcomes and reduce public costs.
- Significant local economic impacts generated by CAMBA Gardens, including construction and permanent jobs, and local purchasing of equipment and materials.
- There is critical need for affordable and supportive housing. On any given night, 630,000 people in the US are homeless and as of January 3, 2014, over 50,000 people are living in NYC shelters, including 22,007 children.
- Supportive Housing Cost Savings: Recently released New York City Department of Health and Mental Hygiene report shows a savings to the public of \$10,100 per tenant housed on NY/NY III supportive and affordable housing, including significant healthcare cost savings.

Ms. Oplustil reported on the financing of the CAMBA Gardens project. She stated that the total project development costs were \$66,892,558. She added that, at construction closing on June 30, 2011, CAMBA capitalized lease payment to HHC/KCHC of \$2.3 million. Ms. Oplustil described the various construction, social services, and operational funding sources that made the CAMBA Gardens project possible.

Construction financing sources:

- New York State HFA Tax Exempt Bonds with credit enhancement provided by TD Bank
- Federal Low Income Housing Tax Credit Financing
- NYC HPD Supportive Housing Loan Program
- NYS Homeless Housing Assistance Corporation
- Brooklyn Borough President Marty Markowitz (\$1M)
- NYC Councilmember Mathieu Eugene (\$1 M)
- Federal Home Loan Bank of New York
- NYSERDA

Social service funding sources:

- NYC Department of Health and Mental Hygiene
- NYC York City Department of Homeless Services

Operating funding source:

- 125 Federal HUD Section 8 vouchers provided by HPD

Ms. Oplustil described the unit count and unit breakdown of the CAMBA Gardens project as the following:

- 209 units within two new construction buildings
- 132 studios, 29 one-bedroom, 33 two-bedroom, 15 three-bedroom
- 61 units available through the NYC HPD Lottery for households earning under 60% of Average Medium Income (AMI) for the neighborhood with the following preferences for income eligible households
- Disabled households: 5% mobility/ 2% hearing (6 units total)
- Community Board 9 or 17 residents: 50% (31 units)
- Kings County Hospital employees: 15% (10 units)
- Sandy and related storm victims: 10% (7 units)
- Municipal employees: 5% (4 units)
- 146 units available for formerly chronically homeless households with a New York/New York III qualified HRA 2010e (including Magnolia House, Atlantic House, Kingsborough, Safe Haven, Providence House and Neighbors Together)
- 2 units for live-in superintendents (one per building)

Ms. Oplustil clarified that, of the 209 units, there would be only 125 Section 8 tenants. She added that the CAMBA Gardens project would not have been possible without Section 8 financing and that the vouchers were the required rent money. She explained that, while the low-income tenants must be able to afford their units, the formerly homeless tenants have to come with some form of a subsidy or voucher to pay the rent for the building, as CAMBA would be operating the buildings through the rental income.

Mrs. Bolus asked if Section 8 tenants' circumstances changed in the future, would their rents be adjusted. Ms. Brown responded that, if they were no longer Section 8 recipients, their income contribution would be adjusted accordingly. Ms. Oplustil added that no one would be evicted because their earnings increased from what they reported when they first time became a tenant of CAMBA Gardens. Moreover, when a tenant leaves CAMBA Gardens that unit would be returned to its original use.

Ms. Oplustil reported on CAMBA Garden's affordability. She explained that all rent and income ranges for HPD lottery units had been established by HPD using the annual federal HUD regulations (60% of AMI), which provided below:

CAMBA Gardens Affordability

- Rents (includes heat and hot water):
 - \$810 for one-bedroom
 - \$976 for two-bedroom
 - \$1,127 for three-bedroom

- Income Ranges:
 - 1 bedroom: \$29,760-\$41,280 depending on family size
 - 2 bedrooms: \$35,520-\$51,540 depending on family size
 - 3 bedrooms: \$41,280-\$59,820 depending on family size

Ms. Oplustil reported on the local impact of the CAMBA Gardens project. She stated that 59 Brooklyn residents including 21 Community Board 9 and 17 residents had gained employment as a result of the project. In addition, 81 Brooklyn-based contractors, subcontractors, and vendors have worked at CAMBA Gardens. She noted that these 81 contractors, subcontractors, and vendors who had worked on the CAMBA Gardens project had employed 1,166 Brooklyn residents. Ms. Oplustil reported that a total of \$19,388,261 in contracts had been awarded to Brooklyn-based contractors and subcontractors including \$7,553,725 in materials and equipment purchased from Brooklyn-based vendors.

Ms. Oplustil reported that the project exceeded New York State's HHAP goals of 5% MBE and 5.5% WBE. There were 19.79% of hard cost total contracted by NYS Certified Minority or Women Owned Businesses. Additionally, a total of 24 of the 28 permanent jobs that were created at CAMBA Gardens were filled by Brooklyn residents. Ms. Brown added that the Community Advisory Board of Kings County Hospital Center had been very engaged and focused on the project's outcome.

Ms. Oplustil described the on-site social services and amenities that would be provided at CAMBA Gardens as the following:

- On-site social services programs at each of the two buildings will include:
 - Job training
 - Resume workshops
 - Healthy living workshops
 - Assistance with accessing benefits
 - Referrals to community based resources, including preventative care at KCHC

- 24/7 front desk security (no multiple access to the building: one way in, multiple ways out)
- Computer rooms available for resume workshops, job searching, and computer skills trainings
- Community rooms and multi-purpose rooms available for community and tenant meetings and workshops
- Outdoor landscaped areas with seating and play areas for families
- Community planting beds for tenant community garden programs
- Teaching kitchen for healthy living and cooking classes integrated with the tenant planting beds
- Live-in superintendent
- On-site laundry
- Energy efficient fixtures to reduce electricity bills for tenants

Ms. Oplustil described the CAMBA Garden's project timeline and accomplishments as the following:

- CAMBA Housing Ventures (CHV) closed on project construction financing: June 2011
- Construction start: July 2011
- Demolition and abatement completed: January 2012
- Construction fence art installed including art of four Brooklyn residents: June 2012.

Ms. Oplustil stated that the art work on the wall will be used to design bags. All the tenants will receive the shopping bags. Ms. Bolus commented that the community liked the art work so much that it was not vandalized. Mr. Rowe added that the fence was considered as public art in the community. In addition, it made the Wall Street Journal's Picture of the Week.

- Construction completed on time: October 2013
- Lease up began in October 2013 and will be 45% completed as of January 1, 2014
- CAMBA began providing on site services in October 2013
- Project on schedule to close on permanent financing in June 2014

Ms. Oplustil provided the Committee with a leasing update for CAMBA Gardens:

- 95 leases signed through December 2013
- On schedule to be 100% occupied in March, 2014
- Third party leasing agent, Winn Residential (Winn), is administering the HPD monitored lottery for 61 units
 - CHV distributed hard copies of the HPD approved advertisement with instructions on how to access an application locally to Kings County Hospital (KCHC), nonprofits, churches, elected officials, KCHC CAB, local community boards and citywide. Per HPD guidelines, CHV could not distribute applications
 - Advertisements placed in Caribbean Life, AM NY, Daily News, El Diario, World Journal
 - Winn held three applications workshops at KCHC with 385 people in attendance
- Over 7,000 applications received for the CAMBA Gardens HPD Lottery
- 314 applications received from KCHC employees
- 10 Kings KCHC preference units will be leased in January 2014. HPD requires the lottery to follow the preference order as previously noted on CAMBA Gardens Project details section. Two of the Community Board preference units have been leased to employees of KCHC. Lease up is still in process.

Ms. Oplustil reported on CAMBA Garden's sustainability:

- CAMBA Gardens is on pace to achieve LEED Platinum, Enterprise Green Communities, and NYSERDA standards

- Project will achieve 24% annual cost savings from baseline ASHRAE Standard 90.1-2004, which is 4% above the performance target for the NYSERDA program
- Low VOC paints and sealants for healthy indoor air quality
- Energy star fixtures
- Water conserving fixtures
- Bi-level lighting
- Indoor green wall
- Increased insulation for energy savings
- CAMBA Gardens features an 86 KW solar array spanning the roofs of both buildings. Combined, these solar systems produce 104,000 kW/hrs of electricity per year, which represents approximately 47% of the expected common area electricity usage per year of the two buildings.

Ms. Oplustil concluded her presentation by informing the Committee that CAMBA had received recognition for this project. She added that, as a national model of affordable and supportive housing located on a hospital campus, she anticipated that CAMBA/CAMBA Housing Ventures and KCHC would receive additional recognition for CAMBA Gardens because it is a successful story. She acknowledged Ms. LaRay Brown, Senior Vice President, her team and Mr. Jeremy Berman, HHC's Senior Counsel for their work on this project. She added that CAMBA would continue to apply for awards in 2014 and coordinate with the KCHC and HHC staff for positive press.

Presented below are examples of the recognition that the project has received that Ms. Oplustil shared with the Committee:

- In December 2013, CAMBA Gardens Phase I was announced as the winner of the 5th Annual Novogradac Journal of Tax Credits Development of Distinction Award in the Financial Innovation Category. Awards will be issued in January 2014
- CAMBA Gardens was featured on NY1's Inside City Hall with New York City Councilmember Mathieu Eugene <http://www.ny1.com/content/pages/190359/ny1-online--touring-mathieu-eugene-s-council-district>
- CAMBA Gardens was featured in the Wall Street Journal's New York Photos of the Week June 9th – June 15th, *The Wall Street Journal*. <http://blogs.wsj.com/photojournal/2012/06/15/new-york-photos-of-the-week-june-9th-june-15th/>
- CAMBA/CAMBA Housing Ventures received the 2013 Nonprofit of the Year Award from the New York and National Housing Conference for the organization's work on CAMBA Gardens.
- CAMBA Gardens was recognized as a national model providing affordable supportive housing with better access to healthcare, DDC Journal. <http://www.ddcjournal.com/issues/summer2012/>

Ms. Oplustil emphasized that CAMBA had worked very hard to ensure that promises made to HHC and KCHC's Community Advisory Board had been kept. Ms. Oplustil informed the Committee that she was from the neighborhood and felt strongly about Kings County Hospital. She commented that the building is lovely and invited Committee members and guests to visit the project at their leisure. She added that the tenants were thrilled to be there and out of their situations of living in shelters and other substandard housing. Ms. Oplustil thanked the Board of Directors for trusting CAMBA/ CAMBA Housing Ventures with this project. She added that she was pleased to report that the project was completed on time.

Ms. Brown acknowledged Ms. Debra Lesane, Associate Director of Kings County Hospital Center who had worked closely with CAMBA's staff on this project.

Ms. Oplustil announced that a ribbon cutting ceremony would be held in April 2014. She added that, while the Governor does not usually participate in these types of events, she was hopeful that he would attend because CAMBA Gardens is a unique project. Ms. Oplustil stated that it was strongly recommended to schedule the ceremony after the budget hearing in April. Ms. Oplustil asked Ms. Brown to work on that request with the Governor's Office.

Ms. Brown asked Ms. Oplustil to provide the Committee with an update on CAMBA Gardens Phase II.

Ms. Oplustil explained that CAMBA Gardens Phase II was a new construction project that would transform 62,000 square feet of the unused G building at Kings County Hospital into 293 units of supportive housing. Four architects have presented varying designs to the project committee, which included Ms. LaRay Brown and Council Member Matthew Eugene. Ms. Oplustil informed the Committee that Dattner Architects had been selected and were now working on the project's design. She added that, similar to CAMBA Gardens Phase I, the CAMBA Gardens Phase II project financing would be secured from different funding entities. Ms. Oplustil stressed that efforts were being made to ensure that residents who are no longer in need of the level of care provided at Coler-Goldwater and other HHC health care facilities would be transferred to CAMBA Gardens II. She added that, in spite of Ms. Brown's hard work to have these residents designated as homeless, those efforts have not been successful. She added that the addition of a new category was anticipated with the forthcoming NY/NY IV agreement to house homeless individuals. As such, it is hopeful that these patients/residents will be able to meet the criteria for homelessness and become eligible for housing. Ms. Brown added that the goal would be to provide access to affordable and supportive housing for patients from HHC's hospitals and nursing homes, particularly from Kings County Hospital and Dr. Susan Smith McKinney Nursing and Rehabilitation Center. Ms. Brown explained that, it was an ongoing challenge as currently only the HUD requirement could be applied, which means that only a very limited number of individuals could meet the NY/NY I, II, III requirements. Ms. Brown further explained that the very same individual who enters an HHC door as a homeless person is no longer considered homeless upon discharge, even if that individual has nowhere to go.

Andrea Cohen asked if there should be a NY/NY IV or some form of funding mechanism that would subsidize housing for people who are being discharged from health care facilities. In addition, Ms. Cohen inquired about the time frame for allocating a number of apartments from either CAMBA I or II to these individuals. Ms. Brown responded that, if there was some source of rental subsidy from either NY/NY IV or MRT funding for people coming out of healthcare facilities, CAMBA Gardens I would be used today. However, she stressed that for CAMBA II, it was hopeful that from day one, there would be an appropriate level of funding that would be set aside for that population.

Mr. Rowe explained that CAMBA Gardens Phase II would transform a 97,000 square foot site into 293 units. The total development cost is expected to be \$93 million. Mr. Rowe stated that the funders had learned a key lesson from CAMBA Gardens I that, it was a model that should be replicated.

Mr. Rosen asked about the \$2.3 million payment that had been made to Kings County Hospital in 2011. Ms. Oplustil responded that it was a one-time payment to Kings County Hospital that was based on the appraised value of the land. Mr. Rowe explained that the value also reflected the acquisition cost of the

land. He added that, it had not yet been determined what payment Kings County Hospital would receive for the CAMBA Gardens II project. Ms. Brown added that the payment amount to Kings County Hospital was still under discussion and that the project team would negotiate what would be best for HHC.

Breakthrough Presentation: Kings County Hospital Center's Adult Inpatient Medicine (D7 North) Daily Management System

Augustine Umeozor, M.D.
Kings County Hospital Center Attending Physician/Hospitalist

Ms. Joanna Omi, Senior Vice President, Organizational Innovation and Effectiveness, greeted Committee members and invited guests. She introduced Mr. Augustine Umeozor, M.D., Attending Physician/Hospitalist at Kings County Hospital Center Attending Physician/Hospitalist and Ms. Claire Patterson, Breakthrough Deployment Officer for the Central and North Central Brooklyn Health Networks. Ms. Omi explained that the Daily Management System (DMS) is Breakthrough's new fundamental element that was introduced a year ago. DMS was tested in four different areas, four different facilities and has grown to 15 different areas in eight facilities. Ms. Omi added that, for this quarter and starting this month, DMS was being implemented in eight additional areas. New areas would be launched across all of the diagnostic and treatment centers (D&TCs), long term care facilities and acute care hospitals every quarter going forward. Ms. Omi described DMS as a system of managing at the unique or clinic area level. It is a foundational piece of the Breakthrough system which allows for improvements made through RIEs to be sustained; and it engages many more people.

Ms. Patterson greeted and thanked the Committee for the opportunity to share Kings County Hospital Center's (KCHC's) DMS experience. Ms. Patterson reported that KCHC's Breakthrough journey began in 2009 with five active value streams. In December 2011, Breakthrough work was expanded to include inpatient value streams. Ms. Patterson reported that, to date, 12 RIEs had been conducted. As KCHC was preparing for a second round of RIEs, it was identified that sustainment was a key gap and that KCHC's sustainment level was only 30%. Ms. Patterson stated that, in July 2013, DMS was quickly implemented to ensure sustainment of Breakthrough work going forward. Ms. Patterson acknowledged Ms. Eva Marks, R.N., Head Nurse, and Dr. Umeozor for their leadership on the DMS project.

Dr. Umeozor thanked the Committee for the opportunity to present the Daily Management System (DMS) of the Adult Inpatient Medicine Unit – D7North Adult Inpatient Medicine Unit at Kings County Hospital Center (KCHC). Dr. Umeozor explained that a typical day of DMS began daily at 10:45 am. He described the Daily Management System or DMS is being all about empowering people. It is about implementing a management system that creates and sustains a culture of continuous improvement. Moreover, DMS is a visual management system for daily improvement with a goal to engage cell level front line staff in creating an exceptional patient experience.

Dr. Umeozor explained the goals of DMS. These goals aim to transform the patient care environment from a reactive firefighter mentality where:

- The same issues keep re-occurring;
- Process performance is noticeably different from team to team (quality and output);
- Faulty or no data is used to measure performance; and
- Performance is employee driven instead of process driven

To a proactive Lean thinking environment where:

- Visual management boards are used to engage all staff;
- Daily performance is measured by accurate data;
- Standard work exists for all roles; and
- Employees are empowered to problem solve daily

Dr. Umeozor described the key elements of KCHC's successful Daily Management System (DMS). He stated that:

- ü The key to their success was having a daily checklist and everyone following Standard Work.
- ü This was the first time this crew ever flew together as a Team
- ü In case of a need to make an emergency landing, follow the Standard Work.
- ü Standard Work is **not** predicated on the Captain's preference, but Standard Work was based upon Best Practice.
- ü The outcome was a result of daily practice and Standard Work.

Dr. Umeozor described the design of the DMS system of D7North Adult Inpatient Medicine Unit at KCHC. It is comprised of a steering team, an implementation team, a facilitator, two coaches and a sensei:

Steering Team Members

1. Dr. Ghassan Jamaledine, CMO
2. Opal Sinclair Chung CNO
3. Erza Miller/Andrew Persits, Chief Residents
4. Mary Stumpf, Associate Director of Nursing Med/Surg
5. Marie Hipps, Associate Executive Director Nursing
6. Michael Ash, Director, Social Work
7. Augustine Umeozor, MD, Attending/Hospitalist

Implementation Team Members

1. Eva Marks, Head Nurse
2. Amandeep Singh, MD, Attending/Hospitalist
3. James Worth, RN, DMS Student
4. Katrina Sawyers, Clerical Associate
5. Irina Esther Beyderman, Social Worker
6. Edith Blandford, Assistant Director of Nursing

Facilitator

- Michele McKenzie

Coaches

- Claire Patterson, Breakthrough Deployment Officer (BDO)
- Maritza Cales, Value Stream Facilitator

Sensei

- Louis Martin

Dr. Umeozor described the collaborative work that occurred between the teams and key stakeholders of the Daily Management System (DMS). He stated that the metrics were determined during the preparatory work of the Steering Team. These metrics are aligned with the Value Stream and Hoshin Kanri goals. Guided by a Sensei, a one-week long collaborative, multidisciplinary engagement was launched to lay the ground work for DMS. The team included staff from Social Work, Regulatory, Nursing, Medicine, and support staff.

Dr. Umeozor described the role of the Implementation Team as the following. The Implementation Team:

- Defined the processes to capture data for metrics;
- Developed a process control board to streamline the discharge process and inform staff on progress of discharge; and
- Transposed PCB data daily to the DMS board.

Dr. Umeozor reported that standard work was created, experimented on, and validated. Standard work was implemented for the following roles and/or processes:

- Standard template for the DMS board
- Standard work on who updates the board
- Standard work on what data they capture and how
- Standard work on delivering the brief

Dr. Umeozor informed the Committee that, at the start of the DMS briefing every day, a member of the DMS Team would read the following mission statement:

“We strive as a team to deliver comprehensive, safe care to all of our patients and their families in a healing and friendly environment every day”

Individual metric owners were identified from amongst the D7North Adult Inpatient Medicine Unit staff. Metric owner presents updates on their metric during the brief. Dr. Umeozor commented that this interaction creates teamwork and ownership, which ties all of the staff together in their efforts to continually improve. Dr. Umeozor explained that metric owners provided updates on their scheduled day in the following manner:

- Monday: Human Development
- Tuesday: Quality and Safety
- Wednesday: Timeliness and Delivery
- Thursday: Finance
- Friday: Growth/Capacity

Dr. Umeozor reported on the results of having implemented DMS in the D7North Adult Inpatient Medicine Unit at KCHC for a period of six months. These results are highlighted in the following chart:

True North Metric(TNM) Alignment	Metric	Baseline	TARGETS					Metric Owner [Back-up]
			June 2013	August	September	October	November	
HK/TPOC – Increase engagement in Breakthrough	Human Development: Breakthrough Engagement D7N Staff participating on RIE, VSA or VVSM team 12 total by Dec 31 st	7 FY 2013- June 30, 2013	1	1	1	1	1	Michele McKenzie [Claire Patterson]
			1	1	0	2	2	
HK/TPOC	Staff attending daily Briefs	0 June 30, 2013	26/32 80%	25/29 85%	26/29 90%	27/29 95%	100%	Eva Marks [Edith Blandford]
			99%	96%	98%	98%	98%	
HK/TPOC/VSA	Timeliness/Delivery: Improve percentage of patients identified during D/C planning rounds leaving the unit by 2pm the following day	11.3% (May 2013)	15%	20%	35%	65%	100%	Eva Marks [Charge Nurse]
			9/85 10%	20/84 24%	17/75 23%	43/88 49%	45/109 41%	
HK/TPOC Improve Press Ganey rating score to national medians	Quality/Safety: Increase % of patients with complete medication recon upon discharge	75% via chart review – 20 in June '13	85%	90%	95%	95%	100%	Augustine Umeozor [Attending Red5/Blue2]
			19/37 51%	64/121 52%	71/118 66%	79/104 75%	85/89 96%	
HK – KCHC Generate \$3.2M in new revenue and recurring savings from Breakthrough activity	Finance: Improve % of patient queries answered within 24 hrs. (Drives Medicine CMI -3% increase valued at approx. \$3.2M)	67% (8 out of 12). (July 1- 19, 2013)	80%	85%	90%	95%	100%	Antonio Numa [Kahlid Elbashir]
			38/44 86.3%	18/21 85.7%	91%	14/15 93%	14/15 93%	
HK – KCHC Generate \$3.2M in new revenue and recurring savings from Breakthrough activity	Growth/ Capacity: Reduce number of patients on ALOC for more than 3 days	7 Patients (as of June 30, 2013)	6	5	4	3	<3	Esther Bayderman [Sherlock Reynolds]
			4.5	4.3	2.5	3	2	

Dr. Umeozor highlighted what had improved with the DMS system. He stated that:

- DMS fostered and encouraged team work and transformation of the culture in the unit.
- DMS provided a daily opportunity for better communication among members of the unit-based care team.
- The problem solving process provided a forum for all staff to improve the process. Residents were engaged and felt that their opinions were valued.
- The administrator did not have to run around to collect data, each member had a role.
- The Sensei and the DMS core team facilitator actively supported the DMS student and provided coaching to the teams.

Dr. Umeozor identified the areas listed below as opportunities for improvement:

- For the brief rolled out to Tour III, rapid experiment continues to identify best time for all staff to participate.

- Problem solving capabilities; unit based team taking more ownership of problem solving beyond containment.
- Lead standard work and tiered brief participation

Dr. Umeozor concluded his presentation by described the next steps as the following:

- Step up the pace to have more units embracing DMS
- Retire metrics when targets are met, leaders to replace with new metrics that are in alignment with unit goals.

Mr. Aviles thanked Dr. Umeozor and Ms. Patterson for their leadership on the DMS project. He explained that KCHC's DMS project was a typical example of the power of DMS when it is well executed and when there is leadership that is really prepared to move it forward.

Ms. Omi added that leadership is the key for all Breakthrough activities. She stated that, because of the immediacy of the impact of what is being done with DMS, there is a very quick uptake and very quickly areas are able to act independently without a lot of continued coaching. It was found that leaders and, in particular, physician leaders gravitate to it. Ms. Omi noted that there had been rapid success at all the sites that have completed DMS work.

Ms. Omi also thanked the KCHC team and reminded the Committee that the team was larger than the two staff members at the table. She stated that Breakthrough was well adapted throughout Kings County Hospital and that DMS had been effectively used to sustain Kings County Hospital's Breakthrough initiatives.

Ms. Patterson thanked the Committee.

Mrs. Bolus referred back to the CAMBA Gardens presentation and requested that the presentation be provided to the project stakeholders.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:07 a.m.



2014-15 State Fiscal Year Executive Budget Overview

STRATEGIC PLANNING COMMITTEE
FEBRUARY 11, 2014

2014-15 Executive Budget



2

- **\$137.2 Billion Budget**
- **Increases overall spending by 1.7%**
- **Projects a \$2 Billion Surplus by SFY 2017-18**
- **Includes a \$489 million tax-cut package and increases for education spending**

Medicaid Spending



3

- Proposes total Medicaid Spending of \$58.2 billion (3.8% increase)
- Second year of a 2-year agreement on Medicaid spending enacted last year
- Extends Global Medicaid Cap for one year (along with SDOH’s “superpowers” to make cuts to stay under Cap)

Medicaid Spending



4

- Restores the 2% across-the-board rate cut beginning April 1, 2014
- No inflation increase for Medicaid providers
- Authorizes “shared savings” if spending is below the Global Cap

Capital Funding



5

- Allocates \$1.2 billion over seven years for a new capital program
- Hospitals, nursing homes, diagnostic & treatment centers and licensed clinics are eligible
- Provides grants to improve financial sustainability and increase efficiency through collaboration

Regional Health Planning



6

- Allocates \$7 million to establish 11 Regional Health Improvement Collaboratives (RICs)
- Will convene healthcare stakeholders to identify challenges, then recommend and implement solutions
- Will be charged with achieving savings across the health care system through collaboration and restructuring

Health Information Technology



7

- Allocates up to a total of \$95 million for Health Information Technology (HIT)
 - ✓ Operate the State Health Information Network of New York (SHIN-NY)
 - ✓ Create an All Payer Claims Database for health insurance claims
 - ✓ Support on-going SDOH HIT initiatives

Hospitals



8

- Reinstates Medicaid presumptive eligibility
- Allows Medicaid rate adjustments (rebased and ICD-10 implementation)
- Extends Excess Medical Malpractice Program through June 30, 2015 and continues the current eligibility
- Adds \$40 million for Vital Access Providers

Long Term Care



9

- Prevents Medicaid rate increases for nursing homes with rapid increases in patient acuity
- Creates Medicaid nursing home default rate
- Allocates \$350 million for home health care workers' living wage
- Expands Affordable Housing
- Requires nursing homes to pay standard wage and benefits to direct care workers

Managed Care



10

- Allocates \$5 million in grants to support the transition of foster care children into managed care
- Requires use of enrollment brokers for behavioral health patients
- Adds 4 new members to the Medicaid Managed Care Advisory Review Panel
- Provides \$17 million to comply with cost of new home care requirement

Behavioral Health



11

- **Creates a Community Based Behavioral Health Services Reinvestment Program**
- **Creates a Collaborative Care Clinical Delivery Model**
- **Advances co-location of behavioral health and physical health services**
- **Provides funding for the transition to managed care**
- **Increases rates for ambulatory services**

Other Issues



12

- Private equity pilot proposal
- Limited services “retail” health clinics, urgent care and office based surgery
- Nurse Practitioner Modernization Act
- Out-of-Network Proposal
- Health Care Reform Act (HCRA) extension
- HIV Testing requirements
- Basic Health Plan



13

Questions?