

BOARD OF DIRECTORS MEETING
THURSDAY, OCTOBER 23, 2014
A~G~E~N~D~A

<p>Call to Order - 4 pm</p>	<p>Dr. Boufford</p>
<p>1. Adoption of Minutes: September 18, 2014</p>	
<p><u>Acting Chair's Report</u></p>	<p>Dr. Boufford</p>
<p><u>President's Report</u></p>	<p>Dr. Raju</p>
<p>>>Action Items<<</p>	
<p><u>South Manhattan Health Network</u></p>	
<p>2. RESOLUTION authorizing the capital expenditure by the New York City Health and Hospitals Corporation of a total of \$3,620,000 for the replacement of the existing Cardiac Catheterization Imaging System and the existing Hemodynamic Monitoring System at Bellevue Hospital Center. <i>(Capital Committee – 10/02/2014)</i></p>	<p>Ms. Youssouf</p>
<p>3. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to execute a five (5) year revocable license agreement with the Mental Hygiene Legal Services of the New York State Supreme Court for use and occupancy of approximately 1,850 square feet of space to provide legal services at Bellevue Hospital Center with the occupancy fee waived. <i>(Capital Committee – 10/02/2014)</i></p>	<p>Ms. Youssouf</p>
<p><u>North Bronx Healthcare Network</u></p>	
<p>4. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to execute a five-year revocable license agreement with New York City Department of Education's McSweeney Occupational Training Center for its use and occupancy of approximately 504 square feet of space to provide vocational training at Jacobi Medical Center with the occupancy fee waived. <i>(Capital Committee – 10/02/2014)</i></p>	<p>Ms. Youssouf</p>
<p>5. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to execute a five-year revocable license agreement with New York City Police Department for its use and occupancy of approximately 11,000 square foot of space to operate a parking lot at Jacobi Medical Center with the occupancy fee waived. <i>(Capital Committee – 10/02/2014)</i></p>	<p>Ms. Youssouf</p>
<p><u>MetroPlus Health Plan, Inc.</u></p>	
<p>6. RESOLUTION authorizing the Executive Director of MetroPlus Health Plan, Inc. to negotiate and execute a new contract on a sole source basis with DST Health Solutions, Inc. for the continued provision of core systems and services including claims adjudication, accounts payable, enrollment support, business processing outsourcing and reporting to support operations, business and regulatory requirements for a term commencing January 1, 2015 through December 31, 2021, with one three-year renewal option at the sole discretion of MetroPlus, for an amount not to exceed 177,000,000 for the total ten-year period concluding December 31, 2024. <i>(MetroPlus Board – 9/09/2014)</i></p> <p>EEO: Approved / VENDEX: Pending</p>	<p>Mr. Rosen</p>
<p style="text-align: right;"><i>(over)</i></p>	

**BOARD OF DIRECTORS MEETING
THURSDAY, OCTOBER 23, 2014 ~ AGENDA ~ PAGE 2**

<p><u>Committee Reports</u></p> <ul style="list-style-type: none"> ➤ Audit ➤ Capital ➤ Community Relations ➤ Equal Employment Opportunity ➤ Finance ➤ Medical & Professional Affairs / Information Technology ➤ Strategic Planning <p><u>Subsidiary Board Report</u></p> <ul style="list-style-type: none"> ➤ MetroPlus Health Plan, Inc. <p><u>Facility Governing Body / Executive Session</u></p> <ul style="list-style-type: none"> ➤ Coney Island Hospital ➤ Sea View Hospital Rehabilitation Center & Home <p>Diagnostic & Treatment Center Annual Quality Assurance Plan / Evaluation 2013 (Written Submission Only)</p> <ul style="list-style-type: none"> ➤ Cumberland Diagnostic & Treatment Center <p>Semi-Annual Report (Written Submission Only)</p> <ul style="list-style-type: none"> ➤ Coler Rehabilitation & Nursing Care Center ➤ Goldwater Specialty Hospital & Goldwater Nursing Facility <p>>>Old Business<< >>New Business<<</p> <p>Adjournment</p>	<p>Ms. Youssouf Ms. Youssouf Mrs. Bolus Mrs. Kril Mr. Rosen Dr. Calamia Mrs. Bolus</p> <p>Mr. Rosen</p> <p>Dr. Boufford</p>
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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 18th of September 2014 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. Jo Ivey Boufford
Dr. Ramanathan Raju
Mr. Steven Banks
Dr. Mary T. Bassett
Dr. Gary S. Belkin
Josephine Bolus, R.N.
Dr. Vincent Calamia
Dr. Herbert F. Gretz, III
Ms. Ana Kril
Mr. Robert Nolan
Mr. Mark Page
Mr. Bernard Rosen
Ms. Emily A. Youssouf

Patricia Yang was in attendance representing Deputy Mayor Lilliam Barrios-Paoli in a voting capacity. Dr. Boufford 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 24, 2014 were presented to the Board. Then on motion made by Mrs. Bolus 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 24, 2014, copies of which have been presented to this meeting, be and hereby are adopted.

CHAIRPERSON'S REPORT

Dr. Boufford received the Board's approval to convene in Executive Session to discuss matters of quality assurance.

Dr. Boufford introduced and welcomed HHC's newest Board member, Dr. Gary Belkin. Dr. Boufford received the Board's approval to appoint Dr. Belkin as a member of the Quality Assurance Committee and the Medical and Professional Affairs/Information Technology Committee.

Dr. Boufford updated the Board on approved and pending Vendex.

Dr. Boufford reported that a public hearing was held at Metropolitan Hospital regarding the potential sublease of land on the campus of Metropolitan Hospital for the development of housing for low-income elderly and/or disabled persons. She stated that the public was supportive of the project.

Dr. Boufford also stated that HHC's flu shot campaign is underway.

PRESIDENT'S REPORT

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

ACTION ITEMS**RESOLUTION**

2. Authorizing the President of the New York City Health and Hospitals Corporation to enter into a contract with **Hyland Software, Inc.** for OnBase Enterprise **electronic Content Management software** through a Federal General Services Administration agreement (GSA) contract in an amount not to exceed \$6,399,646 which includes a 10% contingency of \$581,786 over a three-year term, with two one-year options to renew.

Bert Robles, HHC's Chief Information Officer and Enrick Ramlakhan, Assistant Vice President, presented an overview of the ways in which Hyland Software can improve the content of electronic medical records. Mr. Ramlakhan explained that this system would provide a complete view of a patient in their EMR, as opposed to having to traverse various other medical systems to view patients' complete histories.

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

RESOLUTION

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

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

RESOLUTION

4. Authorizing the President of the New York City Health and Hospitals Corporation to execute a five-year **revocable license agreement** with the **New York City Police Department** for its continued use and occupancy of approximately 144 square feet of space in the 18th floor Mechanical Room and approximately 375 square feet of rooftop space for the operation of radio

communication equipment at **North Central Bronx Hospital** with the occupancy fee waived.

Ms. Youssouf 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 execute five (5) successive one-year **revocable license agreements** with the **New York City Human Resources Administration (HRA)** for the use and occupancy of approximately 9,930 square feet of space at 114-02 Guy Brewer Boulevard, Borough of Queens, known as the **South Jamaica Multi-Service Center** to operate various ambulatory health care services managed by **Queens Hospital Center** at a continued occupancy fee of \$24 per square foot, a \$2 per square foot utility surcharge, a \$1 per square foot seasonal cooling charge for a total of approximately \$260,663 per year which shall not exceed \$1,303,315 over the five-year period authorized.

Ms. Youssouf noted that the Chief Financial Officer has been asked to review the situation with one City agency is paying another when funds are not coming from a federal source. The matter will be brought back to the Board in the future.

Ms. Youssouf moved the adoption of the resolution which was duly seconded and adopted by the Board with 13 in favor. Mr. Banks recused himself.

RESOLUTION

6. Authorizing the President of the New York City Health and Hospitals Corporation to execute a revocable five-year **license agreement** with **New York City Department of Education** for its exclusive use and occupancy of approximately 10,000 square feet of space and shared use of approximately 3,000 square feet of space and on the 21st floor of the H-Building to **operate Public School 35** at **Bellevue Hospital Center** with the occupancy fee waived.

Ms. Youssouf 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 triple net **sublease** with **Draper Homes Housing Development Fund Corporation (HDFC)** or such other housing development fund company as shall be approved by both the Corporation and **The NYC Department of Housing Preservation and Development (HPD)** as nominee for **Draper Hall Apartments LLC** (the LLC in such capacities being referred to together with the HDFC, as Tenant) of approximately 105,682 square feet or 2,426 acres on the campus of Metropolitan Hospital Center for a term of 99 years, inclusive of tenant options, for the **development of housing for low income elderly and/or disabled persons** at a rent of not less than \$100,000 per year.

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

RESOLUTION

8. Authorizing the **capital expenditure** by the New York City Health and Hospitals Corporation of a total of \$3,500,000 for **the construction of a Conference and Training Center at Metropolitan Hospital Center** to be financed with **FEMA** federal funds and New York City General Obligation bonds.

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 five-year **revocable license agreement** with the **New York City Human Resources Administration** to operate its **Medical Assistant Program (MAP)** at various Corporation facilities in a total of approximately 12,844 square feet for a total annual occupancy fee of approximately \$792,873 per year based on the facility Institutional Cost Reimbursement Rate (ICR) to be escalated by 2% per year.

Ms. Youssouf moved the adoption of the resolution which was duly seconded and adopted by the Board with 13 in favor. Mr. Banks recused himself.

RESOLUTION

10. **Appointing Dr. Christina Jenkins 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 her successor has been duly elected and qualified, or as otherwise provided in the Bylaws of MetroPlus.

Mr. Rosen moved the adoption of the resolution which was duly seconded and unanimously adopted by the Board.

RESOLUTIONS

11. **Amending the By-laws of HHC ACO, Inc.** to better enable the ACO to conduct its business with respect to succession of Board members and officers.

- and -

12. **Electing Ramanathan Raju, M.D.**, to serve as a **Director of the Board of HHC ACO, Inc.** as of March 31, 2014, as successor to Alan D. Aviles.

Dr. Wilson moved the adoption of the resolutions which were duly seconded and adopted by the Board with 13 in favor. Dr. Raju recused himself.

SUBSIDIARY AND BOARD COMMITTEE REPORTS

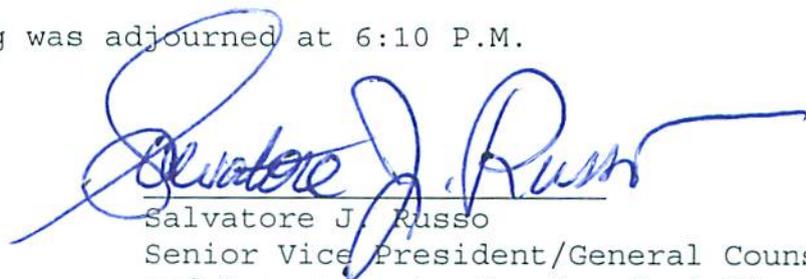
Attached hereto is a compilation of reports of the HHC Board Committees and Subsidiary Boards that have been convened since the last meeting of the Board of Directors. The reports were received by the Acting Chair at the Board meeting.

FACILITY GOVERNING BODY/EXECUTIVE SESSION

The Board convened in Executive Session. When it reconvened in open session, Dr. Boufford reported that, 1) the Board of Directors, as the governing body of Woodhull Medical and Mental Health Center, received an oral report and a written governing body submission and reviewed, discussed and adopted the facility reports presented; 2) the Board received and approved the Gouverneur Health Diagnostic and Treatment Center's Annual Quality Assurance Plan and its 2013 Evaluation; and 3) as governing body of Lincoln Medical and Mental Health Center and Gouverneur Health Skilled Nursing Facility, the Board received and approved their semi-annual written governing body submissions.

ADJOURNMENT

Thereupon, there being no further business before the Board, the meeting was adjourned at 6:10 P.M.



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

COMMITTEE REPORTS

Audit Committee – September 11, 2014 **As reported by Ms. Emily Youssouf**

Art Work Inventory Report

Mr. Joe Schick, Executive Director and Advisor to the Fund of HHC, together with Mr. Gregory Mink, Network Art Administrator and Mr. Frederick Leich, Senior Director, President's Office presented an update to the findings of the Audit of Artwork Inventory Report issued in January 2014. These findings were as follows:

- Outdated Policy – OP 10-23
- Record keeping of HHC Art database
- Storage and physical security of artwork not on display
- Documented approval for artwork-related functions
- Compliance with OP 10-23 (Goldwater artwork survey)
- HHC's compliance with Percent for Art

Ms. Youssouf stated that she would like them to have the artwork appraised and to explore some type of insurance for these items and report back to the Committee.

Mr. Chris Telano, Chief Internal Auditor, gave an update of the outstanding and completed audits. He stated the status of the External Audits as follow:

- HHC Efforts to Reduce Emergency Room Wait Time-NYC Office of the Comptroller – Final Draft Issued August 14, 2014, response to the draft was sent September 5, 2014
- Navigant Consulting's Billing Practices with HHC-NYC Office of the Comptroller – Status unknown; there has been no activity for this audit since September 2013
- Lincoln Hospital Affiliation Agreement with PAGNY-NYC Office of the Comptroller – Ongoing
- Patient Revenue & Accounts Receivable-NYC Office of the Comptroller – Ongoing
- Bellevue Hospital's Emergency Operation Plan-NYC Office of the Comptroller – Ongoing
- Follow-up of Management and Control of Overtime Costs-NYS Office of the Comptroller – Ongoing.

Mr. Telano then discussed the following completed audits:

Processes, Procedures & Systems – Gouverneur Healthcare – the objectives of the review were to evaluate the various processes, procedures and systems throughout the facility for internal control weaknesses and operational inefficiencies. Representatives present were: Dr. Martha Sullivan, Executive Director, Christopher Mastromano, Deputy Executive Director; Brian Ancona, CFO.

Controls over Cash – Renaissance Healthcare Network – The primary objective of the audit was to determine whether there were effective controls place over the cash at the three centers/clinics (Sydenham, Lenox and Dyckman) within the Renaissance Network that receive cash payments. Representatives present were: Denise Soares, SVP; Dinah Surh, Executive Director; Caswell Samms, CFO; Mercia Franklin, Controller and Cheryl Issacs, Associate Director, Renaissance Healthcare Network.

Controls Over Pharmacy Inventory – Lincoln Medical & Mental Health Center – The purpose of this audit was to determine whether effective inventory controls were in place for the receipt, storage and disbursement of pharmaceutical supplies. Representatives present were: Denise Soares, SVP; Caswell Samms, CFO; Michael Thomas, Pharmacy Director and Guillermo Magdaleno, Associate Director, Hospital Police.

Controls Over Pharmacy Inventory – Kings County Hospital Center – The purpose of this audit was to determine whether effective inventory controls were in place for the receipt, storage and disbursement of pharmaceutical supplies. Representatives present were: Anthony Saul, Senior Associate Director; Joseph Abinanti, Pharmacy Director; Christina Santiago, Associate Director, HR; Juan Checo, Director, Hospital Police.

SUNY Affiliation – Kings County Hospital Center – The objectives of the audit were to evaluate the operating internal controls and adherence to the Affiliation Agreement. Representatives present were: Anthony Saul, Senior Associate Director and Nelson Conde, Senior Director of Affiliations.

Mt. Sinai Affiliation – Queens Health Network – The objectives of the audit were to evaluate the operating internal controls and adherence to the Affiliation Agreement. Representative present were: Brian Stacey, Network CFO; Lisa Stager, Deputy CFO/Affiliations; Caryn Pannone, Director/Mt Sinai; Kenneth Feifer, MSS Administration.

NYU Affiliation – Bellevue Hospital Center/Gouverneur Healthcare – The objectives of the audit were to evaluate the operating internal controls and adherence to the Affiliation Agreement. Representatives present were: Aaron Cohen, Network CFO and Wade Crowe, Finance Director (NYU).

NYU Affiliation – Coler/Carter Nursing Facilities – The objectives of the audit were to evaluate the operating internal controls and adherence to the affiliation agreement. Representatives present were: Manuela Brito, CFO and Wade Crowe, Finance Director (NYU).

NYU Affiliation – Woodhull Medical & Mental Health Center/Cumberland Diagnostic & Treatment Center – The objectives of the audit were to evaluate the operating internal controls and adherence to the affiliation agreement. Representatives present were: Rick Walker, CFO and Wade Crowe, Finance Director (NYU).

Mr. Wayne McNulty, Chief Compliance Officer gave an update of the compliance-based inquiries received for the period April 1, 2014 to June 30, 2014; he stated that 98 such reports were received. Of these 98 reports 52 were received through the OCC anonymous toll-free compliance helpline.

Mr. McNulty also reported that there 36 incidents reported via the HIPAA Complaint Tracking System. After conducting corresponding investigations of the 36 incidents, 18 were found to be violations of HHC HIPAA privacy operating Procedures, 3 were determined to be unsubstantiated; 11 were found not to be a violation and 4 are still under investigation. Of the 18 confirmed violations, 11 were determined to be breaches of protected health information (PHI). The confirmed breaches are in the following facilities: Coney Island Hospital, Jacobi Medical Center, Harlem Hospital Center, Queens Hospital Center, Kings County Center, Woodhull Medical & Mental Health Center and Lincoln Medical & Mental Health Center.

He discussed a data breach at Coler Rehabilitation and Nursing Care Center. The incident in question occurred between approximately January 1, 2008 and April 30, 2013, during which period a Coler employee inappropriately accessed and used PHI of Coler patients and filed fraudulent tax returns in their name. The Coler employee subsequently received tax refunds based on the fraudulent tax returns and unlawfully deposited the proceeds derived from the same into accounts under his control. The now former Coler employee was subsequently indicted and is being prosecuted by the United States Attorney's Office. Coler has promptly taken a number of steps in response to this incident and will continue to cooperate with the investigating law enforcement and civil authorities to bring this matter to its proper, just, and prompt conclusion.

Mr. McNulty reported on the Gotham Health FQHC, and Compliance Oversight. On July 30, 2014 he met in person with Gotham Chairperson Dr. Dolores McCray; Gotham Vice Chairperson Elissa Macklin; and Gotham Board Member Paul Covington and Gotham Chief Financial Officer Steve Faas. During the meeting, the participants discussed several topics related to compliance at the Health Center. A summary of the topics discussed during the meeting is as follows: (i) Review of the Office of Medicaid Inspector General's (OMIG) Fiscal Year 2014-2015 Work Plan; (ii) Amendment to HHC's Compliance Plan and HHC Operating Procedures (OP) 50-1 (Corporate Compliance Program); (iii) The development of several Compliance Operating Procedures.

Mr. McNulty updated the Committee on the ongoing follow-up external audit by the U.S. Department of Health and Human Resources (HHS) Office of Civil Rights (OCR) at Metropolitan Hospital Center (MHC). The OCR has requested additional information regarding the scope of HHC's risk analysis process, specifically asking for comprehensive risk analysis which identifies risks and vulnerabilities for the organization-wide electronic PHI (EPHI) systems and applications including, but not limited to, servers, applications, databases, desktops, mobile devices and media, or smartphones, that contain, process, or store EPHI, as well as MHC's corresponding remediation plan and targeted completion dates. As a result the Office of Corporate Compliance (OCC) provided a supplement to its initial response. Therein, the OCC provided an overview of HHC's past and present data security activities including the following:

- Findings from a vendor conducted information security and HIPAA assessment of MHC;
- A MHC Risk Registry and Remediation and Tracking report;
- A HIPAA Risk Analysis Report of MHC's QuadraMed system; and
- The engagement of the services of an outside information technology vendor to perform a risk assessment and HIPAA gap analysis on all HHC acute care facilities, including MHC.

Capital Committee – September 11, 2014
As reported by Ms. Emily Youssouf

Senior Assistant Vice President’s Report

Roslyn Weinstein, Senior Assistant Vice President, Office of the President, advised that the first report from the energy dashboard had come in, and HHC had saved approximately nine point one percent (9.1%) in energy costs, totaling several millions of dollars, an exact total would be provided at a later date. She noted that this is an amazing feat that is the result of our collaboration with the New York Power Authority (NYPA).

Ms. Weinstein the provided overview of the meeting agenda, which included six action items, including; a license agreement at Bellevue Hospital for occupancy of space to operate PS 3; the continuing rental of mechanical room and rooftop space for the New York City Police Department (NYPD) at Jacobi Medical Center; a license agreement with the Human Resources Administration (HRA) for the Guy Brewer Multi Service Center renewal; the renewal of HRA Medical Assistance Programs (MAP) onsite at various facilities; the development of affordable housing at Draper Hall, for which a public hearing had been held September 10, 2014; and, project approval for a conference and training center using FEMA dollars for a replacement of that which was located at Metropolitan Hospital.

That concluded Ms. Weinstein’s report.

Action Items:

Authorizing the President of the New York City Health and Hospitals Corporation (the “Corporation”) to execute a five-year revocable license agreement with the New York City Police Department (“NYPD” or “Licensee”) for its continued use and occupancy of approximately 144 square feet of space in the 18th floor Mechanical Room and approximately 375 square feet of rooftop space for the operation of radio communication equipment at North Central Bronx Hospital (the “Facility”) with the occupancy fee waived.

Beau Scelza, Director, North Central Bronx Health Network, read the resolution into the record on behalf of William Walsh, Senior Vice President, North Bronx Health Network.

Mark Page asked if it were customary for the Corporation to waive occupancy fees for other City agencies. Ms. Youssouf said yes, but stated that the Committee had asked that certain agreements where HHC is charged be reviewed to determine whether that can be addressed. Mr. Page noted that there was an action item on the agenda for which HHC would be paying the Human Resources Administration (HRA) for space. Ms. Youssouf said yes, and explained that there was an initiative to determine whether occupancy fees can be waived for HHC since HHC waived occupancy fees for other City agencies. Mr. Page asked if the waiving of occupancy fees should be reconsidered if the initiative fails. If HHC cannot get fees waived then perhaps HHC should consider no longer waiving fees. Ms. Youssouf said the initiative would be attempted first. Antonio Martin, Executive Vice President, advised that Marlene Zurack, Senior Vice President, Finance, was briefed on the issue and had reached out to a contact at HRA to discuss.

Mrs. Bolus asked if the other HRA agreements (the Multi-Service Centers) had been approved already. Mr. Berman advised that one (1) agreement had been approved in June, 2014, but he explained that multi-service center agreements were only signed for annual terms, so even if the Board of Directors approved the agreements for five (5) yeas, the Corporation does not have to engage in the agreement. The Corporation can hold back on renewals.

Ms. Youssouf expressed interest in hearing back from Ms. Zurack after her discussion with HRA.

Mr. Page asked whether it wouldn’t attract attention to delay approving the agreements. Ms. Youssouf said that would postpone the renewal by a month. Mr. Page said the Committee could authorize the resolution pending further discussion. Ms. Youssouf said that there were other agreements, with other agencies, that should not be jeopardized, for example the agreement being discussed for space utilized by the NYPD, and that she would prefer that this issue be dealt with on a more uniform scale, after more thorough review/discussion.

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.

Ramanathan Raju, MD, President, Health and Hospitals Corporation, said that while he understood the sentiment, he preferred that there be an overall plan for every agency so that any action would be unilateral. He said that this would be a good

opportunity to sit with the various agencies that HHC had agreements with and discuss, but he would prefer not to act prematurely. Ms. Youssouf and Mrs. Bolus agreed.

Mr. Page acknowledged that, in some cases but not all, outside agencies occupying HHC space can be beneficial to the Corporation, but in this instance, HHC occupying HRA space is servicing their goal. He said that the issue should definitely be discussed. Ms. Youssouf agreed and said that the Committee had discussed this previously but now had support from Senior Management to review it further. Dr. Raju asked that Mr. Martin reach out to the other agencies and advise them that the Board is asking such questions. He said if resolution cannot be reached on that level then he will join in. He said any action must be done unilaterally, and requested that the Board of Directors be kept up to date.

Ms. Youssouf agreed that the Board should be kept up to date.

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.

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a revocable five-year license agreement with New York City Department of Education (the "Licensee") for its exclusive use and occupancy of approximately 10,000 square feet of space and shared use of approximately 3,000 square feet of space and on the 21st floor of the H-Building to operate Public School 35 at Bellevue Hospital Center (the "Facility") with the occupancy fee waived.

William Hicks, Chief Operating Officer, Bellevue Hospital Center, read the resolution into the record on behalf of Steven Alexander, Executive Director, Bellevue Hospital Center. Mr. Hicks was joined by Christopher Roberson, Director, Eric Alcera, Director, and Jennifer Havens, MD, Bellevue Hospital Center, and Marta Barnett, Principal, PS 35.

Ms. Youssouf asked for some background on the school and the services they provide. Ms. Havens explained that the school had been associated with Bellevue since 1937. She said it provided the facility the opportunity to continue care for acute patients that was not available at all sites. She noted that all students of the school were patients of Bellevue, and were provided service in one of three ways; the 45 bed inpatient service, for which teachers function on the locked units; the day treatment program, soon to be converted into a partial hospital program, which will expand care, those students are bussed to Bellevue for class; and, outpatient clinic patients. These options and services allow for a continuum of care that is essential. She said that the facility collaborates closely with the Department of Education (DOE) as there is a high demand for the service.

Ms. Youssouf asked how many students were in the program. Ms. Barnett said there were approximately 60 – 70 students at a time, with a maximum of 12 students in each class in the day programs. The program continuously grows because of the adjustments in care and service, she said, with over 500 students, from all five (5) boroughs, serviced last year.

Ms. Youssouf asked the typical length of stay, or participation in the program. Ms. Havens said the inpatient length of stay is typically 10 – 15 days, and the length for day treatment is 75-90 days. She explained that the program did not like to keep kids there too long but if the service is needed and stabilization is necessary, then they are part of it as long as need be.

Mrs. Bolus asked what age children the program serves. Mr. Alcera said six (6) to seventeen (17), sometimes five (5) or below if necessary. Ms. Havens explained that the Children's Psychiatric Emergency Program (CPEP) at Bellevue will actually intake children at the age of three (3) but the program does not treat those children yet. Students are generally age five (5) and up, and are all psychiatric patients.

Mrs. Bolus asked if other facilities have similar programs. Ms. Barnett said that there is a program at Elmhurst and there was previously one at Kings County. Ms. Havens explained that the facility having a CPEP allows for the program to function better.

Ms. Youssouf said it sounded like a wonderful program.

Mrs. Bolus asked why there were not more facility based school locations. Ms. Havens and Mrs. Barnett explained that educational services are still provided in some way to patients but not to the same extent.

Mr. Page said that while he understood that the program was valuable it was not completely separate from the occupancy fee discussion that was taking place previously.

Mrs. Bolus said that this program provided an extension of HHC services and was for HHC patients. Ms. Youssouf agreed and said that they are not related.

Mr. Page said that it is an obligation of the Department of Education to provide education to all children within a certain age. He questioned whether other District 75 schools were operating in free space. He said he was not trying to jeopardize the program operating in its current location but if the occupancy fee issue is to be resolved, this is part of that.

Ms. Havens said that the Department of Education is providing an extremely valuable service.

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.

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute five (5) successive one year revocable license agreements with the New York City Human Resources Administration ("HRA") for the use and occupancy of approximately 9,930 square feet space at 114-02 Guy Brewer Boulevard, Borough of Queens, known as the South Jamaica Multi-Service Center to operate various ambulatory health care services managed by Queens Hospital Center (the "Facility") at a continued occupancy fee of \$24 per square foot, a \$2 per square foot utility surcharge, a \$1 per square foot seasonal cooling charge for a total of approximately \$260,663 per year which shall not exceed \$1,303,315 over the five year period authorized.

Robert Rossdale, Deputy Executive Director, read the resolution into the record on behalf of Christopher Constantino, Senior Vice President, Queens Health Network. Mr. Rossdale was joined by Juan Izquierdo, Associate Executive Director, Queens Hospital Center.

Ms. Youssouf explained that, as previously discussed, the Committee was not comfortable with the occupancy fee, plus the additional cooling charges, but she recognized that the Clinic needed to operate and asked that be kept in mind while the agreements are being reviewed.

Krista Olson, Deputy Budget Director, Corporate Budget, noted that in another resolution on the agenda HRA was paying HHC for space. Ms. Youssouf said she was aware but that was a different issue. Ms. Olson explained that Ms. Zurack has begun discussions with HRA and was compiling a list of sites/agreements for review/discussion.

Ms. Youssouf asked if this is the same list that Legal Affairs was compiling. She recommended that HHC departments communicate so that duplicitous work is not done.

Ms. Weinstein advised that Ms. Zurack had reached out to her and invited her into discussions with HRA, so that the Office of Facilities Development was kept in the loop.

Mr. Page said that the list should include what the particular project cost, and what charging or not charging really costs. He suggested that it not be handled situation by situation but by defining what are the program costs and who should be paying for them. He said that he didn't recommend space by space review. Mrs. Bolus said she appreciated that and discussion would continue.

Ms. Youssouf asked how many patients were serviced by the site. Mr. Rossdale said the site, which had been open for 30 years, saw approximately 19,000 visits annually, and provided excellent pediatric and geriatric services, as well as running a teenage pregnancy program that was doing well. He explained that the clinic was located near a large apartment complex with a heavy contingency of seniors. He said the facility was looking at how they could potentially expand services or accommodate new ones in the space.

Ms. Youssouf asked who else occupied the building. Mr. Rossdale said that he is not sure but HHC did not occupy the whole building. Mr. Martin said it was a very active site and were a number of community based organizations in the building. Mr. Page asked if those organizations pay occupancy fees. Mr. Martin said yes. Mrs. Bolus asked if they pay the same rate. Mr. Martin said he was not privy to thir occupancy fee rates.

Dr. Raju asked whether there were plans to increase volume at the site. Mr. Rossdale said service had been based on providers at the site and what they can accommodate. Dr. Raju asked if the providers were at their maximum. Mr. Rossdale said he believed there was some room for growth. Dr. Raju asked whether continuing with the status quo was acceptable or whether there should be a desire to grow. Mr. Rossdale said that some patients prefer to visit the hospital because it has more services available but at the facility they do encourage patients to visit the clinic. Dr. Raju recommended that the facility look into a goal of increasing volume so that HHC is striving towards growth and not just satisfied with its current state.

Ms. Youssouf reiterated that these agreements would be reviewed and noted that service shouldn't be disrupted.

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.

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a five-year revocable license agreement with the New York City Human Resources Administration (the "Licensee") to operate its Medical Assistance Program ("MAP") at six (6) Corporation facilities (the "Facilities") in a total of approximately 12,844 square feet for a total annual occupancy fee of approximately \$792,873 per year based on the facility Institutional Cost Reimbursement Rate ("ICR"), which range from \$40.30 per square foot, to \$86.78 per square foot, for an average of \$61.73 per square foot, to be escalated by 2% per year.

Krista Olson, Deputy Budget Director, Corporate Budget, read the resolution into the record on behalf of Frederick Covino, Assistant Vice President, Corporate Budget.

Ms. Olson noted that the license agreement being presented was for HRA to pay the Corporation for occupancy at six (6) facilities to operate community based MAP offices. She explained that the program assisted existing Medicaid enrollees in recertification and other administrative needs, as well as other specific populations that need assistance with Medicaid applications. She said that this program was funded through the Medicaid Administration Grant.

Ms. Youssouf asked for a description of the services provided at the MAP sites. Ms. Olson explained that the program was changing as a result of the Affordable Care Act, and how the State was administering Medicaid, but the community based sites served to assist in the Medicaid application process for aged, blind, or the disabled population. They serve existing Medicaid clients from pre-reform that were affected by recent changes, or any other administrative issues. There are fewer offices now, she said, as a result of changes in service but these sites remain operational so that HRA can maintain a community presence.

Mr. Page said that one of the reasons for trying to sort out having the same institution providing space cost and service was the issue of whether the space is reimbursable, and that was one feature of why it would be nice to have things more cleanly allocated.

Mrs. Bolus asked which facilities had sites. Ms. Olson said North Central Bronx Hospital, Kings County Hospital, Lincoln Medical and Mental Health Center, Metropolitan Hospital, East New York Diagnostic and Treatment Center, and Morrisania Diagnostic and Treatment Center.

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.

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a sublease with Draper Homes Housing Development Fund Corporation or such other housing development fund company as shall be approved by both the Corporation and the NYC Department of Housing Preservation and Development ("HPD") (the "HDFC") as nominee for Draper Hall Apartments LLC (the "LLC" in such capacities being referred to together with the HDFC, as "Tenant") of approximately 105,682 square feet or 2.426 acres on the campus of Metropolitan Hospital Center (the "Facility") for a term of 99 years, inclusive of tenant options, for the development of housing for low income elderly and/or disabled persons at a rent of not less than \$100,000 per year.

LaRay Brown, Senior Vice President, Corporate Planning and Community Health, read the resolution into the record. Ms. Brown was joined by Sydelle Knepper, Founder and Chief Executive Operator, SKA Marin, Inc.

Ms. Youssouf asked if this was in fact a triple-net-lease and asked that specification be added to the resolution if that is in fact the case. Ms. Brown confirmed and said yes that would be added.

Ms. Youssouf noted that at the public hearing (held on Wednesday, September 10, 2014) the project was well received but the primary concern of the community was that community members get preference for a number of apartments. She said that while that was out of HHC control she was sure that Ms. Brown and Ms. Knepper would be working with the community to assist them with their needs and concerns.

Mr. Page asked where the Section 8 waivers came from. Ms. Knepper said they came from the New York City Housing Authority (NYCHA). Ms. Brown explained that the project was organized with the Department of Housing and Urban Development (HUD) and HUD had agreed that, given the cost of care for folks staying longer than needed in nursing homes and hospitals, as long as HHC could continuously document that the building was being used for just that, 100% for HHC patients, that would remain. Mr. Page asked if HHC would have the benefit of more Section 8 vouchers. Ms. Brown said no.

Mr. Page asked how responsible HHC would be for ensuring that the project maintains as anticipated, as affordable housing. Does HHC have influence if this development changes, he asked.

Ms. Brown said that because the Medicaid redesign team was funding the project the State of New York was laser focused on the fact that the project operated as planned. She said that the state was expecting that if an apartment was vacated then that vacancy be replaced with the same qualified individual. She said they were so focused that they had asked HHC to provide a quarterly report on the status of tenants because of their commitment of funding. She added that HHC had also made a commitment to the tenants that they would have a medical home. Ms. Brown corrected herself and explained that she was discussing the “99th Street Development” portion of the project that had been relocated to the old Goldwater Hospital site.

Ms. Knepper clarified, explaining that the development project was split into two parts; the 99th Street Development, which had already begun moving forward; and, the Draper Hall Development, which was being presented. The original plan was to occupy each site with a 50/50 ratio of hospital/nursing home discharges, and elderly or special needs individuals, but the separation of the projects meant that the Goldwater location will be 100% HHC patient discharge and the Draper Hall site would be 100% low income seniors and persons with disabilities.

Ms. Youssouf explained that the vouchers coming from NYCHA were to be used for people on the Section 8 list, regardless of whether they come from the community, and that was where the controversy within the community came from. She said that structure will ensure that anyone that gets in will qualify, but it will be up to the community board to make an effort on the locality, because HHC has no ability to change that.

Ms. Brown agreed and said that longevity was embedded in the fact that the project involved Section 8 waivers and NYCHA support. Mr. Page said that 99 years was a long time, and it would be hard to know what would happen. Ms. Knepper said that similar projects had been completed and advised that SKA Marin’s focus is to provide low income housing. Their goal is not to turn it into a fancy development but to keep it affordable.

Mrs. Bolus asked if the units would all be studios. Ms. Knepper said no, the north tower rooms would be developed into nice sized, fully equipped, one bedroom apartments.

Mrs. Bolus asked about patients that had been refusing to move out of HHC facilities and how that effort was going. Mrs. Brown clarified that question was regarding the 99th Street Development and not the Draper Hall Development.

Mrs. Bolus asked about the financial thresholds that were set, those that prevent some HHC retirees from qualifying, and whether accommodations would be made. Ms. Knepper explained that issue had been discussed and run into in previous, similar agreements, and an effort was still being made. Ms. Brown advised that would require changes on the Federal level. Mrs. Bolus asked if someone had reached out to Congressional representation. Ms. Brown said yes. Ms. Youssouf said HHC was not alone and there were a number of organizations working on that issue, throughout the State and the country, but it would take congressional action to make changes.

Mr. Page recommended that there be special focus on the number of Section 8 vouchers, which were limited, so that they were used to cover the biggest spreads.

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

Mr. Berman noted that the resolution would be amended to reflect that it was a triple-net-lease.

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

Authorizing the capital expenditure by the New York City Health and Hospitals Corporation (the “Corporation”) of a total of \$3,500,000 for the construction of a Conference and Training Center at Metropolitan Hospital Center (the “Facility”) to be financed with FEMA federal funds and New York City General Obligation bonds.

Peter Lynch, Assistant Vice President, Office of Facilities Development, read the resolution into the record.

Mr. Page asked how much each funding source would cover. Dean Moskos, Director, Capital Budget, said that 90% FEMA funds and 10% bonds.

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.

Information Items:

Project Status Reports

Central/North Brooklyn Health Network

Daniel Gadioma, Senior Project Manager, Kings County Hospital, provided an update on the Elevator Upgrade project in “A”, “B”, and “C” Buildings.

Mr. Gadioma advised that nine (9) of the ten (10) elevators were functional, the tenth had been inspected and while the elevator passed, the mechanical room required some follow-up. That information was provided and the facility was awaiting re-inspection of the final elevator. No further delays were expected.

Lisa Scott-McKenzie, Senior Associate Executive Director, Woodhull Medical and Mental Health Center, provided a status update on the Obstetric Unit Expansion project. Ms. McKenzie was joined by Ricardo Corrales, Woodhull Medical and Mental Health Center.

Mr. Corrales said that the project was 75% complete, was still moving on the revised schedule and was within original budget. He said that no additional delays were expected.

Queens Health Network

Harold Schneider, Director, Senior Associate Director, Elmhurst Hospital Center, provided an update on the Women’s Health Center at the facility.

Mr. Schneider said that the project had reached substantial completion. Elevator inspections were scheduled for September 17, 2014, Department of Health (DOH) and Department of Buildings (DOB) visits were being scheduled, furniture was being delivered, system testing was on-going, and the project was within budget.

Real Estate Report

Mr. Berman reviewed a year-ahead look at real estate agreements. Ms. Youssouf said the Committee would like additional information to be added to the document, but it would be discussed further after the meeting. Mr. Berman said a more thorough list would be provided.

Community Relations Committee – September 9, 2014 **As reported by Josephine Bolus, RN**

Chairperson’s Report

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

Mrs. Bolus began her remarks wishing that everyone had enjoyed their summer. She announced that she would first highlight some notable events and recognitions that have occurred since our last meeting and then proceed to the Annual Activity Reports from the Community Advisory Boards of the North Bronx Healthcare Network and the Southern Brooklyn/Staten Island Network.

Mrs. Bolus noted that many CAB members had attended the 10th annual Marjorie Matthews Awards event in July during which the Board had honored some of the most active CAB and Auxiliary members. Mrs. Bolus noted that this event has become a lively annual HHC family gathering, with more than 250 guests – the most we’ve ever had. Mrs. Bolus congratulated all those who were honored.

Mrs. Bolus reported that, in addition to recognizing the work of many CAB and Auxiliary members, HHC recently issued a report showcasing the exemplary work of its facilities. The 100 page report, entitled, “Better, Pursuing Excellence at the New York City Health and Hospitals Corporation”, describes many of HHC’s accomplishments over the past several years. Included is a section on the Community Advisory Boards, which also features the most recent former Council of CABs Chairperson Agnes Abraham, who said that “HHC listens to the voices of its communities and by listening, really learns how to improve.” The report points out some of the work performed by the CAB members including, “making sure that care is delivered with appropriate sensitivity” and playing an “active role in ensuring that the quality of care is reliable and that it meets community

needs.” Mrs. Bolus added that the report goes on to describe how CAB members are leaders who “educate the community about programs and services at the facilities,” and advocate with elected officials to inform them of the health care needs of the communities and on behalf of the patients served by the HHC facilities. Finally, Mrs. Bolus stated that the report states that the voice of the CABs has “become an intrinsic part of day-to-day operations, aiding HHC administrators in addressing and creating programs to meet the needs of the community.” Mrs. Bolus encouraged everyone to read this valuable report and share it with the full CAB membership of all the facilities and with other constituents and stakeholders.

Mrs. Bolus reminded the Committee of the New York State’s recent \$8 billion Medicaid Waiver. She reported that there has been a substantial amount of work at HHC focused on this waiver. She informed the Committee that the main tenet of the waiver is the Delivery System Reform Incentive Program, or DSRIP, which accounts for more than \$6.4 billion of the \$8 billion in funding that New York State can receive. In addition, DSRIP is intended both to transform health care delivery in New York State and to significantly reduce Medicaid costs, with an overall goal of reducing preventable hospitalizations by 25% statewide over five years.

Mrs. Bolus reported that in June, HHC had submitted its initial planning applications for this program. The application explores development of “Performing Provider Systems” (PPSs) that will undertake clinical projects intended to improve the health of Medicaid and uninsured patients in New York City. Final applications will be submitted at the end of this year. Mrs. Bolus informed members of the Committee that they will hear more about HHC’s proposed DSRIP projects as they are fully developed this fall.

As it was rumored, Mrs. Bolus noted that HHC has been awarded significant funding recently by different agencies in the state and federal government. In May, HHC was one of a dozen recipients to be awarded funding under the Center for Medicare & Medicaid Services Health Care Innovation Awards Program. HHC will receive almost \$18 million over three years to expand and enhance its current pilot Emergency Department Care Management model. The model deploys a multi-disciplinary team that comprehensively assesses patients who present in the emergency room for ambulatory care sensitive conditions. The team creates a care plan to avoid an unnecessary hospitalization and to provide ongoing support after discharge. Mrs. Bolus informed the Committee that these enhanced programs will be operated at Bellevue, Elmhurst, Jacobi, Kings, Lincoln and Queens.

Mrs. Bolus reported that in July, New York State had awarded HHC approximately \$150 million from the Interim Access Assurance Fund pool. She explained that these funds are another component of the Medicaid waiver. Mrs. Bolus added that this funding is to provide support to public and safety net hospitals to sustain key health care services while these facilities develop their DSRIP plans.

Mrs. Bolus reported that last month, Senators Gillibrand and Schumer had announced that HHC will receive \$117 million in funding from the Federal Emergency Management Agency (FEMA). These FEMA funds will reimburse HHC for many of the repairs made at Bellevue after Superstorm Sandy. Mrs. Bolus also reported that HHC is still working with Senators Gillibrand, Schumer and FEMA on reimbursement needed to make other repairs and to ensure long term mitigation at other HHC facilities.

Mrs. Bolus reported that over the past four months, The Joint Commission had completed its accreditation surveys at Woodhull Medical and Mental Health Center, Coler Rehabilitation Care Center and at the Henry J. Carter Specialty Hospital and Nursing Facility. Mrs. Bolus informed the Committee that all facilities have done extremely well. She reported that Henry J. Carter Specialty Hospital and Nursing Facility had its first survey by The Joint Commission. Mrs. Bolus stressed that a physician surveyor noted during the leadership session at the end of the Henry J. Carter survey, that it was clear that the organization is very committed to becoming a high reliability organization, as demonstrated by its patient safety and performance improvement outcomes. Mrs. Bolus acknowledged the staff at all of these facilities.

Before concluding her remarks and inviting Dr. Raju to provide his report, Mrs. Bolus congratulated him for being recognized by Modern Healthcare Magazine as one of the “Top 100 Most Influential People in Healthcare” as well as being named as a Trustee of the American Hospital Association. Mrs. Bolus acknowledged Dr. Raju on these achievements.

President’s Remarks

Dr. Raju greeted everyone. He began his remarks by referencing a situation that was in the media this past weekend. Dr. Raju reported that there was a story in the *Daily News* Monday about a patient who was treated at Kings County Hospital Center after the tip of his thumb had been detached in an accident. Dr. Raju informed the Committee that HIPAA and other patient confidentiality issues had prevented the Corporation from providing any details to the *Daily News* and also limits his comments about this issue in this meeting. However, Dr. Raju assured everyone that the incident is being investigated and that the Corporation will take any steps deemed necessary based on the investigation. Dr. Raju apologized that he could not comment any further, but also warned the Committee to keep in mind that “what you see in print is not always the complete story.”

Dr. Raju reported on some recent activities of the Federal Emergency Management Agency (FEMA):

- NYU recently received from FEMA about \$1 billion in funding for storm repairs and future storm mitigation efforts. This was one of the largest grants FEMA has ever given. Dr. Raju noted that HHC was encouraged by this, as it demonstrates that FEMA recognizes that NYC hospitals are vulnerable and deserving of aid related to Sandy and future storms. He added that HHC has been actively engaged with FEMA for several months, and we are very confident that we will soon receive a substantial package of funding similar to that received by NYU.
- On August 14, Senator Charles Schumer announced that FEMA had awarded HHC more than \$117 million for repairs at Bellevue. That amount brings the total reimbursement received from FEMA to date to almost \$200 million. These funds are for reimbursement for repairs already completed. Dr. Raju noted however that the \$200 million is just a portion of the funds HHC expects to receive from FEMA.
- Additionally, HHC expects to receive more than \$1 billion from FEMA as reimbursement for the cost of repairs already completed at other HHC facilities and for long term storm mitigation at the most vulnerable HHC facilities: Bellevue, Coney Island, Metropolitan and Coler.
- HHC is very appreciative of the efforts of Senators Schumer and Gillibrand in expediting the FEMA process. HHC is also grateful for the support of its labor partners, including New York State Nurses Association (NYSNA), which last week wrote to both Senators expressing its support for our FEMA applications. Dr. Raju noted that this letter was the subject of a brief item in today *Crain's Health Pulse*.
- Dr. Raju announced that on Wednesday, September 10, at 6:00 PM the HHC Board of Directors will convene a public hearing at Metropolitan Hospital concerning a proposal to convert Draper Hall into housing for low income seniors and persons with disabilities. HHC is partnering with HPD, HDC, NYCHA and a developer, SKA Marin, on this important project. Dr. Raju noted that the Draper Hall site at 1918 First Avenue, is just south of East 99th Street, had previously been used by Metropolitan as a nurses residence.

Dr. Raju reported on the Delivery System Reform Incentive Payment program, or DSRIP. He stated that HHC is well underway in its process to secure funds under the State's recent Medicaid waiver, which includes the Delivery System Reform Incentive Payment program, or DSRIP. Dr. Raju explained that DSRIP is a great opportunity for HHC in many ways. He added that by supporting patient-centered, high quality care for all New Yorkers, DSRIP fits squarely into HHC's mission and its transformation goal of creating more access to primary care and non-hospital based care.

Dr. Raju informed the Committee that DSRIP is a five-year program to foster and reward comprehensive Medicaid reform efforts. In addition, DSRIP provides incentives for increased collaboration among Medicaid providers and community service organizations to improve patient and population health. Dr. Raju commented that from a financial perspective, HHC can't afford not to participate. He also noted that Healthcare reimbursement is quickly moving to payment models that emphasize strong care management of patients across all settings, as well as the health and wellness of populations.

Dr. Raju reported that the State and Federal government, through DSRIP, expect that coalitions of providers will become Performing Provider Systems (or PPSs). A PPS will be expected to provide integrated health care for a defined population. Dr. Raju informed the Committee that a Steering Committee comprising of leadership from across HHC has been hard at work developing a governance structure for an HHC PPS, identifying potential PPS partners and developing criteria for selection of DSRIP projects. Dr. Raju noted that HHC must submit an application outlining its intentions to the State by December 16, 2014 and the DSRIP program will commence in the spring of 2015.

Dr. Raju stated that for many years, several HHC facilities have hosted farmers' markets. He reported that this year, eight HHC facilities are hosting markets, including Metropolitan and Harlem hospitals in Manhattan; Jacobi, North Central and Lincoln in the Bronx; Coney Island Hospital in Brooklyn; and both Queens and Elmhurst in Queens. Dr. Raju commented that HHC is happy to host these markets as they are a service for communities that often lack access to affordable healthy food options. He reminded the Committee that Farmers' markets are consistent with HHC's efforts to support healthy communities.

Dr. Raju noted that shoppers can take advantage of a variety of payment options, including EBT/SNAP, Health Bucks, Green Checks, Senior Farmers' Market Nutrition Program (FMNP) coupons and Women, Infants and Children (WIC) coupons. He also informed the Committee that for the second year in a row HHC has been working with the group Wholesome Wave to implement the popular "Fruit and Vegetable Prescription Program." He explained that through this program, a doctor and nutritionist assess the health and nutritional habits of patients and families at risk for obesity and provide "prescriptions" to

consume more fruits and vegetables. Patients then receive Health Bucks, which are coupons from the Human Resources Administration and the Health Department that can be redeemed for fruits and vegetables at all New York City farmers' markets, and return for monthly evaluations of various health indicators such as their blood pressure and cholesterol levels.

Dr. Raju concluded his remarks by announcing that the Fruit and Vegetable Prescription Program this year is at Harlem and Elmhurst hospitals, and will be starting soon at Bellevue.

North Bronx Network Community Advisory Boards (CAB) Reports

Jacobi Medical Center (Jacobi) CAB

In the absence of Jacobi Hospital Center's Chairperson, Mr. Silvio Mazzella Mrs. Bolus introduced Ms. Sylvia Lask, CAB member and invited her to present the CAB's annual report.

Ms. Lask began the Jacobi CAB's report by thanking the members of the Committee for the opportunity to present. Ms. Lask informed members of the committee and invited guests that she has been a long standing member of the Jacobi's Community Advisory Board and that the Jacobi CAB is actively engaged in promoting the hospital's services and unique programs to the community.

Ms. Lask reported that the Jacobi CAB had sponsored several special events in response to important current issues facing the hospital and the healthcare arena. Ms. Lask explained that one of the special events was focused on The Affordable Care Act and NYS Health Exchange. Ms. Lask added that experts from HHC, the New York State Health Exchange, and Metro Plus presented to a well-attended audience comprised of CAB members, hospital staff, and community members.

Ms. Lask continued and highlighted the Jacobi CAB's Annual Mental Health Conference. Ms. Lask noted that this year's conference focused on the important role of Peer Counselors. Ms. Lask explained that this is an area that has become increasingly important to the hospital as it transforms the delivery of behavioral health services. Ms. Lask added that guest speakers included experts from various national mental health organizations. Ms. Lask added that the CAB also sponsored its Annual 9/11 Memorial Procession, which is held on September 11th and is open to the community. Ms. Lask added that the Jacobi CAB also sponsored their annual Legislative Forum to discuss maintaining a strong public health system and the fiscal challenges ahead.

Ms. Lask continued and reported that the most significant health issues in the North Bronx community include: obesity, diabetes and hypertension. Ms. Lask noted that the Bronx is also at the center of the HIV/AIDS epidemic.

Ms. Lask reported that the Jacobi CAB learn about the incidence of these serious illnesses and the hospital's scope of services and unique programs at their monthly CAB meetings. Ms. Lask added that Mr. Walsh, Senior Vice President, North Bronx Healthcare Network, provides the CAB with a comprehensive review of hospital and fiscal issues as well as information about new programs and initiatives.

Ms. Lask informed members of the Committee, CAB Chairpersons and invited guests that the hospital's leadership attends the CAB's monthly meeting. Ms. Lask noted that during the monthly meetings the CAB members take advantage of the opportunity to ask questions and learn more about the hospitals' healthcare and economic challenges. Ms. Lask stated that "updates on the LEAN initiative are also shared with the CAB. Ms. Lask explained that LEAN is an ongoing improvement program hospital-wide, that continues to be very successful in making Jacobi's systems and services safer and more effective."

Ms. Lask concluded the Jacobi's CAB report by thanking Mr. Walsh and his executive team for their determination in making Jacobi Hospital Center one of the safest hospitals in the nation. Ms. Lask added that the Jacobi CAB is proud of their hospital and enthusiastically can say "Jacobi is what great looks like."

North Central Bronx Hospital (NCB) CAB

Mrs. Bolus introduced Ms. Cheryl Alleyne, CAB Member of the North Central Bronx CAB and invited her to present the CAB's Annual Report

Ms. Alleyne began the NCB's CAB report by announcing that the Labor & Delivery Service at North Central Bronx Hospital is scheduled to reopen soon. Ms. Alleyne noted that the hospital's target date is October 2014.

Ms. Alleyne continued and thanked the hospital's leadership for maintaining open communications, the sharing of information and involving the CAB in the decision making process. Ms. Alleyne noted that for a year, CAB members participated in ongoing

community forums regarding Labor & Delivery reopening plans. Ms. Alleyne added that the NCB CAB were fully engaged in the process of getting the word out to the community regarding the reopening and promoting the services. Ms. Alleyne noted that the CAB's participation in the various community forums had provided the CAB the opportunity to network and identified several individuals from the community to join the CAB.

Ms. Alleyne reported that the community's most significant health issues include obesity, diabetes and hypertension. Ms. Alleyne added that special care for geriatric patients with psychiatric disorders is also 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 added that this year the CAB received updates on topics such as: women's health, chronic disease programs and patient safety.

Ms. Alleyne concluded the NCB CAB report by commending Mr. William Walsh Senior Vice President, North Bronx Healthcare Network for always providing stellar leadership the CAB a comprehensive review of issues and concern that affects the community. Ms. Alleyne added that the NCB CAB would also like to thank Sheldon McLeod, NCB's Chief Operating Officer, for all his support, and to wish him well on his new position at Kings County Hospital. Ms. Alleyne noted that the CAB welcomed Mr. Sheldon's successor. Ms. Alleyne stated that "the NCB CAB is proud of their hospital and our community and will continue to work to make both stronger."

Southern Brooklyn/Staten Island Network Community Advisory Boards (CAB) Reports

Coney Island Hospital (Coney Island) CAB

Mrs. Bolus introduced Ms. Rosanne DeGennaro, Acting Chairperson of the Coney Island Hospital Community Advisory Board (CAB) and invited her to present the CAB's annual report.

Ms. DeGennaro began her presentation thanking the Committee for giving her the opportunity to share the Coney Island Hospital CAB's report.

Ms. DeGennaro 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.
- Expand community anti-gun violence awareness initiatives in Coney Island.
- Improve access to outpatient clinics.
- Grow community partnerships and platforms in order to provide disease management health education.

Ms. DeGennaro continued and noted that the hospital's leadership of is addressing the needs and concerns of the community by:

- Rebuilding the Ida G. Israel Health Center with Federal Emergency Management Agency (FEMA) funding between W. 17th & W. 18th Streets on Surf Avenue. Ms. DeGennaro noted that a mobile Medical Office is now located on W. 30th Street & Mermaid Avenue.
- Ms. DeGennaro noted that although not a Level One Trauma Center, The Emergency Department had been modernized and continues to improve operations to meet community needs.
- Hospital leadership had taken steps to improve the level of community /patient satisfaction by maintaining ties with local community based organizations and implementing multi-tiered plan to improve patient satisfaction.
- Hospital leadership had taking steps to maintain working relationships with the six Naturally Occurring Retirement Community Organizations.

- The Brooklyn delegation of the New York City Council allocated \$1,370,000 to Coney Island Hospital for various equipment and services.
- Hospital staff attended HHC's Anti-Gun Violence Symposium.
- Primary Clinics have expanded their hours and same day appointments are available.
- The marketing department established a speaker's bureau and is available for community events both on site and at other venues.

Ms. DeGennaro reported that the patients and patient's satisfaction are a priority at Coney Island Hospital and reports are provided to the CAB by the Executive Director, to the CAB's representative on the Hospital's Patient Care and Safety Committee. Ms. DeGennaro added that patients had commented on how Coney Island Hospital is changing for the better. Ms. DeGennaro explained that with the expanded clinic hours, there is little to no waiting time in the Emergency Department.

Ms. DeGennaro continued and reported that Coney Island CAB total allowable membership is 27. Ms. DeGennaro noted that presently there are 15 members and 6 vacancies. She added that the Coney Island CAB is in the process of reviewing applications of perspective board members. Ms. DeGennaro emphasized that In order to fill the vacancies the CAB membership communicated with community based organizations, Community Boards 11, 13 & 15 and also reached out to individuals who represent the demographics of the Greater Coney Island Community.

Ms. DeGennaro concluded her presentation by noting the following events in which the Coney Island CAB participated:

- On August 30th and August 24th 2013, the CAB hosted a Voter's Registration Drive at Coney Island Hospital.
- On August 6th, CAB members manned a table at the 60th Police Precincts National Night Out.
- On June 15, 2014, the CAB held an Annual Public Health Meeting.
- On February 15, 2014, Coney Island Hospital CAB along with the Administration of the Hospital held a legislative breakfast that was well attended by our elected officials.
- On January 13, 2014, CAB members attended the reopening of Coney Island Hospital's Psychiatric Emergency Department.
- The Coney Island CAB gave testimony at HHC's Annual Public Meeting and also participated in the Council of CABs Annual Conference.
- On September 21st 2013, the CAB took part in the Ida G. Israel Health Fair.

Sea View Hospital Rehabilitation Center and Home (Sea View) CAB

Mrs. Bolus introduced Ms. Carol Dunn, the newly appointed CAB Chairperson of Sea View Hospital and Home and invited her to present the CAB's Annual Report.

Ms. Dunn began her presentation by thanking members of the Community Relations Committee for the opportunity to present the Sea View CAB's annual report. Ms. Dunn introduced herself as being a long standing member of the Sea View CAB.

Ms. Dunn stated she "greatly appreciates her role as the CAB's Chairperson and representing the community, the residents and relatives of Sea View."

Ms. Dunn concluded her report by commending the hospital's leadership.

Ms. Dunn was reminded about the importance of attending the Council of CAB's monthly meetings by Gladys Dixon, First Vice Chair, Council of CABs and Jewel Jones, Secretary, Council of CABs.

Finance Committee – September 9, 2014

As reported by Mr. Bernard Rosen

Senior Vice President's Report

Mr. Fred Covino reporting on behalf of Marlene Zurack, informed the Committee that in addition to providing an update on HHC's cash flow, the reporting would also include three other areas, UPL, IAAF, and Collective Bargaining (CB). Beginning with the status of the UPL payments, HHC continues to work with the SDOH and CMS on resolving the outstanding issues relative to the payment methodology for two inpatient and three outpatient prior fiscal years. The reporting was concluded.

Committee Member, Mark Page asked what the dollar amount for the outstanding UPL payments is. Mr. Covino stated that it would be approximately \$200 million annually but it would not be with the UPL payments but rather the DSH monies HHC has already received it would be significant.

Mr. Page asked if there are outstanding DSH issues for monies HHC has already received.

Mr. Covino explained that the way in which the UPLs are funded, the State methodology which is in state statute the funds are provided through three HHC facilities, Coler/Goldwater and Coney Island hospitals. Consequently, that affects those facilities' DSH cap and if HHC is forced to have those funds come through each hospital it would limit the amount of DSH HHC could get for each facility.

Mr. Rosen added that Mr. Page's question was in relation to the cash on hand. Mr. Covino stated that the cash flow would be reported later and that there is some positive news in terms of the cash flow. The next item was the IAAF update. HHC has received all of the payments for the IAAF grant; \$35 million was received in FY 14 and \$117 million in FY 15 for a total of \$152 million. Collective bargaining agreements to date HHC and the City have come to an agreement with I199, NYSNA and DC 37 and the payment process for those locals has begun. The lump sum payments for I199 and NYSNA are scheduled for payment this month and DC 37 in October 2014. The City and City Council have approved the transfer of \$95.5 million to HHC to fund those payments. In addition, Local 237 and 300 contractual agreements were also settled and are expected to be ratified shortly. HHC's cash flow is currently at \$263 million or sixteen days of cash on hand and includes HHC getting the inpatient UPL of \$300 million by October 2014. If those funds are not received, HHC would need to delay a pension payment to the City and an EMS payment scheduled for October 2014.

Mr. Page asked if HHC pays 7% interest fee. Mr. Covino stated that HHC does not as long as HHC remains current. Mr. Page asked if that meant that HHC would have free payments for six months.

Mr. Covino stated that the agreement is that HHC will make the best effort possible to remain current and if there is a cash flow problem that would necessitate the need for HHC to reschedule a payment that would be acceptable and HHC becomes current within the six month period. The reporting was concluded.

KEY INDICATORS/CASH RECEIPTS & DISBURSEMENTS REPORTS

Ms. Krista Olson reported that utilization through June 2014, overall was slightly down in ambulatory care and slightly up in inpatient over the prior year. However, the opening of Coney Island and Bellevue hospitals massed several underlying trends. Excluding those facilities, ambulatory care visits were down by 3.1%; acute care hospitals were down by 3.4% and D&TCs decreased by 1.5%. Discharges excluding Coney and Bellevue were down by 6.5% or 8,000 over the prior year. Nursing home days were down by 12.6%. The ALOS, a comparison of facilities to the corporate-wide average showed that there was a great deal of variation across hospitals with an overall slight increase compared to last year. The CMI was up by 1.3% compared to last year, a slight improvement.

Mr. Rosen asked when the Henry J. Carter NF opened. Ms. Olson stated that it opened in November 2013.

Mr. Covino added that the reduction plan for Coler/Goldwater was fully implemented, 836 beds were closed.

Ms. Olson continuing with the reporting brought to the attention of the Committee that the data included on page 2 of 5 was in response to the Committee's request for the inclusion of psych and rehab data that are not included in the regular monthly reporting. The psych data included all services billed as inpatient child and adolescents, prisoners, etc. The Corporation has had an initiative to reduce the overall LOS on the inpatient psych units for several years which is driving the decrease in the LOS shown on the report. Psych discharges were up by 17.3% or 12.3% excluding Bellevue and Coney Island. However, the beds are paid on a per diem basis and days were down by 6.9% excluding those two facilities. From a revenue perspective, the days were the driver although there are some instances whereby the hospitals get paid slightly more for shorter stays which are better than longer stays.

Mr. Rosen asked if the stay is longer the reimbursement is less. Ms. Olson stated that on a per day basis it would be for Medicaid fee-for-services.

Mr. Page asked Ms. Olson if the take away from what was reported was that it would be more beneficial to have patients in an outpatient area as oppose to keeping them in inpatient.

Mr. Covino stated that there is a trend to reduce the LOS and that there are consequences in taking that action. Mr. Page stated that was understood and not the question but whether there are fewer patients in hospitals in NYC.

Ms. Olson stated that the data was not based on patients which would show a different outcome but that the data was based on days.

Mr. Page asked if people were going to HHC facilities.

Senior Vice President & Chief Medical Officer, Dr. Ross Wilson in addressing Mr. Page's questions stated that the reduction in psych is in preparation to move from a per diem payment to Medicare which is the financial implication. The LOS is above the appropriate level in a managed care environment. HHC treated more patients not fewer patients, a 4,000 increase. The reduction is part of a strategy to get HHC in place for the anticipated change in psychiatry.

Mr. Rosen asked if with that change will there be a significant change in the inpatient psych services relative to the reimbursement.

Dr. Wilson stated that it is anticipated that the overall treated population will increase. The overall change will allow HHC to treat more patients and provide better care in a financial and clinical model that works.

Mrs. Bolus asked if readmissions pose a problem. Dr. Wilson stated that there has not been an increase in that area.

Mr. Rosen added that it had been reported last year that HHC treats 40% of the behavior health population in the City.

Mr. Wilson stated that while that is correct, HHC treats a disproportionate amount of behavior inpatient care compared to other hospitals outside of HHC that have closed beds.

Ms. Olson moving back to the report stated that rehab was down by 3.2% or 3.1% excluding Bellevue and Coney Island, days were down by 4%. The ALOS has remained constant.

Committee Member Josephine Bolus, RN asked if the diagnostic & treatment centers would remain as part of the reporting after the conversion to federally-qualified healthcare centers (FQHCs).

Senior Assistant Vice President for Revenue Management, Maxine Katz stated that the only change would be in the methodology in that the current payment structure is based on the physician office visit compared to the new rate which will be based on per visit as opposed to the current rate.

Mr. Covino continuing with the reporting stated that the reduction in the FTEs would be reported later on the agenda as part of the PS quarterly report. However, in terms of an earlier discussion regarding Coler/Goldwater it is important to note that the FTE net reduction of 369 was part of HHC's efforts to reduce the number of beds at those facilities in conjunction with transitioning to the opening of the facility, Henry J. Carter. Beds were reduced by 41% and staffing by 33% which was achieved through attrition and the redeployment of staff to other HHC facilities. The closure of the beds has had a significant reduction in the facilities' revenues and the transfer of staff and the attrition took longer than anticipated with a great deal of planning as well. Additionally, there were costs that reflected the preparation of the new facility before the opening in November 2013 and the closing along with the decommissioning costs of Goldwater during the year. As a result of those actions, from a budgetary perspective, Coler/Goldwater and Henry J. Carter losses against the budget totaled \$95 million for FY 14 with losses of approximately \$120 million on a P&L basis. Based on the P&L projections for FY 15 and FY 16 significant improvement is expected for the facilities, as the labor force stabilizes and the workload reaches a stable point. HHC for FY 14 against the budget ended the year with a \$218 million deficit in receipts and a \$52 million deficit in expenses for a total net deficit of \$270 million.

Mr. Page added that the bottom-line is that HHC is operating with less capacity for the kind of chronic care that those facilities were providing which in essence going forward the losses will be significantly less. However, the question is how HHC came to conclude that those beds should be closed relative to the service needs for those beds that were closed.

Senior Vice President for Corporate Planning, Community Health and Intergovernmental Relations, LaRay Brown in response to Mr. Page stated that when the psych initiative was undertaken by HHC the State was engaging of the effort given that at any point at those facilities there were between 400-500 patients who did not require the level of service provided by the skilled nursing facilities but who needed to be in supportive and or other types of facilities. Over the past two years, Ms. Brown stated that her office and planning staff in conjunction with the Coler/Goldwater staff have been working very closely with the State and other entities such as community housing providers and to-date HHC has been successfully in placing over 300 of those patient in community based housing. Additionally as part of that strategy, HHC has engaged in working with developers to build housing for which there is exclusivity for HHC patients. One of the most recent and notable projects is the East 99th Street project that will open this fall as it relates to the Goldwater transitioning. That project includes 175 apartments for HHC patients. Initially it had been intended exclusively for the Goldwater patients but due to the recent success in deploying and working with the various housing organizations in providing alternatives for the Coler/Goldwater patients, HHC has actually been successful in getting those patients out sooner than expected.

Mr. Page, while thanking Ms. Brown for providing that background information that provided clarity to the reporting, noted that the Coler/Goldwater initiative was actually a positive way of providing the appropriate level of care for those patients requiring skilled nursing/chronic care and in the long run the costs will be less for HHC to provide that level of care. However, the way

in which the data is being reported implies that HHC has taken a huge loss with this initiative but in actuality if what HHC is trying to convey through its record keeping on whether it has been successful or not, the way it is being reported undermines the goals and motivations of those efforts.

Ms. Brown stated that what might be needed is a different type of report. In a similar way in which Dr. Wilson mentioned the psych inpatient that fits within the context of the broad policy shift in direction in managed care, the same applies to long term care. Those patients will be managed in terms of the level of care and the managed care plans payments will not be based on the institutional costs. Therefore, as an initial effort to address the reporting the various divisions within HHC that are involved in this transformation of services and care should work on developing reports for the Committee and the Board that are more reflective of the planned outcomes and the success of those various initiatives, notwithstanding the connection between those state and federal mandates; the impact on HHC revenues and reimbursement; the overall positive outcome of those actions demonstrate that HHC is in going in the right direction and is in a better place.

Mr. Page stated that it is important to show that the interim scoring for HHC is actually the iterative scoring against what HHC was trying to achieve as opposed to a litany of reporting that the numbers are the worse than what was expected which has been a constant theme in the reporting and does not present the actual goal of those efforts and therefore needs to change.

HHC President, Dr. Ram Raju agreeing with the Committee comments added that this is where the operations of the clinical staff are preparing for the transformation of the healthcare system. Unfortunately, the finances are being paid on the old system of managing which is an issue that HHC must address while transitioning to a different model all at the same time. This is a constant reminder of the need for HHC to improve the way in which it manages and as Mr. Page stated there is a need to improve the reporting and have a different mechanism for reporting; however, it is important to note that HHC is straddling its efforts in terms of deciphering how to manage given the circumstances.

Committee Member, Commissioner Steven Banks suggested that by adding footnotes explaining the data might be helpful in providing a better understanding of the reporting of the data.

Mr. Covino stated that Corporate Finance would address those issues raised by the Committee. Continuing with the reporting, a comparison of the actual FY 14 to the prior FY 13, receipts was \$279 million greater than last year due to the restoration of services at Coney Island and Bellevue, totaling \$130 million in increased revenues. Additionally there was an increase in the MetroPlus risk pool disbursements of \$100 million versus the prior year and a sub-SLIPA payment of \$100 million was advanced by the State for cash flow purposes. Expenses were \$24 million more than last year due to an increase in fringe benefits and health insurance increased by \$86 million; there was a prior year equalization payment of \$66 million on behalf of FY 12 and FY 13; a retro rate adjustment increase for GHI of \$17 million during the year. There was an increase in the City's actuarial evaluation cost that increased pension costs by \$23 million in FY 14; FICA payments increased by \$23 million due to the non-recurring residents refund that occurred in FY 13. This was offset by a decline in City payments of \$102 million. This year \$39 million was paid to the City compared to \$141 million last year due to cash flow problems. The affiliation decrease reflects the physicians UPL funds that were received during the year that reduced the actual cost, excluding that adjustment, affiliation expenses increased by \$6 million compared to last year. A comparison of the FY14 actual against the budget, inpatient receipts were down by \$139 million against the budget due to a decrease in workload. The Medicaid fee-for- service was down by \$184 million; paid SNF days were down by 97,000. Outpatient receipts were down by \$107 million and all other below the line items were up by \$28 million due to the receipt of \$35.5 million of Interim Access Assurance Fund (IAAF) funding that was not included in the budget. Expenses were \$18.3 million over budget due to an increase in allowance expenses and overtime; OTPS expenses were \$35 million greater than budget due to an increase in payments to vendors to reduce the number of days in accounts payable from 83 to 72 which is still slightly higher than the corporate average of 60-65 days. The reporting was concluded.

PS Quarterly Key Indicators Report – FY 14 Year End Report – 4th Quarter

Mr. Covino providing the Committee with an overview of the trends so as to provide a perspective on the year-end status stated that since 2010 when HHC initiated a hiring freeze, HHC is down over 3,000 FTEs with annualized savings of over \$232 million increasing to \$350 million including fringe benefits. However, due to the reduction in FTEs there has been an increase in spending in overtime, allowances and nurse registry cost of approximately \$43 million including fringes the cost increased to \$81 million for a total offset against the savings for a net non-recurring savings of \$288 million.

Mr. Rosen asked if that represented the total from FY 2010 to which Mr. Covino responded in the affirmative, adding that PS expenditures including overtime, allowances and agency nurse costs. Moving on with the reporting, PS expenses compared to budget were \$18.3 million over budget. FTEs decreased by 47. The increase in PS was due primarily to a \$17 million increase in allowance expenses; \$17 million in overtime and \$5 million in transition cost for Coler/Goldwater and the opening of the new SNF, Henry J. Carter. Enterprise IT increased by 22 FTEs due to staffing for the EMR and the conversion of consultants to FTEs. Coney Island hospital was up by 83 FTEs due to the re-opening of the facility that was close in the prior years and was

down by 72 FTEs from its normal baseline. During the year the facility was significantly above the FTE cap but has since reduced the staffing to the baseline level to date. The reduction in FTEs was primarily in clericals; environmental and hotel and aides and orderlies. Overtime expenses against the budget were up by \$6.8 million primarily at Coler/Goldwater. Bellevue expenses were up by \$3.1 million due to a delay in hiring staff; Lincoln was up by \$1.7 million due to the trades and the opening of a new psych unit and an expansion of the emergency department. Overtime by major categories showed that nursing overtime increased by 3.1% and all other by 4.9% with a 1% reduction in plant maintenance. Nurse registry costs increased by \$6.8 million of which \$4.7 million of that variance was due to the closure of Bellevue in the prior year. Therefore, the expenses are overstated due to the closure in the prior year. Additionally, \$2.3 million was related to compliance and CMS issues at Harlem relative to staffing concerns. Allowance costs were \$6.8 million over budget due to the facilities effort to reduce the reliance on agencies and temporary staffing. Those facilities, Lincoln, Kings and Queens with significant increases in this area were all working to reduce those costs.

Payor Mix Reports–Inpatient/Adult/ Pediatrics Outpatient FY 14 Year End

Ms. Olson reported that the inpatient payor mix year-end report showed that there were only minor shifts in the payor mix from FY 13 to FY 14. There was a small decrease in Medicaid overall in primarily managed care with a slight increase in Medicare managed care. This is primarily driven by North Central Bronx Hospital due to a significant decline in Medicaid plans and a shift in the population due to a temporary closure of the labor & delivery unit. Outpatient adult showed that there was a slight decrease in the uninsured population with corresponding increases in the Medicaid fee-for-service and managed care. All other payors remained constant. Pediatrics remained relative constant with some minor shifts across payors variations tend to be greater during the middle of the year. The reporting was concluded.

Medical & Professional Affairs / Information Technology Committee **September 11, 2014 – As reported by Dr. Vincent Calamia**

Chief Medical Officer Report

Ross Wilson MD, Senior Vice President/Corporate Chief Medical Officer, reported on the following initiatives.

HHC Accountable Care Organization

The HHC ACO Board of Directors convened on Thursday, August 14. The Board approved resolutions that appoint HHC President Dr. Ram Raju as Director and Chair, as well as a resolution amending the ACO's Bylaws, pending approval by HHC's Board of Directors at their next meeting. Ten facilities are currently live with the ACO patient notification workflow in their Adult Medicine and Geriatrics practices, and all others will implement by early September. The ACO provides facility administrators with a monthly report of all patients eligible for notification who presented for care and whether or not notification was completed.

The ACO is partnering with HHC's Health Home and downstream providers to refer eligible ACO patients for care coordination services and integrate community based providers into the patients' interdisciplinary care teams. The ACO has launched a new integrated ACO Data Dashboard for Population Management. The Dashboard incorporates the ACO's steadily growing master database of clinical, claims, provider, and payor data into a more advanced and platform for population management with descriptive population features, updated performance metrics, background resources, and action items targeted to specific monthly workflows.

These steps are preparing the HHC ACO to have capacity to expand the number of participants and hence the number of patients served, as part our overall strategy to improve geographic access to primary care.

Ebola

Infections with Ebola virus are still increasing in Western Africa, with spread to adjoining countries. The health care response there is still insufficient for containing the spread of potentially fatal infection that is spread by contact with body fluids and hence can be curtailed by strict implementation of contact precautions. Supportive care for infected individuals is also not broadly available. In this context, there is a possibility that cases of Ebola will come to the US and need care in our health system. HHC has been at the forefront of local preparations in New York City, working closely with NYC DOHMH, NYS DOH and through them to the national bodies including CDC. We have also had constructive discussions with Emory in Atlanta where the two health care workers were evacuated to, on lessons that were learned on care provision and transportation.

All HHC Emergency Departments have the protocols in place to isolate at risk patients while the appropriate workup and advice is being sought. We have strengthened this preparation with the development of standard scripts using a simulated patient, and this was tested at Queens Hospital last Friday. A very useful structured debrief followed the encounter, which

revealed opportunities for improvement. This program is being rolled out across HHC. Last week HHC hospitals saw 8 patients in whom the diagnosis of Ebola was considered.

In addition, Bellevue Hospital has worked very hard to establish an isolation facility for high risk or confirmed cases of Ebola. These facilities will be available for use by patients from all other HHC hospitals, as well as patients from other NYC hospitals as determined for NYC DOHMH.

HHC Health Home

HHC has certified Medicaid Health Homes in Manhattan, Queens, Brooklyn and the Bronx. These have focused particularly on the transition of “legacy” patients from Cobra and TCM programs that NYS folded in to the Health Homes and then discontinued the previous funding stream. We have completed or are in the process of completing contracts with 9 community based organizations to undertake patient engagement or care management on our behalf, and this number will likely increase as our Health Homes expand. Both DSRIP activities and the managed behavioral health and HARP programs will also require a stronger and larger health home capacity. As part of this expansion we are also reviewing the current IT platform that allows sharing of care plan information between appropriate parties without dependence on an EMR or RHIO as well as tracking contacts for billing purposes.

DSRIP

A significant portion of our healthcare costs arise from preventable hospital admissions. Since 2011, a NYS Medicaid Redesign Team (MRT) has worked to design solutions to the problem of uncontrolled costs and relatively poor outcomes

New York State Rankings, 2013 Avoidable Admissions Rates

Category of Potentially Avoidable Admission	NYS Ranking vs Other States
Ambulatory Care Sensitive Conditions	13th (2nd quartile)
Adult Respiratory Disease	23rd (3rd quartile)
Long-Stay Nursing Home Residents with Hospital Admissions	25th (3rd quartile)
Related to Adult Diabetes	35th (4th quartile)
Short-Stay Nursing Home Residents with Readmissions within 30 days	37th (4th quartile)
Related to Pediatric Asthma	37th (4th quartile)
30-Day Readmissions (Medicare)	44th (4th quartile)

What is DSRIP?

The NYS Delivery System Reform Incentive Payment (DSRIP) Program is a 5-year, \$6.42B Waiver Program for eligible public and safety net providers. It is intended to put into action the MRT’s plans to transform care delivery and achieve the Triple Aim.

DSRIP Program Objectives

- Achieve 25% reduction in preventable admissions over 5 years, Appropriate utilization of inpatient and ED services, Permanent shift in focus to outpatient or community-based care.
- Accurately identify and address the physical and social determinants of health and well-being, Coordinate care across the continuum – including home-based care, Provide the right level of care for each patient, every time.
- Prepare for managed care/shared-risk payment arrangements
- Accurate, real-time understanding of patient-level care delivery and outcomes across the continuum – both performance and qualitative data.

DSRIP Program Requirements

The DSRIP Program requires formal collaboration between eligible providers (called a Performing Provider System, or PPS) to improve the health of the local community. The PPS should span the care continuum.

DSRIP and HHC

HHC's current transformation work (some also NYS-sponsored) puts us on path to meet DSRIP objectives of coordinated, appropriate, whole-person care. We will need to develop new models, new infrastructure, and new mindsets

HHC's Current Transformation and Improvement Efforts:

Ambulatory Care Delivery Models: Patient Centered Medical Home (PCMH), Collaborative Care for Chronic Disease, Health Home ED Care Management.

Process Improvements: Outpatient Access Improvement, ED Flow/Cycle Time Improvements, Inpatient Psych LOS Reduction, Other Patient Experience-Related Improvements.

Care/Risk-Sharing Models: Accountable Care Organization (ACO)

HHC's Current PPS Configuration

For simplicity in DSRIP management and governance, HHC will participate as a single PPS with four (4) borough-based "hubs." We will begin to incorporate likely partners and collaborators into hub- and PPS-wide planning.

Current Status: PPS-Wide Project Selection

The HHC PPS will collaborate with partners to finalize ten (10) DSRIP projects across all borough-based hubs: each can be tailored locally on the basis of community need. The HHC PPS will also perform the newly-created DSRIP Project I I.

Currently-Selected PPS-Wide Projects

Create Integrated Delivery Systems that are focused on evidence-based medicine (2.a.i)

Development of co-located primary care services in the emergency department (2.b.ii)

Care transitions intervention model to reduce 30-day readmissions for chronic conditions (2.b.iv)

Integration of primary care services and behavioral health (3.a.i)

Integration of palliative care into medical homes (3.g.ii)

Selection Pending

(TBD) City-wide Domain IV project (with NYC DOHMH)

(TBD) Additional projects in Domains 3/4

Newly-Created** Implementation of activation activities to engage, educate and integrate the uninsured, NU, and LU Medicaid populations into community-based care (2.d.i)

MRT/DSRIP Timeline of Key Deliverables

May 15th LOI Due NON-BINDING

May 30, 2014 IAAF Application Due

June 26th Planning Application Due NON-BINDING

Dec 16, 2014 Final Project Plan Due BINDING

We are on brisk timeline for DSRIP planning and implementation -- we will need your expertise, PPS partner expertise, and input from our PPS stakeholders.

DSRIP Project Plan Valuation

DSRIP Program payments are performance-based: as always, we must focus on engaging, retaining, and improving the health outcomes of all patients under our care.

Project PMPM

Plan Application Score

Attributed Medicaid Beneficiaries

Project Duration

Maximum Project Value

Product of:

Project index score and PMPM payment

Scored by meeting DSRIP objectives and high-quality CNA

Two-stage logic

Likely fixed at 60 months

Chief Information Officer Report

Bert Robles, Senior Vice President, Information Technology Services reported on the following updates.

Meaningful Use (MU) Stage 2 Update:

There are five (5) weeks left to go for facilities to attest for Meaningful Use (MU) Stage 2. Over the past several weeks all facilities have seen an increase in their percentages over their previous week's performance. Corporate leadership, HHC providers and the QCPR team have all focused their attention on increasing their numbers and making their attestations.

With continued sustained performance, Jacobi and North Central Bronx Hospitals could successfully attest for this reporting quarter.

The following HHC facilities are fully engaged and could potentially meet the attestation requirements for MU Stage 2 by September 30th: Coney Island Hospital, Bellevue Hospital, Kings County Hospital, Queens Hospital. However, the following facilities have low performance on Indicator C6- Patient Portal (50% is needed) with less than 5% increment each week. Lincoln Hospital @21%, Harlem Hospital @ 21%, Metropolitan Hospital @ 9% ,Woodhull Hospital @ 21%, Elmhurst Hospital @ 31%. Two (2) Core objectives that are in progress - Risk Assessment and Intra-operability EHR to EHR test via direct HISP. As mentioned in previous reports to the Board, if during the attestation window, we find facilities are not going to make Stage 2 criteria we can attest with 2014 Stage 1 criteria. The 2014 Participation Options that apply to HHC are as follows:

Providers currently working on Stage 2 in 2014 would be able to attest using:

- Stage 1 (2014+ Definition) using 2014 Edition Certified Electronic Health
- Record Technology (CEHRT); or Stage 2 (2014+ Definition) using 2014 Edition CEHRT.

The 2014 Stage 1 objectives were updated to include:

- Provide patients the ability to view online, download and transmit information about a hospital admission
- More than 50 percent of all patients who are discharged from the inpatient or emergency department (POS 21 or 23) of an eligible hospital or Critical Access Hospitals (CAH) have their information available online within 36 hours of discharge.

2014 Stage 1 objectives do not include the TOC (Transition of Care) - Measure 12 Objective which has been the most difficult measure to meet due to the immaturity of the technology needed to support this measure (i.e., lack of direct addresses amongst providers, unavailable HISP functionality and lack of provider directories).

I continue to strongly suggest we stay the course and continue with push for Stage 2. We will be required to meet these measure and objectives in 2015 and we need to ramp up our volumes so we can sustain the measure thresholds.

2014 Best IT Collaboration Among Organizations Award

HHC EITS, the Fire Department of New York (FDNY) and the Department of Information Technology and Telecommunications (DOITT) were awarded the "2014 Best IT Collaboration Among Organizations Award" for the Electronic Patient Care Reporting (ePCR) Wireless Tablet project. Our combined effort was recognized by the Center for Digital Government, which acknowledges through their achievement awards outstanding agency and department web sites and projects at the application and infrastructure level throughout the United States and internationally.

Through this project, HHC integrated its wireless network at all hospital emergency rooms to the FDNY/EMS mobile dispatched vehicles (i.e., ambulances, FDNY Early responder units) using DOITT network infrastructure to seamlessly connect the early responders to the hospitals. As a result, vital patient information can now be transmitted from these remote vehicles to the Emergency Room physicians for early patient diagnostics and admittance.

I'd like to commend both Sal Guido, AVP for Infrastructure and Operations and Kevin Brown, Senior Director, Unified Communications for their work on this critical project.

HHC Security Measures Update

Due to recent reporting by the news media regarding security breaches as well as the ever growing need to remain proactive with safeguarding HHC data and systems, I thought it was important to share with you the security measures EITS has put in place.

HHC's security posture remains at a heightened level with proactive security measures in place. The potential breach recently reported was due to a penetration in internal data bases at several companies. This means that the hackers got into their internal networks and removed the user name and password sequence for the data bases storing this information. Even with

complex passwords put in place, the hackers would still poses the required information to get into the individual user accounts. HHC's email system is safeguarded by spam detection, blocking and filtering.

Over the last several year EITS has deployed security product safeguards to protect out Internet connections from breach using Firewalls and Intrusion Protection products that will detect, block and report on unauthorized access and Virtual Private Networks (VPN) using sophisticated encryption algorithms to protect HHC's data. We have recently deployed a Data Loss Prevention product (DLP) that will safeguard HHC's intellectual property and ensures compliance by protecting sensitive data wherever it lives — on premise, in the cloud, or at the endpoints. The Data loss/leak prevention solution system is designed to detect potential data breach / data ex-filtration transmissions and prevent them by monitoring, detecting and blocking sensitive data while in-use (endpoint actions), in-motion (network traffic), and at-rest (data storage). Such sensitive data can come in the form of private or company information, intellectual property (IP), financial or patient information, credit-card data, and other information for the Healthcare industry. EITS has deployed advanced technology to protect our data from potential breaches. While these products safeguard HHC from intrusions and theft of data, it is not a 100% guaranteed that breaches will not occur.

EITS remains diligent on detecting abnormal access to data, researching potential attacks and constantly monitoring and analyzing in- and out-bound traffic to determine and rectify any identified potential gaps. Our thorough EITS security team meets weekly to review the trend analysis for vulnerabilities and threats indications from scans throughout our network.

EITS SkillSoft Training Update

Back on November 1, 2013, I reported to this Committee that as part of the IT Training & Professional Development program within EITS, all employees were assigned mandatory on-line training to enhance and complement their current skill set. The goal of this program is to further develop those core competencies needed by EITS staff to support HHC's strategic goals.

We developed a core curriculum of essential skills for employees with special curriculums for Project Managers, New and Experienced managers as well as the Enterprise Service Desk employees. Each curriculum was approximately 20 hours in length and employees were given a completion date of June 30, 2014. As of July 1st I am pleased to report that 94% of the EITS staff completed their first year of the Training program. Level 2 training is currently underway and consists of 20-25 hours of foundational and advanced training with five (5) hours of electives chosen by each EITS employee. As with Level 1, all course completions are tracked through the PeopleSoft application. All EITS employees have been informed that timely completion of these courses will factor into staff evaluations and future promotions.

Action Item:

Authorizing the President of the New York City Health and Hospitals Corporation ("the Corporation") to enter into a contract with Hyland Software, Inc. (the "Contractor") for OnBase Enterprise Electronic Content Management ("ECM") software through a Federal General Services Administration agreement ("GSA") contract in an amount not to exceed \$6,399,646 which includes a 10% contingency of \$581,786, over a three year term, with two one-year options to renew.

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

Information Items

Arnold Saperstein, MD, Executive Director, MetroPlus Health Plan Inc. presented to the Committee, MetroPlus Annual Report.

MetroPlus Background

- Licensed since 1985 in New York State as a Managed Care Organization
- In 2001 the Plan converted from an HMO to a Prepaid Health Services Plan (PHSP)
- Wholly owned subsidiary corporation of the New York City Health and Hospitals Corporation (HHC)
- Lines of business include Medicaid Managed Care, Family Health Plus, Child Health Plus, Medicare plans, two Special Needs Plans (SNP) for the care of HIV+ members in Medicaid and Medicare, Managed Long Term Care, Exchange Products, MetroPlus Gold and, as of January 1, 2015, FIDA and Health and Recovery Plan (HARP).

The MetroPlus Mission is to provide our members with access to the highest quality, cost-effective health care including a comprehensive program of care management, health education and customer service. This is accomplished by partnering with the New York City Health and Hospitals Corporation (HHC) and our dedicated providers.

The MetroPlus Vision is to provide access to the highest quality, cost-effective health care for our members, to achieve superior provider, member and employee satisfaction, and to be a fiscally responsible, ongoing financial asset to HHC. MetroPlus will strive to be the only managed health care partner that HHC will ever need. This will be accomplished by our fully engaged, highly motivated MetroPlus staff

Value: Performance excellence - hold ourselves and our providers to the highest standards to ensure that our members receive quality care. Fiscal responsibility - assure that the revenues we receive are used effectively. Regulatory compliance - with all City, State and Federal laws, regulations and contracts. Team work - everyone at MetroPlus will work together internally and with our providers to deliver the highest quality care and service to our members. Accountability - to each other, our members and providers. Respectfulness - in the way that we treat everyone we encounter.

Membership at 470,517 as of August 1, 2014. MetroPlus membership has increased by 10% in the last 12 months due to the new Exchange and SHOP products.

Strategies to Increase Membership: Aggressive and strategic marketing initiatives and retention campaigns. Increased outreach to members for recertification. Working closely with HHC to maximize referrals of the eligible uninsured patients to MetroPlus.

Provider Network: Unique HHC PCPs" represents non-duplicate HHC PCP providers. If a PCP is at multiple locations, for the purpose of this report, he/she is only counted once. Much of the significant increase in provider count is due to the addition of Jamaica and Flushing hospital providers, as well as increased volume of initial credentialed providers.

Relationship with HHC: Close collaboration with HHC at all levels of the clinical and administrative spectrum, forward-thinking environment. Mutual population served: low-income, inner city communities, many racial minorities with higher health risk profiles. Mutual achievements, increased MetroPlus membership and improved member/patient access to care. The continued growth of MetroPlus and our expansion into new lines of business has allowed for the capture of new populations. MetroPlus membership growth through in-facility referrals from HHC. Increased HHC patient and revenue base.

HHC Financial Arrangement: HHC assumes full risk for all members who select an HHC site. HHC assumes risk for all the medical care other than primary care when the member selects a community physician (that is part of the HHC Community Provider network) as their primary care provider. MetroPlus assumes full risk for all members assigned to a primary care provider not affiliated with the HHC network and for all members in Medicaid HIV SNP and Medicare plans.

Benefits of HHC Risk Arrangement: Allows for the alignment of incentives, Improved outcomes and decreased utilization benefits both MetroPlus and HHC. MetroPlus provides revenue enhancement through, Insurance reimbursement for service, Risk arrangement surplus dollars, Quality incentive pools. Lessons learned from years of partnership will allow MetroPlus and HHC to successfully develop and operate an Accountable Care Organization (ACO) model of care.

2013 Admin Cost Comparison

Consumer's Guide to Medicaid Managed Care in NYC: MetroPlus Ranking - MetroPlus has been rated #1 Medicaid Managed Care health plan in NYC for seven out of the last nine years. For the first time ever, in 2011 MetroPlus was ranked #1 in New York State and New York City.

2014 Changes

Managed Long Term Care, FIDA, New York Health Exchange, HARP.

Managed Long Term Care (MLTC) Overview

MetroPlus began offering full services for enrolled members as of January 2013 and received our first auto-assigned members in February 2013. Managed long-term care (MLTC) offers assistance to people who are chronically ill or have disabilities and who need health and long-term care services, such as home care or adult day care. The goal of the MLTC plan is to allow these individuals to stay in their homes and communities as long as possible. The MetroPlus MLTC plan arranges and pays for a large selection of health and social services, and provides choice and flexibility in obtaining needed services from one place. Our current membership stands at 629 MLTC members; some of the members are auto-enrollees via NYS, while others choose to apply for this product.

FIDA

FIDA is a State of NY partnership with CMS to test a new model for providing Medicare-Medicaid enrollees with more coordinated, person centered care experience. MetroPlus Successfully underwent CMS readiness review and an analysis of our policies and procedures in January 2014. CMS pushed back the FIDA implementation date to January 1, 2015. The marketing period will begin December 1, 2014. Education and training for providers contracted for FIDA will be completed by MetroPlus Provider Service Representatives between September and November 2014.

New York Health Exchange

MetroPlus offers a total of 38 products across the Individual and SHOP markets. Individual (includes non-standard), SHOP (includes non-standard), Child Only Catastrophic. MetroPlus currently offers the lowest cost products in three out of four metal levels. The 2015 proposed rates have been submitted to NYS for approval. One hundred percent FEs trained as Marketplace FEs (formerly known as Certified Application Counselors).

New York Health Exchange Impact on Medicaid and Family Health Plus

FHP: During 2014, existing FHP enrollees have been transitioned to Medicaid or a QHP, with the program ending at the end of 2014. Beginning January 1, 2014, new applicants who were parents/caretakers with incomes between 138-150% of FPL and qualified for a QHP had their premium paid by the State if they enrolled in a silver plan. Current FHP enrollees who, at renewal, are eligible for a QHP, also receive the premium wrap.

Health and Recovery Plan (HARP)

Carve-in of Behavioral Health for SSI members (17,000), Creation of a Health and Recovery Plan (HARP) for the severely mentally ill population (13,000). At this time the State is still expressing a commitment that the HARP line of business will be implemented January 1, 2015. MetroPlus initiated an RFP to secure bids from behavioral health organizations to contract with to manage HARP membership. Beacon was awarded the contract (approved by the HHC Finance Committee and Board of Directors). Effective January 1, 2015 Beacon will manage the MetroPlus membership across all lines of business. Beacon is in the process of contracting for Behavioral Health and Substance Abuse services with HHC through HHC's Office of Managed Care. MetroPlus will submit a revised and enhanced version of the BH-QHP-MCO and BH HARP RFQ based on the State's letter of response.

Challenges

Securing access for our new Exchange membership, 56% of Exchange members are assigned to HHC for Primary Care. HHC Access Project will help HHC absorb more members. Managing utilization and costs in the Exchange products. Submitted 2015 rates prior to any utilization data being available; awaiting NYS approval of rates. State website does not allow applicants to choose a PCP, resulting in a high call volume to MetroPlus Customer Services. Highly competitive and rapidly changing healthcare landscape and market. Inadequate education of potential members on MetroPlus during their outpatient and inpatient visits at HHC. Beginning to see member loss due to non-payment.

Summary

MetroPlus is a strong financial asset to HHC, MetroPlus is challenged by the lack of access in the HHC facilities, MetroPlus and HHC have many opportunities to strengthen their existing partnerships to ensure continued success. Medicare Enrollment, Access Improvement, Care Management Linkages, MLTC Referrals, FIDA Referrals, Coordination of Behavioral Health Care.

Strategic Planning Committee – September 9, 2014

As reported by Josephine Bolus, RN

Senior Vice President Remarks

Federal Update

September 11 Health

Ms. LaRay Brown reported that both houses of Congress had returned from their five-week long summer break on September 8, 2014. Congress will remain in session for a total of three weeks before adjourning on October 2, 2014, to prepare for elections. Ms. Brown commented that the entire House and roughly a third of Senate seats were up for re-election. Ms. Brown informed the Committee that for HHC, a priority was the early re-authorization of the James Zadroga 9/11 Health and Compensation Act of 2010, which was scheduled to be introduced in Congress on September 8, 2014, by members of the New York State Congressional Delegation. Ms. Brown reminded the Committee that this law had authorized funding for HHC's World Trade Center Environmental Health Program (WTC EHC). Ms. Brown reported that staff of HHC's Office of Intergovernmental Relations (IGR), specifically Mrs. Judy Chesser and Mr. Leonard Guttman, had been working closely with the Congressional Delegation and Senator Gillibrand's staff on the language of the re-authorization bill. Ms. Brown noted that HHC had suggested several changes, which would not likely be included in the re-authorized bill. She explained that the objective of Congressional members was to have the re-authorized bill passed. Accordingly, Congressional members do not want to make significant changes. Ms. Brown added that one notable change in the new draft bill was the elimination of the requirement that all applicants for Zadroga benefits would be checked against the Terrorist Watch List. Ms. Brown explained that this was a change that HHC supported and had found problematic over the last three years. Given the political climate, including the possibility that the Senate may change hands from Democrat to Republican control, reauthorization of this bill was not guaranteed. Ms. Brown reminded the Committee that, as authorized by the Zadroga Act, HHC had been administering the 9/11

Survivor's health program over the past three years, and had also administered the grant funded program prior to passage of the Act.

U.S. Courts on Subsidies on Federal Health Insurance Exchange

Ms. Brown reported that, on July 22, 2014, two federal Courts of Appeals had issued conflicting rulings on the question of whether the federal government could provide subsidies when individuals purchase health insurance through the federal exchange. Ms. Brown explained that the federal health exchange operated the health insurance marketplaces of the 36 states that had declined to create their own state-run exchange. She added that the Affordable Care Act (ACA) did not explicitly state that the federal exchange could provide a subsidy. Ms. Brown explained that it had been clearly written into the law that state-run exchanges could provide such subsidies. The New York State Health Exchange will not be affected by the rulings. She commented that this split decision served only to add more conflict and confusion around this important health care reform effort, which may be brought before the Supreme Court. In the meantime, the Obama Administration has stated that it would continue to enforce the law's requirement that subsidies (i.e., Advanced Premium Tax Credits) must be paid by all exchanges. Ms. Brown added that nearly three-quarters of New Yorkers who had enrolled in private health insurance through the state exchange were eligible for these subsidies.

Delivery System Reform Incentive Program (DSRIP) Community Needs Assessment Update

Ms. Brown reported that the month of August had been a quiet month with no major updates to report on both the city and state fronts. She informed the Committee that she would provide an update on the body of work concerning the Delivery System Reform Incentive Program (DSRIP) Community Needs Assessment that HHC's Corporate Planning Services' Unit had been engaged in on behalf of HHC.

Ms. Brown reminded the Committee that the goal of DSRIP is to transform the health care delivery system in New York State through the development of primary, preventive and other healthcare strategies, which would result in a 25% reduction in avoidable hospitalizations by the end of the five year waiver period. In pursuit of that goal, DSRIP Participating Performing Provider Systems (PPSs) – healthcare organizations who take the lead in forming partnerships to operationalize specific DSRIP projects and meet those project objectives - must first develop an understanding of the current health care delivery and health-related ecosystem and most importantly, the healthcare needs of the communities in which these PPSs have proposed to assume responsibility. Ms. Brown added that PPSs will do that by conducting a comprehensive Community Needs Assessment (CNA) of their defined service areas, which would ultimately drive their DSRIP project selection process and investments.

Ms. Brown explained that the CNA must evaluate community need through primary and secondary data collection and analysis; identify health and health service challenges of a population in a particular geographic area; evaluate health care and other community resources; and identify major gaps between community need and current resources. Ms. Brown informed the Committee that, PPSs with whom HHC had partnered to conduct the CNA must provide documentation of the process; methods used to conduct the CNA; and must also provide baseline data and justification for project selection.

Ms. Brown reported that, over the course of the summer, HHC's Corporate Planning Services staff had been working in collaboration with several other non-HHC emerging PPSs in at least three boroughs to design, launch and conduct the primary data collection components of the CNA. This work is being conducted through contract arrangements with the New York Academy of Medicine (NYAM) and Tripp Umbach, specifically to collect information about health care priorities, unmet needs, perceptions of available primary health care services, barriers to accessing health care and health care services utilization. Ms. Brown reported that HHC facilities and the collaborating PPSs would ensure community engagement in the CNA process through community surveys of the population (i.e., surveys will be offered in multiple languages), which would be administered by trained data collectors from community-based organizations. Ms. Brown informed the Committee that HHC's goal was to collect a minimum of 600 in-person surveys per borough. She added that a total of 20 to 25 focus groups would also be conducted that would be focused on target issues (e.g. mental health, substance abuse etc.,) or on specific targeted population groups (e.g. persons with disabilities, or children and adolescents, etc.) that were identified by the collective PPS' facility leadership and key CBO partners. Ms. Brown highlighted that focus groups with HHC CAB members had already begun and would continue through mid-September. Additionally, HHC has made contact with labor representatives such as the New York State Nurses Association (NYSNA), the Doctors Council SEIU and with colleagues from District Council 37 to confirm dates to conduct focus groups with nurses, doctors and residents. These focus groups will be completed by the end of September. Ms. Brown informed the Committee that, in addition to focus groups, a total of 10-15 key informant interviews of provider, community members and community leaders had been conducted per borough to further identify health care priorities, gaps in service and unmet needs. These key informants were identified collectively by the collaborating PPS' in each borough. Ms. Brown acknowledged Ms. Dona Green, Senior Assistant Vice President, Corporate Planning Services and her team for their efforts in working on this exhaustive process.

Ms. Brown reported that HHC would also gather secondary data including community demographics, community resources, community provider inventory and population health status data through sources including but not limited to the US Census American Community Survey, NYC Department of City Planning, New York City and State Departments of Health, the Center for Health and Workforce Studies, the Greater New York Hospital Association and other sources.

Ms. Brown reported that HHC had a very ambitious timeframe, and that the CNA process was projected to be completed by September 30th. She further explained that the completion of the CNA process would help to further guide discussions in terms of identifying potential PPS partnerships that may be needed to fill gaps identified as a result of the CNA. Ms. Brown stated that HHC's goal was to finalize its PPS partner list by early November and to submit its DSRIP Project Plan application by the December 16, 2014 due date. Ms. Brown concluded her report by announcing that assessor recommendations on HHC's DSRIP Project Plan were expected in early February 2015, and DSRIP awards would be announced in early March 2015.

Ms. Brown clarified that HHC's DSRIP Project Plan application must be submitted by December 16, 2014. Mr. Rosen, Board Member, expressed his concern that this was a difficult process. Ms. Brown explained that the needs assessments were needed to inform decisions on what would be significant investments of state and federal funds throughout the state and in the city. If the state holds true to providing oversight of the formation of PPSs along with the implementation of specific projects, this would address identified gaps and communities would be better served. Ms. Brown agreed that the CNA process was a lot of work but very important. Ms. Brown added that funds would begin to flow in March 2015.

Information Item

World Trade Center Health Program Update

Terry Miles, Assistant Vice President, HHC's World Trade Center Environmental Health Center

Mrs. Bolus introduced Terry Miles, Assistant Vice President and Executive Director for HHC's World Trade Center Environmental Health Center (WTC EHC) Program. Mr. Miles thanked the Committee for the opportunity to present an update on the World Trade Center Health Program. Mr. Miles began his presentation by first inviting Committee members and invited guests to attend a patient Therapeutic Art Exhibit at Bellevue Hospital Center. Mr. Miles explained that the exhibit was an annual event that would be available for viewing through Friday, September 12, 2014. Mr. Miles added that exhibit was the only planned public event for the 13th anniversary of the 9/11 Terrorist Attacks because all sites had been focused on retention activities throughout the past year.

Mr. Miles presented the new official new logo of the World Trade Center Health Program (WTC HP) to the Committee (listed on front page of the presentation package). Mr. Miles provided the Committee with an overview of his presentation as outlined below:

- Timeline of WTC-Related Care and Funding
- The James L. Zadroga 9/11 Compensation Act
- Who we are and what we do
- Who we serve
- Program changes Pre and Post Zadroga
- Revenue and Expenses
- Reauthorization of the Zadroga Act

Mr. Miles reminded Committee Members that the World Trade Center Environmental Health Center Program (WTC EHC) was housed within HHC's Central Office Division of Corporate Planning, Community Health and Intergovernmental Relations, which is led by Ms. LaRay Brown. Mr. Miles explained that this placement within the Corporate Planning Division made sense because the WTC Health Program was a very high profile program at all levels of government including at the federal, state and local levels. He added that throughout the program's history, every one of those levels of government had taken the lead. There are a lot of interactions with elected officials, and there have been a tremendous amount of planning and adjustment as the program has evolved. Regarding community health, the WTC EHC is all about health.

Mr. Miles provided a timeline of the WTC Health Program and funding as described below:

- Within the first few weeks after 9/11, patients started showing up at HHC facilities; specifically at Bellevue Hospital Center stating that the cough that they were experiencing had to do with how they were exposed on 9/11. Bellevue's Pulmonary Health Clinic provided community screenings in the field. Bellevue/NYU Hospital's Asthma Program began the first study of adverse health outcomes among local residents. As a result, Dr. Joan Reibman, WTC EHC's Medical Director, and other physicians within the HHC system, commandeered HHC's Asthma Van to go into the affected communities to begin a needs assessment of those communities. As a result, contacts were made with community

based organizations (CBOs) and advocates who were also concerned about the adverse health outcomes in local residents. Very gradually since then, the WTC patient census started to grow.

- In early 2002: With the support of philanthropic organizations such as the Robin Hood Fund and the 9/11 Fund, 200-400 patients started coming into the WTC Program. All of these patients were being seen in the Adult Asthma Program at Bellevue Hospital as well as other HHC facilities. In and around Elmhurst Hospital in Queens, Irwin Berlin, M.D., the former Pulmonary Director, through his own community outreach efforts identified a cohort of patients, primarily Spanish speaking women, who had worked as cleanup workers in and around the WTC sites and who were now ill. Dr. Berlin started a small WTC healthcare focus group in 2005. Attention to this issue grew in various areas throughout HHC such as Gouverneur Diagnostic and Treatment Center.
- In 2005: More significant funding started to flow. Mr. Miles acknowledged, Ms. Deborah Cates, Chief of Staff, Office of the Chairman of the Board of Directors, for her lobbying efforts and advocacy with various organizations. Funding provided by the American Red Cross Liberty Disaster Relief Fund of \$2.4 million allowed the WTC program to gel.
- In 2006: the Federal Government for the first time began to provide funding for people who had been identified as having 9/11-related illnesses. Mr. Miles noted that, prior to 2006 the Federal Government had provided funding only for screening and monitoring for the Responder population. If people were sick, they had to find care wherever that might be, which generally meant within HHC. Also in 2006, the City of New York felt that it was a major oversight that this particular program that was being administered by HHC and provided care to the community had not been acknowledged. In 2006 and 2007, HHC received funding from the City of New York, the New York Times' Neediest Fund, and the New York Community Trust to open a clinic at Gouverneur Diagnostic and Treatment Center and to expand the care programs at Bellevue and Elmhurst Hospitals.
- In 2007 and 2008: Heavy lobbying activities were launched with then Senator Hillary Clinton serving as a big supporter of the bill. As a result of her efforts, in 2008, the program received appropriations funding. Mr. Miles noted that, over the following three years, the WTC EHC program was funded jointly by the federal government, the city and through ongoing philanthropic efforts.

Also 2008, HHC received Non-Responder Grant funding from the National Institute of Occupational Safety and Health (NIOSH)'s to provide services at all three sites. Additionally, HHC received funds from the City of New York to support outreach contracts with community-based organizations and labor groups.

- In 2009-2010: Tremendous efforts were taken to pass the Zadroga bill. In 2010, Congress passed the Zadroga 9/11 Health and Compensation Act of 2010, which created the World Trade Center Health Program (WTCHP).
- At the start of 2011: The Zadroga Act was signed into law by President Obama on January 1, 2011. NIOSH awarded HHC contracts for the WTCHP Clinical Center of Excellence and Data Center Programs to serve 9/11 Survivors. Mr. Miles clarified that James Zadroga was the first person to be documented as having died from exposure to 9/11 related toxins, which was the reason why the bill was named in his honor. The Act is administered by NIOSH, part of the division of the Centers for Disease Control and Prevention, which sits within the Department of Health and Human Services of the Federal Government.

Mr. Rosen, Board Member, asked if an individual had to be enrolled in one of the WTC health programs in order to receive benefits from the Victim's Compensation Fund. Mr. Miles responded no. He clarified that the Victims Compensation Fund (VCF) was a separate program and that VCF applicants do not have to be part of HHC's WTC Health Program. However, individuals who are not part of the WTC Health Program would have to provide a great deal of onerous paperwork to demonstrate how they were exposed on 9/11.

- In 2012: NIOSH expanded the list of WTC-related health conditions to include certain cancers that would be treatable under the WTCHP. Additionally, Hurricane Sandy closed Bellevue Hospitals for 99 days and shifted clinical services to Gouverneur and clinical administrative services to Central Office.
- In 2013: WTC EHC enrollment surged due to the registration deadline for the VCF.
- In 2014: Re-authorization of the Zadroga Act remains pending

Mr. Miles reported that the James L. Zadroga 9/11 Health and Compensation Act of 2010 became operational on July 1, 2011. He added that the Zadroga Act was administered by NIOSH and the Centers for Disease Control (CDC). The WTCHP

provides medical and mental health services for WTC Responders and community members who became ill due to the aftermath of the 9/11 Terrorist Attacks.

Mr. Miles described the WTCHP as comprising:

- A total of seven (7) Clinical Centers of Excellence (CCEs) located within the New York City area. Although HHC's WTC EHC is considered a single CCE, there are three sites, which are located at Bellevue and Elmhurst Hospitals and at Gouverneur Healthcare Services.
- A National Program which serves individuals who live throughout the United States including Responders who aided with the attacks on the Pentagon and the crash in Shanksville PA. Mr. Miles reported that WTC related health care was being provided across the United States in 431 Congressional districts. Ms. Brown commented that, having WTC-related health care services within 431 Congressional districts was helpful for the reauthorization of the law.
- Three (3) Data Centers (DCs)
- NYC Department of Health and Mental Hygiene WTC Registry
- Advisory Committees

Mr. Miles reminded the Committee that the WTC EHC served only Survivors. He explained that the Survivor's program was a legislatively created term to distinguish that aspect of the program from the Responder program. Mr. Miles described both programs as outlined below:

Survivors	Responders
<ul style="list-style-type: none"> • Patients have to be sick before coming to the program. WTCHP does not screen healthy individuals. 	<ul style="list-style-type: none"> • Screen healthy individuals for potential illness to evolve overtime.
<ul style="list-style-type: none"> • No out-of pocket costs. Patients existing insurance are billed first and leftover unpaid monies from these insurance companies to the Federal Government. 	<ul style="list-style-type: none"> • Free. The Federal Government is considered the payer for care and services rendered to responders.
<ul style="list-style-type: none"> • 50/50 split of men and women and children are included 	<ul style="list-style-type: none"> • Almost entirely men but no children
<ul style="list-style-type: none"> • Shares the same illnesses with Responders 	<ul style="list-style-type: none"> • Share the same illnesses with Survivors

Mr. Miles reported that a National Survivor Program that was authorized as part of the Zadroga Act had been recently established. He informed the Committee that Survivors were now accessing WTC-related health care services in 221 Congressional districts across the United States. Mr. Miles informed the Committee that the Advisory Survivor Steering Committee had been a very involved group made up of constituents. In addition, the Scientific and Technical Advisory Committee (STEC) is made up of seven physicians and eight lay persons. He added that the STEC advocated for the expansion of the list of WTC-related conditions to include certain cancers. Ms. Brown commented that, from the very beginning, HHC had been working with individuals including community-based organizations (CBOs) and advocates, and labor partners who comprised the Survivor Steering Committee. Mrs. Brown acknowledged Ms. Judy Wessler, the former Director of the Commission of Public Health System for her efforts. Ms. Wessler, along with several community-based organizations, particularly those who provide services and advocacy for residents in the lower Manhattan area, were involved in bringing to the attention of Dr. Reibman and others, some of the health care concerns of residents. They worked with HHC to formulate its initial response and to ensure that Survivors were not forgotten as part of the federal response.

Mr. Rosen inquired about the longevity and if the Act was scheduled to sunset. He informed the Committee that, serving as a member of the City's Audit Committee, he learned that the World Trade Center Captive Insurance Company, which started with \$1 billion, had a sunset date far into the future. He asked if the bill was reauthorized, how long it would remain in effect. Mr. Miles responded that the current Zadroga Act was scheduled to sunset in October 2016. Notwithstanding, the government established contracts that were scheduled to terminate on June 30, 2016.

Mr. Rosen expressed some concern about the sunset of the law as more potential victims could be identified in the future. Mr. Miles responded that a request for an additional 25 years was included in the re-authorization of the bill, which would extend the program to 2041. Mr. Miles acknowledged the Chairperson of the Survivor Committee, Ms. Kimberly Flynn, for her advocacy on behalf of the WTC EHC program.

Mr. Miles presented members of the WTC EHC's Management Team who were present at the meeting. Team members included:

- Scott Penn, Deputy Director
- Edith Davis, Data Center Director
- Larry Chang, Administrator
- Lance Robinson, Administrator

He added that the WTC EHC's Management Team also included the Medical and Mental Health Directors at the clinical locations. They are:

- Joan Reibman, MD, Medical Director
- Nomi Levy-Carrick, MD, Mental Health Director

Mr. Miles acknowledged Mrs. Judy Chesser and Mr. Leonard Guttman, for playing a very key role in getting the law passed. He also acknowledged Mr. John Jurenko and Mrs. Wendy Saunders who had also advocated for the program. Mr. Miles added that most of the staff of HHC's Corporate Planning Division had provided support to the WTC EHC program, and he expressed his thanks. Mr. Miles also thanked staff within other HHC departments including Legal Affairs, Finance, Compliance, Public Affairs and IT who had also provided support to the WTC EHC. Lastly, Mr. Miles acknowledged Dr. Raju, HHC's President for the key role that he played with supporting the WTC EHC program from its inception.

Mr. Rosen asked if the program was responsible for informing potential victims who receive care at HHC's WTC EHC sites about how to obtain financial assistance. Ms. Brown responded that the WTC EHC program provided health care services to Survivors. However, as part of the intake process, it is expected that the individual would obtain information about the entire program, which included the Victims Compensation Fund. Ms. Brown emphasized that the WTC EHC program does not screen healthy people. Therefore, individuals presenting to these centers must have symptoms related to a WTC-approved condition. Mr. Miles added that it was the WTC EHC's mission to educate people about other issues such as insurance, Worker Compensation, etc.

Mr. Miles stated that the actual work of the WTC EHC occurred at three HHC facilities including Bellevue and Elmhurst Hospitals and Gouverneur Diagnostic and Treatment Center (D&TC). He described HHC's WTC EHC as the following:

- The only World Trade Center Health Program Clinical Center of Excellence for Non-Responders
- It provides health care for local workers, residents, children, passersby and clean-up workers below Canal Street in Manhattan and the Brooklyn Heights waterfront
- It is a multidisciplinary treatment program for individuals with WTC-related illnesses
- Patients incur no out-of-pocket expenses for treatment at the WTC EHC
- Medical and mental health conditions must be first "certified" by NIOSH for a patient to continue treatment

Mr. Miles reported that there were 7,735 patients who were currently enrolled in the WTC EHC. Of that total, 4,055 are active patients. NIOSH defines active patients as those patients who have had at least one visit within the past three years. Mr. Miles added that overwhelmingly, most patients have been seen more recently than the past two years. The distribution of HHC WTC EHC patients at the three HHC program sites is the following:

- Bellevue Hospital: 67%
- Elmhurst Hospital: 9%
- Gouverneur Diagnostic & Treatment Center: 24%

Mr. Miles stated that, over the past year, there had been a huge push to recruit and enroll Survivors into the WTCHP, which benefited from outreach and awareness initiatives that promoted the application deadline for the Victim Compensation Fund. He reported that, from August 2013 to August 2014, nearly 1,200 Survivors were enrolled compared to only 500 for the prior year. Mr. Miles informed the Committee that new patients were still being enrolled into the program. On average, 100 new patients are enrolled every month.

Mr. Miles reported on the demographics of the WTC EHC patient population. He explained that there was a 50/50 split between men and women. He added that 28 of the 95 patients that entered the program at age 18 years or younger had aged out of the pediatric program and had been transferred to the adult program. It is expected that, as time goes on, the pediatric program would eventually be phased out. Currently, the average age of children in the pediatric program is 15 years old.

Mr. Miles described the current certified conditions of patients served by the WTC EHC as the following:

Current Certified Conditions

Certified Condition	% of Patients with Certified Conditions
Medical Conditions	
Obstructive airway disease	51%
Upper respiratory disease	39%
Gastroesophageal reflux disease	38%
Cancer	6%
Interstitial lung disease	1%
Sarcoidosis	1%
Mental Health Conditions	
Post-traumatic stress disorder	22%
Adjustment reaction	21%
Depression	20%
Anxiety	13%
Substance Abuse	5%

Mr. Miles reported that, with the addition of certain cancers, 70 more additional conditions could be legally treated by the WTC EHC program. Mr. Miles stated that most patients have a combination of various certified medical conditions associated with mental health conditions. In addition to having patients who are becoming severely ill patients (i.e., patients who require lung transplants and some who have died), most patients will be chronically ill for the rest of their lives, but will be able to manage their conditions through the WTC EHC program. Mrs. Bolus asked how many generations would the program follow. Mr. Miles responded well into the future. He emphasized that an additional 25 years was included in the re-authorization bill.

Mr. Miles described the WTC EHC program cancer certifications as outlined on the chart below:

CURRENT CANCER CERTIFICATIONS

Cancer Type	# of Patients with this Cancer Certification	% of Patients with any Cancer Certification
Breast	52	20%
Thyroid	33	13%
Lymphoma	32	12%
Trachea, Bronchus and Lung	29	11%
Prostate	26	10%
Head and Neck	20	8%
Leukemia (Lymphoid and Myeloid)	20	8%
Skin	19	7%
Multiple Myeloma	17	6%
Kidney	13	5%
Colon and Rectum	12	5%
Bladder	11	4%
Other	39	15%

Mr. Miles reported that the top cancer related certified condition for the WTC EHC program was breast cancer. For the Responder program, the top cancer related certified condition was Prostate Cancer.

Mr. Miles presented a side by side comparison of how the WTC EHC program worked prior to the Zadroga Act and post Zadroga focusing on areas including: eligibility and outreach, enrollment and certification, claims processing, and funding and reporting. This analysis is described in the following charts:

I. Eligibility and Outreach

	Pre-Zadroga	Post-Zadroga
Catchment area	Manhattan south of 14 th Street and Northwest Brooklyn	Manhattan south of Houston Street and Brooklyn Heights waterfront (11201)

Survivor Programs	WTC EHC was program where “Non-Responders” could receive care supported by Federal funds	National Survivor Program provides care for “Survivors” (Non-Responders) living outside of the New York Metropolitan Region
Pediatric services	Pediatric services were unique to the WTC EHC and allowed children of Responders to receive care	Children of Responders are excluded from the Survivor Program
Outreach	Using NYC Grant, HHC funded grassroots outreach through local community-based organizations and labor	Federal government funds outreach through an open contracting process nationwide

2. Enrollment and Certification

	Pre-Zadroga	Post-Zadroga
Enrollment	WTC EHC managed enrollment locally using a streamlined and exposure-specific intake assessment	Federal government manages enrollment using: <ul style="list-style-type: none"> Legislatively mandated exposure requirements; Extensive documentation including “proof”; and Enrollees must pass Terrorist Watch List
Condition Certification	WTC EHC physicians determined the WTC-relatedness of patients’ conditions within the dynamics of the clinical visit based on type of condition and temporal sequence.	Each WTC-related condition must be certified by the WTCHP before treatment can be reimbursed. Certification requires submission of complex form that details: <ul style="list-style-type: none"> Exposure history; Time of onset of each symptom; and Physician attestation

3. Claims

Pre-Zadroga	Post-Zadroga
Federal government treated Survivors and Responders the same way vis-à-vis support for direct care	Direct care for Survivors must be billed to Third Party Payers first while direct care for Responders is only billed to the WTCHP
Federal funding supported the costs of providing WTC EHC direct care services and all visits to the WTC EHC were eligible for reimbursement	WTCHP pays for a direct care visit only if one of the visit diagnoses is for a WTC Certified Condition and/or a permissible visit category*
HHC invoiced the Federal government for direct care via line items in a grant budget	HHC first files claims to any Third Party Payer the patient may have and then to the WTCHP after Third Party Payer responds

*The WTCHP is the only Federal health program that requires a match between a claim and a certified condition in order to bill.

4. Funding and Reporting

	Pre-Zadroga	Post-Zadroga
Funding source	WTC EHC funded by grants from City of New York and Federal government	WTC EHC has four funding streams: <ul style="list-style-type: none"> WTCHP Clinical Centers of Excellence Contract WTCHP Data Center Contract Fee for Service paid by Third Parties; and Fee for Service paid by WTCHP
Distribution of funding streams	Total program expenses – including direct care – supported by grants	Direct care is paid for by Fee for Service revenue with Zadroga the last payer in a coordination of benefits process
Reporting	One quarterly report and one quarterly invoice	<ul style="list-style-type: none"> Two monthly reports Two monthly invoices; and

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| | <ul style="list-style-type: none"> • Frequent <i>ad hoc</i> reports |
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Mr. Miles informed the Committee that the WTC EHC's monthly reports were so onerous that it took most of the month to complete them. In addition to the monthly reports, there are roughly 30 different *ad hoc* reports including:

- Cancer drug exclusion reports to make sure that the WTCHP pays only for prescriptions for certified conditions for cancer patients
- Monthly WTC claims spreadsheets
- Internal audit reports
- Workers Compensation reports
- Appointment wait time reports

Mr. Miles reported on some of the administrative changes that were made to the WTC EHC program. These changes are described below:

- The Federal government made the decision that cancer care could take place outside of the CCE construct
- The WTCHP is considering moving to a fixed price contract model
- The WTCHP application is being revised – including removal of the government ID request
- Quality Assurance review criteria decreased from 22 items to 8
- Correction by the WTCHP to include musculoskeletal coverage
- The WTCHP's liaisons to HHC (the Contracting Officer and Contracting Officer's Representative) have changed three times over the past three years

Mr. Miles commented that, every time the WTC EHC's federal liaison changed, new reporting requirements were added. As such, the program has consistently remained in adjustment mode. He emphasized that, one good decision that the federal government made was allowing for cancer care to be provided outside of the Clinical Center of Excellence. This decision means that the federal government respects other institutions including Memorial Sloan-Kettering and other cancer institutions where cancer patients seek care. Consequently, there was a need for the WTC EHC to develop a relationship with a Third Party Administrator called HealthSmart to help oversee cancer related care that are rendered outside the HHC system.

Mrs. Bolus asked if a separate department had been assigned to oversee care rendered outside the HHC system. Ms. Brown responded that all of this work was being done with the WTC EHC staff that Mr. Miles had presented earlier, with a lot of support from Finance and Reimbursement staff, such as Maxine Katz, Senior Assistant Vice President and Fred Covino, Assistant Vice President, Corporate Budget. Ms. Brown added that HHC's Finance and Reimbursement staff was critical in helping to create these reporting structures that were very different from Medicare and Medicaid billing processes. Mr. Miles acknowledged Ms. Barbara Keller, for her contribution in helping to establish the Third Party Administrator contract with HealthSmart to oversee cancer-related care. Mr. Miles commented that "it does take a village."

Ms. Brown reminded the Committee that the goal was not to create a huge administrative infrastructure or burden to the Corporation with a large Central Office operations because the program does not pay for it. She reminded the Committee that the program only paid for services rendered to patients through the program. Ms. Brown reassured the Committee that it was a conscious decision that was made for most of the program's funding to be used for health care services delivery and to support the clinical staff at the three HHC program sites.

Mrs. Bolus asked if there was a publication for public distribution that provided a comparison of the program pre and post Zadroga with reasons why the law needed to be reauthorized. Ms. Brown answered that the Corporation had been working with various elected officials who needed to know and who would be advocating for the bill's re-authorization. She informed the Committee that when the Zadroga Act was first enacted, the Corporation had started to think about its re-authorization. Ms. Chesser uses program information such as the number of patients served and other information to support her advocacy. Ms. Brown informed the Committee that HHC had a long list of suggested changes to the bill. Ms. Brown added that HHC's Communications Department had been reaching out to the public about the availability of services offered at the three HHC program sites.

Mr. Rosen asked if there was a dollar amount that was included in the re-authorization bill. Ms. Chesser answered that a total of \$1 billion was included in the bill for all seven Clinical Centers of Excellence. She re-stated that the new bill would extend the program through 2041. However, the Congressional Budget Office has not yet scored the bill. She explained that the new re-authorization bill included language that stated that the program would continue in the same manner over the next 25 years. She also highlighted that the actual dollar amount in the bill was more than what was needed. Ms. Brown clarified that the dollar amount that was included in the bill was more than what had been drawn down.

Mr. Rosen asked for clarification concerning the musculoskeletal issue. He asked about treatment for individuals who had suffered from broken limbs as a result of the 9/11 Terrorist Attacks. Mr. Miles responded that there are some administrative corrections that are currently in the process of being addressed. If these changes do not happen, these administrative corrections would then be included in the re-authorization bill. One correction is the provision of coverage for injured individuals. Mr. Miles stated that it was an oversight that these injuries were not covered under the current bill for both Responders and Survivors. Mr. Miles informed the Committee that this correction would be handled administratively.

Mr. Miles reported that another unintended consequence of the bill concerned the payer mix. Mr. Miles described the WTC EHC Program's payer mix as the following:

- 30% of patients enrolled in Medicaid
- 30% of patients enrolled in commercial insurance
- 26% of patients with WTCHP coverage only
- 12% of patients enrolled in Medicare
- 2% of patients enrolled in Workers Compensation

He explained that the original intent of the Zadroga Act was for the WTC Health Program to serve as the payer of last resort for Survivors, and the first and only payer for Responders. As a result, the private health insurance plans of WTC EHC participants are billed first for care provided by the program. Mr. Miles informed the Committee that 26% of HHC's WTC EHC program participants were uninsured and undocumented (undocumented individuals can receive care through this program), and 30% are enrolled in the Medicaid program. Mr. Miles explained that, because Medicaid is the payer of last resort in New York State, the care rendered to these patients can never be billed to the WTC Health Program. Mr. Miles added that New York State had a pre-existing arrangement with the Federal Government, prior to the Zadroga Act that called for the Medicare program to be billed first and Medicaid last. Mr. Miles emphasized that this was an unintended consequence of the bill. However, it was unlikely that this issue would be corrected.

Mr. Miles reported the WTC EHC's revenue and expenses for Fiscal Year 2014 as the following:

Revenue		Expenses	
Item	Amount	Item	Amount
CC Contract	\$5,111,012	All CCE Services	\$4,560,564
DC Contract	\$1,252,577	All DC Services	\$1,252,577
FFS Revenue	\$1,061,301	Direct Care	\$1,351,163
Total Revenue	\$7,424,890	Total Expenses	\$7,164,304

Mr. Miles reported that the cost of running the WTC EHC program was more than \$7 million per year. He added that there was an equal amount of revenue to support the program. Mr. Miles explained that contract dollars also supported clinical services such as social work and case management as well as administrative services such as program management and claims processing. The Fee-for-Service (FFS) revenue supports physicians/other providers, and also cover care provided to patients. Mr. Miles reminded the Committee that these figures were preliminary and that the underlying surplus would dissipate as revenue and expenses balanced out at the end of the fiscal year. Mr. Miles reassured the Committee that the WTC EHC staff was confident that they would be able to continue to show that the program pays for itself through this funding stream.

Mr. Rosen commented that one would think that the direct care cost would be larger than other administrative cost. Ms. Brown responded that some direct care costs were included in the other categories. Mr. Miles added that some contracts also supported social work, case management and other aspects of clinical care. Mr. Miles also explained that a key factor that impacted the direct care amount had to do with the reimbursement levels of payers in addition to unpaid Medicaid claims (30%).

Mr. Miles described some of the changes that were being requested to be included in the re-authorization bill as the following:

Pre-Zadroga	Post-Zadroga	Requested Changes in Reauthorization
No Terrorist Watch List requirement	Terrorist Watch List verification requirement	Requesting that Terrorist Watch List requirement be removed
Local patient travel assistance available with non-Federal funds for hardship cases	No federal funds available for local patient travel assistance	Requesting federal funds to be available for patient travel coverage in hardship cases
Year to year federal appropriations and time-limited philanthropic funds	Authorization for 5 years	Requesting authorization through 2041
Competitive proposals for	CCE and DC funding required	Requesting that no competitive

philanthropic and grant funds – supplemented by City of New York dollars	competitive proposals in response to government RFP	proposals from current CCE and DC contract holders be required
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Mr. Miles explained that the elected officials' goal was to submit a clean re-authorization bill. As a result, it is unlikely that the requested changes would be included with the exception of adding additional monies for research.

Ms. Chesser informed the Committee that there had already been some indication that two of the recommended changes would not be granted. The first is the recommendation to grandfather current contracts. She explained that those who oppose the bill would think that grandfathering current contracts would circumvent procurement procedures. The second is transportation funding for needy patients. Ms. Chesser explained that, even though this request was only for a small amount of funding, it would not be granted because the goal was to put forth a bill with no new cost.

Ms. Chesser reported that currently the bill called for \$431 million in funding per year for the entire World Trade Center Program, which would include the health programs and the Victims Compensation Fund. This amount would be for each year until 2041. Legislators anticipate that the re-authorization bill would receive a good Congressional Budget Score because all of the available funding under the current bill has not been fully drawn down. Ms. Chesser commented that only the Congressional Budget Office understood how they would logically address numbers. She added that the score would be brought to the two houses where some opposition was expected.

Ms. Chesser stated that the current bill was set to expire in June 2016. Due to the expectation that there would be significant challenges to getting the bill re-authorized, the process of reauthorization is starting now. She explained that starting a bill's re-authorization at such an early stage was unprecedented. The norm is for the process of bill re-authorization to begin five minutes before midnight on the expiration date.

Some of the anticipated challenges regarding the re-authorization of the Zadroga Act include the following:

- Democrats believe that the Republicans will take the Senate and that, if they do, Republicans would run both the House and Senate. To date, only 12 Republicans have ever voted for this program. Twelve additional Republicans, who wanted to go on record, voted both ways.
- Republicans' basic support for the Zadroga Act is very thin and that would include Graham and Peter King for example and a Congressman from New Jersey.
- If the Senate goes Republican, it would remain so in 2015 and 2016, with the projection that Democrats would retake the Senate in 2017. The WTCHP would then have a very thin timeframe between the end of the contract in 2016 and the Democrats returning in January 2017. That is the cliff hanger that all the advocates for the WTC program are trying to avoid.

Ms. Chesser informed the Committee that Senator Gillibrand had originally planned to introduce the bill on September 8, 2014, and if not, on September 11, 2014. She added that there were numerous drafts of the bill because the bill was constantly being changed. Notwithstanding, it is very straight forward. The only dramatic change would be to eliminate the Terrorist Watch List requirement.

Mr. Rosen asked if approval was needed from both the Senate and the House. Ms. Chesser responded affirmatively. She added that the bill would also have to be signed by the President.

Mr. Rosen asked if the \$7 million of cost that was presented earlier had been spent since July 1, 2011. Mr. Miles and Ms. Brown both clarified that the \$7 million represented the program's annual cost. Mr. Rosen commented that there had been \$21 million spent over the last three years. Ms. Brown clarified that the expenditures varied not only due to the number of patients who were enrolled in the program, which varied from year to year, but because the program had different funding streams over the years.

Mrs. Bolus thanked Mr. Miles for his presentation. She commented that the presentation was very clear and comprehensive.

Mrs. Bolus announced that it was Primary Day, an important day when individuals choose the representatives that they would like most to represent their community as elected officials. She urged everyone who had not yet voted to remember to do so this evening. Ms. Brown informed the Committee that her staff had been working with the New York City Campaign Finance Board along with HHC's Community Advisory Boards (CABS) to conduct extensive outreach to promote voter registration and the importance of voting during the primary election and the general election in November.

SUBSIDIARY BOARD REPORTS

HHC Accountable Care Organization (HHC ACO) – August 14, 2014 **As reported by Dr. Ross Wilson on behalf of the Subsidiary Board Chairman**

Dr. Wilson invited Board members and other meeting attendees to introduce themselves. HHC Senior Counsel Mark Hartman and HHC Corporate Comptroller Jay Weinman were identified as attending on behalf of Board members Salvatore Russo and Marlene Zurack, respectively. Dr. Wilson noted that the faculty practice plans that provide services in HHC facilities are Participants in the ACO and have access to the Board. Dr. Balavenkatesh Kanna represents the collective view of the four PAGNY faculty practice plans and Dr. Jasmine Moshirpur represents the Mt. Sinai Elmhurst faculty practice plan. The ACO will also invite an affiliate representative from NYU to attend Board meetings, to foreshadow a more formalized role for NYU in the future.

OLD BUSINESS

Dr. Wilson entertained a motion to adopt the minutes of the November 6, 2013 meeting of the Board. A motion was duly made and seconded. There being no corrections to the minutes offered by the members of the Board, the motion to adopt the minutes was unanimously approved.

NEW BUSINESS

The first item on the Agenda was consideration of a series of Resolutions that would conclude the term of Alan D. Aviles as Director and Chair of the Board, and elect Dr. Raju as his successor. A motion was made and duly seconded to adopt the Resolutions identified as number one on the Agenda:

RESOLUTION authorizing, pursuant to § 4.11 of the Amended and Restated By-laws of the Corporation (the “By-laws”), that Alan D. Aviles, due to the conclusion of his term as President of the New York City Health and Hospitals Corporation (“HHC”) on March 31, 2014, conclude his term as a Director of the Corporation as of that date, subject to approval and ratification by HHC; AND

Authorizing, pursuant to § 5.10 of the By-laws, that Alan D. Aviles, due to the conclusion of his term as President of HHC as of March 31, 2014, conclude his term as the Corporation’s Chairman of the Board as of that date; AND

Authorizing, pursuant to § 4.13 of the By-laws, that Ramanathan Raju, M.D. be elected to serve as a Director of the Corporation as of March 31, 2014, as successor to Alan D. Aviles, due to Dr. Raju’s employment as President of HHC as of that date, subject to approval and ratification by HHC; AND

Authorizing, pursuant to § 5.02 of the By-laws, that Ramanathan Raju, M.D. be elected to serve as the Corporation’s Chairman of the Board as of March 31, 2014, as successor to Alan D. Aviles, due to Dr. Raju’s employment as President of HHC as of that date.

There was no further discussion of the motion. The motion was unanimously approved, and Dr. Wilson turned the meeting over to Dr. Raju as new Board Chair.

The next item was consideration of a Resolution to amend the ACO By-laws. A motion was made and duly seconded to adopt the Resolution identified as number two on the Agenda:

RESOLUTION approving and adopting amended and restated By-laws of the Corporation (Exhibit B), modifying Article 4 (Directors) and Article 5 (Officers), subject to approval and ratification by HHC, the Corporation’s sole Member.

There was no further discussion of the motion. The motion was unanimously approved.

The following item was consideration of a Resolution authorizing an auditing firm to provide services to the ACO. A motion was made and duly seconded to adopt the Resolution identified as number three on the Agenda:

RESOLUTION authorizing KPMG LLP (“KPMG”) to provide the Corporation with auditing services and other directly related services for a term of four (4) years, as set forth in a Resolution approved by the Board of Directors of HHC on April 24, 2014 (Exhibit C).

There was no further discussion of the motion. The motion was unanimously approved.

The next agenda item was a report from the Chief Executive Officer of the ACO, Dr. Wilson. Dr. Wilson acknowledged the Director of Operations Megan Cunningham and Chief Medical Officer Nicholas Stine for their work on behalf of the ACO and in preparation for the Board meeting.

Dr. Wilson began his report with a review of high-level issues related to ACO operations. The ACO participates in the Medicare Shared Savings Program (“MSSP”), a three-year program focused on improving care for Medicare Fee For Service patients. The ACO is currently in the second year of the program, roughly halfway through its contract with the Centers for Medicare & Medicaid Services (“CMS”). In that time, the ACO has developed effective IT, governance, and operational infrastructure, and satisfied CMS requirements. For the remainder of 2014 and in 2015, the ACO will focus on how to implement various strategies to improve quality measures and coordination of care.

About 12,500 patients are currently attributed to the ACO. The number of ACO-assigned beneficiaries changes by quarter, and in fact fluctuates quite a bit over time. The most recent attribution figures include Elmhurst patients, since Mt. Sinai created a new tax identification number for its faculty practice plan.

The majority of the ACO’s patients are dual eligible and the population has a high rate of major psychiatric, HIV/AIDS, and chronic disease diagnoses. The ACO’s population is very different from the rest of the country, with implications for care, care coordination, and quality performance.

Dr. Wilson raised the question of how to leverage the ACO in the Delivery System Reform Incentive Payment program (“DSRIP”) and expand the ACO to other non-Medicare patients, particularly Medicaid. The ACO is actively participating in a State workgroup to consider Medicaid ACO models.

Dr. Wilson indicated that the ACO is interested in learning more about patient attrition; for instance, where are the patients who leave the ACO going? This information can be gleaned from claims data, which the ACO receives monthly from CMS. In Q1 2013, the ACO lost 1,787 patients, of which a small number died; one-third had a plurality of their primary care outside of HHC and moved providers; one-third enrolled in Medicare Advantage; and the remaining third did not see any provider during the prior year. This final group is amenable to engagement strategies that provide enhanced access to primary care.

Dr. Wilson next presented on the ACO’s quality metrics, and noted that the current data is embargoed by CMS until further notice. The ACO is performing well in medication reconciliation, falls risk screening, health promotion and education, and so forth. Performance is less strong in tobacco non-use, the diabetes composite (although the ACO does well in diabetes measures individually), heart failure admissions, and the attestation of physicians as part of Meaningful Use activity.

Dr. Raju questioned why the tobacco non-use measure scores are low, given the long-standing emphasis on cessation programs at HHC. Dr. Wilson explained that this points to a known issue: patients with access to tobacco cessation programs receive good care, but a number of groups are not being referred from primary care. HHC is changing its internal quality indicators to better track this issue and modifying the workflow to simplify referrals. As such, Dr. Wilson expects to see improvement in another six months’ time.

Dr. Raju indicated concern about performance in shared decision making. Dr. Wilson responded that the patient satisfaction indicators come from the ACO CAHPS survey, and reflect the patients’ view that they are not involved enough. HHC has room to improve patient engagement in care, and this will be a priority going forward.

Dr. Moshirpur mentioned the challenge that tobacco cessation supports were not previously available in all clinics at Queens. The medical board recently decided that nicotine replacement therapy must be made more widely available, and with sufficient supply. Dr. Raju replied that HHC has spent millions of dollars on cessation, but unless this is viewed as standard routine, rather than a “project,” gains are not sustained. Mr. Martin pointed out that HHC used to receive cessation materials at no cost, but now that HHC must pay for nicotine replacement therapy the supply is limited outside of primary care. Dr. Wilson added that pharmacies are now requiring a prescription from the doctor, which is another barrier to getting the therapies into patients’ hands.

Dr. Wilson next presented the case summary of a single ACO patient to demonstrate the power of having access to Medicare claims data. This patient first came to Woodhull in April 2013. He was a high-utilizer with COPD and other complicated issues. The patient was discharged from Woodhull to a skilled nursing facility, Ditmas Park. When he decompensated, the patient was taken to University Hospital in Brooklyn and eventually discharged back to Ditmas Park. Over the course of several months, the patient bounced among five hospitals and two nursing facilities before the end of his life. The patient received full workups everywhere and experienced many transitions.

With only HHC internal data, it is impossible to track this type of utilization. Claims data allows the ACO to see across healthcare settings, and findings like this underscore the importance of coordination and communication. Patients often move around the system in uncomfortable, unsympathetic ways. Dr. Raju suggested the reason for cases like this one is a “greedy”

healthcare system, where the patient is a currency. Mr. Martin spoke about the importance of linking patients to an accountable provider.

Dr. Wilson mentioned some of the questions this case raises, such as: Why did no one talk to Woodhull? What was the communication mechanism? How did HHC handle the discharge? The case highlights systemic issues. The ACO is accountable for all of the Medicare expenditures associated with the patient, even though HHC only provided a small fraction of the care. The ACO has a clinical and humane interest, as well as a financial interest, in helping Fee For Service patients navigate the system. Dr. Wilson wondered whether, if this were a managed care patient, the outcome would have been different. The Fee For Service environment promotes uncoordinated care.

Dr. Wilson explained that the ACO is addressing these issues by focusing on high-risk patients, the 5 to 10% of patients who have complicated care needs. The ACO is learning more about how to identify such patients in advance by using claims data and electronic medical record triggers, then deploying a variety of interventions. The ACO is working with NYU Professor John Billings on predictive modeling to flag high-risk patients and get them into a complex care coordination system to prevent deterioration.

Dr. Wilson then reviewed a snapshot of the data that drives ACO interventions. Chief Medical Officer Dr. Nicholas Stine designed a dashboard for facilities and clinical groups to use. Each facility has an ACO clinical lead and the ACO reports strong engagement and leadership across HHC. Dr. Stine and Director of Operations Megan Cunningham spend a good deal of time working with the sites to help them better understand their role and why it is important, both for the ACO and chronic illness care at HHC more generally.

Overall, the ACO scored at about the 74th percentile nationally for the clinical quality measures it reported to CMS. For 2013, the ACO received full credit for reporting in a complete and accurate manner. If the ACO is able to save money, after taking into account ACO overhead expenses, then there could be potential funds for distribution amongst the participants proportional to the number of their covered lives. Financial performance information is not expected from CMS until the fall.

Dr. Marcos asked if there were financial implications for dual eligible beneficiaries as compared to non-duals. Dr. Wilson responded there was not with respect to the ACO, but as for revenue to HHC the answer could be yes, depending on who is providing care.

Dr. Marcos asked whether care managers were assigned to specific patients. Dr. Wilson distinguished case management, care management, and care coordination, explaining that there are individual roles for each of those functions. HHC views case management as a Patient-Centered Medical Home (“PCHM”) team function. Only the very intense patients will have a care manager because they need help navigating the healthcare system. The care manager is part of the Health Home, the structure by which HHC proactively manages the most complicated patients. Patients with behavioral health diagnoses, chronic illnesses, homelessness, etc., all present with different needs, and HHC must be responsive to each.

Dr. Marcos reminded the Board that in the 1990s New York State developed an intense, sophisticated program for mental health to address “heavy users.” Each patient was assigned to a case manager. The ratio of 15 patients per case manager was too expensive, so the State kept increasing the number of patients assigned.

Dr. Wilson explained that is exactly the Health Home model, which followed the CIDP program. Now Health Home is paid for a ratio of one care manager to 60 patients. TCM, COBRA, and other legacy programs were rolled into Health Home, and HHC had to migrate patients accordingly. This saves the State money, since under legacy programs the per member per month payment was significantly higher. HHC is exploring IT solutions and other options to make the Health Home model work more efficiently.

Ms. Berger-Gaskin questioned whether all HHC hospitals have an associated sub-acute facility, like the relationship between Kings County and Dr. Susan Smith McKinney. Dr. Wilson replied that the expectation is HHC hospitals will investigate access to HHC’s long-term care facilities before sending a patient outside of the system. However, claims data shows that the majority of patients in the ACO who need long-term care and home care services are being referred outside of HHC.

Dr. Moshirpur asked whether HHC has enough long-term care facilities to serve 11 acute care hospitals. Dr. Wilson explained that the majority of patients in HHC long-term care facilities are not referred from HHC, so HHC must be underutilizing them. Mr. Martin agreed that HHC is not a feeder as it should be. Dr. Moshirpur commented that often patients have long hospital stays and cannot be discharged because sub-acute facilities refuse to take them, especially if they are undocumented.

Dr. Raju suggested that HHC's workforce is not completely connected to the financial viability of the organization, so more should be done to inculcate them. Historically, this has been a problem because HHC was a highly federated structure rather than an integrated system. That time is coming to an end, in part because of the ACO.

Dr. Wilson concluded his report by summarizing that the ACO's data is shining a light on a number of issues and will pose important questions for management.

MetroPlus Health Plan, Inc. – September 9, 2014
As reported by Mr. Bernard Rosen

Chairperson's Remarks

Chair Rosen welcomed everyone to the MetroPlus Board of Directors meeting of September 9th, 2014. Mr. Rosen stated that Dr. Saperstein would present the Executive Director's report and Dr. Dunn would report on Medical Management issues. Mr. Rosen stated that there would be two resolutions presented at the meeting.

Executive Director's Report

Dr. Saperstein reported that total Plan enrollment as of as of August 1, 2014 was 469,923. Breakdown of plan enrollment by line of business was as follows:

Medicaid	380,373
Child Health Plus	11,673
Family Health Plus	14,937
MetroPlus Gold	3,438
Partnership in Care (HIV/SNP)	5,198
Medicare	8,254
MLTC	629
QHP	44,710
SHOP	711

Attached were reports of members disenrolled from MetroPlus due to transfer to other health plans, as well as a report of new members transferred to MetroPlus from other plans.

Dr. Saperstein reported that MetroPlus succeeded in this new Affordable Care Act driven healthcare landscape by offering consumers the lowest cost products for three out of four metal levels in the individual market and by working very closely with HHC to project the impact of its Exchange products on both the plan and HHC, as well as ensuring that resources were properly allocated for this new line of business. The Plan has successfully submitted the proposed 2015 Exchange rates that included an increase to meet costs based on actuarial predictions. As of the date this report was submitted MetroPlus is awaiting New York State rate approval.

In July, MetroPlus also entered into an agreement with the eleven HHC Acute Care facilities to offer a grant for MetroPlus Care Managers. The purpose of this grant is to fund 17 positions as part of an expansion of the HHC Emergency Department (ED) Care/Case Management Project. The new Care Managers are already on site at some facilities, while other facilities are recruiting. The Care Managers are fully integrated and engaged members of the Inpatient Project RED and ED Care Management Interdisciplinary Teams, facilitating the MetroPlus members' progress during their stay in the inpatient and ED setting. The program has shown encouraging results and the Plan expects that this expansion will continue to positively impact its members as patients are admitted and discharged at HHC facilities.

Dr. Saperstein stated that MetroPlus has continued to move forward with implementing the delegation of all Behavioral Health and Substance Abuse Disorder Services to Beacon Health Strategies. A large kick-off event took place in August and Steering Committee and Work Stream meetings have commenced across all business functions.

On August 10, 2014, MetroPlus received a response from the New York State Department of Health (SDOH) on its response to the Behavioral Health-Qualified Health Plan-Managed Care Organization and Behavioral Health – Health and Recovery Plans (HARP) Request for Qualifications that was submitted in early June. MetroPlus will submit a revised and enhanced version based on the State's letter of response indicating where clarification was needed. At this time, the State is still expressing a commitment that the HARP line of business will be implemented January 1, 2015. Internally, MetroPlus is creating the infrastructure to make this new line of business operational.

Dr. Saperstein reported that, on July 16, 2014, MetroPlus received a revised timeline from CMS for Fully Integrated Duals Advantage (FIDA) implementation. The implementation date was pushed back to January 1, 2015. The marketing period will begin on December 1, 2014. However, education and training of the providers contracted for FIDA has to be completed between September and November of 2014. During this time frame, the Plan's Provider Service Representatives will educate over 13,000 providers on the upcoming launch of the FIDA product.

In July 2014, in a strategic effort to increase member satisfaction and retention, MetroPlus has signed a hospital and physician contract with Jamaica Hospital and Flushing Hospital in Queens. Together with their Physician-based IPA, these facilities make up the Medisys Health Network. This is a great addition to the Plan's provider network, as both of these hospitals currently service a large number of MetroPlus members and service areas where MetroPlus has a large membership base. This relationship will provide much more access for Plan members residing in Queens. MetroPlus hopes it will also enable the Plan to grow its membership in these communities. The contract went live on August 1, 2014, includes both Primary and Specialty Care, and includes all lines of business.

Over the past two months MetroPlus has added two staff members in key leadership roles: Meryl Weinberg as the Director of Operations of Medical Management, and Seth Diamond as the Chief Operating Officer. As Ms. Weinberg was a MetroPlus Board member, the Plan now has a vacant seat on the Board. Dr. Saperstein stated that there will be a resolution presented later in the meeting to approve the nomination of Dr. Christina Jenkins to serve on the MetroPlus Board of Directors.

Medical Director's Report

Dr. Dunn stated that as part of MetroPlus Health Plan's continuing efforts to improve services to its members and provide useful feedback to its providers, the Quality Management Department has started educational forums at the HHC facilities. The meetings will focus on the facility's overall The Healthcare Effectiveness Data and Information Set (HEDIS) Performance, P4P Results, improving medical record documentation, using Impact Pro Data to identify members with gaps in care and non-compliant on HEDIS Measures, Patient Satisfaction Survey Results and Clinical Risk Group scores.

Dr. Dunn reported that Influenza season is here. Anyone concerned about being ill with influenza and transmitting it to others should get the influenza vaccine this year. There are two influenza vaccine products for 2014-15. One vaccine covers three virus strains (H3N2, 2009 H1N1, and influenza B/Massachusetts). The second is a quadrivalent vaccine that has an additional "B" strain (B/Brisbane). Everyone six months of age and older is recommended to get flu vaccine, but certain people are at increased risk of complications from influenza and vaccination is especially important for them. MetroPlus is partnering again with CVS/Caremark to offer Flu vaccine at participating pharmacies. During the past flu season, the CVS pharmacy network provided 13,000 influenza vaccinations.

MetroPlus continues to move forward with implementing the delegation of all Behavioral Health and Substance Abuse Disorder services to Beacon Health Strategies. Effective January 1, 2015 Beacon will manage the MetroPlus membership across all lines of business. A large kick-off event took place and Steering Committees and Work Stream Meetings have commenced across all business functions. Beacon is in the process of contracting for Behavioral Health and Substance Abuse services with HHC through HHC's Office of Managed Care. A meeting between HHC's Behavioral Health Office, HHC's Managed Care Office, MetroPlus and Beacon Health Strategies senior leadership took place and there was agreement that a Joint Steering Committee be formed.

MetroPlus is working with HHC to assist in the development and implementation of the corporate strategy related to Delivery System Reform Incentive Payment (DSRIP). Provider Contracting, Finance, MIS and other functional areas are all involved in this project. MetroPlus may also partner with other providers and facilities in the community to meet the statewide goals put in place by the DSRIP program.

MetroPlus will be utilizing Beacon Health Strategies to manage its Behavioral Health services and network for all lines of business beginning in January 2015. MetroPlus is working with HHC to ensure that the HHC facilities and providers are included in any network offered by Beacon. The Plan is also going to work with its other contracted providers to ensure as much overlap as possible, and to ensure that the transition will provide as little disruption to members and providers as possible.

Dr. Dunn stated that MetroPlus is completing the RFP process to potentially utilize a vendor to provide vision network and management services. Over the years, MetroPlus' spend on vision services and glasses have increased dramatically. The Plan is looking at opportunities to partner with a vendor who could administer vision services for the Plan, particularly for the Marketplace/Exchange product, where vision benefits are more complex, given deductibles and member co-insurance. The main considerations for the Selection Committee are potential for financial savings, quality of services provided, and minimal member disruption.

The Nursing Home transition into managed care was not approved by CMS in order to implement on August 1, 2014. In order for the State to secure the appropriate approvals from CMS, the transition of this benefit has been extended to October 1, 2014.

Dr. Dunn advised that SDOH has established a Quality Incentive/Vital Access Provider Pool (QIVAPP) program that focuses on quality home and personal care services in Managed Long Term Care. The State will fund the QIVAPP program up to \$70 million. In order for a plan to qualify for payment, they must meet requirements. MetroPlus must demonstrate that its home and personal care service providers are in full compliance with the wage parity requirements. In order for home and personal care services agencies to be a Qualified Incentive Pool Provider, they must maintain or participate in a specialty training program for home health aides and personal care aides, have a written quality assurance program, participate in a health benefit fund for their home health care and/or personal care aides, and/or provides comprehensive health insurance coverage to their employees. On September 2, 2014, MetroPlus submitted an application on behalf of its qualified Personal Care and Home Health Aide providers to participate in the QIVAPP Program.

Action Items:

The first resolution was introduced by Dr. Saperstein.

Approving Dr. Christina Jenkins for nomination to serve as a member of the Board of Directors of MetroPlus Health Plan, Inc. ("MetroPlus"), a public benefit corporation formed pursuant to Section 7385(20) of the Unconsolidated Laws of New York, to serve in such capacity until her successor has been duly elected and qualified, or as otherwise provided in the Bylaws.

Dr. Saperstein gave the Board a short summary of Dr. Jenkins' background and history with HHC and the Plan.

Mr. Rosen moved the adoption of the resolution which was duly seconded and unanimously adopted by the MetroPlus Health Plan Board of Directors.

The second resolution was introduced by Mr. Dan Still, Chairman of MetroPlus' Finance Committee.

Authorizing the submission of a resolution to the Board of Directors of the New York City Health and Hospitals Corporation to authorize the Executive Director of MetroPlus Health Plan, Inc. to negotiate and execute a new contract with DST Health Solutions, Inc. for a term commencing January 1, 2015 through December 31, 2021, with one three year renewal option at the sole discretion of MetroPlus, for an amount not to exceed \$177,000,000 for the total ten year period concluding December 31, 2024.

Dr. Saperstein advised the Board of Directors that representatives from DST were in attendance.

Mr. Rosen moved the adoption of the resolution which was duly seconded and unanimously adopted by the MetroPlus Health Plan Board of Directors. Mr. Chris Henry, DST's Chief Revenue Officer and Mr. Kass Mahdi, DST's Account Executive introduced themselves to the Board. Dr. Saperstein gave a detailed overview of DST's services and why this contract needs to be a sole source. Mr. Williams commented that he remembers DST's performance during the Plan's struggle after Super Storm Sandy and he thinks they did a fantastic job.

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

RAMANATHAN RAJU, MD
HHC PRESIDENT AND CHIEF EXECUTIVE
REPORT TO THE BOARD OF DIRECTORS
SEPTEMBER 18, 2014

Good afternoon. As customary, I will highlight just a few items from the full version of my report to the board. The full version is available to all here and will be posted on our website.

DSRIP PLANS SHOW PROGRESS

We continue planning HHC's participation and leadership role in the Delivery System Reform Incentive Payment (DSRIP) program -- the \$6.42B Medicaid Waiver program that will help transform healthcare delivery in NY State. HHC will create one single Performing Provider System (PPS) with four borough-based hubs to achieve simplicity in management and governance. As one large PPS we can take advantage of our scale and be flexible as we plan projects to meet the healthcare needs of our local communities.

The corporation is committed to collaborating with other PPS applicants and healthcare systems across the city, and where possible, we want to jointly select, design, and plan DSRIP projects at the borough level as informed by the community needs assessments. We strongly believe that having uniformity in project design and implementation across approved PPS's is key to enabling success for community and other providers who will carry out the work of improving the health of New Yorkers. We are doing extensive outreach to community providers and stakeholders and look forward to building close working relationships as we continue the planning process.

To help support much of this planning, New York State approved our request for additional DSRIP planning dollars. We will receive an additional \$3 million by this coming November, bringing the total planning grant to \$5 million.

UPDATE ON FEMA NEGOTIATIONS

Following the extensive damage we sustained during hurricane Sandy, the State of New York, the City of New York and HHC continue to negotiate with the Federal Emergency Management Agency (FEMA) to finalize funding support for mitigation and restoration at Coney Island Hospital, Bellevue Hospital Center, Coler, and Metropolitan Hospital. We are close to having a final agreement and expect to secure a FEMA grant award in the coming weeks that will combine costs for repair and restoration, as well as mitigation projects to harden our facilities against future storms. I have been meeting weekly with executive FEMA staff to assure a comprehensive, fair and timely agreement.

There are many who are supporting our efforts to secure this much needed funding for our public healthcare facilities. I want to express my particular gratitude to Dr. Howard Zucker, Acting Commissioner of the New York State Department of Health... Brad Kieserman and Chris Smith and their staff at FEMA for their commitment and support.

Once we have a final and official memorandum of understanding with FEMA, I will advise the Board of Directors and provide a full and detailed briefing.

HHC CONTINUES TO TREAT PATIENTS SUFFERING FROM 9/11

In recognition of the 13th anniversary of the September 11 attacks on the World Trade Center, I want to again recognize our HHC colleagues who experienced deep personal loss 13 years ago and yet, in the proud HHC tradition of compassion, stood ready to serve New Yorkers who needed us. I also want to salute and thank the HHC team members of the World Trade Center Environmental Health Center at Bellevue Hospital, Gouverneur Health and Elmhurst Hospital, who continue to help survivors overcome not just physical ailments associated with the events of 9/11, but also the mental health issues that can be similarly debilitating.

Our HHC World Trade Center Environmental Health Center team runs the only Center of Excellence dedicated to treating community victims of the attacks -- the children and adults who lived there, worked there and went to school there -- and continue to need our care. Though 13 years have passed, more and more community members continue to come forward for treatment. In fact, nearly 1,200 additional patients enrolled in HHC's program just in the last year.

The continued need for our services makes it evidently clear that Congress must reauthorize the James Zadroga 9/11 Health and Compensation Act to help survivors get the care they need now and well into the future.

The New York Congressional delegation -- Senator Gillibrand, Representatives Maloney, Nadler and King -- hosted a press conference at Ground Zero on Monday, September 8th, along with Mayor de Blasio, 9/11 first responders, community survivors and labor leaders, to officially kick-off their push in Congress to reauthorize the Zadroga program until at least 2041. One notable change in the new draft bill is that it would repeal of the requirement that all applicants be checked against the Terrorist Watch List, a change that HHC supports. Given the political climate, including the possibility that the Senate may change hands from Democrat to Republican control, reauthorization of the bill is not guaranteed.

FLU CAMPAIGN KICKOFF

The flu season will start again this fall and HHC is again preparing for immunization of all patients and staff, so they can avoid getting the flu and to reduce the chance that they will pass it on to other members of their community. Last year more than 82% of all HHC staff were immunized against the flu -- the highest level ever.

Again this year HHC will be following the direction of the NY state Department of Health that any staff member who is not immunized must wear a mask for the duration of the flu season, as defined by the Health Commissioner.

Flu vaccination is starting this week and vaccine will be broadly available at the beginning of

October, as more supplies from manufacturers become available. The vaccine is safe and the flu is a common disease. It remains vital that all of our patients and especially our staff are immunized against this disease that can become fatal for those whose health is already fragile. About 36,000 people die in the U.S. each year from flu and its complications. With proper precautions, few of our patients will have to be among them.

HHC HOLDS TeamSTEPPS LIMITED ENGLISH PROFICIENCY TRAINING

Last month, HHC convened a training program on TeamSTEPPS and Limited English Proficiency (LEP), together with the federal Agency for Healthcare Research and Quality (AHRQ). The training taught specific techniques, tools and strategies to be used when working with patients who have difficulty communicating in English. This day-long invitational training program was open to both HHC and non-HHC healthcare professionals and had over 150 participants.

I had the privilege of beginning the program by sharing my personal experience with disparity. I emphasized the importance of understanding the cultures and backgrounds of patients in order to provide effective care and how cultural factors may serve as barriers to access.

To date, approximately 27,000 HHC employees and medical staff have been trained in TeamSTEPPS as a core strategy for improving staff teamwork and communication across the enterprise. The HHC health centers will soon begin to roll-out the TeamSTEPPS and Limited English Proficiency training module as a key patient safety priority.

HHC SPONSORS FREE HEALTH INSURANCE WORKSHOPS WITH CMS

HHC wants New Yorkers to make the most of their health coverage options. That's why we will partner with the Centers for Medicaid and Medicare (CMS) to host free public workshops at our hospitals over the next two months to help New Yorkers understand and get the most out of benefits during the Medicare open enrollment period that begins October 15 and ends December 7. The sessions will offer information about healthcare reform, the Affordable Care Act (ACA) and how to select and purchase health insurance online through the New York State health exchange, which offers many people subsidies to make health coverage affordable. Health insurance specialists from CMS will conduct seven learning sessions at HHC hospitals and health centers in Manhattan, the Bronx, Brooklyn and Queens between October 1st and November 21. We are particularly encouraging senior citizens, caregivers and people who work with seniors to take advantage of these learning sessions.

MOVE TO IMPROVE DURING TAKE CARE NEW YORK MONTH

In our October tradition, we will once again promote our Take Care New York campaign message and remind and offer patients, staff and the community an opportunity to get preventive immunizations, and health screenings to stay healthy. This year, we will also continue our effort to curb obesity and increase fitness with our "Move to Improve" message to challenge New Yorkers to eat healthier and add more physical activity into their routine. Our facilities will offer flu shots and screenings for HIV, blood pressure, cancer, asthma, diabetes and other health conditions at over fifty events. We will incorporate a robust fitness component by

partnering with Shape Up NYC to provide free exercise classes and raffle guest-passes to Crunch fitness centers, as well as memberships for the Citi Bike Share Program. We will also aim to engage New Yorkers through social media and ask our friends and followers to tell us how they “move to improve” to stay healthy by posting photos and stories online. I encourage all board members to follow HHC's Facebook page and Like and Share our social media posts during the campaign.

Our health plan MetroPlus will be a key partner of the Take Care New York Campaign and have representatives available at the education and screening events. October is a prime enrollment period for MetroPlus and the TCNY campaign can be a helpful platform for them to maximize enrollments.

HHC READY TO BREAK GROUND FOR NEW IDA ISRAEL CENTER

Ida G. Israel Community Health Center, affiliated with Coney Island Hospital -- the health center which was completely destroyed by super storm Sandy, will soon reopen at a new location. We have secured FEMA funding and will start construction of the new 13,000 square-foot, \$7.5 million health center at Surf Avenue and West 19th St, right across the street from the Brooklyn Cyclones stadium.

Prior to Sandy, the Ida Israel center served 60,000 adult patients from Southern Brooklyn. We have redirected our patients to services elsewhere, to Coney Island Hospital, to our mobile medical vans, and to other community providers. The Center provided services in dentistry, pediatrics, social services, family planning, behavioral health, and chemical dependence and rehabilitation. It also housed an active W.I.C. program. We expect to have all the same services and look forward to having our patients return to their local medical home. Construction is expected to be completed in February 2015.

MAYORAL INITIATIVES AND HHC

I am participating, along with members of my senior staff, in several initiatives of Mayor de Blasio and his administration to further his vision for New York City. Some members of this Board -- Deputy Mayor Barrios-Paoli and her representative Ms. Yang, Commissioners Bassett and Banks, Dr. Belkin -- are familiar with these interagency efforts to address specific policy priorities of City Hall. These mayoral initiatives include:

- The Task Force on Behavioral Health and The Criminal Justice System,
- The “Children’s Cabinet” to bolster interagency communication related to children's well-being,
- The Immigrant Taskforce, and
- The Interagency Taskforce on Homelessness

In addition, just last week we participated in an interagency meeting, led by Commissioner Agarwal of the Mayor’s Office of Immigrant Affairs, on a variety of issues including healthcare access, relating to newly arrived unaccompanied child immigrants from Central America.

All these efforts stress active interagency collaboration, idea and data sharing, and creation of an actionable policy agenda to advance social justice in New York City. They each present an opportunity for us to actively contribute to a forward looking agenda to further goals shared by us, the Mayor, and our sister agencies.

HHC SUPPORTS STATEN ISLAND HEALTH AND WELLNESS CAMPUS

We learned this week, as reported by the Staten Island Advance, that Staten Island Borough President James Oddo has proposed an ambitious plan to address the needs of growing senior population and special needs children. His plan calls for developing a "Health and Wellness Campus" in the underutilized property on our Sea View campus with a mix of residential communities for special needs children and adults, an independent village for seniors with a special unit for seniors with Alzheimer's, a cancer institute, a children's hospital and much more.

We met with the Borough President to discuss his proposal and are fully supportive of his vision. After all, HHC's mission is to make New York City healthy so we are very supportive of a Staten Island wellness campus that can supplement the care and services we deliver at our Sea View Nursing Home. This proposal aligns with our hope to create a new, state-of-the-art nursing facility there that embraces a resident-centered approach for its long-term care patients, fostering a greater sense of community.

HHC has agreed to contribute half the cost of a \$250,000 feasibility study for the wellness campus. The Borough President hopes a Request for Proposals could be issued by the end of this year or early in 2015. We look forward to working with the Borough President to build a healthy Staten Island.

HHC ACCOUNTABLE CARE ORGANIZATION ACHIEVES SAVINGS, IMPROVED CARE IN FIRST YEAR

The Centers for Medicare & Medicaid Services (CMS) this week issued quality and financial performance results showing that our Accountable Care Organization (ACO) has achieved significant savings in the first year participating in the Medicare Shared Savings program. Our ACO reduced costs by nearly 7 percent while improving the quality of care among more than 12,000 Medicare beneficiaries in our program.

As you may know, in addition to providing more Americans with access to quality, affordable healthcare, the Affordable Care Act encourages doctors, hospitals and other healthcare providers to work together to better coordinate care and keep people healthy rather than treat them when they are sick which also helps to reduce healthcare costs. ACOs are one example of the innovative ways to improve care and reduce costs

Our ACO is proud to be one of the nation's top-performing accountable care organizations, demonstrating that our longstanding commitment to population health and caring for all New Yorkers regardless of ability to pay is fertile ground for innovative care delivery and payment models that focus on keeping patients healthy and in their homes and communities, rather than in the hospital.

HHC CONTINUES TO SUPPORT AMERICAN CANCER SOCIETY IN MAKING STRIDES

As customary this month I want to bring your attention to a program that has grown stronger over the years due to an unwavering commitment of our employees. I'm talking about the American Cancer Society's Making Strides Against Breast Cancer walk. Sunday, October 19, will mark the twelfth year that our corporation will serve as a flagship sponsor of the event to help end breast cancer. The flagship status is due to the outstanding commitment of our employees.

We are committed to fighting cancer in the communities we serve through early detection, education, and high-quality care. Every year, we perform more than 100,000 mammograms; every year we spearhead a breast cancer awareness campaign. In 2014 alone, our facilities hosted more than 65 public education and screening events across the City.

All of our hospitals provide access to high-quality cancer treatment services to help women affected by breast cancer. Three of our facilities -- Bellevue, Jacobi and Lincoln -- hold the nation's highest form of clinical and quality care recognition for breast centers, the Center of Excellence Accreditation from the American College of Surgeons.

Yet our staff doesn't stop there. Compassion drives them to actively raise funds each and every year through the Making Strides walk, to help advance breast cancer research, patient support, and prevention efforts. Last year, about 500 of our employees participated in the walk. Over the years, our deep commitment to the Making Strides walks has resulted in more than \$1 million in donations to ACS.

As they have in the past, Joe Schick, Executive Director of The Fund for HHC, and Ann Frisch, Executive Director of our Health and Home Care, are spearheading our efforts. This year they are joined in leadership by Dr. Martha Sullivan, Executive Director of Gouverneur Health.

I urge all HHC employees to support the fight to end breast cancer by joining Making Strides team, by supporting the cause, and by walking with colleagues, friends, and family on October 19.

RECOGNIZING STAFF: SOCIAL WORKER OF THE YEAR -- NINA MIRKIN

Before I end my report I want to talk about a very special person at HHC -- someone who is known for her consistent, patient-centered and culturally-competent approach.

Before I introduce this outstanding HHC team member, I want all of us -- for a moment -- to put ourselves in one of our patient's shoes.

Imagine that one's health is failing.

Imagine one is addicted to chemical substances or alcohol, destroying health and life.

Imagine you need healthcare and advice.

Imagine you are new to our country

And imagine you don't speak English

But Nina Mirkin does not have to imagine.

She deals with it each and every day at Coney Island

Nina is a bilingual certified social worker who is specially licensed to treat addiction.

She leads individual and group counseling sessions in Russian – her patients' primary language. Nearly a third of the patients who seek care at her department speak only Russian.

Nina's patients depend on her skills her skill with language ... her skill with culture her skill in psychotherapy. After all, effective treatment and recovery require improving the health of the whole person -- body, mind and spirit. And Nina's patients know that she is a true advocate for them -- they know that she will go to any length to safeguard their health and wellbeing.

Nina is no stranger to life's challenges herself. She came to the U.S. 15 years ago from Azerbaijan as a refugee. She was able to stay in the U.S. with family, and after further education started working at Coney Island Hospital.

Nina is one of hundreds of our dedicated and talented social workers who forge a special bond with our patients -- particularly those new to this country -- and help them not just to recover, but also to feel a little more at home.

I am proud to say that, like Nina, so many members of our team reflect the ethnic, religious and cultural diversity of our patients. This is one of our greatest strengths.

And Nina is one of our great examples. So much so, that the state Office of Alcoholism & Substance Abuse Services has named Nina Mirkin the 2014 Addiction Licensed Certified Social Worker of the Year.

Please join me in thanking Nina Mirkin for the outstanding work that she does every day for our patients and their families.

Thank you, Nina.

HHC IN THE NEWS HIGHLIGHTS

Broadcast

Renee Report Interview with Dr. Ram Raju, Dr. Ram Raju, President, International Broadcasting Network/ITV, 8/25/14

Art Therapy Program Provides Outlet for NYers With Painful September 11 Memories, Dr. Nomi Levy-Carrick, Mental Health Director, HHC WTC Environmental Health Center, Irene

Rosner David, Director of Therapeutic Arts, Bellevue, NY1, 9/11/14 (Also covered by the Associated Press)

9/11 Memorial at Jacobi Medical Center, Jacobi, News 12 Bronx, 9/11/14

Doctors at North Central Bronx Hospital offer parents advice to prepare for school year, Dr. Heather Lawskey, Pediatrician, NCB, News 12 Bronx, 8/9/14

Doctors: Back-to-school vaccinations needed, Dr. Warren Seigel, Coney Island, News 12 Brooklyn, 8/6/14

Asthma Peak Season, Dr. Katherine Szema, Lincoln, News 12 Bronx, 9/11/14

City Officials Urge Calm on Ebola, Dr. Ross Wilson, Corporate Chief Medical Officer, HHC, NY1, 8/5/14

Ebola Unlikely to Reach NYC, Officials Say, Dr. Ross Wilson, Chief Medical Officer, HHC, WNBC, 8/1/14

Harlem Barbershop Serves Up Preventative Medical Care, Dr. Joseph Ravenell, Attending Physician, Department of Medicine, Co-Director, Bellevue Hospital Resistant Hypertension Clinic, Dr. Stephen Wall, Attending Physician, Emergency Medicine, Bellevue, WNBC, 8/25/14

NYC has one of the lowest stroke death rates, Dr. Eduardo Lopez, Metropolitan, NY1 Noticias, 8/28/14

Lincoln and Yankees Immunization Campaign at Yankee Stadium, Lincoln, News 12 Bronx, 8/27/14

Print

100 Most Influential People in Healthcare-2014, Dr. Ram Raju, President, Modern Healthcare Magazine, 8/25/14 (Also covered in Crain's Health Pulse)

Two Indian American Doctors Are Healthcare's 'Most Influential', Dr. Ram Raju, President, India West, 9/10/14

De Blasio's Surgeon, Dr. Ram Raju, President, Capital New York, 7/31/14

Seeking help for 9/11's psychological trauma, after years of resolve and survivor guilt Associated Press, 9/11/14, HHC WTC Environmental Health Center, Dr. Nomi Levy-Carrick, Mental Health Director (Also covered in US News & World Report Online and ABCNews.com)

NYC hospital holds 9/11 art exhibition, Bellevue, AP/Newsday, 9/11/14

Ebola Virus: Mount Sinai Hospital in New York City Tests Patient, Dr. Ross Wilson, Corporate Chief Medical Officer, HHC, Bellevue, The Wall Street Journal, 8/5/14

New York State Gives Health Insurers Average Rate Rise of 5.7%, MetroPlus, The New York Times, 9/4/14 (Also covered in Crain's Health Pulse)

Tracking premium changes on New York's health exchange, MetroPlus, Capital New York, 9/8/14

A familiar recommendation for reducing city's legal costs, HHC, Capital New York, 8/14/14

HHC's Model Settlements, Crain's Health Pulse, 8/7/14

NYS Medicaid providers awarded design grants, Dr. Ram Raju, President, Crain's Health Pulse, 8/7/14

9/11 Health Law, Dr. Ram Raju, President, Bellevue, Gouverneur, Elmhurst, Crain's Health Pulse, 8/18/14

Kids need to heed the rules of road as they head back to school: health experts, Dr. Concepcion Songco, Associate Director for Pediatrics, Elmhurst, New York Daily News, 9/4/14

HHC Pediatricians Share "Back to School" Health Tips, Dr. Warren Seigel, Chairman of Pediatrics, Coney Island, Harlemworldmag.com, 9/3/14

Back to School 101: What college students need to know, Dr. Warren Seigel, Chairman of Pediatrics, Coney Island Hospital, Metro Newspaper, 9/8/14

Elmhurst Hospital pediatric patients to get Fruit & Vegetable Prescription Program, Dr. Randi Wasserman, Director of Pediatrics, Elmhurst, Queens Courier, 8/8/14

Jacobi doc wins Bronx Peer award, Maria Castaldi, Chief of Breast Surgery, Jacobi, Bronx Times, 8/17/14

Capital Health Care: Raju on the health system; MVP hits at state, Dr. Ram Raju, President, Capital New York, 9/8/14

Raju named to AHA Board of Trustees, Dr. Ram Raju, President, Capital New York, 8/14/14

Interview with Martha Sullivan, Executive Director of Gouverneur Health, Martha Sullivan, Executive Director, Gouverneur Health, Social Work (video), 8/11/14

Leaving Stigma Behind, NY Cuts Red Tape on the IUD, Dr. Amita Murthy, Director of Reproductive Choice, Bellevue, WNYC Radio, 7/24/14

Bellevue Hospital gets FEMA aid for Sandy, HHC, Bellevue, Associated Press/The Wall Street

Journal, 8/14/14 (Also covered in Capital New York and Crain's Health Pulse)

NYSNA: FEMA's snubbing HHC, Crain's Health Pulse, 9/2/14

Results Drive Demand for Ventilator Care And Weaning at Harlem's Henry J.Carter Specialty Hospital, Leading Age Magazine, Summer 2014

HHC's New Housing Project, Crain's Health Pulse, 8/13/14

Friends of Harlem Hospital Honors Rangel And Others with the Memorial Award, HHC, Harlem Hospital, Harlemworldmag.com, 8/13/14

Doctors Council Embraces Politics, HHC, Crain's Health Pulse, 9/15/14

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation ("the Corporation") to enter into a contract with Hyland Software, Inc. (the "Contractor") for OnBase Enterprise Electronic Content Management ("ECM") software through a Federal General Services Administration agreement ("GSA") contract in an amount not to exceed \$6,399,646 which includes a 10% contingency of \$581,786, over a three year term, with two one-year options to renew.

WHEREAS, the Corporation is undertaking an initiative to implement a single enterprise ECM system; and

WHEREAS, Enterprise IT Services has recommended that the Corporation use ECM software to support the new EMR as well as support integration to existing Enterprise Resource Planning systems; and

WHEREAS, the Corporation solicited proposals from ECM vendors who offer their software and services via New York State Office of General Services contracts and GSA contracts; and

WHEREAS, the Contractor offered the lowest price for the requested software, maintenance, and services and the prices for such services and maintenance are discounted from market price; and

WHEREAS, under the proposed agreement with the Contractor, the Corporation will execute an enterprise license agreement with the Contractor to secure the Corporation's right to use the software; and

WHEREAS, the overall responsibility for managing and monitoring the agreement shall be under 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 enter into a contract with Hyland Software, Inc. for OnBase ECM software, maintenance and services, through a Federal General Services Administration agreement in an amount not to exceed \$6,399,646 which includes a 10% contingency of \$581,786 over a three year term, with two one-year options to renew.

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") to execute a five-year revocable license agreement with the New York City Police Department ("NYPD" or "Licensee") for its continued use and occupancy of approximately 144 square feet of space in the 18th floor Mechanical Room and approximately 375 square feet of rooftop space for the operation of radio communication equipment at North Central Bronx Hospital (the "Facility") with the occupancy fee waived.

WHEREAS, in October 2009, the Board of Directors of the Corporation authorized the President to enter into a license agreement with the Licensor; and

WHEREAS, the Licensee desires to continue its use and occupancy, and the Facility has the space to accommodate the Licensee's requirements.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation") be and is hereby authorized to execute a revocable license agreement with the New York City Police Department ("NYPD" or "Licensee") for its continued use and occupancy of approximately 144 square feet of space in the 18th floor Mechanical Room and approximately 375 square feet of rooftop space for the operation of radio communication equipment at North Central Bronx Hospital (the "Facility") with the occupancy fee waived.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute five (5) successive one year revocable license agreements with the New York City Human Resources Administration ("HRA") for the use and occupancy of approximately 9,930 square feet space at 114-02 Guy Brewer Boulevard, Borough of Queens, known as the South Jamaica Multi-Service Center to operate various ambulatory health care services managed by Queens Hospital Center (the "Facility") at a continued occupancy fee of \$24 per square foot, a \$2 per square foot utility surcharge, a \$1 per square foot seasonal cooling charge for a total of approximately \$260,663 per year which shall not exceed \$1,303,315 over the five year period authorized.

WHEREAS, in October 2009, the Board of Directors of the Corporation authorized the President to execute a revocable license agreement with the New York City Human Resources Administration ("HRA") for use of space at the South Jamaica Multi-Service Center at 114-02 Guy Brewer Boulevard, Jamaica; and

WHEREAS, there is an ongoing need for the use and occupancy of the space for the ambulatory health care services presently being provided at the South Jamaica site.

WHEREAS, in October 2012 the Board of Directors of the Corporation authorized the President to increase the payments to HRA for the South Jamaica site and two other HRA sites occupied by the Corporation, to bring the occupancy fee to \$24 per square foot from \$21 per square foot; and

WHEREAS, the Board's authorization to execute the successive one-year license agreements offered by HRA will soon expire and the Facility desires to continue operating its programs at the South Jamaica location at the cost previously approved by the Corporation's Board of Directors.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation be and hereby is authorized to execute five successive one year revocable license agreements with the New York City Human Resources Administration for the use and occupancy of approximately 9,930 square feet of space at 114-02 Guy Brewer Boulevard, Borough of Queens, known as the South Jamaica Multi-Service Center to operate various ambulatory health care services managed by Queens Hospital Center at an occupancy fee of \$24 per square foot, a \$2 per square foot utility surcharge, a \$1 per square foot seasonal cooling charge for a total of approximately \$260,663 per year which shall not exceed \$1,303,315 over the five year period authorized.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a revocable five-year license agreement with New York City Department of Education (the "Licensee") for its exclusive use and occupancy of approximately 10,000 square feet of space and shared use of approximately 3,000 square feet of space and on the 21st floor of the H-Building to operate Public School 35 at Bellevue Hospital Center (the "Facility") with the occupancy fee waived.

WHEREAS, the New York State Office of Mental Health requires educational services to be provided to inpatient and day treatment youths receiving mental health services; and

WHEREAS, in September 2009 the Board of Directors authorized the President to enter into a license agreement with the New York City Department of Education; and

WHEREAS, the Licensee's operation of Public School 35 is exclusively for Bellevue Hospital Center patients in grades kindergarten through twelfth grade who have behavioral health needs and are hospitalized or otherwise being treated at the Facility; and

WHEREAS, the Facility would not be able to treat and bill for treatment of these patients without PS 35's on-site services.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation") be and hereby is authorized to execute a five-year revocable license agreement with New York City Department of Education for its exclusive use and occupancy of approximately 10,000 square feet of space and shared use of 3,000 square feet of space on the 21st floor of the H-Building to operate Public School 35 at Bellevue Hospital Center (the "Facility") with the occupancy fee waived.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a triple net sublease with Draper Homes Housing Development Fund Corporation or such other housing development fund company as shall be approved by both the Corporation and the NYC Department of Housing Preservation and Development ("HPD") (the "HDFC") as nominee for Draper Hall Apartments LLC (the "LLC" in such capacities being referred to together with the HDFC, as "Tenant") of approximately 105,682 square feet or 2.426 acres on the campus of Metropolitan Hospital Center (the "Facility") for a term of 99 years, inclusive of tenant options, for the development of housing for low income elderly and/or disabled persons at a rent of not less than \$100,000 per year.

WHEREAS, there is an acute shortage of housing for low income elderly and/or disabled residents in the City of New York; and

WHEREAS, Tenant will enlarge, develop, and operate the existing Draper Hall, a structure of approximately 140,601 square feet above ground on the Facility's campus as a housing for low income elderly and/or disabled individuals, such development and operation to be subject to review and approval by the New York City Department of Housing Preservation and Development ("HPD") and such other lenders, investors, or government agencies as may be required by the financing and structure of the project; and

WHEREAS, Tenant will construct an addition of approximately 65,283 square feet; and

WHEREAS, approximately 3,146 square feet of the building is, and will continue to be, occupied by the New York City Fire Department's Emergency Medical Services and such space will not be included in the sublease to Tenant or will be included but further subleased to EMS; and

WHEREAS, the Corporation leases its real estate properties from the City of New York under the 1970 Operating Agreement between the Corporation and the City of New York thereby making any further lease of such properties by the Corporation to a third party a sublease; and

WHEREAS, a Public Hearing was held September 10, 2014, in accordance with the requirements of the Corporation's Enabling Act, and prior to execution, the sublease will be subject to 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") be and hereby is authorized to execute a triple net sublease with Draper Homes Housing Development Fund Corporation or such other housing development fund company as shall be approved by both the Corporation and the NYC Department of Housing Preservation and Development as nominee for Draper Hall Apartments LLC of approximately 105,682 square feet or 2.426 acres on the campus of Metropolitan Hospital Center (the "Facility") for a term of 99 years, inclusive of tenant options, for the development of housing for low income elderly and/or disabled persons at a rent of \$100,000 per year.

RESOLUTION

Authorizing the capital expenditure by the New York City Health and Hospitals Corporation (the "Corporation") of a total of \$3,500,000 for the construction of a Conference and Training Center at Metropolitan Hospital Center (the "Facility") to be financed with FEMA federal funds and New York City General Obligation bonds.

WHEREAS, Hurricane Sandy ("Sandy") damaged Draper Hall thereby eliminating Corporation access to the conference and training center space located within the building;

WHEREAS, replacement space for conference and training use will be constructed on the second and third floors of the Facility's Mental Health Building; and

WHEREAS, FEMA has obligated \$3,500,000 for this project as part of the FEMA Project Worksheet #3521 Category E Draper Hall Permanent Repairs.

NOW THEREFORE, be it

RESOLVED, that a capital expenditure of a total of \$3,500,000 shall be authorized by the New York City Health and Hospitals for the construction of a Conference and Training Center at Metropolitan Hospital (the "Facility") to be financed with FEMA federal funds and New York City General Obligation bonds.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a five-year revocable license agreement with the New York City Human Resources Administration (the "Licensee") to operate its Medical Assistance Program ("MAP") at six (6) Corporation facilities (the "Facilities") in a total of approximately 12,844 square feet for a total annual occupancy fee of approximately \$792,873 per year based on the facility Institutional Cost Reimbursement Rate ("ICR"), which range from \$40.30 per square foot, to \$86.78 per square foot, for an average of \$61.73 per square foot, to be escalated by 2% per year.

WHEREAS, in October 2009 the Corporation's Board of Directors authorized the President to execute a five-year agreement with the Licensee to operate MAP at various Facilities; and

WHEREAS, the Corporation has been hosting MAP services since 1991; and

WHEREAS, the Corporation desires to continue to allow the HRA MAP to occupy space and provide services at various Facilities.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation be and hereby is authorized to execute a five-year revocable license agreement with the New York City Human Resources Administration to operate its Medical Assistance Program at various Corporation facilities in a total of approximately 12,844 square for a total annual occupancy fee of approximately \$792,873 per year based on the facility Institutional Cost Reimbursement Rate ("ICR"), which range from \$40.30 per square foot, to \$86.78 per square foot, for an average of \$61.73 per square foot, to be escalated by 2% per year.

RESOLUTION

Appointing Dr. Christina Jenkins as a member of the Board of Directors of MetroPlus Health Plan, Inc. ("MetroPlus"), a public benefit corporation formed pursuant to Section 7385(20) of the Unconsolidated Laws of New York, to serve in such capacity until her 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 the New York City Health and Hospitals Corporation ("HHC") as the sole member of MetroPlus; and

WHEREAS, the Bylaws of MetroPlus authorize the President of HHC to select two directors of MetroPlus' Board subject to election by the Board of Directors of HHC; and

WHEREAS, the President of HHC has selected Dr. Jenkins 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 Dr. Christina Jenkins is hereby appointed to the MetroPlus Board of Directors to serve in such capacity until her successor has been duly elected and qualified, or as otherwise provided in its Bylaws.

RESOLUTION

Amending the By-laws of HHC ACO Inc. (the "ACO") to better enable the ACO to conduct its business with respect to succession of Board members and officers

WHEREAS, the ACO was established as a subsidiary to the New York City Health & Hospitals Corporation ("HHC") and the ACO's By-laws designate HHC as the sole Member of the ACO; and

WHEREAS, the ACO's By-laws may be altered, amended, added to or repealed only by the Member; and

WHEREAS, the ACO's By-laws currently provide that vacancies in the Board of Directors may only be created by a Director's death, resignation or removal by the Member and that vacancies of an Officer may only be created by an officer's death, resignation or removal by the ACO Board; and

WHEREAS, to more efficiently conduct the ACO's business, the ACO seeks to amend its By-laws to conclude the term of any Director or Officer upon the termination of his or her employment with any entity that has executed an ACO Participation Agreement or ACO Agreement with the ACO; and

WHEREAS, the ACO's Board of Directors voted on August 14, 2014 to adopt amended and restated By-laws (Exhibit A), modifying Article 4 (Directors) and Article 5 (Officers) to effectuate these changes, subject to ratification by the Member.

NOW, THEREFORE, BE IT

RESOLVED, that amended and restated By-laws of the ACO (Exhibit A), modifying Article 4 (Directors) and Article 5 (Officers), are hereby approved.

AMENDED AND RESTATED

BY-LAWS

OF

HHC ACO INC.

AS OF MARCH __, 2014

Article 1.

Definitions

Section 1.01 Name. The "Corporation" shall mean HHC ACO INC., its successors and assigns.

Section 1.02 Board. The "Board" shall mean the Board of Directors of the Corporation.

Article 2.

Office

Section 2.01 Office. The office of the Corporation shall be located in the County of New York and the State of New York.

Section 2.02 Additional Offices. The Corporation may also have offices at such other places within the State of New York as the Board may from time to time designate or the business of the Corporation may require.

Article 3.

Membership

Section 3.01 Members. The sole Member of the Corporation shall be the New York City Health and Hospitals Corporation.

Section 3.02 Annual Meeting. A meeting of the Member shall be held annually on such date and at such time and place as may be fixed by the Board, and adopted by the Member, for the purpose of electing Directors, receiving annual reports of the Board and Officers, and for the transaction of such other business as may be brought before the meeting.

Section 3.03 Special Meetings. Special meetings of the Member may also be called at any time by the Member's Chairman, by the Member or a majority of the Member's Directors then in office, or as otherwise provided by law.

Section 3.04 Place and Time of Meetings. Meetings of the Member may be held at such place and at such time as may be fixed in the notice of the meeting.

Section 3.05 Open Meetings. Meetings of the Member shall be conducted within the requirements of the New York Open Meetings Law (Public Officers Law, Article 7).

Section 3.06 Participation by Videoconference. Unless otherwise prohibited by the New York Open Meetings Law, meetings of the Member may be conducted by means of videoconference communications equipment allowing all persons participating in the meeting to hear and see each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Article 4.

Directors

Section 4.01 Annual Meeting. A meeting of the Board shall be held annually at such place within the State of New York, on such date and at such time as may be fixed by the Board, for the purpose of electing Officers, receiving annual reports of the Board and Officers, and for the transaction of such other business as may be brought before the meeting.

Section 4.02 Number. The number of Directors constituting the entire Board shall be fixed by the Member, but such number shall not be less than three.

Section 4.03 Election and Term of Office. The initial Directors of the Corporation shall be those persons specified in the Certificate of Incorporation of the Corporation. Thereafter, the Directors shall be elected by the Member at the annual meeting or at any regular or special meeting of the Member of the Corporation. Each Director shall hold office until the next annual meeting of the Member and until such Director's successor has been elected and qualified, or until his or her death, resignation or removal or the termination of his or her employment with any entity that has executed an ACO Participation Agreement or ACO Agreement with the Corporation.

Section 4.04 Powers and Duties. Subject to the provisions of law, of the Certificate of Incorporation and of these By-Laws, but in furtherance and not in limitation of any rights and powers thereby conferred, the Board shall have the control and management of the affairs and operations of the Corporation and shall exercise all the powers that may be exercised by the Corporation.

Section 4.05 Additional Meetings. Regular meetings of the Board may be held at such times as the Board may from time to time determine. Special meetings of the Board may also be called at any time by the Chairman or by a majority of the Directors then in office.

Section 4.06 Notice of Meetings. Except as otherwise provided by law, including without limitation, the New York Open Meetings Law (Public Officers Law, Article 7), no notice need be given of any annual or regular meeting of the Board. Notice of a special meeting of the Board shall be given by service upon each Director in person or by mailing the same to him at his or her post office address as it appears upon the books of the Corporation or by facsimile, telegraph, cable, email or other form of recorded communication at least four business days (Saturdays, Sundays and legal holidays not being considered business days for the purpose of these By-Laws) if given by mailing the same, or at least 2 business days if given in person or by any other means of communication, before the date designated for such meeting specifying the place, date and hour of the meeting. Whenever all of the Directors shall have waived notice of any meeting either before or after such meeting, such meeting shall be valid for all purposes. A Director who shall be present at any meeting and who shall not have protested, prior to the meeting or at its commencement, the lack of notice to him, shall be deemed to have waived notice of such meeting. In any case, any acts or proceedings taken at a Directors' meeting not validly called or constituted may be made valid and fully effective by ratification at a subsequent Directors' meeting that is legally and validly called. Except as otherwise provided herein, notice of any Directors' meeting or any waiver thereof need not state the purpose of the meeting, and, at any Directors' meeting duly held as provided in these By-Laws, any business within the legal province and authority of the Board may be transacted.

Section 4.07 Place of Meetings. The Board may hold its meetings within the State of New York.

Section 4.08 Quorum. At any meeting of the Board, a majority of the Directors then in office shall be necessary to constitute a quorum for the transaction of business. However, should a quorum not be present, a majority of the Directors present may adjourn the meeting from time to time to another time and place, without notice other than announcement at such meeting, until a quorum shall be present.

Section 4.09 Voting. At all meetings of the Board, each Director shall have one vote. Except as otherwise provided by the New York Not-For-Profit Corporation Law, the vote of a majority of the Directors present at the time of the vote, if a quorum is present at such time, shall be the act of the Board.

Section 4.10 Action Without a Meeting. Except as otherwise provided by law, including without limitation, the New York Open Meetings Law (Public Officers Law, Article 7), any action required or permitted to be taken by the Board or any committee thereof may be taken without a meeting if all members of the Board or any such committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the members of the Board or any such

committee shall be filed with the minutes of the proceedings of the Board or such committee.

Section 4.11 Removal. Any Director may be removed for any reason by the Member.

Section 4.12 Resignation. Any Director may resign from office at any time by delivering a resignation in writing to the Board of Directors, and the acceptance of the resignation, unless required by its terms, shall not be necessary to make the resignation effective.

Section 4.13 Vacancies. Any newly created directorships and any vacancy occurring on the Board arising at any time and from any cause may be filled by the Member. A Director elected to fill a vacancy shall hold office for the unexpired term of his or her predecessor.

Section 4.14 Committee. The Board, by resolution adopted by a majority of the entire Board, may designate from among the Directors an executive committee and other standing committees, each consisting of three or more Directors, to serve at the pleasure of the Board, and each of which, to the extent provided in such resolution, shall have the authority of the Board, except as to matters prohibited by Section 712 of the New York Not-For Profit Corporation Law. The Board may designate one or more Directors as alternate members of any such committee, who may replace any absent member or members at any meeting of such committee.

Section 4.15 Participation by Videoconference. Any one or more members of the Board or any committee thereof may participate in a meeting of the Board or such committee by means of a videoconference communications equipment allowing all persons participating in the meeting to hear and see each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Section 4.16 Records. Minutes shall be kept of each meeting of the Board. Copies of the minutes of each such meeting shall be filed with the corporate records.

Article 5.

Officers

Section 5.01 Election and Qualifications; Term of Office. The Officers of the Corporation shall be a Chairman, a Chief Executive Officer, one or more Vice Presidents, a Secretary and a Treasurer. The Officers shall be elected by the Board at the annual meeting or at any regular or special meeting of the Board and each Officer shall hold office for a term of one year and until such Officer's successor has been elected or appointed and qualified, unless such Officer shall have resigned~~or~~, shall have been removed as provided in Sections 10 and 11 of this Article ~~5-5~~, or shall have been terminated from his or her employment with any entity that has executed an ACO Participation Agreement or ACO Agreement with the Corporation. The same person may hold more than one office, except that the same person may not be both Chief Executive

Officer and Secretary. The Board may appoint such other Officers as may be deemed desirable, including one or more other Vice-Presidents, one or more Assistant Secretaries, and one or more Assistant Treasurers. Such Officers shall serve for such period as the Board may designate.

Section 5.02 Vacancies. Any vacancy occurring in any office, whether because of death, resignation or removal or the termination of his or her employment with any entity that has executed an ACO Participation Agreement or ACO Agreement with the Corporation, with or without cause, or any other reason, shall be filled by the Board.

Section 5.03 General Powers of the Officers. All Officers as between themselves and the Corporation shall have such authority and perform such duties in the management of the Corporation as shall be provided in these By-Laws or, to the extent not so provided, by the Board.

Section 5.04 Powers and Duties of the Chairman. The Chairman shall preside at all meetings of the Board at which he or she is present and may call meetings of the Board or any committee when he or she deems necessary. The Chairman shall have such other powers and shall perform such other duties as may from time to time be assigned to the Chairman by the Board.

Section 5.05 Powers and Duties of the Chief Executive Officer. The Chief Executive Officer shall be the chief executive officer of the Corporation and shall from time to time make such reports of the affairs and operations of the Corporation as the Board may direct and shall preside at all meetings of the Board. The Chief Executive Officer shall have such other powers and shall perform such other duties as may from time to time be assigned to the Chief Executive Officer by the Board.

Section 5.06 Powers and Duties of the Vice-Presidents. Each of the Vice-Presidents shall have such powers and shall perform such duties as may from time to time be assigned to such Vice President by the Board.

Section 5.07 Powers and Duties of the Secretary. The Secretary shall record and keep the minutes of all meetings of the Board. The Secretary shall be the custodian of, and shall make or cause to be made the proper entries in, the minute book of the Corporation and such books and records as the Board may direct. The Secretary shall be the custodian of the seal of the Corporation and shall affix such seal to such contracts, instruments and other documents as the Board or any committee thereof may direct. The Secretary shall have such other powers and shall perform such other duties as may from time to time be assigned to the Secretary by the Board.

Section 5.08 Powers and Duties of the Treasurer. The Treasurer shall be the custodian or custodians of all funds and securities of the Corporation. Whenever so directed by the Board, the Treasurer shall render a statement of the cash and other accounts of the Corporation, and the Treasurer shall cause to be entered regularly in the books and records of the Corporation to be kept for such purpose full and accurate accounts of the Corporation's receipts and disbursements. The Treasurer shall at all reasonable times

exhibit the books and accounts to any Director upon application at the principal office of the Corporation during business hours. The Treasurer shall have such other powers and shall perform such other duties as may from time to time be assigned to the Treasurer by the Board.

Section 5.09 Delegation. In case of the absence of any Officer of the Corporation, or for any other reason that the Board may deem sufficient, the Board may at any time and from time to time delegate all or any part of the powers or duties of any Officer to any other Officer or to any Director or Directors.

Section 5.10 Removal. Any Officer may be removed from office at any time, with or without cause, by a vote of a majority of the Directors then in office at any meeting of the Board.

Section 5.11 Resignation. Any Officer may resign his or her office at any time, such resignation to be made in writing and to take effect immediately without acceptance by the Corporation.

Section 5.12 Agents and Employees. The Board of Directors may appoint agents and employees who shall have such authority and perform such duties as may be prescribed by the Board of Directors. The Board of Directors may remove any agent or employee at any time with or without cause. Removal without cause shall be without prejudice to such person's contract rights, if any, and the appointment of such persons shall not itself create contract rights.

Section 5.13 Compensation of Officers, Agents and Employees. The Corporation may pay compensation in reasonable amounts to agents and employees for services rendered, such amount to be fixed by the Board of Directors or, if the Board of Directors delegates power to any Officer or Officers, then as approved by such Officer or Officers.

Article 6.

Conflicts Of Interest

Chapter 68 of the Charter of the City of New York defines a "code of ethics" which outlines the standards of conduct governing the relationship between private interests and the proper discharge of official duties of all employees and directors of the New York City Health and Hospitals Corporation, including those who are working for the Corporation or who are directors of the Corporation. Chapter 68 embodies an extensive recitation of acts that constitute conflicts of interest and are thereby prohibited.

The New York City Health and Hospitals Corporation has promulgated its own "Code of Ethics" which outlines the standards of conduct governing the relationship between private interests and the proper discharge of official duties of all personnel who are not covered by Chapter 68. Similar to Chapter 68, the New York City Health and Hospitals Corporation's Code of Ethics embodies an extensive recitation of acts that constitute

conflicts of interest and are thereby prohibited. The Corporation has adopted the Code of Ethics with respect to its personnel and Directors who are not subject to Chapter 68.

The Board is committed to recognizing the Corporation's responsibility to organizational ethics and expects, therefore, every employee and Board member to support and adhere to the principles and policies set forth in Chapter 68 and the Code of Ethics.

Article 7.

Bank Accounts, Checks, Contracts and Investments

Section 7.01 Bank Accounts, Checks and Notes. The Board is authorized to select the banks or depositories it deems proper for the funds of the Corporation. The Board shall determine who shall be authorized from time to time on the Corporation's behalf to sign checks, drafts or other orders for the payment of money, acceptances, notes or other evidences of indebtedness.

Section 7.02 Contracts. The Board may authorize any Officer or Officers, agent or agents, in addition to those specified in these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. Unless so authorized by the Board, no Officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or render it liable for any purpose or to any amount.

Section 7.03 Investments. The funds of the Corporation may be retained in whole or in part in cash or be invested and reinvested from time to time in such property, real, personal or otherwise, or stocks, bonds or other securities, as the Board may deem desirable.

Article 8.

Miscellaneous

Section 8.01 Documents. There shall be kept at the office of the Corporation correct books of accounts of the activities and transactions of the Corporation, including a minute book, which shall contain a copy of the Certificate of Incorporation, a copy of these By-Laws, and all minutes of meetings of the Board of Directors.

Section 8.02 Fiscal Year. The fiscal year of the Corporation shall be June 30.

Section 8.03 Corporate Seal. The corporate seal shall be circular in form and have inscribed thereon the name of the Corporation, the year of its organization, and the words "Corporate Seal" and "New York". The seal shall be in the charge of the Secretary. If and when so directed by the Board, a duplicate of the seal may be kept and used by the Secretary or the Treasurer. The seal may be used by causing it or a facsimile thereof to be affixed or impressed or reproduced in any other manner.

Article 9.

Dissolution

The Corporation may be dissolved only upon adoption of a plan of dissolution and distribution of assets by the Board that is consistent with the Certificate of Incorporation. Any nonjudicial dissolution shall be accomplished in accordance with Article 10 of the New York Not-For-Profit Corporation Law or any applicable successor statute or law.

Article 10.

Amendments

These By-Laws may be altered, amended, added to or repealed only by the Member.

Article 11.

Construction

In the case of any conflict between the Certificate of Incorporation of the Corporation and these By-Laws, the Certificate of Incorporation of the Corporation shall control.

RESOLUTION

**Electing Ram Raju, M.D. to serve as a Director of HHC
ACO Inc. as of March 31, 2014, as successor to Alan D.
Aviles**

WHEREAS, HHC ACO Inc. (the "ACO") was established as a subsidiary to the New York City Health & Hospitals Corporation ("HHC") and the ACO's By-laws designate HHC as the sole Member of the ACO; and

WHEREAS, the By-laws of the ACO state that any vacancy in a directorship shall be filled by the Member; and

WHEREAS, HHC previously appointed Alan D. Aviles to serve as a Director of the ACO; and

WHEREAS, due to the conclusion of Mr. Aviles's term as President of HHC there is a vacancy on the Board of the ACO; and

WHEREAS, the Corporation wishes to elect Ram Raju, M.D as a Director of the ACO as of March 31, 2014, as successor to Alan D. Aviles, due to Dr. Raju's employment as President of HHC as of that date.

NOW, THEREFORE, BE IT

RESOLVED, that Ram Raju, M.D. is hereby elected to serve as a Director of the ACO as of March 31, 2014, as successor to Alan D. Aviles.

RESOLUTION

Authorizing the capital expenditure by the New York City Health and Hospitals Corporation (the "Corporation") of a total of \$3,620,000 for the replacement of the existing Cardiac Catheterization Imaging System and the existing Hemodynamic Monitoring System at Bellevue Hospital Center (the "Facility").

WHEREAS, Bellevue Hospital Center is one of only two Health and Hospitals Corporation facilities that offers a full range of cardiac services, including diagnostic and interventional catheterization and electrophysiology; and

WHEREAS, Bellevue Hospital Center's provision of diagnostic and interventional catheterization and electrophysiology is dependent upon a reliable Catheterization Imaging System and a reliable Hemodynamic Monitoring System; and

WHEREAS, Bellevue Hospital Center's current existing Catheterization Imaging System and its Hemodynamic Monitoring System are over ten years old and have already exceeded their intended useful life (through 2013); and

WHEREAS, Due to the age of Bellevue Hospital Center's Catheterization Imaging System and its Hemodynamic Monitoring System, both systems have a history of failing during procedures; and

WHEREAS, Due to the age of Bellevue Hospital Center's Catheterization Imaging System and its Hemodynamic Monitoring System, replacement parts are no longer available for either system.

NOW THEREFORE, be it

RESOLVED, that a capital expenditure of a total of \$3,620,000 shall be authorized by the New York City Health and Hospitals for the replacement of existing Cardiac Catheterization Imaging System and its Hemodynamic Monitoring System at Bellevue Hospital Center.

EXECUTIVE SUMMARY

BELLEVUE HOSPITAL CENTER CARDIAC CATH SUITE IMAGING SYSTEM & CATH/EP HEMODYNAMIC SYSTEM (REPLACEMENT OF WITT)

- OVERVIEW:** Bellevue Hospital is the only hospital within the NYC Health and Hospitals Corporation that offers a full range of cardiac services including diagnostic and interventional catheterization and electrophysiology. Services are provided for inpatient, outpatient and emergency patients. Scheduled inpatient and outpatient services are provided Monday through Friday from 8:00 AM to 6:00 PM and emergency services provided 24 hours a day.
- NEED:** Bellevue Hospital requires the replacement of Existing Cardiac Cath Equipment and Hemodynamic Monitoring System for patients undergoing Cardiac Catheterization (Cath) and Electrophysiology (EP) procedures that are over ten (10) years old. Both devices have a history of failure during procedures, new replacement parts are no longer available and both devices are at the end of useful life as of 12/31/2013. In addition, codes and standards changes since the equipment's original installation has changed requiring an upgrade to the HVAC systems serving the space and Bellevue Hospital would like to power this equipment from emergency power sources in order to provide critical clinical services during a loss of normal power.
- SCOPE:** The scope of the work includes renting a portable Cath Lab Trailer and connecting it to the Hospitals utility systems in order to provide clinical services while the existing Cath Lab is closed for renovations. An architectural and engineering firm will be engaged to develop design and construction documents necessary to remove the equipment, perform environmental upgrades to the procedure and control room, and install the new equipment. Also included is structural work necessary for a new ceiling-mounted boom and new troughs for electrical underneath the floor. The construction plans will be either competitively bid or awarded to HHC IQCC contractors in order to expedite the process. Once awarded, the construction will be performed including upgrading HVAC and electrical services. When completed, the new Cath Lab equipment and patient monitoring systems will be installed and tested. Staff will be trained on the new equipment, and once fully operational, clinical procedures will return from the temporary Cath Lab trailer to a newly renovated Cath Lab.
- COST:** \$3,620,000
- SCHEDULE:** Twelve (12) months

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a five year revocable license agreement with the Mental Hygiene Legal Services of the New York State Supreme Court (the "Mental Hygiene Legal Services") for use and occupancy of approximately 1,850 square feet of space to provide legal services at Bellevue Hospital Center (the "Facility") with the occupancy fee waived.

WHEREAS, since the 1980's, Mental Hygiene Legal Services has been providing legal services at the Facility for its psychiatric patients, who have behavioral health needs, allowing patients the ability to receive legal counsel while they are hospitalized or admitted into Bellevue; and

WHEREAS, the Mental Hygiene Legal Services are fully operational and sanctioned under the New York State Supreme Court; and

WHEREAS, in December 2009 the Board of Directors of the Corporation authorized the President to enter into a license agreement with Mental Hygiene Legal Services; and

WHEREAS, the Mental Hygiene Legal Services desires to continue operating its program at the Facility, and the Facility has space available to accommodate its requirements.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation") be and hereby is authorized to execute a revocable license agreement with the Mental Hygiene Legal Services of the New York State Supreme Court (the "Mental Hygiene Legal Services"), for use and occupancy of approximately 1,850 square feet of space to provide legal services at Bellevue Hospital Center (the "Facility") with the occupancy fee waived.

EXECUTIVE SUMMARY

LICENSE AGREEMENT BELLEVUE HOSPITAL CENTER MENTAL HYGIENE LEGAL SERVICES OF THE NEW YORK STATE SUPREME COURT

The President seeks authorization from the Board of Directors of the Corporation to execute a five year revocable license agreement with the Mental Hygiene Legal Services of the New York State Supreme Court ("Mental Hygiene Legal Services"), for use and occupancy of space to provide legal services at Bellevue Hospital Center ("Bellevue").

Mental Hygiene Legal Services, since the 1980's, have been providing legal services to Bellevue's psychiatric patients, who have behavioral health needs, allowing patients the ability to receive legal counsel while they are hospitalized or admitted into Bellevue. Mental Hygiene Legal Services are fully operational and sanctioned under the New York State Supreme Court to provide legal counsel. Approximately twelve New York State Attorneys provide counsel to and represent Bellevue psychiatric patients. The program staff also includes legal aides and administrative assistants. The offices provide services Monday through Friday, from 9:00 a.m. to 5:00 p.m. throughout the year.

Mental Hygiene Legal Services will have the continued use and occupancy of approximately 1,850 square feet of space on the 19th floor of the Main Hospital Building. In consideration of the value of the services provided by the Licensee, the occupancy fee shall be waived. Bellevue will provide utilities, including electricity, heat, and air conditioning to the licensed space.

Mental Hygiene Legal Services will indemnify and hold harmless the Corporation and the City of New York from any and all claims arising from the use of the licensed space, and shall also provide appropriate insurance naming the Corporation and the City of New York as additional insured parties.

The license agreement shall not exceed 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 written notice.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a five year revocable license agreement with the New York City Department of Education's McSweeney Occupational Training Center (the "Department of Education") for its use and occupancy of approximately 504 square feet of space to provide vocational training at Jacobi Medical Center (the "Facility") with the occupancy fee waived.

WHEREAS, since 1972, the Department of Education has operated a vocational training program under the auspices of the New York City Department of Education; and

WHEREAS, in December 2009 the Board of Directors authorized the President to enter into a revocable license agreement with the Department of Education; and

WHEREAS, the Department of Education desires to continue its use and occupancy and the Facility has space available to accommodate the program requirements.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation") be and is hereby authorized to execute a five year revocable license agreement with the New York City Department of Education's McSweeney Occupational Training Center (the "Department of Education") for its use and occupancy of approximately 504 square feet of space to provide vocational training at Jacobi Medical Center (the "Facility") with the occupancy fee waived.

EXECUTIVE SUMMARY

LICENSE AGREEMENT

THE NEW YORK CITY DEPARTMENT OF EDUCATION'S McSWEENEY OCCUPATIONAL TRAINING CENTER

JACOBI MEDICAL CENTER

The President of the New York City Health and Hospitals Corporation seeks authorization from the Board of Directors to execute a five year revocable license agreement with the New York City Department of Education's McSweeney Occupational Training Center ("MOTC") for its continued use and occupancy of space to provide vocational training at Jacobi Medical Center ("JMC").

Since 1972, JMC has participated with the Department of Education in a joint program designed to provide mentally challenged young adults with basic vocational training. Students who participate in the MOTC program are placed in departments throughout JMC and work under the direction of a licensed teacher and the supervision of JMC staff. By affording training and an opportunity to apply the skills learned through the program, students experience a sense of responsibility and achievement. The students provide clerical, mailroom and messenger services at the hospital.

The MOTC will occupy 504 square feet on the 6th floor of the Nurses Residence, Rooms 6N1 and 6N1A. Jacobi Medical Center will provide electricity, heat, air conditioning, routine maintenance, security, hot and cold water and housekeeping services. In consideration of the value of the services provided by the License, the occupancy fee will be waived.

The MOTC will be required to indemnify and hold harmless the Corporation and the City of New York from any and all claims arising out of its use of the space.

The license agreement shall not exceed five (5) years without further authorization by the Board of Directors of the Corporation, and shall be revocable by either party upon ninety (90) days written notice.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a five year revocable license agreement with the New York City Police Department ("NYPD") for its use and occupancy of an approximately 11,000 square foot parcel of land to operate a parking lot at Jacobi Medical Center (the "Facility") with the occupancy fee waived.

WHEREAS, in February 2010, the Board of Directors of the Corporation authorized the President to enter into a five-year license agreement with the 49th Precinct of the New York City Police Department, allowing the Licensee the continued use of space on the Facility's campus to operate a parking lot; and

WHEREAS, the Licensee desires to continue its use and occupancy, and the Facility has the space to accommodate the Licensee's requirements.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation" or "Licensor") be and is hereby authorized to execute a five year revocable license agreement with the New York City Police Department ("NYPD") for its use and occupancy of an approximately 11,000 square parcel of land to operate a parking lot at Jacobi Medical Center (the "Facility") with the occupancy fee waived.

EXECUTIVE SUMMARY

LICENSE AGREEMENT NEW YORK CITY POLICE DEPARTMENT JACOBI MEDICAL CENTER

The President of the New York City Health and Hospitals Corporation seeks authorization to execute a five year revocable license agreement with the New York City Police Department ("NYPD") for use and occupancy of space to operate a parking lot at Jacobi Medical Center ("JMC").

In February 2010, the Board of Directors of the Corporation authorized the President to enter into a five year license agreement with the 49th Precinct of the New York City Police Department, allowing the Licensee the continued use of an 11,000 square foot parcel on the JMC's campus to operate a parking facility.

NYPD will be granted the continued use and occupancy of the parcel which contains approximately 37 parking spaces. The parking facility will be utilized by both official and privately owned vehicles belonging to the NYPD and/or its employees. All maintenance costs associated with the operation of the parking lot will be the responsibility of NYPD.

The occupancy fee for use and occupancy of the space shall be waived as a result of the benefit derived by JMC and the surrounding community from the presence of NYPD on the JMC's campus.

NYPD shall be required to indemnify and hold harmless the Corporation and the City of New York from any and all claims arising out of its use of the licensed space.

The license agreement shall not exceed five (5) years without further authorization by the Board of Directors of the Corporation and shall be revocable by either party upon sixty (60) days written notice.

RESOLUTION

Authorizing the Executive Director of MetroPlus Health Plan, Inc. ("MetroPlus") to negotiate and execute a new contract on a sole source basis with DST Health Solutions, Inc. for the continued provision of core systems and services including claims adjudication, accounts payable, enrollment support, business processing outsourcing and reporting to support operations, business and regulatory requirements for a term commencing January 1, 2015 through December 31, 2021, with one three-year renewal option at the sole discretion of MetroPlus, for an amount not to exceed \$177,000,000 for the total ten year period concluding December 31, 2024.

WHEREAS, MetroPlus, a wholly-owned subsidiary corporation of the New York City Health and Hospitals Corporation, is a Managed Care Organization and Prepaid Health Services Plan, certified under Article 44 of the Public Health Law of the State of New York, and;

WHEREAS, the Certificate of Incorporation of MetroPlus reserves to HHC the sole power with respect to MetroPlus entering into contract, other than with HHC or a health care service provider, with an annual value in excess of \$3,000,000; and

WHEREAS, the Plan requires a core systems vendor to provide systems and services including, claims adjudication, accounts payable, enrollment support, business processing outsourcing and reporting to support its operations, business, and regulatory requirements, and;

WHEREAS, DST Health Solutions, Inc. is currently providing core system products and services to the Plan pursuant to a contract which expires on December 31, 2015, and;

WHEREAS, the Plan has been exploring the available options in the marketplace as to core vendor systems to replace the current system, including vendor demonstrations and client site visits to clients of DST and other potential vendors, and has performed relevant cost analyses; and

WHEREAS, the Plan engaged an expert consultant, Health Technology Management System, to do an in-depth review and evaluation of Plan operations which concluded that the Plan did not need or have the capacity to change its core system vendor; and

WHEREAS, based on the activities described above, the Plan is pursuing a sole source contract to obtain products and services needed justified on the basis of, (1) cost for a total system replacement; (2) the disruptive impact to the current business operation of a total system replacement; and (3) the inherent risks to the Plan in changing the core system; and

WHEREAS, the Plan is requesting authority to negotiate and execute a new seven year contract with DST effective January 1, 2015, with an optional three-year extension for an

amount of \$177,000,000, to procure upgrade to existing products and services and to procure new products; and

WHEREAS, the Board of Directors of MetroPlus has duly considered and approved the proposed contract between MetroPlus and DST.

NOW THEREFORE, be it resolved

RESOLVED, that the Executive Director of MetroPlus is hereby authorized to negotiate and execute a new contract on a sole source basis with DST Health Solutions, Inc. for the continued provision of core systems and services including claims adjudication, accounts payable, enrollment support, business processing outsourcing and reporting to support operations, business and regulatory requirements for a term commencing January 1, 2015 through December 31, 2021, with one three-year renewal option at the sole discretion of MetroPlus, for an amount not to exceed \$177,000,000 for the total ten year period concluding December 31, 2024.

EXECUTIVE SUMMARY
Authorization to Negotiate and Execute a Contract with
DST Health Solutions, Inc.

The Executive Director of MetroPlus Health Plan, Inc. (“MetroPlus” or the “Plan”) seeks to negotiate and execute a sole source contract with DST Health Solutions, Inc. (“DSTHS”), commencing January 1st, 2015 through December 31, 2021 with one option to renew for three years to provide software licensing, system hosting, consulting services, training, software products and BPO Services (Business Process Outsourcing) for an amount not to exceed \$177,000,000 for the total ten year period concluding December 31, 2024.

In the past MetroPlus released two separate procurements for these services. In 2006, a Request for Proposal was issued and after a recommendation by Gartner, MetroPlus chose to stay with DST Health Solutions. In 2010, MetroPlus issued a Negotiated Acquisition (NA). The Plan hired Health Care Technology Management Services (HTMS) as a consultant for this NA. HTMS advised MetroPlus that switching to another vendor and implementing a new system would be costly and the risk of failure was quite high. HTMS also advised that DST met all of the Plan’s needs. MetroPlus cancelled the NA and continued its contract with DST. Because of this, MetroPlus feels it is in the best interest of the Plan to go with a sole source contract.

MetroPlus is looking for an integrated system platform to better position the Plan for the rapid changing healthcare market while minimize the risk the Plan will take on.

1. DSTHS has demonstrable experience in
 - a. Implementation of a Health Plan Administration and Claims Processing (HPACP) system that is in production in New York City.
 - b. Has at least three (3) implementations of HPACP systems.
 - c. Has delivered similar health care systems solutions (in production environments) for at least 10 years.
 - d. Has Financial and Operational Stability.
 - e. Has demonstrated vision for future health care operations.
 - f. Has capability for systems architecture, implementation service and customer support compatible with MetroPlus’ mission, vision, and goals.

2. Examples of Functionality requirements are;
 - a. Member and Provider Management
 - b. Claims Processing and Payments m
 - c. Medical and Quality Management
 - d. Customer Service and Workflow

- e. Electronic Data Management and Finance
- f. Population Management Solutions
- g. Quality Improvement Analytical BI Tools

3. Selection of DSTHS as sole source vendor

- a. DSTHS has positioned itself from a software system vendor to total solution provider in the new marketplace to including business consulting services, business process outsourcing services in addition to the core system. MetroPlus has been benefit from these changes in expanding to new products, such as Medicare, Exchange and FIDA implementation.
- b. DSTHS' strategic direction aligns with MetroPlus' IT strategy to move into a single integrated system platform with open architecture. This will enable MetroPlus to have fast turnaround during the market change.
- c. Reduce an estimated cost of \$50 million for a total system replacement.
- d. Risk of failure became the most important factor in the selection process.
- e. DSTHS offered system solutions that were comparable to other vendors at an estimated less than 20% of implementation cost when MetroPlus implement DSTHS' new EXETER system.
- f. Risk of DSTHS re-implementation failure is almost non-existent.
- g. Plan growth from new lines of business (FIDA, HARP and other new products) would be limited during the 2 year implementation cycle.
- h. DSTHS' commitment to MetroPlus for excellent service since 1998. DST has proven itself during Super Storm Sandy by going beyond their service commitment to meet MetroPlus' needs.

Background of DSTHS

Since 1976, DSTHS has serviced and supported numerous health care plans throughout the United States and this system is major competitor in the health care market. DSTHS systems support over six million covered lives in more than 60 implementations. DSTHS healthcare insurance clients include MetroPlus and Health First to name a few.

DSTHS currently has a contract with MetroPlus to provide similar services, including for our current HPACP system which is set to expire in December 2015.

The proposed sole source contract is for a seven (7) year term with one, three (3) year option to renew. The projected start date for the extension is January 1st, 2015.

CONTRACT FACT SHEET

MetroPlus Health Plan, Inc.

A subsidiary corporation of New York City Health and Hospitals Corporation

For RFP, RFB, PSA, SS, NA

Contract Title: Health Plan Administration and Claims Processing (HPACP) System
Project Title & Number: # 100912S024
Project Location: MetroPlus Health Plan
Requesting Dept.: MIS

Successful Respondent:	<u>DST Health Solutions</u>
Contract Amount:	<u>Not to exceed: \$177,000,000</u>
Contract Term:	<u>7 years with one 3 year renewal</u>

Number of Respondents: Sole Source

Range of Proposals: Sole Source

Minority Business Enterprise Invited:

Funding Source

- Capital
- General Care
- Grant: Explain
- Other: [General Operating Fund]

Method of Payment

- Lump Sum
- Per Diem
- Time and Rate
- Other: [As invoiced]

(required for contracts that exceed the amount of \$25,000)

EEO Analysis: Yes No

Compliance with HHC's McBride Principles Yes No

(required for contracts in the amount of \$100,000 or more)

Vendex Clearance Yes No - in process

(if applicable)

Privacy Addendum: Yes No - in process

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):

MetroPlus Health Plan is currently using a Health Plan Administration and Claims Processing (HPACP) System from DSTHS, DST Health Solutions. Under the current rapid changing healthcare market, MetroPlus is seeking to replace the current system with a better HPACP on an integrated system platform to meet the new market challenges.

This implementation will span over 5-6 years starting in 2015. The modular implementation will minimize the risk and ensure high project success rate. The implementation will be overseen by a steering commit composed with Executive Sponsors, Business Owners, DSTHS consultant and MetroPlus MIS staff. We will adopt a change management process for project management and monitoring.

Contract Application Approval (not applicable to PSA or RFB)

Was the proposed contract application approved? September 2014.

Has the proposed contract's scope of work, timetable, budget, contract deliverables or accountable person changed since the approval of the Contract Application? If so, please indicate how the proposed contract differs since that approval:

No.

Selection Process (Applicable to RFP, RFB, PSA or NA): attach list of selection committee members, list of firms responding to applicable procurement, 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 (Applicable to RFP, RFB, or NA)

(For RFP, RFB or NA only: Need to have an odd number of persons but no less than 5 upper/mid-level managers and that includes 3 persons from different departments)

(For PSA or SS: Project Manager and Department Head)

N/A – Sole Source

Firms Responding (Applicable to RFP, RFB, PSA or NA)

N/A – Sole Source

Firms Considered (Applicable to RFP, RFB, PSA or NA)

N/A – Sole Source

Justification of Vendor Selection (Provide greater detail for Sole Source, Negotiated Acquisition or PSA)

DSTHS has been MetroPlus' vendor since 1998. The Plan has worked with DSTHS on system modifications and process improvements to serve our business needs. DSTHS has positioned itself from a software system vendor to become a total solution provider in the new

marketplace including business consulting services, business process outsourcing services in addition to the core systems. MetroPlus has benefited from these changes during our new products launching, such as Medicare, Exchange and FIDA implementation.

DSTHS' strategic direction aligns with MetroPlus' IT strategy to move into a single integrated system platform with open architecture. This will enable MetroPlus to have fast turnaround during the market change.

Justification of Award of Contract

(For NA or SS, explain in detail the reasons that justify the contract award)

(For NA or PSA, attach a Memorandum describing vendor search process, comparisons with at least 3 other vendors, including completed scoring/evaluation criteria sheets, competitive selection process, and that monies to be paid for services rendered are fair and reasonable)

A Negotiated Acquisition (NA) was issued in 2010 to explore the available options in the marketplace. The Evaluation Committee reviewed proposals from two vendors who responded, TriZetto and DSTHS. The Committee sat through weeks of system demonstrations and went on four client site visits from both TriZetto and DSTHS clients. In the end, the Committee felt the possible new functions from other vendor couldn't be used to justify the cost and the risks of MetroPlus switching systems. MetroPlus engaged HTMS to evaluate MetroPlus' system requirements for a new core system. HTMS concluded that the cost and risk for such a total system replacement couldn't be used to justify the potential benefit. There are three major factors in this decision making process: 1) Cost – Given the market place pricing for \$100 per month for total system replacement, it will cost MetroPlus almost \$50 million for a total system replacement plus the two year estimated time key staff would spend working on the project. 2) Risk – There are known risk associated with a total system replacement project. Maintaining the relationship with DSTHS will minimize the migration risk, and provide implementation with minimal interruption to the business. 3) DSTHS's future vision in health care system and operation aligns with MetroPlus' vision and goals to be on an integrated system platform.

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

The scope of work for such a system development is too large to take on in-house. MetroPlus doesn't have the staff nor the professional expertise to build a comprehensive Health Plan Administration and Claims Process System, HPACP. It is cost prohibitive for a plan our size to take on this development and MetroPlus can't afford the risk comes along. A large system vendor leverages their cost by having a big client base.

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. MetroPlus is seeking to let the vendor hosting the system instead of purchasing system along with its source codes which could potentially produce some intellectual properties.

Contract monitoring (include which Executive Staff is responsible):

Susan Sun, CIO, will be responsible for overall project governance. Aleem Baig will be responsible for system configuration and vendor management.

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):

(applicable to contracts that exceed \$25,000)

Received By E.E.O. Date - September 30, 2014

Analysis Completed By E.E.O.: - October 10, 2014

31880

Manasses C. Williams
Assistant Vice President
Affirmative Action/EEO

manasses.williams@nychhc.org

TO: Kathleen Nolan, Assistant Director
for Corporate Affairs
MetroPlus Health Plan

FROM: Manasses C. Williams 

DATE: October 10, 2014

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

The proposed contractor/consultant, **DST Health Solutions, 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): MetroPlus Health Plan

Contract Number: _____

Project: Administrative Services

Submitted by: MetroPlus Health Plan

EEO STATUS:

1. Approved
2. Approved with follow-up review and monitoring
3. Not approved
4. Conditionally approved subject to EEO Committee Review

COMMENTS:

MCW/srf