

BOARD OF DIRECTORS MEETING
THURSDAY, DECEMBER 20, 2012

A-G-E-N-D-A

Call to Order - 4 pm	Dr. Stocker
1. Adoption of Minutes: November 29, 2012	
<u>Chairman's Report</u>	Dr. Stocker
<u>President's Report</u>	Mr. Aviles
>>Action Items<<	
<u>Corporate</u>	
2. RESOLUTION amending the Bylaws of the New York City Health and Hospitals Corporation to clarify certain of the responsibilities of the Board of Directors.	Dr. Stocker
3. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to purchase the EMR Project Hardware Platform through New York State Office of General Services (OGS) contract(s) from IBM and various authorized resellers in an amount not to exceed \$21,900,000 for a five year period. <i>(Med & Professional Affairs / IT Committee – 12/13/2012)</i>	Dr. Stocker
4. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to purchase computer workstations, laptops, and IT peripherals for the entire Corporation through Third Party Contract(s) from various vendors on an on-going basis in an amount not to exceed \$8,500,000, over a 12 month period. <i>(Med & Professional Affairs / IT Committee – 12/13/2012)</i>	Dr. Stocker
5. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to purchase storage hardware, software, and associated maintenance through New York State Office of General Services (OGS) contract(s) from manufacturers and various authorized resellers on an on-going basis in an amount not to exceed \$6,600,000 for a one year period. <i>(Med & Professional Affairs / IT Committee – 12/13/2012)</i>	Dr. Stocker
6. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to negotiate and execute an Affiliation Agreement with the Physician Affiliate Group of New York, P.C. ("PAGNY") for the provision of General Care and Behavioral Health Services at Lincoln Medical and Mental Health Center, Morrisania Diagnostic and Treatment Center, Segundo Ruiz Belvis Diagnostic and Treatment Center, Jacobi Medical Center, North Central Bronx Hospital, Harlem Hospital Center, Renaissance Health Care Network Diagnostic and Treatment Center, Metropolitan Hospital Center, and Coney Island Hospital for a period of three years, commencing July 1, 2012 and terminating on June 30, 2015, consistent with the general terms and conditions and for the amounts as indicated in Attachment A; AND Further authorizing the President to make adjustments to the contract amounts, providing such adjustments are consistent with the Corporation's financial plan, professional standards of care and equal employment opportunity policy except that the President will seek approval from the Corporation's Board of Directors for any increases in costs in any fiscal year exceeding twenty-five percent (25%) of the amounts set forth in Attachment A.	Dr. Stocker
<u>Committee Reports</u>	
➤Audit	Ms. Youssouf
➤Finance	Mr. Rosen
➤Medical & Professional Affairs / Information Technology	Dr. Stocker
➤Strategic Planning	Mrs. Bolus
<u>Subsidiary Board Report</u>	
➤MetroPlus Health Plan, Inc.	Mr. Rosen
➤HHC Capital Corporation	Dr. Stocker
➤HHC Assistance Corporation	Mr. Aviles
➤HHC Insurance Company/Physicians Group	Mr. Aviles
<u>Facility Governing Body / Executive Session</u>	
➤Bellevue Hospital Center	
➤Sea View Hospital Rehabilitation Center and Home	
>>Old Business<<	
>>New Business<<	
Adjournment	Dr. Stocker

NEW YORK CITY HEALTH AND HOSPITALS CORPORATION

A meeting of the Board of Directors of the New York City Health and Hospitals Corporation (hereinafter the "Corporation") was held in Room 532 at 125 Worth Street, New York, New York 10013 on the 29th of November 2012 at 4:00 P.M., pursuant to a notice which was sent to all of the Directors of the Corporation and which was provided to the public by the Secretary. The following Directors were present in person:

Dr. Michael A. Stocker
Rev. Diane E. Lacey
Mr. Alan D. Aviles
Josephine Bolus, R.N.
Dr. Jo Ivey Boufford
Dr. Vincent Calamia
Dr. Christina L. Jenkins
Dr. Adam Karpati
Ms. Anna Kril
Mr. Robert F. Nolan
Mr. Bernard Rosen
Ms. Emily A. Youssouf

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

ADOPTION OF MINUTES

The minutes of the meeting of the Board of Directors held on October 18, 2012 were presented to the Board. Then, on motion made by Dr. Stocker and duly seconded, the Board unanimously adopted the minutes.

1. **RESOLVED**, that the minutes of the meeting of the Board of Directors held on October 18, 2012, copies of which have been presented to this meeting, be and hereby are adopted.

CHAIRPERSON'S REPORT

Dr. Stocker received the Board's approval to convene an Executive Session to discuss matters of quality assurance and potential litigation and to hear a Board briefing by Counsel on a matter of attorney-client privilege.

Dr. Stocker read the statement to the HHC staff by HHC's Board of Directors commending the Corporation on its handling of the events following Hurricane Sandy.

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

Dr. Stocker announced the revised schedule of the annual public meetings: November 7th at Coney Island Hospital was cancelled; December 3rd at Queens Hospital Center; December 5th at Sea View Hospital and Rehabilitation Center and Home; and the December 12th meeting at Bellevue Hospital Center was moved to Harlem Hospital Center.

Dr. Stocker informed the Board of the death of Dr. James Dumpson, a former Chairman of the HHC Board.

Dr. Stocker discussed recent articles in the New York Post concerning Mr. Aviles. Because of the nature of the allegations raised, HHC hired outside counsel to investigate. Based on the

findings of the investigators hired by counsel, the Board wanted to make public the exoneration of Mr. Aviles.

PRESIDENT'S REPORT

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

ACTION ITEMS

RESOLUTION

2. Authorizing the President of the New York City Health and Hospitals Corporation to negotiate and execute a contract with **Public Financial Management, Inc.** to provide **financial advisory and other business consulting services** for an amount not-to-exceed \$170,000 per annum for a three-year term, with two one-year renewal options, solely exercisable by the Corporation.

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

RESOLUTION

3. Authorizing the President of the New York City Health and Hospitals Corporation to execute a **sole source** contract with **Agfa Healthcare Corporation** ("Agfa") for **radiology and imaging products and solutions, including maintenance support and services**, to be **purchased through a Premier group purchasing organization contract**, for a two (2) year term with three (3) one-year renewal options, exercisable solely by the Corporation, in an amount not to exceed \$23,422,163.

Dr. Stocker 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 **Memorandum of Understanding**

with the **New York City Department of Health and Mental Hygiene (DOHMH)** for the **transfer** to the DOHMH of **certain functions now performed by the Corporation** for the benefit of DOHMH.

Dr. Stocker moved the adoption of the resolution which was duly seconded and adopted by the Board by a vote of 13 in favor, with Dr. Karpati and Dr. Parsons recusing themselves.

RESOLUTION

5. Authorizing the President of the New York City Health and Hospitals Corporation to execute a **lease extension** with **221 Canal Street, LLC** for space at 221-227 Canal Street to **house** a Women, Infants and Children Program (**the "WIC Program"**) managed by Bellevue Hospital Center.

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

RESOLUTION

6. Authorizing the President of the New York City Health and Hospitals Corporation to execute a **lease extension** with **Third Generation Properties**, for use and occupancy of space at 2266 Nostrand Avenue, Borough of Brooklyn, **to operate** a Supplemental Food Program for Women, Infants and Children (**the "WIC Program"**), managed by **Kings County Hospital Center**.

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 revocable **license agreement** with the **New York City Police Department ("NYPD")** for its continued use and occupancy of space to operate radio communications equipment at **Queens Hospital Center**.

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

RESOLUTION

8. Authorizing the President of the New York City Health and Hospitals Corporation to execute a revocable **license agreement** with **Where to Turn, Inc., The Joseph Maffeo Foundation, Inc., and The United In Memory Memorial Quilt, Inc.** for use and occupancy of space to house **The United in Memory 911 Victims Memorial Quilt at Sea View Hospital Rehabilitation Center and Home.**

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

RESOLUTION

9. Authorizing the President of the New York City Health and Hospitals Corporation to **name** the North Bronx Healthcare Network **Departments of Surgery at Jacobi Medical Center and North Central Bronx Hospital** respectively, the **"Dr. Harry M. Delany Department of Surgery."**

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

FACILITY GOVERNING BODY/EXECUTIVE SESSION


The Board convened in Executive Session. When it reconvened in open session, Dr. Stocker reported that the Board of Directors as the governing body of Coney Island Hospital reviewed, discussed and adopted the facility's report presented.

Dr. Stocker further reported that the Board had reviewed and discussed the report of a confidential investigation conducted by outside counsel regarding allegations that Mr. Aviles had met with several female employees of HHC concerning allegations of sexual harassment by a former HHC executive and failed to refer their complaints to the Inspector General. The investigation concluded that no such meeting with Mr. Aviles occurred, that the

employees complained directly to the Inspector General, and that Mr. Aviles has fully supported and cooperated with the investigation. The Board accepted the findings in the report and also affirmed its continued support of Mr. Aviles' leadership of the Corporation.

ADJOURNMENT

Thereupon, there being no further business before the Board, the meeting was adjourned at 6:11 P.M.



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

COMMITTEE REPORTS

Due to the effects of Hurricane Sandy all HHC Committee meetings scheduled for the month of November 2012 were cancelled.

**ALAN D. AVILES
HHC PRESIDENT AND CHIEF EXECUTIVE
REPORT TO THE BOARD OF DIRECTORS
NOVEMBER 29, 2012**

HHC AND OUR OUTSTANDING STAFF WEATHER HURRICANE SANDY

Sandy was forecast as an unusual and enormous tropical storm/hurricane, on track to merge with two other fronts of turbulent weather, that would produce an uncertain combination of high winds, heavy rain and coastal storm surge. Preparations were initiated on Friday October 26, for a predicted impact somewhere on the northeast coast on the evening of Monday October 29. A storm surge of 5-8 feet was initially predicted, which meant that there was no mandatory evacuation order for Zone A hospitals or nursing homes. However, we did begin cancelling elective admissions and discharged as many patients as possible over Oct 27 and 28. In addition, about 20 stable ventilator-dependent patients were transferred from Coney Island Hospital to other facilities outside the flood zone.

All facility emergency response plans and command centers were activated; all emergency generators were tested and fully fueled; additional food, supplies and fuel were secured; disaster staffing patterns were implemented and preparations were made for staff to sleep over at their facilities; and we commenced twice daily system-wide conference calls. As a precaution, Goldwater Hospital, with its large number of ventilator-dependent patients, was switched over to generator power prior to the storm, based on the experience from Hurricane Irene.

As with Hurricane Irene, we staffed and opened eight Special Medical Needs Shelters (SMNS), with each network taking administrative and clinical responsibility for these sites. These SMNS were often co-located with larger general evacuation shelters in CUNY facilities, and although initially designed for use for up to three days, served over 2000 patients for up to three weeks. These patients included a large number of nursing home and adult home evacuees from damaged or flooded locations.

The huge storm made landfall well south of New York City during the evening of Monday October 29, which coincided with a very high tide that contributed to a surge of up to 14 feet in some areas; well above the predicted level and the cause of significant flooding damage to mechanical, electrical, plumbing and other essential systems located in the basements at Coney Island Hospital, Coler Hospital and Bellevue. In addition, wide-spread loss of Con Ed power left seven HHC facilities across three boroughs reliant on emergency generator power for some period after the storm.

I was in the emergency command center at Coney Island Hospital during the night of the storm. The quickly rising flood waters eventually washed through the first floor of the hospital and required staff to power down the emergency generator to prevent it from shorting out. All power was lost for 4 hours as we waited for the waters to recede enough to attempt a restarting of the generators. Among the 180 patients in house were 12 on

ventilators, which were now on back-up battery power. As the flood water receded, the generators were restarted and staff safely evacuated all patients within a 24-hour period. This was a remarkable feat for which Coney Island staff can be truly proud. Within two days, a walk-in ambulatory clinic and outpatient pharmacy service was established to serve the dire needs of this devastated area. Soon after, the hospital also began running mobile clinic services in Staten Island and Coney Island.

On Tuesday October 30, the extent of the damage in the basement at Bellevue was evident, with failure of fuel pumps to the generators, failure of domestic water pumps, failure of the heating system, and flooding of all 32 elevator shafts. Extensive and fervent efforts were underway to see if the basement could be pumped out enough for key services to be repaired; meanwhile staff began evacuating some patients for transport to other facilities. A human bucket brigade was assembled for the carrying of water and generator fuel, first by staff and volunteers and later by the National Guard. By early Wednesday October 31, it was clear that restoration of even elevator service within a reasonable period was not possible and an evacuation of all remaining patients, with the assistance of the National Guard, was undertaken down the stairs. Again, this was remarkably achieved without harm to any of the more than 700 patients. The success this evacuation, like the one at Coney Island, was dependent on extraordinary performance from all levels of staff and excellent cooperation with many willing receiving hospitals, both within HHC and the voluntary sector.

At our Coler facility on Roosevelt Island, there was a loss of Con Ed power and steam heat, followed by a failure of the emergency generator located in the severely flooded basement. More than 100 patients whose care could potentially need electrical power (for example for a feeding pump) were transferred to the Goldwater campus, with the assistance of the National Guard.

I was at Coler from Thursday, November 1st until Saturday, November 3rd so that I could monitor progress restoring power and heat, as well as check on the status of both residents and staff. Mobile emergency generator power required the fabrication and installation of temporary electrical switching gear. Full power did not begin to be restored until Friday, November 2 and heat slowly returned beginning on Saturday, November 3. In the interim, powerful space heaters with their own dedicated generators and additional 1000 blankets were put to use. Staff were outstanding and the residents were extremely patient and forbearing.

Our corporate central offices at 125 Worth Street, 346 Broadway and 160 Water Street were all closed without power or heat from the night of the storm. The first two buildings were re-opened with power but no heat on Monday November 5. The building at 160 Water Street remains closed and is projected to be available in January, at the earliest. Despite these difficulties, and through the ingenuity and improvisation of leadership and staff, MetroPlus, Home Health, Finance and IT services have been maintained, with minimal or no interruption. This was yet another extraordinary achievement.

I want to underscore the critical role that our IT division played, and continues to play, throughout this period. The tireless work of our IT leadership and staff, in not only maintaining services, but innovating and restoring storm damaged communication systems

was critical to enabling our teams to work effectively during the storm and its immediate aftermath. Moreover, the redundancies built into our complex IT systems, including our two data centers and our wide area network, were put to a serious test and served us exceedingly well.

Metropolitan Hospital came very close to losing its emergency generator power, but for the exceptional work of its facilities management staff who succeeded in pumping water out of the hospital basement fast enough to protect the generators. However, the basement of Draper Hall, an administrative services building without direct patient care services, was inundated and the building systems severely damaged.

HHC sister facilities have collaborated to assist Bellevue and Coney Island as they labor to recover, to help meet the needs of our patients formerly served at Bellevue and Coney Island, and to accept and assign duties to re-deployed staff from both of those facilities. While the physical damage to many of our other facilities was comparatively modest, our employees certainly suffered storm-related effects as many found it difficult to get to work because of transportation disruptions and fuel shortages, and some experienced personal loss and hardship. Despite these challenges, our facilities remained adequately staffed throughout the storm and in the difficult days that followed. The dedication and commitment to mission by the entire organization in this regard and others through this emergency situation has been inspirational.

Extensive clean up, repair and restoration work is underway. HHC held press briefings last week at Bellevue Hospital and Coney Island Hospital to inform the community of the healthcare services that are available at those hospitals, in spite of the hurricane damage. Bellevue Hospital re-opened primary care services on November 19, as well as walk-in services 24 hours a day, seven days a week. The hospital is now steadily expanding its specialty ambulatory services. Limited ER services should be available early in December and full inpatient services by February 2013. At Coney Island Hospital, 24/7 walk-in services are also now available, and we are hoping to have inpatient services restored in January 2013, with limited ER services being available in early December.

In light of the widespread healthcare service disruptions and to help meet community need, since the storm HHC's other hospitals have been offering primary care walk-in services with extended hours of operation.

At Coler Hospital, full restoration of ConEd power and independence from a temporary boiler will not be achieved until March 2013, at the earliest.

Mayor Bloomberg and the City Council have set aside \$500 million to help schools and public hospitals to repair extensive damage to buildings. HHC will receive \$300 million for structural restorations, new boilers, new mechanical and electrical systems, roof repairs, flood remediation and more. We are still assessing the full projected cost for repair, restoration and risk mitigation going forward. We have begun the process of applying to FEMA for funds to repair facilities and replace equipment, and we have secured expert consulting resources to help ensure that we can comply with FEMA regulations related to procurement, documentation, and invoicing so as to optimize our ultimate federal

reimbursement; however, we are uncertain as to the percentage of costs that will ultimately be deemed reimbursable by FEMA. In addition, FEMA will not cover lost revenue from Bellevue and Coney Island, which amounts to \$15 million a week.

Given the critical importance of restoring full services to the hard-hit community of Coney Island, and to re-opening the only Level One trauma center and Comprehensive Emergency Psychiatric Program in lower Manhattan, I have issued a formal declaration of emergency and a blanket deviation from procurement operating procedures required to achieve the aggressive time lines for restoring these essential services to our communities.

Even as we labor to repair and restore the storm damage to our buildings and equipment, we also are offering counseling and other support services for our affected staff. The Fund for HHC has begun raising charitable donations so that we can offer some financial assistance to staff who have suffered storm-related personal loss.

The physical and financial damage to our system is significant, and it will further strain our budget and hinder our timely implementation of essential strategic initiatives in the coming year. However, HHC has faced adversity before, and we have come out of it stronger. If anything, our system's response to this unprecedented challenge reminds us of that our strength is derived from the talent of our staff and deep dedication to mission that binds us.

STORM CLEANUP AND RECOVERY REINFORCES HHC COMMITMENT TO SAFETY

Now, as we work to restore HHC physical plants, cleaning and fixing areas that have suffered damage, staff safety is, still and always, a level-one priority. We believe that taking precautionary measures is the way we protect all involved. As a result, we are limiting access to some of the most affected areas, such as those below ground at Bellevue, Coler, and Coney Island, or at 160 Water Street. We are also taking daily readings of air quality, which, to date, are at safe levels. Finally, we have reinforced rules that anyone working in facility areas where flood waters have potentially created any environment risk, typically the basements, must wear approved personal protective equipment (PPE) such as protective masks, shoe coverings, and Tyvek suits. We continue to work with outside environment consultants, as well as individual Facility Safety Departments across our system, to ensure that all restoration efforts are undertaken with a strong focus on safety.

THE FUND FOR HHC LAUNCHES HURRICANE RELIEF FUND FOR AFFECTED EMPLOYEES

Immediately after the storm, The Fund for HHC launched a Hurricane Relief Fund to support HHC employees who are suffering personal hardships as a result of Hurricane Sandy.

Just before the Thanksgiving holiday, in partnership with HHC, The Fund provided the first 250 employees who reached out for immediate assistance with \$50 gift cards. The cards can be used to purchase groceries for a holiday meal or needed personal items. In addition

to the cards, The Fund also began mailing one-time, monetary grants to employees who suffered significant losses from the storm.

As usual, the HHC community is quick to help its own. To date, The Fund has collected nearly \$100,000 from compassionate members of HHC staff, as well as a number of friends of HHC, corporate donors, and supportive organizations, such as Au Bon Pain and the Felix Y. Manalo Foundation.

In addition an annual jazz event, the Brooklyn Djangology Festival, will donate all of the profits from ticket sales to The Fund's hurricane relief initiative. A Bellevue employee, who is also a member of the band Franglais that will perform at the festival, is spearheading this effort. The festival will take place on December 7 at Shapeshifter Lab at 18 Whitwell Place in Brooklyn starting at 7:30 p.m.

Donors who wish to contribute to The Fund's relief effort and HHC employees who wish to apply for assistance can do so by visiting www.thefundforhhc.org.

NEW HURRICANE RESTORATION AND RELIEF SITE PROVIDES CONTINUOUS UPDATES FOR STAFF

To keep employees apprised of our restoration efforts, we recently launched a Hurricane Restoration and Relief intranet site. The site serves as the single source of official information related to HHC's restoration and relief efforts. It is updated daily, or as soon as new information is available, and includes schedules, timelines, deployment instructions, and important messages from HHC leadership. It also provides details on The Fund for HHC's hurricane relief effort for employees who were affected by the storm.

A photo gallery on the site offers a glimpse into the hard work of caregivers across HHC on our road to recovery. The photos tell the story of employees adapting to unconventional work environments and caring for patients side by side with their colleagues from across the system. You can access the site by visiting HHC's corporate intranet at <http://restoration>.

HHC FACILITIES GET 'A' RATING FOR SAFETY FROM LEAPFROG GROUP

Five HHC hospitals have received an 'A' rating for quality and safety from the LeapFrog Group, a national organization established by large employers and insurance companies to create national quality and safety standards for hospitals. Jacobi, Kings County, Lincoln, North Central Bronx and Queens hospitals have all received the top rating in the LeapFrog organization's first national hospital patient safety ratings. The 'A' score is given to hospitals across the country who have scored in the top 20 percent on the LeapFrog Group's Hospital Safety Score, calculated from 26 publicly available patient safety indicators under the guidance of a nine-member blue ribbon panel of patient safety experts. The measures include avoiding hospital acquired infections and surgical complications, administering medications in a safe manner and creating a hospital wide culture of safety. I know the Board joins me in congratulating the recipients of this national safety recognition.

METROPLUS RANKS #1 IN NEW YORK CITY FOR FOURTH YEAR STRAIGHT

Our MetroPlus Health Plan received the top ranking by the New York State Department of Health in Quality and Patient Satisfaction in the Consumer's Guide to Medicaid Managed Care in NYC. This is the fourth year in a row that MetroPlus has achieved first place ranking in New York City. It has now achieved the top spot in seven out of the last eight years.

According to the latest report, MetroPlus was ranked as one of the best Medicaid Managed Health Care Plan in New York City, this year, along with Neighborhood Health Providers and HIP (Emblem Health). The report shows MetroPlus outperforming all plans in the City in areas of Adult Preventive Care and Child and Adolescent Health, and achieving the maximum score in areas of Women's Preventive Care and Cardiovascular Care.

Congratulations to MetroPlus President Dr. Arnold Saperstein and his staff for this outstanding achievement.

FEDERAL UPDATE

Since our last Board meeting, the major news from Washington is the re-election of President Barack Obama by an overwhelming majority in the Electoral College. The election results ensure that the Affordable Care Act (ACA) will not be repealed. The President's victory was coupled with the Democrats retaining control of the Senate, where they increased their majority by two. In the House of Representatives, Republicans held on to their majority, with Democrats adding at least eight seats. There are five new Members from NY State in the House of Representatives.

Although the results strengthen President Obama's position vis-a-vis the House Republicans in the "fiscal cliff" negotiations, it will still be difficult to get all the players to agree on legislation that can be enacted.

There are several matters that Congress will address before the end of this term.

- **Sustainable Growth Rate (SGR)**, commonly referred to as the "doc fix", governs Medicare reimbursement to physicians. The SGR will expire unless extended before December 31. If it is not extended, reimbursements to doctors will decline 26.5 percent. A permanent solution will cost \$244 billion over 10 years. A one year fix would cost \$25.2 billion. In the past, offsets have been required for this spending. Last year, the offset included an extension of the Medicaid DSH cuts.
- The **Bush tax cuts** expire unless legislatively extended. The Obama Administration wants to extend them only for those making less than \$250,000. The Republicans want to extend them in their entirety.

- Under the Budget Control Act of 2011 (BCA), a **sequester**, across the board cut, totaling \$1.2 trillion over ten years will begin January 2, 2013 unless some alternative approach to reduce the deficit is adopted. The automatic sequesters will result in a 2 percent reduction for Medicare providers, which totals over 9 years to \$123 billion, including \$41 billion from hospitals. Medicare beneficiaries and the entire Medicaid program are exempt from sequester cuts.

Because half of the sequester savings must come from Defense, some Members of Congress argue that an alternative should be enacted to avoid defense reductions. Any change to mitigate the Defense cuts would come from domestic programs - with Medicare and Medicaid likely targets. Earlier this year, the House passed an alternative budget, which included extending the Medicaid DSH cuts as well as other cuts to ACA funding. The Senate did not take up the House budget, stating that there was a budget already in place under the BCA. The negotiators will be looking at items included in the House budget and the Simpson Bowles proposals, such as GME and IME cuts, cuts in hospital outpatient reimbursement, cuts in Provider Taxes used to raise the state/local share of Medicaid as well as other options.

PROCUREMENT OF ELECTRONIC MEDICAL RECORD CONTRACT UPHeld

On November 21st, the HHC Procurement Review Board (PRB) unanimously rejected the challenge by Allscripts of the awarding of the HHC electronic medical records contract to Epic Systems Corporation (Epic). After a review of all relevant materials submitted by Allscripts and HHC, the PRB did not find that the protest allegations by Allscripts were substantiated. The PRB concluded that HHC was fair and consistent throughout the procurement process; that the relevant HHC Operating Procedure was consistently applied; and that Allscripts was given every opportunity to submit its best possible proposal for the provision of the contract services. Accordingly, HHC will go forward to enter into an agreement with Epic.

UPDATE ON HHC'S CARE PLAN MANAGEMENT SYSTEM

As you know, in July, HHC acquired a Care Plan Management System (CPMS) from Microsoft to support the needs of the NYS Health Homes program and Patient Centered Medical Home standards for collaborative care planning across the corporate. This web-based platform will facilitate the creation and documentation of patient care plans and greatly improve the information exchange and access for all care team providers, including both HHC and non-HHC providers.

The CPMS will capture each patient's care needs and self-management goals, as well as the care team's activities and interventions supporting the patient's ability to meet those goals. In addition, the system will support patient tracking and reporting, consent management and trigger automatic alerts and flags to notify providers regarding key events. The CPMS provides critical linkage of information that is often not well-documented in the

medical record, including some non-clinical aspects of care such as social services and housing. This will provide the care team with a much more integrated view of the care coordination activities for the patient.

The first phase of the project focuses on the setup and deployment of the administrative components needed to manage patient enrollment, care team assignment and reporting, and the provider portal that will be used by the care team members to access and manage a patient's care plan. The second phase will expand upon the care plan system and deploy the patient portal and personal health record.

The care plan templates are under development and we expect to have a working version of the CPMS demonstrated to us imminently. However, given the recent events of Hurricane Sandy, we are re-evaluating our work plan and timelines. We anticipate some delays due to staffing relocations and disruptions in our planned testing and training plans. Phase 1 was anticipated to go-live in February 2013 and Phase 2 in May 2013. We will strive to limit the slippage in these timelines despite the storm disruptions.

You may have read that Microsoft has entered into a joint venture with GE to form a new company -- Caradigm -- which now owns and supports the CPMS product. Microsoft and GE are each 50 percent owners of the new company. This development should have little or no impact on our program.

DR. JAMES R. DUMPSON, FORMER HHC BOARD CHAIR, DIES AT AGE 103

With great sadness, I note the passing of one of HHC's greatest friends and a former chairman of the Board of Directors -- Dr. James R. Dumpson. He was appointed chairman of HHC's Board in 1990 after a very long and distinguished career in public service. He served under five New York City mayors and was dean of the prestigious school of social work at Fordham University. The longest tenure of his City service was at the Human Resources Administration, and our current Board member HRA Commissioner Robert Doar honored him at his 100th birthday celebration. Dr. Dumpson was an outspoken and eloquent defender of the poorest of the poor on both local and national stages. He was known as the Little Dynamo for his energy, and we at HHC were indeed lucky to have had him with us.

PREMIERE OF *HHC RISING*: OUR THEN AND NOW

Today, we will screen for the first time a new, short video titled *HHC Rising*, which we will soon post on HHC websites and social media channels, as well as use as an introduction to our organization in our orientation for new employees.

Produced by the Office of Special Projects, *HHC Rising* tells the impressive story of how, for more than 275 years, our public hospitals have served the people of New York City, and demonstrates that today HHC continues to be the touchstone of accessible, progressive and high-quality healthcare.

It seems like there is no better time to share *HHC Rising* with the Board, our employees, and the public -- Hurricane Sandy uniquely tested our commitment to our mission, and we rose to the occasion. Our proud past informs our bright future and *HHC Rising* speaks to the qualities that shaped HHC then and define it now -- our pioneering spirit, our unremitting drive to improve, and a workforce that not only supports but exemplifies our mission to care for all New Yorkers with the respect they deserve.

HHC IN THE NEWS HIGHLIGHTS

Broadcast

Here and Now, Dr. Robert Gore, Kings County Hospital, WABC-TV, 10/14/12

Lincoln's Breast Cancer Center, Lincoln Hospital, News 12 Bronx-TV, 10/15/12

Kings County Hospital Center Health Horizons, Take Care New York, BCAT-TV, 10/20/12

Medicare 101 Workshops, Woodhull Hospital, News 12 Brooklyn -TV, 10/18/12

Big Apple Crunch, Diane Barrett, Dietician, Morrisania, News 12 Bronx-TV, 10/24/12

Pediatricians Add Reading to Essential Health Checkup List: Children of Bellevue's Reach Out and Read featured on PBS NewsHour, PBS-TV, 11/08/12

Hurricane Sandy: Broadcast

HHC President Alan Aviles discusses Bellevue Hospital evacuation, Nightline ABC National, Piers Morgan Tonight, Outfront CNN National, 10/31/12

HHC President Alan Aviles, NYC Hospitals Update, Good Day NY, WNYW FOX, 11/02/12

Sandy Relief Efforts Intensify As Temperatures Drop, HHC, Bellevue Hospital, NY1, 11/05/12

(Also covered in Reuters)

Bellevue, Coney Island Hospital Expected To Operate Again During Winter, NY1, 11/12/12

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3 New York City hospitals remain closed after Sandy, HHC President Alan Aviles, WABC, 11/13/12

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New York's Bellevue Hospital Center could stay shut for two weeks after storm damage, Bellevue, Coney Island and Metropolitan, Modern Healthcare, 10/31/12
(Also covered in NY1, New York Post, NBC News, FOX News, New Jersey Herald, Reuters, Utica Observer Dispatch, TheDailyBeast.com, Weather.com, Houston Chronicle, Crain's, SeattlePI.com, and many more)

At Bellevue, a Desperate Fight to Ensure the Patients' Safety, Bellevue Hospital, The New York Times, 11/01/12

Floods render NYC hospitals powerless, Bellevue Hospital, AP, 11/02/12
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The height of the storm, Bellevue Hospital, Nurse.com, 11/05/12 (Also covered in NY Magazine, TheIndependent.com)

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Hospitals post-Sandy: First, open the doors, HHC President Alan Aviles, Modern Healthcare, 11/14/12

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The Storm and the Aftermath, Dr. Danielle Ofri, Bellevue Hospital, The New England Journal of Medicine, 11/14/12

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A Return to Bellevue After the Storm, Op-ed by Dr. Ofri, Bellevue, Metropolitan, Harlem, Jacobi, Gouverneur, Elmhurst, Woodhull, Queens Hospital, The New York Times, 11/26/12

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Fix Patients the First Time, HHC, Dr. Ross Wilson, Crain's New York Business, 11/11/12

4 Best Practices for Safety-Net Hospital Boards, Michael Stocker, MD, HHC, Becker's Hospital Review, 11/14/12

HHC honors nurses with inaugural Nursing Excellence Awards, Nurse.com, 11/26/12

New York City HHC facilities earn 'senior-friendly' designation, Nurse.com, 11/19/12

Some Exposed to WTC Dusts Show Improved Lung Function, Dr. Joan Reibman, HHC WTC Environmental Health Center, Journal of Occupational and Environmental Medicine, 10/17/12

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Mayor Bloomberg Gets Flu Shot, Urges New Yorkers To Do The Same, HHC, CBS New York, 10/25/12

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to negotiate and execute a contract with Public Financial Management, Inc. ("PFM") to provide financial advisory and other business consulting services for an amount not-to-exceed \$170,000 per annum for a three year term, with two, one-year renewal options, solely exercisable by the Corporation.

WHEREAS, the Corporation currently finances major construction and renovation capital projects, ongoing capital improvements, and major movable equipment through funds received from the proceeds of tax-exempt bonds and leases issued by the Corporation or by other issuers on behalf of the Corporation; and

WHEREAS, the Corporation's involvement in the financial markets through bond issues, capital leases and investments necessitates the use of a financial advisor to review and pursue all financing options available to the Corporation; and

WHEREAS, through a Request for Proposals ("RFP") process for financial advisory services, a selection committee determined that Public Financial Management, Inc. is best qualified to provide the financial advisory services required; and

WHEREAS, the overall management of this contract will be under the direction of the Senior Vice President/CFO, Finance and Managed Care and Assistant Vice President, Debt Finance/Corporate Reimbursement Services.

NOW THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation be and hereby is authorized to negotiate and execute a contract with Public Financial Management, Inc. to provide financial advisory and other business consulting services for an amount not-to-exceed \$170,000 per annum for a three year term, with two, one-year renewal options, solely exercisable by the Corporation.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (“the Corporation”) to negotiate and execute a sole source contract with Agfa Healthcare Corporation (“Agfa”) for radiology and imaging products and solutions, including maintenance support and services, to be purchased through a Premier group purchasing organization contract, for a two (2) year term with three (3) one year renewal options, exercisable solely by the Corporation, in an amount not to exceed \$23,422,163.

WHEREAS, the Corporation currently uses Agfa under an existing contract as a sole source provider of IT-enabled clinical workflow and diagnostic image management solutions for capturing and processing images in all Corporation hospitals and healthcare facilities, which agreement will expire in December 31, 2012; and

WHEREAS, the Corporation requires a new consolidated enterprise-wide Corporate agreement to replace the current agreement that will effectively and efficiently address all of the Corporation’s needs for radiology, and imaging products and solutions, including maintenance support and services to be used throughout the Corporation’s facilities; and

WHEREAS, this contract will provide 1) support for all Agfa products used in the Corporation: IMPAX, Talkstation and Cardio components under maintenance including 24 X 7 X 365 remote coverage for system service requests, 2) the installation of an unlimited workstation license key, 3) Software license upgrades for all covered Software, 4) Enterprise Image storage platform and viewer, 5) XDS-I conformance in order to provide compatibility with an Enterprise imaging solution, 6) Onsite maintenance engineers for PACS and supported Imaging modalities, 7) Preventative maintenance for PACS system; and

WHEREAS, the Radiology and Cardiology Councils under the Office of Medical and Professional Affairs, with participants from the Corporation’s facilities, have determined the continued need for such systems; and

WHEREAS, the overall responsibility for monitoring the contract shall be under the direction of the Senior Vice President /Chief Information Officer, Division of Enterprise Information Technology Services.

NOW THEREFORE, BE IT

RESOLVED, that the President of the New York City Health and Hospitals Corporation be and is hereby authorized to negotiate and execute a sole source contract with Agfa Healthcare Corporation for radiology and imaging products and solutions, including maintenance support and services, **to be purchased through a Premier group purchasing organization contract, for a two (2) year term with three (3) one year renewal options, exercisable solely by the Corporation, in an amount not to exceed \$23,422,163.**

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation to execute a Memorandum of Understanding (“MOU”) with the New York City Department of Health and Mental Hygiene (“DOHMH”) for the transfer to the DOHMH of certain functions now performed by the Corporation for the benefit of DOHMH

WHEREAS, HHC has been assisting DOHMH by performing the functions of oversight, monitoring, and administration of DOHMH’s Central Medical Supply pharmacy operations, DOHMH’s Information Technology Initiatives Bureau, and DOHMH’s Office of Grants Administration and Claiming; administrative direction of correctional health; and functions ancillary thereto; and

WHEREAS, it has been determined that it is more efficient to have these functions performed by DOHMH; and

WHEREAS, it has been determined that the six HHC staff members performing these functions should be transferred to and integrated with DOHMH staff;

NOW, THEREFORE, be it

RESOLVED that the President of the New York City Health and Hospitals Corporation is authorized to execute a Memorandum of Understanding (“MOU”) with the New York City Department of Health and Mental Hygiene (“DOHMH”) for the transfer to the DOHMH of certain functions now performed by the Corporation for the benefit of DOHMH.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Tenant" or "Corporation") to execute a lease extension with 221 Canal Street LLC (the "Landlord") for space at 221-227 Canal Street to house a Women, Infants and Children Program (the "WIC Program") managed by Bellevue Hospital Center (the "Facility").

WHEREAS, in April 2010, Saint Vincent's Catholic Medical Centers of New York ("SVC MC") filed for bankruptcy under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court, Southern District of New York; and

WHEREAS, SVC MC had operated the WIC Program at 221-227 Canal Street since 2000, and effective June 30, 2010, SVC MC discontinued its management of the Canal Street site; and

WHEREAS, pregnant, breastfeeding and postpartum women, infants and children less than five years of age determined to be at nutritional risk are eligible for WIC Program services which includes monitoring children's growth rates, nutrition education, breastfeeding support, and high risk counseling; and

WHEREAS, in June 2010, the Board of the Directors authorized the President to execute an acceptance of lease assignment and lease assumption agreement with SVC MC to effect the substitution of the Corporation for SVC MC under its lease with the Landlord; and

WHEREAS, a lease modification agreement was executed July 1, 2010, which by its terms expired December 31, 2011, under which the Corporation assumed operation of the WIC program including the obligation to pay rent and related occupancy charges; and

WHEREAS, in December 2011, the Board of Directors authorized the President to extend the lease term by one (1) year, which by its terms expires December 31, 2012; and

WHEREAS, the New York State Department of Health shall continue to fund the WIC Program operation through the lease extension term.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Tenant" or "Corporation") be and is hereby authorized to execute a lease extension with 221 Canal Street LLC (the "Landlord") for space at 221-227 Canal Street to house a Women, Infants and Children Program (the "WIC Program") managed by Bellevue Hospital Center (the "Facility").

The Tenant shall have the use and occupancy of approximately 1,200 square feet of space on the 5th floor of 221-227 Canal Street (the "Demised Premises"). The lease term shall be five (5) years commencing January 1, 2013. The base rent shall be approximately \$55,724 per year or approximately \$46.43 per square foot and shall be escalated by 2.5% per year. The Tenant shall be responsible for payment for its electricity usage. The Landlord shall be responsible for payment of gas, water and sewer rents. The Tenant shall be responsible for payment of its proportionate share of real estate increases above the 2012/2013 base year.

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Resolution – Lease Agreement
221-227 Canal Street

The Landlord shall be responsible for interior and exterior structural maintenance and repairs to the Demised Premises, including the roof and main utility feeder lines. The Tenant shall be responsible for interior non-structural maintenance and repairs to the Demised Premised not caused by the Landlord's negligence.

At its own expense, the Landlord shall perform work in the Demised Premises including the removal of a dividing wall and existing cabinetry, flooring repairs, ceiling tile replacement and painting.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation" or "Tenant") to execute a lease extension agreement with Third Generation Properties (the "Landlord"), for use and occupancy of space at 2266 Nostrand Avenue, Borough of the Brooklyn, to operate a Supplemental Food Program for Women, Infants and Children (the "WIC Program"), managed by Kings County Hospital Center (the "Facility").

WHEREAS, in October 2007, the Board of Directors authorized the execution of a lease with the Landlord which allowed the WIC Program to continue to operate from its current location, which by its terms expires December 31, 2012; and

WHEREAS, the Facility's WIC Program provides nutrition services to pregnant, breastfeeding and postpartum women, infants, and children less than five years of age, who are determined to be at nutritional risk and are of low income; and

WHEREAS, extending the lease at the site will allow continued provision of needed WIC Program services to the community;

WHEREAS, the program is fully funded by a New York State Department of Health grant.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation" or "Tenant") be and hereby is authorized to execute a lease extension agreement with Third Generation Properties (the "Landlord"), for use and occupancy of space at 2266 Nostrand Avenue, Borough of Brooklyn, to operate a Supplemental Food Program for Women, Infants and Children (the "WIC Program"), managed by Kings County Hospital Center (the "Facility").

The Tenant shall have the continued use and occupancy of approximately 2,400 square feet of ground floor space at 2266 Nostrand Avenue (the "Demised Premises"). The term of the lease shall be five (5) years. The Tenant shall pay base rent in the amount of \$76,611 per year, or approximately \$31.92 per square foot. The rent shall be escalated by 2.5% per year.

The Tenant shall be responsible for the payment of separately metered electricity. The cost of water and sewer rents shall be the Landlord's responsibility. The Landlord shall be responsible for all interior and exterior maintenance and structural repairs at the Demised Premises. The Tenant shall be responsible for non-structural maintenance and repairs at the Demised Premises. The Tenant shall also be responsible for the repair and maintenance of sidewalks, curbs and passageways adjoining and/or appurtenant to the Demised Premises.

The Tenant shall be responsible for the payment of its share of real estate tax increases above the base year 2013/2014.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation" or "Licensor") to execute a revocable license agreement with the New York City Police Department ("NYPD" or "Licensee") for its continued use and occupancy of space to operate radio communications equipment at Queens Hospital Center (the "Facility").

WHEREAS, in December 2007, the Board of Directors authorized the President to enter into a license agreement with the Licensee which by its terms expires on January 31, 2013; and

WHEREAS, the NYPD desires to continue to operate radio communications equipment at the Facility, and the Facility has the space to accommodate the NYPD communications system; and

WHEREAS, the Licensee's radio communications system shall not compromise Facility operations, and it complies with applicable federal statutes governing the emission of radio frequency signals and, therefore, poses no health risk.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation" or "Licensor") be and hereby is authorized to execute a revocable license agreement with the New York City Police Department ("NYPD" or "Licensee") for use and occupancy of space to operate radio communications equipment at Queens Hospital Center (the "Facility").

The Licensee shall be granted the continued use and occupancy of approximately fifty (50) square feet of space on the roof of the "N" Building on the Facility's campus (the "Licensed Space"). The space shall be used by the Licensee for radio communications equipment. Public safety is enhanced by the system's operation, therefore the occupancy fee shall be waived. The Facility shall provide electricity to the Licensed Space. The operation and maintenance of the system shall be the responsibility of the Licensee.

The Licensee shall be required to indemnify and hold harmless the Corporation and the City of New York from any and all claims arising out of 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 ninety (90) days written notice.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation" or "Licensor") to execute a revocable license agreement with Where to Turn, Inc., The Joseph Maffeo Foundation, Inc., and The United In Memory Memorial Quilt, Inc. (the "Licensee") for use and occupancy of space to house The United In Memory 9/11 Victims Memorial Quilt at Sea View Hospital Rehabilitation Center and Home (the "Facility").

WHEREAS, the Licensee seeks to provide a permanent location, open to the public, for the The United In Memory 9/11 Victims Memorial Quilt, and establish additional exhibits and related programs to memorialize those who lost their lives on September 11, 2001; and

WHEREAS, the Licensee, at its own expense, shall renovate space on the Facility's campus to house the Memorial Quilt, exhibits, and programs and shall provide staff for its operation and maintenance; and

WHEREAS, the Facility has adequate space to accommodate the Licensee's needs.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation" or "Licensor") be and hereby is authorized to execute a revocable license agreement with Where to Turn, Inc., The Joseph Maffeo Foundation, Inc., and The United In Memory Memorial Quilt, Inc. (the "Licensee") for use and occupancy of space to house The United In Memory 9/11 Victims Memorial Quilt at Sea View Hospital Rehabilitation Center and Home (the "Facility").

The Licensee shall be granted use and occupancy of approximately 10,000 square feet of space in the Kitchen Building and track way on the Facility's campus (the "Licensed Space") to house the Memorial Quilt, exhibits, and related programs. The occupancy fee shall be waived. The Licensee shall make renovations to the Licensed Space at its own expense.

The Licensee shall provide electricity, heat, air conditioning, hot and cold water and routine maintenance to the Licensed Space. The Licensee shall be responsible for its own housekeeping.

The Licensee shall indemnify and hold harmless the Corporation and the City of New York from any claims arising out of its use of the Licensed Space, and shall provide appropriate insurance naming the Corporation and the City of New of New York as additional insureds.

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

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to name the North Bronx Healthcare Network Departments of Surgery at Jacobi Medical Center and North Central Bronx Hospital (the "Facilities") respectively, the "Dr. Harry M. Delany Department of Surgery".

WHEREAS, the North Bronx Healthcare Network has requested that the Departments of Surgery at Jacobi Medical Center and North Central Bronx Hospital respectively be named in honor of Dr. Harry M. Delany who served as Chairman of the Departments of Surgery for both hospitals and who is a nationally recognized leader, educator, researcher and innovator in the care of surgical patients; and

WHEREAS, Dr. Delany, during his more than 50 year career in the municipal hospital system in the Bronx, used his expertise to develop innovative surgical techniques, educate and train hundreds of surgeons and improve access and provide the highest quality health care to the Corporation's patients; and

WHEREAS, Dr. Delany's family and colleagues have expressed their enthusiastic support for this recognition of his professional dedication and significant personal contributions to Network, the staff of both Facilities and the patients; and

WHEREAS, the Facility has met the requirements for naming a portion of a facility as set forth in the Corporation's Operating Procedure 100-8 dated December 15, 2004 including that no person or persons on behalf of the Corporation or the Facility solicited a gift and that the naming is supported by the Facility's Community Advisory Board, the Medical Board, and the Executive Director; and

WHEREAS, the request has been submitted to the President advising of the intent to name the Facilities' Departments of Surgery after Dr. Delany.

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 name the North Bronx Healthcare Network Departments of Surgery at Jacobi Medical Center and North Central Bronx Hospital (the "Facilities") respectively, the "Dr. Harry M. Delany Department of Surgery".

The President of the Health and Hospitals Corporation is hereby authorized to notify all private parties and public agencies and organizations involved and interested in the affairs of such naming.

RESOLUTION

Amending the Bylaws of the New York City Health and Hospitals Corporation to clarify certain of the responsibilities of the Board of Directors.

WHEREAS, the Bylaws of the New York City Health and Hospitals Corporation (the “Corporation”) may be altered by vote of majority of the whole number of the Board; and

WHEREAS, in accordance with the requirements of the Bylaws, Board members have been given 14 days notice of intent to vote to amend the Bylaws; and

WHEREAS, it is in the interest of the Corporation to improve the governance and oversight role of the Board of Directors and to facilitate compliance with certain regulatory requirements by amending the Bylaws to clarify certain of the responsibilities of the Board; and

WHEREAS, an amendment of the Bylaws will better enable the Corporation to conduct its business.

NOW, THEREFORE, BE IT

RESOLVED that Article IV, Section 4, Paragraph (B) shall be amended to read as follows:

(B) Regular Meetings Regular meetings of the Board shall be held on a monthly basis with a minimum of ten (10) such meetings per year. ~~At least four (4) times each year (or as required by law), the Board shall meet as the Governing Body of each of the facilities listed in Section 1, above.~~ *At least once each year, the Board shall convene as the Governing Body of each of the facilities listed in Section 1, above. In addition, the Board shall receive a written report from each of the facilities listed in Section 1, above at least once a year.*

AND BE IT FURTHER RESOLVED, that Article IV, Section 4, Paragraph (H) shall be amended to read as follows:

(H) Order of Business. The order of business of each meeting shall be as follows:

1. Acceptance of the minutes of the last Regular meeting and all Special meetings;
2. Chair’s Report;
3. President’s Report;

4. Old and New Business;
5. Committee Reports;
6. Facility Governing Body/ Executive Session
 - ~~a. Institutional, Finance, Capital and Contracted Services Reports~~
 - ~~b. Quality Assurance/Patient Safety and Quality Assessment and Assurance~~
 - ~~i. Staffing Medical Staff and Other~~
 - ~~ii. Quality of Care Morbidity and Mortality~~
 - ~~iii. Care of Patients Indicators~~
 - ~~iv. Performance Improvement Project~~
 - ~~v. Emergency Services/Emergency Preparedness/Disaster~~
 - ~~c. Regulatory and Accreditation Agency Surveys~~
 - ~~d. Minutes of the Quality Assurance Committee of the Governing Body~~
7. Adjournment.

However, it shall be within the discretion of the person acting as the chair of the meeting to deviate from the order of business herein provided.

~~STRIKE THROUGH MATERIAL IS TO BE DELETED~~
MATERIAL IN ITALICS IS NEW



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DRAFT

BY-LAWS

PROPOSED AMENDMENTS:

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-Art. VI ~ § 4 (H) – page 7

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ARTICLE I

PREAMBLE

The New York City Health and Hospitals Corporation is a public benefit corporation created by the New York City Health and Hospitals Corporation Act (L. 1969, C. 1016, eff. May 26, 1969).

In order to provide for the orderly implementation of this legislation, the Corporation's Board of Directors, therein provided, adopt the following By-Laws:

ARTICLE II

STATEMENT OF PURPOSES

The purposes of the Corporation include:

(A) provide and deliver high quality, dignified and comprehensive care and treatment for the ill and infirm, both physical and mental, particularly to those who can least afford such services;

(B) extend equally to all we serve comprehensive health services of the highest quality, in an atmosphere of human care and respect;

(C) promote and protect, as both innovator and advocate, the health, welfare and safety of the people of the State of New York and of the City of New York;

(D) join with other health workers and with communities in a partnership which will enable each of our institutions to promote and protect health in its fullest sense -- the total physical, mental and social well being of the people.

ARTICLE III

OFFICES

Section 1. Principal office. The principal office of the Corporation shall be located in the City of New York, State of New York.

Section 2. Other Offices. The Corporation may also have offices at such other places both within and without the State of New York as the Board may, from time to time, determine or the business of the Corporation may require.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the Corporation shall be managed by the Board. The Board shall fulfill its responsibilities in a manner consistent with relevant law and regulations, including the conditions of participation under the Medicare program, and shall serve as the Governing Body of each of the facilities operated by the Corporation. Such facilities include but are not limited to, *Bellevue Hospital Center, Coney Island Hospital, Elmhurst Hospital Center, Harlem Hospital Center, Jacobi Medical Center, North Central Bronx Hospital, Kings County Hospital Center, Lincoln Medical And Mental Health Center, Metropolitan Hospital Center, Queens Hospital Center, Woodhull Medical and Mental Health Center, Coler Specialty Hospital and Nursing Facility, Goldwater Specialty Hospital and Nursing Facility, Dr. Susan Smith McKinney Nursing and Rehabilitation Center, Gouverneur Healthcare Services, Sea View Hospital Rehabilitation Center and Home.*

Section 2. Number of Directors. The Board shall consist of sixteen (16) directors.

Section 3. Qualifications of Directors. The Administrator of the Health Services Administration, the Commissioner of Health and Mental Hygiene, the Director of Community Mental Health Services, the Administrator of the Human Resources Administration and the Deputy Mayor/City Administrator, or their successors, shall be directors *ex officio*. Ten (10) additional directors shall be appointed by the Mayor, five (5) of whom shall be designated by the City Council. The President of the Corporation shall be the sixteenth director. Directors shall perform their Board responsibilities in person only and only directors *ex officio* may perform such responsibilities by agent.

Section 4. Meetings.

(A) Annual Public Meeting. The Board shall hold an annual public meeting at such date, place and hour as shall be designated in the notice to the public of the annual public meeting. Such meeting serves as the annual meeting of the Board mandated by the enabling statute. Such notice shall be given, not later than thirty (30) days before the meeting, in such manner as the Board may, by resolution, determine.

(B) Regular Meetings. Regular meetings of the Board shall be held on a monthly basis with a minimum of ten (10) such meetings per year. *At least once each year, the Board shall convene as the Governing Body of each of the facilities listed in Section 1, above. In addition, the Board shall receive a written report from each of the facilities listed in Section 1, above at least once a year.*

(C) Special Meetings. Special meetings of the Board shall be held whenever called by the Chair of the Board, the President or by four (4) directors. Any and all business may be transacted at a special meeting which may be transacted at a regular meeting of the Board.

(D) Time and Place of Meeting. The Board may hold its meetings at such time or times and such place or places within or without the State of New York as the Board may, from time to time, by resolution determine or as shall be designated in the respective notices or waivers of notice thereof.

(E) Notice of Meetings. Notices of regular meetings of the Board or of any adjourned meeting need not be given.

Notices of special meetings of the Board, or of any meeting of any committee of the Board, except the Executive Committee, which shall meet when deemed necessary, shall be mailed by the Secretary to each director or member of such committee, addressed to him or her at his or her residence or usual place of business, at least three (3) days before the day on which such meeting is to be held, or shall be sent by telegraph, cable or other form of recorded communications or be delivered personally or by telephone not

later than the day before the date on which such meeting is to be held. Such notice shall include the time and place of such meeting. Notice of any such meeting need not be given to any director or member of the committee, however, if waived by the director in writing or by telegraph, cable or other form of recorded communications, whether before or after such meeting shall be held, or if he or she shall be present at such meeting and shall not protest the lack of notice to him or her prior thereto or at its commencement.

(F) Quorum and Manner of Acting. A majority of the whole number of directors shall be present in person at any meeting of the Board in order to constitute a quorum for the transaction of business at such meeting, and the vote of a majority of those directors present at any such meeting at which a quorum is present shall be necessary for the passage of any resolution or act of the Board, except as otherwise expressly required by these By-Laws. In the absence of a quorum for any such meeting, a majority of the directors present thereat may adjourn such meeting, from time to time, until a quorum shall be present.

(G) Robert's Rules of Order shall prevail at all meetings of the Board except as otherwise herein provided.

(H) Order of Business. The order of business of each meeting of the Board shall be as follows:

1. Acceptance of the minutes of the last Regular meeting and all Special meetings;
2. Chair's Report;
3. President's Report;
4. Old and New Business;
5. Committee Reports;
6. Facility Governing Body / Executive Session
 - ~~a. Institutional, Finance, Capital and Contracted Services Reports~~
 - ~~b. Quality Assurance/Patient Safety and Quality Assessment & Assurance~~
 - ~~i. Staffing—Medical Staff and Others~~
 - ~~ii. Quality of Care—Morbidity and Mortality~~
 - ~~iii. Care of Patients—Indicators~~
 - ~~iv. Performance Improvement Project~~
 - ~~v. Emergency Services/Emergency Preparedness/Disaster~~
 - ~~c. Regulatory and Accreditation Agency Surveys~~
 - ~~d. Minutes of the Quality Assurance Committee of the Board of Directors/Governing Body;~~

7. Adjournment.

However, it shall be within the discretion of the person acting as chair of the meeting to deviate from the order of business herein provided.

(I) Organization. At each meeting of the Board, one of the following shall act as Chair of the meeting and preside thereat, in the following order of precedence: (a) the Chair of the Board; (b) the Vice-Chair of the Board; (C) the President; (d) any director chosen by a majority of the directors present thereat. The Secretary or, in his or her absence, any person whom the Chair shall appoint shall act as Secretary of such meeting and shall keep the minutes thereof.

(J) Minutes of Meetings. Minutes of all meetings of the Board and its committees, including a record of attendance, must be kept. Upon approval, such minutes shall be signed by the Secretary and permanently filed and maintained in the principal office of the Corporation and at each of the Corporation's facilities.

Section 5. Resignation. Any director, other than a director holding office ex officio, may resign at any time by giving written notice of resignation, including an effective date therefor, to the Mayor or to the Chair of the Board. Any such resignation shall take effect at the time specified therein. If no effective date is specified therein, the resignation shall take effect thirty (30) days from the date of receipt of such notification by the Chair of the Board or by the Mayor.

Section 6. Vacancies and Removal. Whenever the number of directors appointed by the Mayor shall for any reason be less than ten (10), the vacancy may be filled by the Mayor, provided that if the office so vacated was held by a director designated by the City Council, the successor appointed by the Mayor shall be so designated. A director appointed to fill a vacancy shall be appointed for the unexpired portion of the term of his or her predecessor in office. Any of these directors may be removed by the Mayor for cause after a hearing.

ARTICLE V

OFFICERS OF THE BOARD

Section 1. Titles. The officers of the Board of Directors shall be a Chair of the Board and a Vice-Chair of the Board. The Chair of the Board shall be the Administrator of Health Services of the City of New York. The Vice-Chair shall be chosen by the Board from among themselves and shall be elected annually.

Section 2. Duties and Functions.

(A) Chair of the Board. The Chair of the Board shall:

(1) preside, if present, at meetings of the Board; (2) be an ex officio member of all committees except the Audit Committee; (3) appoint committees with the approval of the Board; and (4) perform such duties as from time to time may be assigned by the Board.

(B) Vice-Chair of the Board. The Vice-Chair of the Board shall, if present and if the Chair of the Board shall be absent or shall be unable to act, preside at all meetings of the Board. The Vice-Chair of the Board shall perform such duties as from time to time may be assigned by the Board.

(C) Other Presiding Officers. In the event that both the Chair and the Vice-Chair of the Board may be absent, or in any other way may be unable to serve, then the President shall serve as Presiding Officer. If he or she is absent or is otherwise unable to serve, the Board shall, by majority vote of those present, pick a member to be Presiding Officer at that meeting.

ARTICLE VI
COMMITTEES

Section 1. General Provisions.

(A) Standing and Special Committees. Committees of the Board shall be standing or special. A standing committee is one whose functions are determined by a continuous need. The function and duration of a special committee shall be determined by its specific assignment, as stated in a resolution of the Board creating it.

(B) Composition. Each of the standing committees, except the Audit Committee, shall be composed of the Chair of the Board, the President, and at least three (3) Board members appointed in the manner hereinafter specified.

(C) Appointment. The Chair of the Board shall annually appoint, with the approval of a majority of the Board, members of the Board to the standing committees.

(D) Committee Chair. The Chair of each committee, both standing and special, shall be designated by a majority vote of the Board.

(E) Meetings. Each standing committee shall meet as deemed necessary.

(F) Quorum. A quorum, which shall be at least one-half of all of the members of a committee, standing or special, shall be required for a committee to transact any business unless otherwise stated in these By-Laws.

(G) Committee Action. All actions of a committee, standing or special, shall be taken by a majority vote of the members in attendance at a committee meeting.

(H) Reports. Each committee shall report to the Board, at its regular meetings, on all business transacted by it since the last regular Board meeting.

(I) Special Committees. The Board may, by resolution passed by a majority of the whole number of directors, designate special committees, each committee to consist of three (3) or more directors, one of whom shall be the Chair of the Board, and each such committee shall have the duties and the functions as shall be provided in such resolution.

Section 2. Standing Committees. The following committees shall be designated as standing committees:

- Executive Committee
- Finance Committee
- Capital Committee
- Medical and Professional Affairs/Information Technology Committee
- Quality Assurance Committee
- Audit Committee
- Community Relations Committee
- Strategic Planning Committee
- Equal Employment Opportunity Committee

Section 3. Executive Committee

(A) Designation and Membership. The Executive Committee shall be composed of the Chair of the Board, who shall be the Chair of the Executive Committee, the President, and other members appointed by the Chair of the Board with the approval of the Board.

(B) Functions and Powers. The Executive Committee, subject to any limitations prescribed by the Board, shall possess and may exercise during the intervals between meetings of the Board, the powers of the Board in the management of the business and affairs of the Corporation except for: (1) the power to amend or to repeal these By-Laws or to adopt new By-Laws; and (2) the power to fill vacancies in any committee of the

Board. At each meeting of the Board the Executive Committee shall make a report of all action taken by it since its last report to the Board.

(C) Meetings and Quorum. The Executive Committee shall meet as often as may be deemed necessary and expedient at such times and places as shall be determined by the Executive Committee. Five (5) members of the Executive Committee shall constitute a quorum. The Chair of the Board shall preside at meetings of the Executive Committee and, in his or her absence, the President shall preside thereat. All members of the Board of Directors shall be duly notified prior to all Executive Committee meetings.

Section 4. Medical and Professional Affairs / Information Technology Committee. The Medical and Professional Affairs/ Information Technology Committee consists of the Chair of the Board, the President, and other directors designated by the Board.

(A) With respect to Medical and Professional Affairs business of the Committee, the duties and responsibilities shall be to:

1. review issues dealing with the quality and composition of professional services provided in the Corporation's facilities, including nursing services, pharmacy, dietary services, laboratories and social services, and recommend policies and actions to the Board concerning these services;

2. review and recommend to the Board contractual arrangements for professional services with particular emphasis on monitoring and providing policy direction to corporate staff with respect to the services provided to the Corporation pursuant to its affiliation contracts with voluntary hospitals, medical schools and professional corporations;

3. review education and training issues for clinical personnel in the Corporation's institutions;

4. formulate and recommend to the Board plans for delivery of comprehensive health care to the community;

5. promulgate policies rules and regulations with respect to medical and to other research conducted at the Corporation's facilities; and

6. review strategic issues related to information management and technology and the management of clinical care.

(B) With respect to Information Technology ("IT") business of the Committee, the duties and responsibilities shall be to:

1. review, appraise and monitor the Corporation's IT strategy and significant IT related projects and investments;

2. ensure that the Corporation's IT programs effectively support the Corporation's clinical and business objectives and strategies;

3. review the financial, tactical and strategic benefits of proposed major IT related projects and technology architecture alternatives;

4. review the progress of significant IT related projects and technology architecture decisions;

5. review and recommend to the Board contractual commitments for significant IT related projects that will be submitted to the Board for consideration; and

6. monitor the quality and effectiveness of the Corporation's IT security and IT disaster recovery capabilities.

Section 5. Audit Committee. The Audit Committee shall consist of members designated by the Board, other than those serving ex officio, except that the Chair of the Board may be a member if he or she is not compensated by the City of New York. The duties and responsibilities of the Audit Committee shall be to:

- (A) approve the selection, retention or termination of independent auditors;
- (B) review the proposed scope of the audit and related fees;
- (C) inquire about and be aware of all work (audit, tax systems) that the independent auditor performs;
- (D) review the annual financial statements and the results of the audit with management, the internal auditors and the independent auditors;
- (E) review the memorandum, if any, prepared by the independent auditors setting forth any questionable or possibly illegal activities and take appropriate action;
- (F) be available to meet with the independent auditors to resolve problems that arise in connection with the audit if and when this becomes necessary.

Section 6. Finance Committee. The duties and responsibilities of the Finance Committee shall include the following:

- (A) supervise the preparation and recommend to the Board for submission to the City of New York the annual consolidated revenue and expense budget of the Corporation;
- (B) recommend to the Board policies and actions with respect to collection of revenues;
- (C) ensure that the funds of the Corporation are properly deposited and accounted for and recommend policies for such deposits to the Board;
- (D) account for Corporation property, both real and personal; and
- (E) monitor performance against budgets.

Section 7. Capital Committee. The duties and responsibilities of the Capital Committee shall include the following:

(A) recommend to the Board of Directors policies and objectives in the area of capital development for the guidance of Corporation officers, facility Executive Directors, and key staff members;

(B) supervise the preparation and recommend to the Board for submission to the City of New York the annual capital budget of the Corporation;

(C) formulate policies and recommendations for the long-range development of facilities to include supervising the preparation of major programs and master plans, as well as the inter-agency coordination of such planning with the appropriate City and State agencies;

(D) establish standards, policies and procedures for the selection and approval of architectural and engineering contracts;

(E) review and approve any transfers or surrender of Corporation facilities or lands and the acquisition and/or leasing of additional property and facilities for Corporation purposes.

Section 8. Community Relations Committee. The duties and responsibilities of the Community Relations Committee shall include the following:

(A) review and recommend to the President plans for the formation of community advisory boards;

(B) formulate and recommend to the Board the policies of the Corporation concerning its relationship with the community;

(C) provide clarification and interpretation of established policies on community relationships;

(D) evaluate the efforts of the Corporation, and its facilities to establish, maintain and improve effective participation by the community.

Section 9. Quality Assurance Committee. The Quality Assurance Committee shall act on behalf of the Board for purposes of discharging the governing body's obligations in overseeing the quality assurance process for HHC facilities. The Board shall, at least annually, assess the performance of the Quality Assurance Committee in fulfilling the governing body's quality assurance responsibilities. Any member of the Board may attend meetings of the Quality Assurance Committee and may refer any quality assurance issue for deliberation or for action by the Quality Assurance Committee or by the full Board. Board members may also discuss quality assurance issues or problems concerning HHC facilities at any meeting of the Board.

The duties and responsibilities of the Quality Assurance Committee shall include the following:

(A) assuring that each facility is fulfilling mandates in the areas of quality assurance, credentialing of physicians and dentists, overall operations and responsiveness to Federal, State and other regulatory surveillance and enforcement activities. With respect to quality assurance, this shall include oversight of and participation in such functions of the quality assurance committee of the facilities such as: reviewing services in order to improve the quality of medical and dental care of patients and to prevent medical and dental malpractice; overseeing and coordinating malpractice prevention programs; and insuring that information gathered pursuant to the programs is utilized to review and to revise policies and procedures;

(B) assuring that there is a systematic and effective mechanism for communication among members of the Board of Directors in their role as members of the governing body, and the administration and medical staff of each HHC facility. This communication should facilitate direct

participation by the governing body in quality assurance activities and other issues of importance as set forth above;

(C) monitoring the progress at Corporation facilities towards meeting appropriate HHC goals and objectives related to its health care programs;

(D) reviewing quality assurance activities of each of the Corporation's facilities on at least a quarterly basis.

The chair of the Community Relations Committee shall be an ex officio member of the Quality Assurance Committee and shall be responsible for reporting to the Community Relations Committee and the Council of Community Advisory Boards concerning the deliberations of the Quality Assurance Committee.

Section 10. Strategic Planning Committee. The duties and responsibilities of the Strategic Planning Committee shall include the following:

(A) to develop and monitor long-term and strategic plans for the Corporation which are consistent with its mission and which reflect the needs of the population and health care industry needs;

(B) to recommend long-term and strategic planning strategies to insure the ability of HHC to carry out its mission;

(C) to evaluate HHC policies and programs as these relate to long-term strategic planning;

(D) to review and evaluate all facility capital and strategic initiatives and plans to ensure consistency with HHC's strategic plan, demographic and health care industry trends.

Section 11. Equal Employment Opportunity Committee. The duties and responsibilities of the Equal Employment Opportunity Committee shall be to address issues related to the recruitment and retention of minority and women staff, and contracting with minority and women-owned businesses, as these affect the Corporation.

Section 12. Committee Attendance. If any member of a standing or special committee of the Board will not be present at a scheduled committee meeting, the member may ask the Chair of the Board to request that another Board member, not a member of that committee, attend the scheduled meeting and be counted as a member for purposes of quorum and voting.

ARTICLE VII

OFFICERS OF THE CORPORATION

Section 1. Titles. The officers of the Corporation shall be the President (and Chief Executive Officer), one or more Executive Vice Presidents, one or more Senior Vice Presidents, one or more Vice Presidents, a General Counsel and a Secretary.

Section 2. Appointment. The President (and Chief Executive Officer) shall be chosen by the Board from persons other than themselves and shall serve at the pleasure of the Board. The President shall appoint all other officers of the Corporation, subject to the approval of the Board. All such other officers are subject to removal by the President.

Section 3. Resignation. Any officer may resign at any time by giving written notice of resignation, which may include an effective date therefor, to the President or the Secretary to the Corporation. Such resignation shall take effect when accepted by the President.

Section 4. Duties and Functions.

(A) President. Shall have general charge of the business and affairs of the Corporation and shall have the direction of all other officers, agents and employees. He or she shall, if present and in the absence of the Chair of the Board and the Vice-Chair of the Board, preside at all meetings of the Board. The President may assign such duties to the other officers of the Corporation as he or she deems appropriate.

(B) Executive Vice President. The President may appoint an Executive Vice President. At the request of the President or if the President shall be unable to act because of absence or disability, the Executive Vice President shall perform all the duties of the President and, when so acting, shall have all the powers of and be subject to all the restrictions placed on the President. This individual shall have such powers and duties as shall be prescribed by the President subject to approval by the Board.

(C) Senior Vice Presidents; Vice Presidents. Each Senior Vice President or Vice President shall have such powers and duties as shall be prescribed by the President subject to approval by the Board. One senior officer so designated shall have charge and custody of and be responsible for all funds and securities of the Corporation.

(D) General Counsel. The General Counsel shall be the principal legal officer for the Corporation. The General Counsel shall advise the Board of Directors, President, Vice Presidents and Executive Directors of all Corporation facilities on all legal matters affecting policy and operations, including contractual agreements, labor law, municipal and State law affecting capital and expense budget administration, personnel administration, medical and hospital law, Federal, State and City legislative matters, as well as perform such other duties as the Board may, from time to time, assign.

(E) Secretary. The Secretary shall keep the records of all meetings of the Board and the Executive Committee. He or she shall affix the seal of the Corporation to all deeds, contracts, bonds or other instruments requiring the Corporate seal when the same shall have been signed on behalf of the Corporation by a duly authorized officer. The Secretary shall be the custodian of all contracts, deeds, documents and all other indicia of title to properties owned by the corporation and of its other Corporate records (except accounting records).

ARTICLE VIII

EXECUTIVE DIRECTORS

Section 1. Appointment & Term. There shall be an Executive Director for each facility who shall be appointed by the President and shall serve at the pleasure of the President.

Section 2. Vacancies. Whenever there shall be a vacancy in the position of Executive Director in any facility administered by the Corporation due to resignation, death, incapacity, termination or any other reason, the President shall select an Acting Executive Director to perform the duties of the Executive Director until such times as an Executive Director shall be appointed by the President. When neither an Executive Director nor an Acting Executive Director has been appointed, the Chief Operating Officer of the respective facility shall have such powers and responsibilities as held by the Executive Director until such time as an Executive Director appointment decision is made by the President.

Section 3. Duties and Functions. The Executive Director shall:

(A) be responsible at all times for directing, coordinating and supervising the administration of the appropriate facility and for carrying out the policies of the Board and the President, and the rules and regulations of the medical board;

(B) provide liaison between the Board, the medical staff of the appropriate facility, the departments of the facility, and the community;

(C) organize the administrative functions of the facility, delegate duties and establish formal means of accountability on the part of subordinates;

(D) make or send reports to the Board, the President and the medical staff on the overall activities of the appropriate facility, including medical care, the budget, and the plan for the achievement of specific objectives and the periodic review and evaluation of this plan;

(E) designate an individual to act for him or her in his or her absence.

ARTICLE IX

MEDICAL BOARDS

Section 1. Medical Staff By-Laws. The medical staff at each facility shall develop bylaws, rules and regulations which set forth its organization and governance. Proposed bylaws, rules and regulations shall be recommended by the organized medical staff to the President. Such bylaws, rules and regulations of the medical staff shall be approved by the President, on behalf of the Board. Such bylaws, rules and regulations shall be concerned with but not limited to the following areas:

- (A) appointments, reappointments and other changes in staff status;
- (B) granting of clinical privileges;
- (C) disciplinary actions;
- (D) all matters relating to professional competency;
- (E) such specific matters as may be referred by the Board to the medical staff, or

required by applicable Federal and State law.

Section 2. Method of Appointment. Appointments to the medical staff of each facility shall be made biennially -- or as often as otherwise required by law or by the Joint Commission on Accreditation of Healthcare Organizations -- by the President upon recommendation by the appropriate committee of the organized medical staff.

Section 3. Medical Staff Evaluation. The medical staff shall conduct an on-going review and evaluation of the quality of professional care rendered in the facility and shall report such activities and their results to the Board.

ARTICLE X

PERSONNEL REVIEW BOARD

The Board shall create a Personnel Review Board to consist of three (3) members and shall designate one (1) member thereof. The Personnel Review Board shall have such powers and duties as are provided by law in the Corporation's enabling legislation.

ARTICLE XI

COMMUNITY ADVISORY BOARDS

The President shall establish a Community Advisory Board for each facility administered by the Corporation. The Community Advisory Board shall consider and advise the Corporation with respect to the plans and programs of the Corporation. The members of each Community Advisory Board shall be representative of the community served by its facility. Each Community Advisory Board shall develop bylaws, which shall become effective upon approval by the President.

ARTICLE XII

AUXILIARY AND VOLUNTEER ORGANIZATION

The President shall authorize such Auxiliary organizations as deemed necessary to accomplish the objectives of the Corporation, and its facilities. The purposes and functions of such bodies shall be clearly delineated. Their bylaws, rules and regulations, and changes thereto, shall be subject to approval by the President before becoming effective. The President may define the terms and conditions under which individuals who are not members of the official volunteer Auxiliaries may serve the facilities and/or the Corporation.

ARTICLE XIII

SUBSIDIARY CORPORATIONS

Pursuant to McKinney's Unconsolidated Laws, Section 7385.20, the Corporation has the power to organize wholly-owned subsidiary public benefit corporations to exercise and perform any part of its functions or activities. The Chair of the Board shall appoint members to the Board of Directors of any such subsidiary with the approval of a majority of the Board. The powers and duties of any subsidiary corporation shall be subject to the constraints set forth in the foregoing provision of the Corporation's Enabling Legislation.

The Corporation's Board of Directors shall exercise those powers reserved to the Corporation in the Certificate of Incorporation of any subsidiary corporation.

ARTICLE XIV
CONTRACTS, CHECKS, DRAFTS,
BANK ACCOUNTS, ETC.

Section 1. Execution of Document. The Board shall designate the officers, employees and agents of the Corporation who shall have the power to execute and deliver deeds, contracts, mortgages, bonds, debentures, checks, drafts and other orders for the payment of money and other documents for and in the name of the Corporation and may authorize such officers, employees and agents to delegate such power (including authority to redelegate) by written instrument to other officers, employees or agents of the Corporation.

Section 2. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation or otherwise in such banks or trust companies organized in New York or national banks doing business in New York City as the Board shall determine.

ARTICLE XV
BOOKS AND RECORDS

The books and records of the Corporation may be kept at such places within the State of New York as the Board may from time to time determine.

ARTICLE XVI

SEAL

The Board shall provide a corporate seal, which shall be in the form of a circle and shall bear the full name of the Corporation and the words and figures "Corporate Seal 1969 New York."

ARTICLE XVII

FISCAL YEAR

The fiscal year of the Corporation shall end on the last day of June in each year.

ARTICLE XVIII

AUDITS

The Board shall engage an independent certified or registered public accountant to make an annual audit of the Corporation and its constituent facilities.

ARTICLE XIX

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 corporate employees and directors. Chapter 68 embodies an extensive recitation of acts that constitute conflicts of interest and are thereby prohibited.

The 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 members of the Corporation community advisory boards and its auxiliaries, and other personnel who are not covered by Chapter 68. Similar to Chapter 68, the Corporation’s Code of Ethics embodies an extensive recitation of acts that constitute conflicts of interest and are thereby prohibited.

The Board of Directors 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 all members of the community advisory boards and auxiliaries, affiliate staff and other personnel who are not covered by Chapter 68 to support and adhere to the principles and policies set forth in the Corporation’s Code of Ethics.

ARTICLE XX

AMENDMENTS

These bylaws may be altered or repealed by the vote of a majority of the whole number of directors by their vote given at a regular meeting or at any special meeting, providing that at least fourteen (14) days' notice of such contemplated action has been given to all directors.

* * * * *

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (“the Corporation”) to purchase the EMR Project Hardware Platform through New York State Office of General Services (OGS) contract(s) from IBM and various authorized resellers in an amount not to exceed \$21,900,000 for a five year period.

WHEREAS, the Corporation is entering into a contract with Epic Systems Corporation to purchase an Electronic Medical Records (EMR) system and the Corporation is required under the agreement to purchase the hardware, storage and associated software, services and maintenance for such hardware; and

WHEREAS, this infrastructure platform is configured to be highly available and provide disaster recovery protection for mission critical business and clinical applications used for patient care; and

WHEREAS, the Corporation will solicit proposals from IBM and authorized resellers via New York State OGS contract(s) on an on-going basis; and

WHEREAS, the NYS OGS contract prices for such equipment are discounted from market price; and

WHEREAS, the accountable person for this purchase is the Senior Vice President/ Corporate Chief Information Officer.

NOW, THEREFORE, be it:

RESOLVED, THAT THE President of New York City Health and Hospitals Corporation be and hereby is authorized to purchase the EMR Project Hardware Platform through New York State Office of General Services (OGS) contract(s) from IBM and various authorized resellers in an amount not to exceed \$21,900,000 for a five year period.

**Executive Summary –
EMR Project Hardware Platform via
New York State Office of General Services (OGS) Contract(s)**

The accompanying resolution requests approval to purchase hardware, storage, and associated software, services and maintenance through New York State Office of General Services (OGS) contract(s) from IBM and its authorized resellers over the next five years in an amount not to exceed \$21.9 million for the EMR Project. Enterprise IT Services (EITS) will provide an interim spending update to the Board of Directors for these purchases during this five year period.

The Corporation is entering into a contract with Epic Systems Corporation to purchase an electronic medical record (EMR) system which will be implemented in a project lasting approximately five years. The Corporation is required under the agreement to purchase equipment to run the Epic Software. This hardware platform has been designed for high performance transaction speeds and high system availability. The proposed solution is the culmination of nine months of design and system capacity testing working directly with the two short listed EMR software vendor finalists, Allscripts and Epic Systems Corporation. EITS provided sizing information to these vendors during the EMR selection process that included user counts, transaction type details, as well as data storage requirements. From this information the vendors provided a detailed hardware design that could support the Corporation's workload in a highly available and redundant fashion. The Epic hardware solution specifically had a requirement for IBM UNIX servers for main transaction processing database and application servers.

Business continuity and disaster recovery were aspects of the design that particular attention was focused. Each element of the system has been designed for high performance and reliability. The selected hardware includes redundant componentry wherever possible. Major system elements such as servers, storage, and network equipment have been arranged in a fault tolerant redundant configuration following industry best practices for high availability. Major elements of the solution can fail, or be taken offline for service, with the workload being moved automatically to another piece of equipment with zero impact to the end user. Additionally the design includes a fully duplicated running system located in secondary data center. Should a catastrophic event impact the primary data center, a disaster recovery process can be initiated which would allow for full system processing to be switched to a secondary facility within a 1 to 2 hour time frame with data loss of less than 1 minute.

The design of the hardware platform considered two different approaches. The first was an all IBM hardware solution. The second was a hybrid solution whereby the hardware platform was comprised of hardware from several different leading hardware vendors. After performing a detailed analysis, it was determined that an all IBM solution was the preferred solution.

The all IBM solution has three main features which make it the superior hardware platform for the Corporation. First by having hardware from one vendor, interoperability problems are minimized. One manufacturer, with one support organization will be responsible for all elements of the hardware platform including servers, storage, and related software, services and maintenance to implement the system. Second, IBM has superior technology with respect to performance, redundancy and data replication for Epic software. The functionality provided by IBM is required to provide the most reliable and fault tolerant system. Third, the cost of the all IBM solution was significantly less than the hybrid solution. Therefore EITS selected the all IBM solution as it provided the most reliable system at the lowest cost.

The NYS OGS Contract(s) offer discounted pricing compared to the market price for such equipment. The average discount off of list price that the Corporation has paid for similar hardware via NYS OGS contract has been approximately 25% off of list price.

Multiple solicitations will be conducted via NYS OGS contract(s) to procure the equipment. EITS will solicit IBM and multiple authorized resellers via a competitive process whereby the lowest cost solution meeting the technical requirements of the system will be selected. A purchase order will be issued to the lowest responsive bidder for each purchase.

CONTRACT FACT SHEET

New York City Health and Hospitals Corporation

Contract Title: EMR Project Hardware Platform
Project Title & Number: EMR Project Hardware Platform
Project Location: Enterprise-Wide
Requesting Dept.: Enterprise IT Services

Successful Respondent: IBM and authorized resellers via NYS OGS Contract(s) Contract Amount: \$21,900,000 Contract Term: Five Years

Number of Respondents: IBM or Authorized Resellers
(If Sole Source, explain in Background section)

Range of Proposals: \$ Not Applicable to \$

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

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

Method of Payment: Lump Sum Per Diem Time and Rate
 Other: explain Upon acceptance

EEO Analysis:

Compliance with HHC's McBride Principles? Yes No

Vendex Clearance Yes No **X N/A**

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

CONTRACT FACT SHEET (continued)

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

The Corporation has selected Epic Software to provide the electronic medical record (EMR) system which will be implemented in a project lasting approximately five years. As part of the project, The Corporation is required to purchase the hardware platform to run the Epic Software. The hardware platform includes hardware, storage, service and maintenance. This hardware platform has been designed for high performance transaction speeds and high system availability. The proposed solution is the culmination of nine months of design and system capacity testing working directly with the software vendors and top tier hardware manufacturers.

Contract Review Committee

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

CRC reviewed this submission on 11/28/12.

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

No.

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

Process used to select the proposed contractor –

Solicitations will be conducted via NYS OGS contract(s) to procure hardware, storage, services and maintenance for IBM or authorized resellers. Conducting solicitations via this contract mechanism will ensure that HHC is promoting competition by receiving the best price for the required equipment.

The selection criteria –

A minimum of three resellers will be solicited for each purchase. A purchase order will be issued to the lowest responsive and responsible bidder for each purchase.

The justification for the selection –

A purchase order will be issued to the lowest responsive and responsible bidder for each purchase.

Scope of work and timetable:

Vendors will provide the hardware platform over a five year time frame to support the EMR Project. The equipment will be purchased and delivered in several pieces corresponding to specific milestones of the EMR Project timeline.

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

The NYS OGS Contract(s) offer discounted pricing compared to the market price for such equipment. The average discount off of list price that the Corporation has paid for similar hardware via NYS OGS contract has been approximately 25% off of list price.

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

FY2010: Approximately \$3.6 million for IBM hardware and related maintenance from various vendors

FY2011: Approximately \$2.37 million for IBM hardware and related maintenance from various vendors

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

These purchases are for hardware, storage and related software services and maintenance that can only be acquired from a hardware manufacturer.

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.

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

Bert Robles, Senior Vice President/Corporate CIO.

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

Received By E.E.O. _____ **Not Applicable**
Date

Analysis Completed By E.E.O. _____
Date

Name

EMR Hardware Platform Presentation Narrative

Background Summary

HHC is entering into a contract with Epic Systems Corporation to purchase an electronic medical record (EMR) system which will be implemented in a project lasting approximately five years. The Corporation is required under the agreement to purchase equipment to run the Epic software. EITS is requesting spending authority of \$21.9 million to purchase the hardware platform to run software. This platform consists of servers, storage and associated software, services, and maintenance for the hardware.

HHC worked over the past nine months with the two finalist EMR software vendors, and multiple leading hardware manufacturers to design the hardware platform to support high transaction speeds and system reliability. Additionally each software vendor performed system testing to validate that the specified system could support the transaction volume and user work load of HHC.

High Availability through Redundancy

When the Epic system is fully implemented, all of HHC's facilities will be running from a single instance on the specified hardware platform. Any outage or downtime would have significant impact on the clinical operations. For this reason, the system was designed for high availability by designing redundancy into every element of the system.

Solution Options

When designing the hardware platform for Epic, HHC considered two different approaches. The first was an all IBM solution. The second was a hybrid solution that included components from several different hardware manufacturers. After performing a detailed analysis, the all IBM solution was selected because it provided the most reliable system and the lower cost.

Procurement Approach

EITS plans to procure the hardware platform via multiple solicitations via the NYS OGS contract(s). Solicitations will be sent to IBM and its authorized resellers via a competitive process. The lowest cost solution meeting the technical requirements will be selected.

Projected Expenses

In FY2013, the test system will be purchased so the implementation team can get started. In FY2014 the main production system will be purchased for the Jacobi data center as well as for the SunGard facility. In subsequent years, additional hardware will be incrementally added in conjunction with more health networks going live on the system.



EMR Project Hardware Platform

Medical & Professional Affairs/ IT Committee

Thursday, December 13, 2012



Background Summary

Requirements

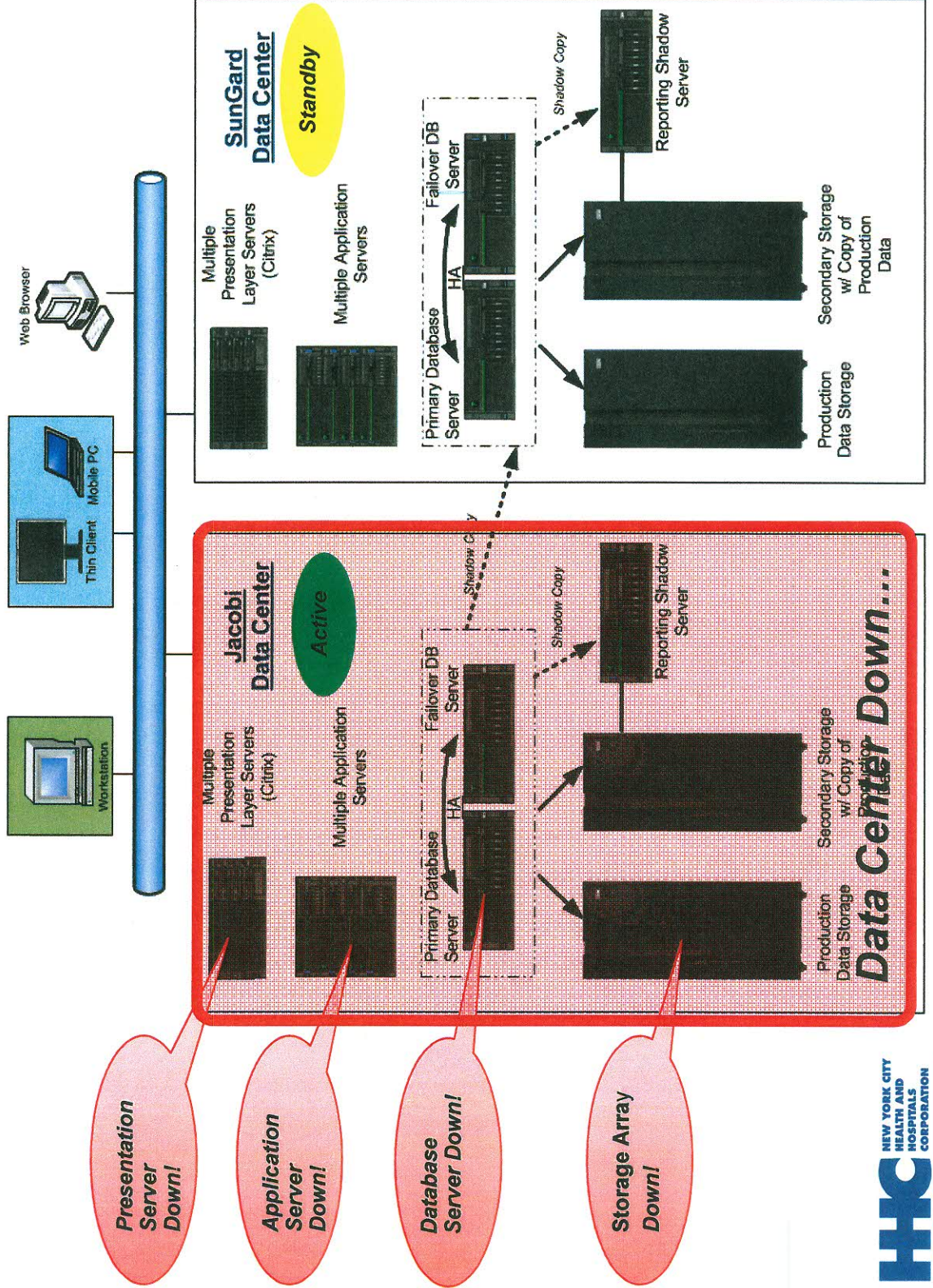
- The Corporation selected Epic Software for its future Electronic Medical Records (EMR) system.
- As part of this project, a hardware platform to operate the software is required, which includes servers, storage, supporting software, services and maintenance.
- The EMR solution will be rolled out to facilities over the next 5 years.

Design Process

- HHC worked over the past 9 months with the two finalist EMR software vendors to design the system for high transaction speeds and system reliability.
- Leading hardware manufacturers participated in the design process.
- System testing was performed with vendors to validate that the specified system could accommodate HHC's workload.



High Availability Through Redundancy





Solution Options

All IBM Solution

- Single manufacturer providing all components minimizes interoperability and support risk.
- Superior Technology – IBM's Storage technology is the only solution currently tested and approved by Epic to provide synchronous replication of data on multiple storage arrays for a customer as large as HHC.
- Lowest cost solution.
- Selected approach since the solution provides the most reliable system at the lowest cost.

Hybrid Solution

- Hardware provided by several leading vendors including IBM, EMC, and Dell.
- At a minimum, IBM hardware is required for application, database, and reporting shadow servers.



Procurement Approach

NYS OGS Contract

- The NYS OGS contract offers discounted pricing compared to the market price for such equipment. The average discount off list price that the Corporation has paid for similar hardware via NYS OGS contract has been approximately 25% off list price.
- EITS will solicit IBM and multiple authorized resellers via a competitive process.
- The lowest cost solution meeting the technical requirements will be selected.

Procurement Timing

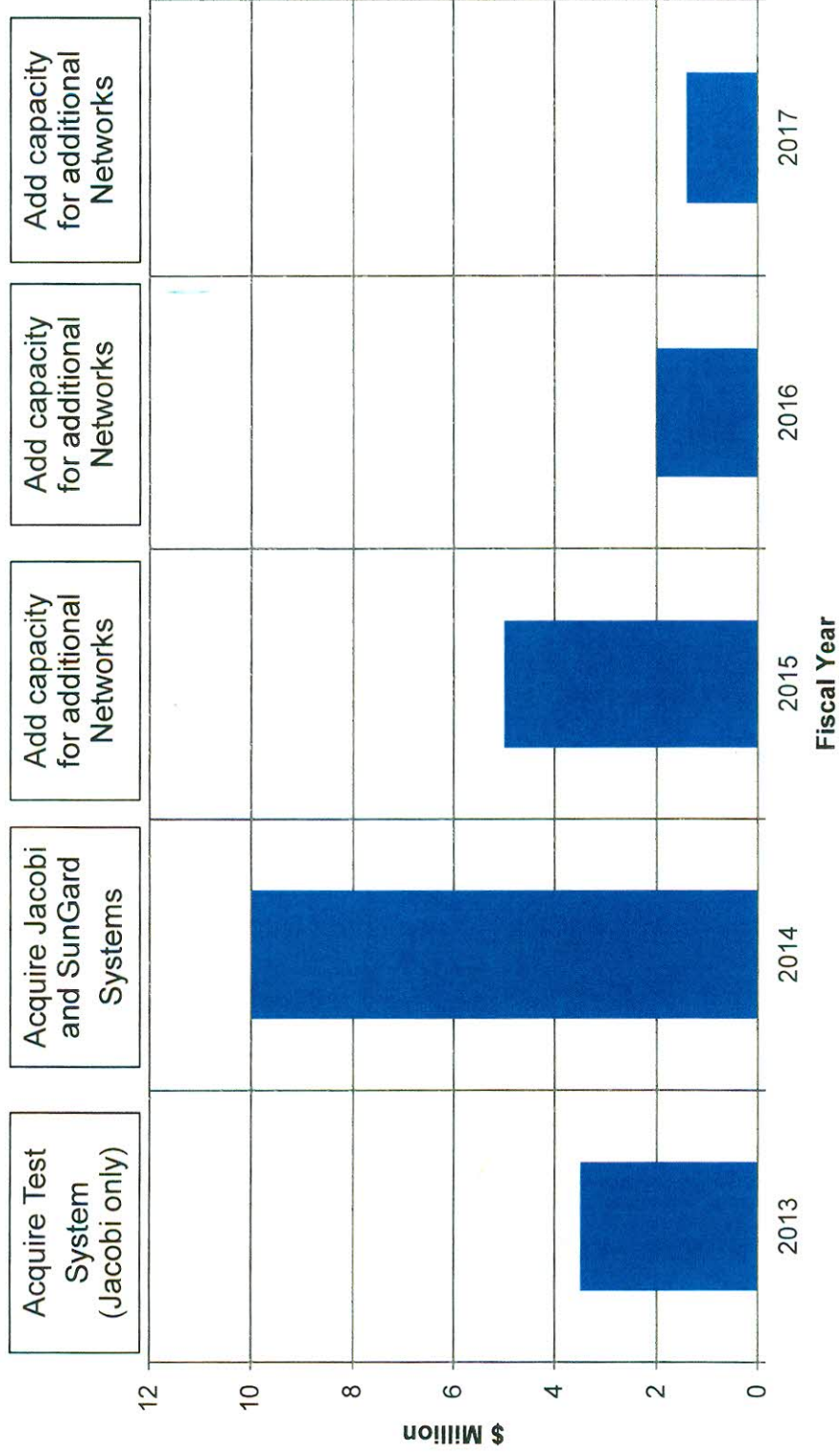
- Components of the hardware platform will be purchased over the next 5 years in conjunction with the implementation schedule of the EMR project.

Additional Procurements

- The hardware platform described herein does not contain all the components necessary for the EMR project. Additional equipment, network hardware, software, and services will be required. EITS will be submitting separate additional requests for these procurements in the future.



Projected Expenses



Total Expense = \$21.9 million



Questions

Questions?

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (“the Corporation”) to purchase computer workstations, laptops, and IT peripherals for the entire Corporation through Third Party Contract(s) from various vendors on an on-going basis in an amount not to exceed \$8,500,000, over a 12 month period.

WHEREAS, the Corporation has an inventory of approximately 34,500 computer workstations including mobile laptops; and

WHEREAS, the recommended refresh cycle for desktop PCs is three to four years and for portable laptops is two to three years; and

WHEREAS, in Calendar Year 2013, approximately 9,500 units will be replaced, based on a four year refresh cycle. An estimated additional 1,000 new PCs/laptops may be purchased for new needs; and

WHEREAS, EITS’s strategy is to standardize equipment with one manufacturer and limit the number of computer workstation models in order to maintain a standard environment; and

WHEREAS, Third Party Contracts offer discounted pricing compared to the market price for such equipment; and

WHEREAS, through volume purchasing via Third Party Contracts, EITS was able to procure PCs and Laptops with savings of approximately \$3.9 million this past year; and

WHEREAS, the accountable person for this purchase is the Senior Vice President/ Corporate Chief Information Officer.

NOW, THEREFORE, be it:

RESOLVED, THAT THE President of the New York City Health and Hospitals Corporation (“the Corporation”) be and hereby is authorized to purchase computer workstations, laptops, and IT peripherals for the entire Corporation through Third Party Contract(s) from various vendors on an on-going basis in an amount not to exceed \$8,500,000, over a 12 month period.

Executive Summary
PC Refresh Program
On-Going Purchases via Third Party Contract(s)

The accompanying resolution requests approval to purchase computer workstations from various vendors on an on-going basis via Third Party Contract(s) for the New York City Health and Hospitals Corporation's PC Refresh Program, for an amount not to exceed \$8,500,000, which includes additional new PC/Laptop needs, over a 12 month period. Enterprise IT Services (EITS) will provide an interim spending update to the Board of Directors for these purchases during this 12 month period.

As presented to the Board of Directors in 2011, EITS plans to refresh equipment on a regular basis and make volume purchases to ensure cost savings. The Corporation has an inventory of approximately 34,500 computer workstations including mobile laptops. According to information technology research and advisory companies, the recommended PC and laptop refresh cycle is typically three to four years. EITS plans to replace PCs based on a four year refresh cycle. In Calendar Year 2013, approximately 9,500 units will be replaced, based on a four year refresh cycle. An estimated additional 1,000 new PCs/laptops may be purchased for new needs.

There are a number of factors that can increase complexity within our desktop-computing environment: a variety of aging PC models from a host of manufacturers; third-party vendors sporadically changing hardware components and software drivers; a lack of standard hardware configurations; spontaneous software image updates; and improvised deployment processes. All of these factors can create an environment that drives IT support costs higher every day with increasing numbers of help desk calls, desktop visits to resolve issues, and overall management inefficiencies. Failure to take a holistic view of PC life cycle services can lead to inefficiencies, duplication, omissions and, ultimately, unnecessary cost — essentially raising total cost of ownership (TCO).

EITS strategy is to standardize on one manufacturer and limit the number of models in order to maintain a standard environment. A standardized PC infrastructure forms the foundation for desktop optimization. By standardizing desktop hardware and software components the Corporation can ultimately advance toward a more flexible, agile, and optimized infrastructure. Ad-hoc PC purchases often driven by price, or by departmental and end-user preferences can ultimately prove much more costly to the Corporation when a comprehensive view of PC lifecycle costs is taken into account. When the entire span of the PC lifecycle is viewed as a whole, from purchase through retirement, it is clear that purchase price is just one component of PC lifecycle costs.

This program targets old computers that are either past or approaching their useful life expectancy and PC/Laptop needs for new projects. IT plans to solicit various vendors via Third Party Contracts for these purchases. Third Party Contracts offer discounted pricing compared to the market price for such equipment. This past year in 2012, HHC's purchases via NYS OGS contracts resulted in savings of approximately \$3.9 million.

Based on our 2012 PC Refresh Program, the average discounted price via NYS OGS contract for the Corporation for the latest standard PC model has been approximately \$660 versus the projected unit price of \$960 and the average discounted price for the latest standard laptop model has been approximately \$760 versus the projected unit price of \$1245. Through volume purchasing via Third Party Contract(s), savings of approximately \$3.9 million have been realized.

CONTRACT FACT SHEET

New York City Health and Hospitals Corporation

Contract Title: PC Refresh Program
Project Title & Number: PC Refresh Program
Project Location: Enterprise-Wide

Successful Respondent:	
Multiple Solicitations via Third Party Contract(s)	
Contract Amount:	\$8,500,000
Contract Term:	Anticipated 12 month period

Requesting Dept.: Enterprise IT Services

Number of Respondents: Multiple Vendors (Third Party Contract)
(If Sole Source, explain in Background section)

Range of Proposals: \$ Not Applicable to \$

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

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

Method of Payment: Lump Sum Per Diem Time and Rate
 Other: (please explain) To be determined upon acceptance

EEO Analysis: _____

Compliance with HHC's McBride Principles? Yes No N/A

Vendex Clearance Yes No N/A

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

CONTRACT FACT SHEET (continued)

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

These purchases are for PCs and Laptops, which are hardware and equipment that will replace end of life equipment. The Corporation has an inventory of approximately 34,500 computer workstations including mobile laptops. According to information technology research and advisory companies, the recommended PC and portable laptop refresh cycle is three to four years. Enterprise IT Services (EITS) plans to replace PCs based on a four year refresh cycle. In Calendar Year 2013, approximately 9,500 units will be replaced, based on a four year refresh cycle. An estimated additional 1,000 new PCs/laptops may be purchased for new needs.

Contract Review Committee

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

CRC reviewed this submission on November 28, 2012.

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

No.

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

Process used to select the proposed contractor –

Multiple solicitations will be conducted via Third Party Contract to procure computer workstations for this IT Refresh Program. By conducting solicitations via Third Party Contract, this mechanism will ensure that HHC is promoting competition by receiving the best price for the required equipment. Third Party Contracts offers discounted pricing compared to the market price for such equipment.

The selection criteria –

Enterprise IT Services will solicit various vendors via Third Party Contract. A minimum of three resellers will be solicited for each purchase. A purchase order will be issued to the lowest responsive and responsible bidder for each purchase.

The justification for the selection –

A purchase order will be issued to the lowest responsive and responsible bidder for each purchase.

Scope of work and timetable:

Vendors will provide PCs, Laptops, IT Peripherals and Accessories. The anticipated project duration for this refresh phase is approximately 12 months (January 2013 – December 2013). This is an annual program.

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

This program targets old computers that are either past or approaching their useful life expectancy. IT plans to solicit various vendors via Third Party Contract for these purchases. Third Party Contracts offer discounted pricing compared to the market price for such equipment. Based on our 2012 PC Refresh Program, the average discounted price via NYS OGS contract for the Corporation for the latest standard PC model has been approximately \$660 versus the projected unit price of \$960 and the average discounted price for the latest standard laptop model has been approximately \$760 versus the projected unit price of \$1245. Through volume purchasing via Third Party Contract, savings of approximately \$3.9 million have been realized.

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

FY2010- Central Office and Facility Spending on PCs and Laptops was approximately \$6.3 million.

FY2011- Central Office and Facility Spending on PCs and Laptops was approximately \$9.7 million.

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

Not applicable. These purchases are for PCs and Laptops, which are hardware and equipment that will replace end of life equipment.

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.

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

Bert Robles, Senior Vice President/Corporate CIO.

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

Received By E.E.O. _____

(Not Applicable if via NYS OGS Contract; Applicable to Group Purchasing Organization (GPO) Contract.)

Analysis Completed By E.E.O. _____
Date

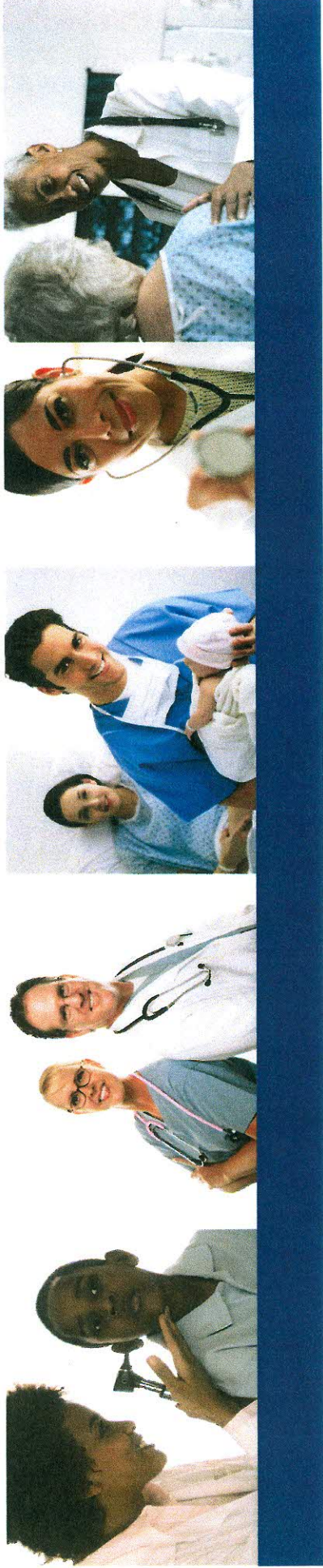
Name

Presentation Narrative
PC Refresh Program
On-Going Purchases via Third Party Contract(s)

EITS plans to refresh PCs on a regular basis and make volume purchases to ensure cost savings. The Corporation has an inventory of approximately 34,500 computer workstations including mobile laptops. The accompanying resolution requests approval to purchase computer workstations from various vendors on an on-going basis via Third Party Contract(s) for the New York City Health and Hospitals Corporation's PC Refresh Program, for an amount not to exceed \$8,500,000, which includes additional new PC/Laptop needs, over a 12 month period.

EITS strategy is to standardize on one manufacturer and limit the number of models in order to maintain a standard environment. This program targets old computers that are either past or approaching their useful life expectancy.

IT plans to solicit various vendors via Third Party Contracts for these purchases. Third Party Contracts offer discounted pricing compared to the market price for such equipment.



PC Refresh Program

Medical & Professional Affairs/ IT Committee

Thursday, December 13, 2012



PC Refresh Program – Background

The Corporation has an inventory of approximately 34,500 computer workstations including mobile laptops.

According to information technology research and advisory companies, the recommended PC and laptop refresh cycle is typically three to four years. Enterprise IT Services (EITS) plans to replace PCs based on a four year refresh cycle.

We plan to refresh approximately 9,500 computer workstations this year. We also anticipate new need PC/Laptop purchases this upcoming year.

This program targets old computer workstations that are either past or at the end of their useful life.

EITS strategy is to standardize on one manufacturer and limit the number of models in order to maintain a standard environment.



PC Refresh Program – Volume Purchases

IT plans to solicit vendors via Third Party Contract for these purchases. Third Party Contracts offer discounted pricing for such equipment. A purchase order will be issued to the lowest responsive bidder for each purchase.

Through volume purchasing via Third Party Contract, savings of approximately \$3.9 million have been realized this past year.

The request for spending authority is for \$8.5 million for a 12 month period.



Questions

Questions?

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (“the Corporation”) to purchase storage hardware, software, and associated maintenance through New York State Office of General Services (OGS) contract(s) from manufacturers and various authorized resellers on an on-going basis in an amount not to exceed \$6,600,000 for a one year period.

WHEREAS, the Corporation has over 3.5 petabytes of storage, which is utilized to store the Corporation’s email, business and clinical data applications as well as surveillance video systems; and

WHEREAS, this storage is configured to be highly available and provide disaster recovery protection for mission critical business and clinical applications used for patient care; and

WHEREAS, in order to keep up with the demand of storing mission critical data and providing continuous access to our email, business and clinical data applications as well as surveillance video systems, the Corporation must continuously upgrade and add additional storage to our Storage Area Network; and

WHEREAS, the Corporation will solicit proposals from manufacturers and authorized resellers via New York State OGS contract on an on-going basis; and

WHEREAS, the NYS OGS contract prices for such equipment are discounted from market price; and

WHEREAS, the accountable person for this purchase is the Senior Vice President/ Corporate Chief Information Officer.

NOW, THEREFORE, be it:

RESOLVED, THAT the President of New York City Health and Hospitals Corporation be and hereby is authorized to purchase storage hardware, software, and associated maintenance through New York State Office of General Services (OGS) contract(s) from manufacturers and various authorized resellers on an on-going basis in an amount not to exceed \$6,600,000 over a one year period.

**Executive Summary –
On-Going Purchases for Storage Hardware, Software and Maintenance via
New York State Office of General Services (OGS) Contract(s)**

The accompanying resolution requests approval to purchase storage hardware, software and maintenance through New York State Office of General Services (OGS) contract(s) from manufacturers and authorized resellers on an on-going basis in an amount not to exceed \$6,600,000 million for enterprise wide projects and end of life equipment for a one year period. Enterprise IT Services (EITS) will provide an interim spending update to the Board of Directors for these purchases during this 12 month period.

The Corporation has over 3.5 Petabytes (equivalent to about four times the data volume of the Google database) of storage which is utilized to store the Corporation's email, business and clinical data applications as well as surveillance video systems. This storage is configured to be highly available and provide disaster recovery protection for mission critical business and clinical applications used for patient care. Of the total amount of storage specifically dedicated to mission critical applications, there is approximately 21.0% of this storage available. At the current consumption rate, the Corporation would run out of this storage in 13 months if no other projects or storage migrations took place.

In order to keep up with the demand of storing mission critical data and providing 24x7x 365 access to our applications and systems we need to continuously upgrade and add additional storage to our Storage Area Network. A **Storage Area Network (SAN)** is a dedicated network that provides access to consolidated, block level data storage. SANs are primarily used to make storage devices, such as disk arrays, tape libraries, and optical jukeboxes, accessible to servers so that the devices appear like locally attached devices to the end user.

Under this program, multiple solicitations will be conducted via NYS OGS contract(s) to procure storage equipment on an on-going basis for the Corporation's data center SAN's. Enterprise Information Technology Services will solicit manufacturers and authorized resellers via NYS OGS contract. The Corporation is able to procure equipment at the same low price offered to other public agencies via NYS OGS contract. A minimum of three resellers will be solicited for each purchase. A purchase order will be issued to the lowest responsive bidder for each purchase.

The NYS OGS Contract offers discounted pricing compared to the market price for such equipment. For example, a PACS Storage Hardware and Software Upgrade was purchased for \$144,976, a savings of 54% off the list price of \$268,700. By soliciting vendors via State contract, the Corporation can obtain a potential savings of approximately 40% up to 60% off list pricing for storage hardware and software purchases.

CONTRACT FACT SHEET

New York City Health and Hospitals Corporation

Contract Title: Storage Hardware, Software, and Maintenance
Project Title & Number: Storage Hardware, Software, and Maintenance
Project Location: Enterprise-Wide
Requesting Dept.: Enterprise IT Services

Successful Respondent:
Multiple Vendors – On-Going Procurement via NYS OGS Contract
Contract Amount: \$6,600,000
Contract Term: 12 months

Number of Respondents: Multiple Vendors (NYS OGS Contracts)
(If Sole Source, explain in Background section)

Range of Proposals: \$ Not Applicable to \$

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

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

Method of Payment: Lump Sum Per Diem Time and Rate
 Other: explain Upon acceptance

EEO Analysis:

Compliance with HHC's McBride Principles? Yes No

Vendex Clearance Yes No N/A

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

CONTRACT FACT SHEET (continued)

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

The Corporation has over 3.5 Petabytes (equivalent to about four times the data volume of the Google database) of storage which is utilized to store the Corporation's email, business and clinical data applications as well as surveillance video systems. This storage is configured to be highly available and provide disaster recovery protection for mission critical business and clinical applications used for patient care. Of the total amount of storage specifically dedicated to mission critical applications, there is approximately 21.0% of this storage available. At the current consumption rate, the Corporation would run out of this storage in 13 months, if no other projects or storage migrations took place.

In order to keep up with the demand of storing mission critical data and providing 24x7x 365 access to our applications and systems, we need to continuously upgrade and add additional storage to our Storage Area Network. A **Storage Area Network (SAN)** is a dedicated network that provides access to consolidated, block level data storage. SANs are primarily used to make storage devices, such as disk arrays, tape libraries, and optical jukeboxes, accessible to servers so that the devices appear like locally attached devices to the end user.

Contract Review Committee

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

CRC reviewed this submission on 11/28/12.

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

No.

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

Process used to select the proposed contractor –

Solicitations will be conducted via NYS OGS contract to procure storage hardware, software, and maintenance on an on-going basis for the Corporation's data center SAN's.

By conducting solicitations via State contract, this mechanism will ensure that HHC is promoting competition by receiving the best price for the required equipment. The NYS OGS contract offers discounted pricing compared to the market price for such equipment.

The selection criteria –

Enterprise IT Services will solicit manufacturers and authorized resellers via NYS OGS contract. A minimum of three resellers will be solicited for each purchase. A purchase order will be issued to the lowest responsive and responsible bidder for each purchase.

The justification for the selection –

A purchase order will be issued to the lowest responsive and responsible bidder for each purchase.

Scope of work and timetable:

Vendors will provide Storage Equipment on an on-going basis for the Corporation's SAN's. The anticipated project duration for these purchases is one year. Purchases will continue to occur on an annual basis based on need.

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

The NYS OGS Contract offers discounted pricing compared to the market price for such equipment. For example, a PACS Storage Hardware and Software Upgrade was purchased for \$144,976, a savings of 54% off the list price of \$268,700. By soliciting vendors via State contract, the Corporation can obtain a potential savings of approximately 40% up to 60% off list pricing for storage hardware and software purchases. HHC received similar discounts in previous years.

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

FY10: Central Office and Facility Spending was approximately \$6.22 million

FY11: Central Office and Facility Spending was approximately \$6.32 million

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

Not applicable. These purchases are for Storage Hardware, Software and Maintenance.

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.

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

Bert Robles, Senior Vice President/Corporate CIO.

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

Received By E.E.O. _____ **Not Applicable**
Date

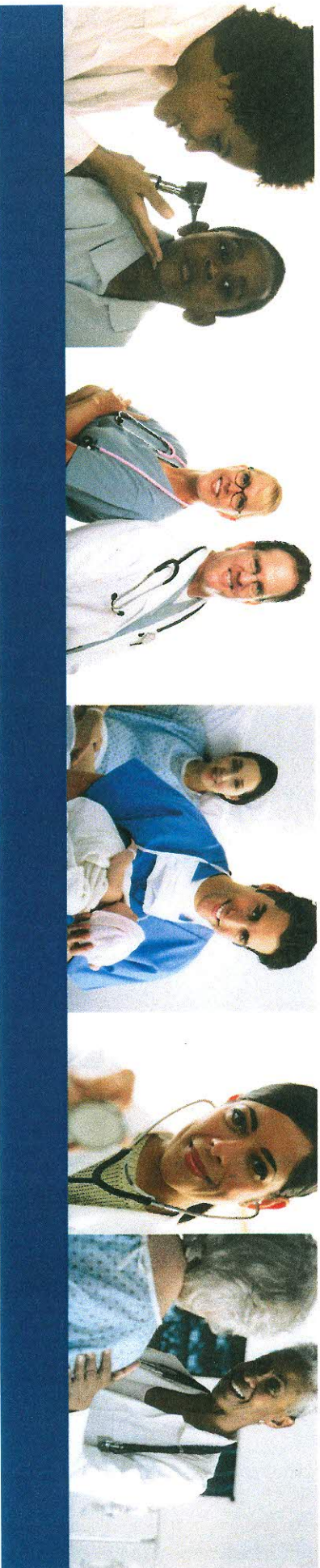
Analysis Completed By E.E.O. _____
Date

Name

Presentation Narrative
On-Going Purchases for Storage Hardware, Software and Maintenance via
New York State Office of General Services (OGS) Contract(s)

The Corporation has over 3.5 Petabytes (equivalent to about four times the data volume of the Google database) of storage which is utilized to store the Corporation's email, business and clinical data applications as well as surveillance video systems. The accompanying resolution requests approval to purchase storage hardware, software and maintenance through New York State Office of General Services (OGS) contract(s) from manufacturers and authorized resellers on an on-going basis in an amount not to exceed \$6.6 million for enterprise wide projects and end of life equipment for a one year period.

Under this program, multiple solicitations will be conducted via NYS OGS contract(s) to procure storage equipment on an on-going basis for the Corporation's data center SAN's. A purchase order will be issued to the lowest responsive bidder for each purchase.



On-Going Purchases for Storage Hardware, Software and Maintenance

Medical & Professional Affairs/ IT Committee

Thursday, December 13, 2012

Storage Hardware, Software & Maintenance Purchases – Background



The Corporation has over 3.5 Petabytes (equivalent to about four times the data volume of the Google database) of storage which is utilized to store the Corporation’s email, business and clinical data applications as well as surveillance video systems.

This storage is configured to be highly available and provide disaster recovery protection for mission critical business and clinical applications used for patient care.

Storage Hardware, Software & Maintenance Purchases – Procurement Process



Multiple solicitations will be conducted via NYS Office of General Services (OGS) contracts to procure storage equipment (including hardware, software and maintenance) on an on-going basis.

EITS will solicit manufacturers and authorized resellers via NYS OGS contracts. A purchase order will be issued to the lowest responsive bidder for each purchase.

By soliciting vendors via State contract, the Corporation can obtain a potential savings off list pricing for storage hardware and software purchases.

The request for spending authority is for \$6.6 million for a 12 month period.



Questions

Questions?

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (“the Corporation”) to negotiate and execute an Affiliation Agreement with the Physician Affiliate Group of New York, P.C. (“PAGNY”) for the provision of General Care and Behavioral Health Services at Lincoln Medical and Mental Health Center (“Lincoln”), Morrisania Diagnostic and Treatment Center (“Morrisania”), Segundo Ruiz Belvis Diagnostic and Treatment Center (“Belvis”), Jacobi Medical Center (“JMC”), North Central Bronx Hospital (“NCB”), Harlem Hospital Center (“Harlem”), Renaissance Health Care Network Diagnostic and Treatment Center (“Renaissance”), Metropolitan Hospital Center (“Metropolitan”), and Coney Island Hospital (“CIH”) for a period of three years, commencing July 1, 2012 and terminating on June 30, 2015, consistent with the general terms and conditions and for the amounts as indicated in Attachment A;

AND

Further authorizing the President to make adjustments to the contract amounts, providing such adjustments are consistent with the Corporation's financial plan, professional standards of care and equal employment opportunity policy except that the President will seek approval from the Corporation's Board of Directors for any increases in costs in any fiscal year exceeding twenty-five percent (25%) of the amounts set forth in Attachment A.

WHEREAS, the Corporation has entered into affiliation agreements pursuant to which various medical schools, voluntary hospitals and professional corporations provided General Care and Behavioral Health Services at Corporation facilities; and

WHEREAS, the current Affiliation Agreements with PAGNY at Lincoln, Morrisania, Belvis, JMC, NCB, Harlem, Renaissance, Metropolitan and CIH were extended to December 31, 2012; and

WHEREAS, it was necessary for the President to have the managerial flexibility to insure that the rights of the Corporation remain protected during the negotiation process; and

WHEREAS, prior to the expiration date, the Corporation recognized the need to improve contract management and service delivery; and

WHEREAS, the Corporation and PAGNY met to discuss and to clarify principles of a new agreement; and

WHEREAS, negotiations for a new affiliation agreement were successfully concluded and a summary of the financial terms is set forth in Attachment A; and

NOW, THEREFORE, BE IT

RESOLVED, that the President of the New York City Health and Hospitals Corporation (“the Corporation”) is hereby authorized to negotiate and execute an Affiliation Agreement with the Physician Affiliate Group of New York, P.C. (“PAGNY”) for the provision of General Care and Behavioral Health Services at Lincoln Medical and Mental Health Center (“Lincoln”), Morrisania Diagnostic and Treatment Center (“Morrisania”), Segundo Ruiz Belvis Diagnostic and Treatment Center (“Belvis”), Jacobi Medical Center (“JMC”), North Central Bronx Hospital (“NCB”), Harlem Hospital Center (“Harlem”), Renaissance Health Care Network Diagnostic and Treatment Center (“Renaissance”), Metropolitan Hospital Center (“Metropolitan”) and Coney Island Hospital (“CIH”) for a period of three years, commencing July 1, 2012 and terminating on June 30, 2015, consistent with the general terms and conditions and for the amounts as indicated in Attachment A; and

BE IT FURTHER RESOLVED, that the President is hereby authorized to make adjustments to the contract amounts, providing such adjustments are consistent with the Corporation's financial plan, professional standards of care and equal employment opportunity policy except that the President will seek approval from the Corporation's Board of Directors for any increases in costs in any fiscal year exceeding twenty-five percent (25%) of the amounts set forth in Attachment A.

Attachment A

**Summary of the Proposed New Affiliation Agreement Between
The New York City Health and Hospitals Corporation (“the Corporation”)
and the Physician Affiliate Group of New York, P.C. (“PAGNY”)
for the Provision of General Care and Behavioral Health Services at
Lincoln Medical and Mental Health Center (“Lincoln”),
Morrisania Diagnostic and Treatment Center (“Morrisania”),
Segundo Ruiz Belvis Diagnostic and Treatment Center (“Belvis”),
Jacobi Medical Center (“JMC”), North Central Bronx Hospital (“NCB”),
Harlem Hospital Center (“Harlem”),
Renaissance Health Care Network Diagnostic and Treatment Center (“Renaissance”),
Metropolitan Hospital Center (“Metropolitan”) and Coney Island Hospital (“CIH”)**

Contract Term and Synopsis

- ❖ The term of the proposed agreement is for three years beginning July 1, 2012 and ending June 30, 2015.
- ❖ The agreement continues the current relationship between Lincoln, Morrisania, Belvis, JMC, NCB, Harlem, Renaissance, Metropolitan, and CIH (the “Facilities”) and the Physician Affiliate Group of New York, P.C. (“Affiliate”).
- ❖ The Affiliate will provide general care and behavioral health services at the Facilities.
- ❖ For the proposed agreement, services provided at the Facilities, include, but are not limited to, Emergency Medicine, Internal Medicine and related subspecialties, Laboratory and Pathology Medicine, Dermatology, Neurosurgery, Neurology, Pediatrics and Neonatal services, Obstetrics/Gynecology, Behavioral Health, Radiology, Otolaryngology, Ophthalmology, Orthopedics, Urology, Surgery and related subspecialties, Nuclear Medicine, Physical Medicine & Rehabilitation, and Podiatry, Dental and Oral Surgery.
- ❖ The new agreement builds on the current relationship between the Affiliate and the Facilities, forms a collaborative effort to achieve agreed upon goals and creates incentives to meet them.

Goals

- ❖ Continue to maintain high quality patient care, ensure patient safety and enhance patient satisfaction.
- ❖ Achieve excellence in care for patients with chronic diseases and develop a patient centered medical home program.
- ❖ Develop and align services to meet patient and community needs.
- ❖ Institute a Pay-For-Performance program that aligns incentives with quality outcomes and other business objectives.

- ❖ Foster closer collaboration between physician and non-physician staff to improve performance in length of stay, readmission rates and avoid unnecessary admissions.

Joint Oversight Committee (JOC)

- ❖ The purpose of a Joint Oversight Committee (JOCs) is to ensure joint planning and compliance with the strategic direction of a Facility/ Network and this Affiliation Agreement. The JOCs will work to ensure appropriate staffing levels, maximize productivity, lower costs, increase revenue and monitor progress with the performance indicators.
- ❖ The JOC shall consist of the following permanent members:
 - Executive Director and/or Network Senior Vice President
 - Facility Chief Financial Officer
 - Facility Medical Director
 - PAGNY Site Administrator
 - PAGNY Chief Executive Officer
 - PAGNY Chief Financial Officer/Budget Director
 - PAGNY Local Governance Council Representative from the Facility
- ❖ JOC meetings are mandatory and shall take place at a minimum on a monthly basis. Either the Facility or the Affiliate may call a JOC meeting on an emergency basis.
- ❖ For needs requiring HHC Central Office (CO) approval, a local JOC request must be approved first by the Executive Director of that facility and then sent to CO no later than 10 days from the JOC meeting date. CO approval will be provided within 30 days of CO receiving a request.
- ❖ Budget neutral requests can be resolved after a JOC considers its clinical justification, financial impact and obtains that Executive Director's approval. Budget neutrality will be considered at the department level.

Pay-for-Performance Program

- ❖ A pay-for-performance program, utilizing performance indicators, will be implemented to link physician behavior to the goals of Patient Satisfaction, Patient Flow and Utilization, Documentation, Patient Centered Medical Home, Quality and Efficiency.
- ❖ Performance indicators shall be monitored by each Facility and reported to the Affiliate quarterly.
- ❖ Satisfaction of each performance indicator shall be determined and amounts earned shall be paid to the Affiliate annually.
- ❖ All amounts paid for the performance indicators shall be distributed promptly by PAGNY to physician providers according to a plan developed by PAGNY in its discretion.

- ❖ If all the goals are met, as specified by the performance indicators, an incentive in incremental compensation, up to 2.5% of a Facility's Fiscal Year budget, will be provided to the Affiliate annually, as detailed by the following table:

**Performance Indicators – Estimated Maximum Annual Payments
FY 2013 to FY 2015 Affiliation Agreement with PAGNY**

Facility	FY 2013	FY 2014	FY 2015	Total
Coney Island	\$1,478,000	\$1,470,000	\$1,462,000	\$4,410,000
Harlem & Renaissance	\$1,883,000	\$1,867,000	\$1,854,000	\$5,604,000
Lincoln, Belvis & Morrisania	\$2,225,000	\$2,213,000	\$2,201,000	\$6,639,000
Metropolitan	\$1,419,000	\$1,412,000	\$1,404,000	\$4,235,000
Jacobi & NCBH	\$3,509,000	\$3,492,000	\$3,474,000	\$10,475,000
Total	\$10,514,000	\$10,454,000	\$10,395,000	\$31,363,000

**List of Performance Indicators
FY 2013 to FY 2015
Affiliation Agreement with PAGNY**

Patient Satisfaction	Patient Flow & Utilization	Documentation	Patient Centered Medical Home (PCMH)	Quality	Efficiency
Communication between Physicians and Patients	30-Day Readmission Rates from CHF	Documentation of Co-Morbidities for Inpatient Services	PCMH Level Three Recognition Designation from National Center for Quality Assurance (NCQA)	Discharge Instructions Pneumonia Care: PN3b – Blood Culture Test	Operating Room Start Time
Communication about New Medications	30-Day Readmission Rates from Pneumonia ED Cycle Time	Documentation of Co-Morbidities for Outpatient Services		Surgical Care Improvement Project: SCIP Card-2 Measure Preventative Antibiotics Given One-Hour Before Surgery	Reduce Length of Stay (LOS)

Compensation

Proposed Contract Costs FY 2013 to FY 2015

Facility	ANNUAL CONTRACT VALUE			Total
	FY 2013	FY 2014	FY 2015	
Coney Island	\$65,903,727	\$65,704,674	\$65,505,621	\$197,114,022
Harlem & Renaissance	\$75,188,513	\$74,717,186	\$74,377,920	\$224,283,619
Lincoln, Morrisania & Belvis	\$88,827,880	\$88,563,517	\$88,299,155	\$265,690,552
Metropolitan	\$56,659,293	\$56,499,727	\$56,339,161	\$169,498,181
Jacobi & NCBH	\$140,095,364	\$139,746,037	\$139,395,710	\$419,237,111
Total	\$426,674,778	\$425,231,141	\$423,917,567	\$1,275,823,485

- ❖ The Affiliation contract will continue the current cost based compensation reimbursement methodology, not to exceed departmental spending limits.
- ❖ The FY 2013 budget is based on the final FY 2012 budget, adjusted for modifications approved by a JOC and the Corporation.
- ❖ As per policy, all changes to the budget must be approved by the JOC at each facility and as applicable, by the Corporation.
- ❖ The figures reported assume no material change in patient volume or services provided and no additional impact from managed care programs or other third-party payer developments.
- ❖ The Corporation retains the right to bill all patients and third-party payers for services rendered, except that the Affiliate will continue to bill for its direct patient care activities (Part B) through the Faculty Practice Plans at Lincoln, Harlem, Metropolitan, CIH, JMC (for outpatient Medicaid services only), and NCB (for outpatient Medicaid services only).
- ❖ Payments are subject to adjustment due to new initiatives for expanded programs or services, elimination or downsizing of programs, services or other reductions, market recruitment, retention-based salary adjustments, service grants or other designated programs consistent with the terms of the agreement.

Transfers and Referrals

- ❖ Patients will be transferred and referred to other facilities when required services are not available, if a third-party payer does not authorize reimbursement or a patient's request.
- ❖ If a service is not available, such transfers and referrals will be made to other HHC sites.

- ❖ Transfers and referrals to non-HHC facilities will be made only with the approval of the Executive Director or his/her designee and if an agreement with the receiving facility is in place.
- ❖ Transfer and referral activity will be monitored monthly.

Other Relevant Terms and Conditions

- ❖ The Affiliate will make all reasonable efforts to ensure that physician providers are culturally and linguistically competent to serve the diversified patient population at each Facility.
- ❖ The Affiliate, Medical Director and Executive Directors shall jointly evaluate contract services at least once a year.
- ❖ The Affiliate will ensure that contract providers meet the academic requirements of supervising residents per state regulations and national accreditation standards for compliance with both work hour coverage and attending supervision requirements.
- ❖ The Affiliate will ensure compliance with all Health Insurance Portability and Accountability Act (“HIPAA”) regulations and amendments.
- ❖ The Affiliate will work with the Facilities to reduce length of stay and third party payer denial rates and collaborate on other Facility and breakthrough projects geared towards efficiency and collecting revenue.
- ❖ The Corporation shall reimburse PAGNY for continuing medical education expenses for physician providers at the annual amount identified in the currently applicable collectively bargained agreement, or \$2,000 per fiscal year, whichever is greater, prorated accordingly for the physician provider’s FTE.
- ❖ The Corporation shall establish an “Academic Activities Fund” for each Facility, which shall be available to support and enhance resident education and faculty development at that Facility, in the greater of the amount expended by the Facility for such purposes during FY 2012, or an amount determined by multiplying the number of Resident FTEs at the Facility by \$1,000.
- ❖ In light of the establishment of these “Academic Activities Funds”, the Corporation shall no longer pay over to PAGNY, and PAGNY shall no longer be entitled to utilize, revenue received from St. George’s University School of Medicine or any other Medical School for the training of medical students at Corporation sites.
- ❖ Faculty Practice Plan “Net Collections”, as defined in the Faculty Practice Plan attachment to the Agreement, will be allocated in accordance with a multi-tiered contribution structure that creates (i) a minimum amount to support the contract, (ii) a corridor for distributions that begins above that amount, and (iii) a third tier to support mutually agreed-upon improvements to the hospital.

HHC Board Meeting December 20, 2012

PAGNY Affiliation Agreement Renewal FY 2013 to FY 2015

Antonio Martin, EVP & COO

Ross Wilson MD, SVP & CMO

Marlene Zurack, SVP & CFO

GOALS

This agreement builds on the current relationship between the Physician Affiliate Group of New York, P.C. (PAGNY) and:

- Lincoln Medical and Mental Health Center
 - Morrisania Diagnostic and Treatment Center
 - Segundo Ruiz Belvis Diagnostic and Treatment Center
 - Renaissance Health Care Network Diagnostic and Treatment Center
 - Harlem Hospital Center
 - Metropolitan Hospital Center
 - Jacobi Medical Center
 - North Central Bronx Hospital
 - Coney Island Hospital
- ❖ For PAGNY to support the strategic directions and performance accountabilities of HHC

Facility Joint Oversight Committee (JOC)

- The purpose of a Joint Oversight Committee (JOC) is to provide regular oversight and management of the affiliation agreement. It ensures joint planning and compliance with the HHC strategic direction.
- The JOC shall consist of the following permanent members:
 - Executive Director and/or Network Senior Vice President
 - Facility Chief Financial Officer
 - Facility Medical Director
 - PAGNY Site Administrator
 - PAGNY Chief Executive Officer
 - PAGNY Chief Financial Officer/ Budget Director
 - PAGNY Local Governance Council Representative
- The revised JOC mechanism is central to maximizing local and timely decision making on affiliation matters

Proposed PAGNY Contract Costs

FY 2013 to FY 2015

	ANNUAL CONTRACT VALUE			
Facility	FY 2013	FY 2014	FY 2015	Total Contract Value
Coney Island	\$65,903,727	\$65,704,674	\$65,505,621	\$197,114,022
Harlem & Renaissance	\$75,188,513	\$74,717,186	\$74,377,920	\$224,283,619
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Metropolitan	\$56,659,293	\$56,499,727	\$56,339,161	\$169,498,181
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Total	\$426,674,778	\$425,231,141	\$423,917,567	\$1,275,823,485

Financial Overview

- ❖ The Affiliation contract will continue the current cost-based compensation reimbursement methodology, not to exceed departmental spending limits
- ❖ The FY 2013 budget is based on the final FY 2012 budget, adjusted for modifications approved by a JOC and the Corporation
- ❖ All changes to the budget must be approved by the JOC at each facility and as applicable, by the Corporation
- ❖ The figures reported assume no material change in patient volume or services provided and no additional impact from managed care programs or other third-party payer developments

Pay for Performance Program

- An additional 2.5% of the contract amount is available to PAGNY as a pay-for-performance bonus
- The performance indicators and thresholds are selected to align with HHC's accountabilities.
 - These include, VBP (value-based purchasing) and the ACO (Accountable Care Organization) programs run by CMS (Centers for Medicare & Medicaid)
- Bonuses will be paid annually to PAGNY for their distribution to members
- Process will be overseen by the JOC

PAY-FOR-PERFORMANCE PROGRAM

Estimated Annual Payments Per Facility

Facility	FY 2013	FY 2014	FY 2015	Total
Coney Island	\$1,478,000	\$1,470,000	\$1,462,000	\$4,410,000
Harlem & Renaissance	\$1,883,000	\$1,887,000	\$1,854,000	\$5,604,000
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Total	\$10,514,000	\$10,454,000	\$10,395,000	\$31,363,000

Revenue Overview

❖ The Corporation retains the right to bill all patients and third-party payers for services rendered, except for services where the Affiliate is currently allowed to bill for direct patient care activities (Part B) through a Faculty Practice Plan (FPP)

❖ FPP “Net Collections”, as defined in the FPP attachment to this agreement, shall be allocated in accordance with a multi-tiered contribution structure that creates a (i) minimum amount to support the contract, (ii) corridor for distributions that begins above that amount, and (iii) third tier to support mutually agreed-upon improvements to the hospital

Transfers & Referrals

- ❖ Patients will be transferred and referred to other facilities when required services are not available, if a third-party payer does not authorize reimbursement or a patient's request
- ❖ If a service is not available, such transfers and referrals will be made to other HHC Facilities
- ❖ Transfers and referral to non-HHC facilities will only be made with the approval of the Executive Director or his/her designee and if an agreement with the receiving facility is in place
- ❖ Transfer and referral activity will be monitored monthly

Thank You