

BOARD OF DIRECTORS MEETING

THURSDAY, JUNE 18, 2015

A•G•E•N•D•A

CALL TO ORDER - 4 PM

Dr. Raju

Call for a Motion to Convene an Executive Session

Executive Session / Facility Governing Body Report

➤ Elmhurst Hospital Center

Semi-Annual Governing Body Report (Written Submission Only)

➤ Bellevue Hospital Center

Diagnostic & Treatment Center Annual Quality Assurance Plan / Evaluation 2014 (Written Submission Only)

➤ Morrisania Diagnostic & Treatment Center

OPEN SESSION – 5 PM

Dr. Raju

1. Adoption of Minutes: May 28, 2015

Acting Chair’s Report

Dr. Raju

President’s Report

➤ **Information Item: EPIC/EMR Implementation Update**
Presenter: Sal Guido, Chief Information Officer, Enterprise ITS

>>Action Items<<

Corporate

Dr. Raju

2. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to negotiate and execute a **Memorandum of Understanding** with the City of New York for the **transfer** to the Corporation of **staff of the New York City Department of Health and Mental Hygiene (“DOHMH”) engaged in the performance of correctional health functions, together with the transfer**, whether by license or otherwise, **of all real and personal property**, as appropriate, used by DOHMH in its **provision of correctional health services**.

Dr. Raju

3. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to **assume from the New York City Department of Health and Mental Hygiene (“DOHMH”) its contracts for the provision of medical, mental health and dental services for the inmates of correctional facilities** maintained and operated by the City of New York (“Correctional Health Services”) with (1) **Corizon Health, Inc., Correctional Medical Associates of New York, P.C., and Correctional Dental Associates of New York (collectively, “Corizon)**; (2) **Damian Family Care Centers, Inc. (“Damian)**; and (3) **the seven contracts listed in the attached Schedule A** for the duration of their terms which, for Corizon, expires December 31, 2015, which, for Damian, expires August 31, 2016 and which, for the seven vendors listed in Schedule A, expire on the dates indicated in Schedule A for a total amount over the remaining term of the Corizon contact of \$70 million, for the remaining term of the Damian contract of \$15,500,000 and for the remaining terms of the other seven contracts listed on Schedule A of \$12,202,758 for a total not to exceed amount of \$97,702,758 for all nine contracts; **AND** authorizing the President of the Corporation to negotiate and execute a **Memorandum of Understanding** among the Corporation, DOHMH, the City and the New York City Department of Correction to **provide for the Corporation to assume responsibility for correctional health services for the inmates of correctional facilities** maintained and operated by the City of New York.

(over)

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Physician Services Agreements

4. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to negotiate and execute a **Physician Services Agreement** with **New York University School of Medicine** for the provision of General Care and Behavioral Health Services at **Bellevue Hospital Center, Gouverneur Healthcare Services, Coler Rehabilitation and Nursing Care Center, Henry J. Carter Specialty Hospital and Nursing Facility, Woodhull Medical and Mental Health Center, and Cumberland Diagnostic and Treatment Center** for a period of five years, commencing July 1, 2015 and terminating on June 30, 2020, for an amount not to exceed \$1,688,679,033; **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 amount not to exceed in this resolution.
(Med & Professional Affairs/IT Committee – 06/11/2015)

Dr. Calamia

5. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to negotiate and execute a **Physician Services Agreement** with the **Icahn School of Medicine at Mount Sinai** for the provision of General Care and Behavioral Health Services at **Elmhurst Hospital Center and Queens Hospital Center** for a period of five years, commencing July 1, 2015 and terminating on June 30, 2020, for an amount not to exceed \$1,150,620,692; **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 amount not to exceed in this resolution.
(Med & Professional Affairs/IT Committee – 06/11/2015)

Dr. Calamia

6. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to negotiate and execute a **Physician Services 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, Coney Island Hospital, and Kings County Hospital Center** for a period of five years, commencing July 1, 2015 and terminating on June 30, 2020, for an amount not to exceed \$2,562,175,665; **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 amount not to exceed in this resolution.
(Med & Professional Affairs/IT Committee – 06/11/2015)

Dr. Calamia

Various Networks

7. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to negotiate and execute a management contract with **Stericycle, Inc.** Stericycle will manage the **carting and disposal of the Corporation's seven waste streams for each facility.** The contract will be for an initial term of two years for the period from July 1, 2015 through June 30, 2017 with options to renew the agreement for two additional two-year periods at the sole discretion of the Corporation in an amount not to exceed \$38,990,448 over the potential six-year term of the contract.
(Finance Committee – 06/09/2015)
EEO: Conditional / VENDEX: Pending

Mr. Rosen

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<p><u>Various Networks (cont'd)</u></p>	
<p>8. RESOLUTION Authorizing the President of the New York City Health and Hospitals Corporation to execute an amendment to the Corporation's existing contract with Surgical Solutions, LLC to provide laparoscopic/endoscopic video equipment, associated instruments, disposable supplies and preoperative, postoperative support services to expand its scope from Bellevue Hospital Center, Elmhurst Hospital Center and Kings County Hospital Center to also include Harlem Hospital Center, Coney Island Hospital, Lincoln Medical and Mental Health Center, Metropolitan Hospital Center, and Queens Hospital Center for a term of 6 years in an amount not to exceed \$65,000,000 inclusive of a 3% contingency of \$1,925,486 while extending the term of the existing agreement currently to expire September 2, 2019. <i>(Finance Committee – 06/09/2015)</i> <i>EEO: Approved / VENDEX: Pending</i></p>	<p>Mr. Rosen</p>
<p>9. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to execute an Indefinite Quantity Construction Contract (IQCC) with Nirman Construction Corporation, selected through the HHC public bid process, to provide construction services on an as-needed basis at various facilities throughout the Corporation. The contract shall be for a term of two years, for an amount not to exceed \$6,000,000. <i>(Capital Committee – 06/11/2015)</i> <i>EEO: / VENDEX: Pending</i></p>	<p>Ms. Youssouf</p>
<p><u>Queens Health Network</u></p>	
<p>10. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to execute a five year license agreement with the New York City Department of Parks and Recreation for its use and occupancy of an 800-square foot parcel located on the campus of the former Neponsit Health Care Center to operate a Lifeguard Trailer with the occupancy fee waived. <i>(Capital Committee – 06/11/2015)</i></p>	<p>Ms. Youssouf</p>
<p><u>Generations+/Northern Manhattan Network</u></p>	
<p>11. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to proceed with the procurement and installation of a Linear Accelerator and to renovate the suite required to house this new unit at Lincoln Medical and Mental Health Center in an amount not-to-exceed \$8,179,641. <i>(Capital Committee – 06/11/2015)</i></p>	<p>Ms. Youssouf</p>
<p><u>Committee Reports</u></p>	
<ul style="list-style-type: none"> ➤Capital ➤Equal Employment Opportunity ➤Finance ➤Medical & Professional Affairs / Information Technology ➤Strategic Planning 	<p>Ms. Youssouf Mrs. Kril Mr. Rosen Dr. Calamia Mrs. Bolus</p>
<p><u>Subsidiary Board Report</u></p>	
<ul style="list-style-type: none"> ➤HHC Capital Corporation <p>>>Old Business<< >>New Business<<</p>	
<p>Adjournment</p>	<p>Dr. Raju</p>

NEW YORK CITY HEALTH AND HOSPITALS CORPORATION

A meeting of the Board of Directors of the New York City Health and Hospitals Corporation (the "Corporation") was held in Room 532 at 125 Worth Street, New York, New York 10013 on the 28th of May 2015 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:

Mr. Gordon J. Campbell
Dr. Ramanathan Raju
Mr. Steven Banks
Dr. Mary T. Bassett
Dr. Gary S. Belkin
Dr. Vincent Calamia
Ms. Anna Kril
Mr. Robert Nolan
Mr. Mark Page
Mr. Bernard Rosen
Ms. Emily A. Youssef

Patricia Yang was in attendance representing Deputy Mayor Lilliam Barrios-Paoli in a voting capacity. Mr. Campbell chaired the meeting and Mr. Salvatore J. Russo, Secretary to the Board, kept the minutes thereof.

Mr. Campbell received the Board's approval to convene an Executive Session to discuss matters of quality assurance and potential litigation.

FACILITY GOVERNING BODY/EXECUTIVE SESSION

The Board convened in Executive Session. When it reconvened in open session, Mr. Campbell reported that, 1) the Board of Directors, as the governing body of Jacobi Medical

Center, received an oral report and written governing body submission and reviewed, discussed and adopted the facility's report presented; 2) as governing body of North Central Bronx Hospital, the Board received an oral report and written governing body submission and reviewed, discussed and adopted the facility's report presented; 3) as governing body of Harlem Hospital Center, the Board reviewed and approved its semi-annual written report; and 4) as governing body of Gouverneur Healthcare Services Diagnostic and Treatment Center, the Board reviewed and approved its annual quality assurance plan and 2014 evaluation.

ADOPTION OF MINUTES

The minutes of the meeting of the Board of Directors held on April 30, 2015 were presented to the Board. Then on motion made by Mr. Campbell and duly seconded, the Board unanimously adopted the minutes.

1. **RESOLVED**, that the minutes of the meeting of the Board of Directors held on April 30, 2015, copies of which have been presented to this meeting, be and hereby are adopted.

CHAIRPERSON'S REPORT

Mr. Campbell received the Board's approval to appoint Dr. Calamia to serve on the Governance Committee.

Mr. Campbell updated the Board on approved and pending Vendex.

Mr. Campbell reported that the Annual Public Meetings have been completed in each of the five boroughs and thanked the

Board members who presided over the meetings.

Finally, Mr. Campbell congratulated Mrs. Bolus on receiving the Advanced Practice Nurse Award from Kings County Hospital Center.

PRESIDENT'S REPORT

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

INFORMATION ITEM

LaRay Brown, Senior Vice President, provided the Board with a summary of the major themes presented at the FY2015 Annual Public Meetings.

ACTION ITEMS

RESOLUTION

2. Authorizing the President of the New York City Health and Hospitals Corporation to execute a revocable **license agreement** with **General Vision Services/Cohen Fashion Optical** for the continued use and occupancy of space to operate optical stores on the campuses of **Harlem Hospital Center** at an occupancy fee rate of \$58.00 at Harlem, \$36,000 at Lincoln, \$73.00 at Metropolitan and \$78.00 at Bellevue for a total annual occupancy of \$104,318.00 to be escalated by 2.5% per year.

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

RESOLUTIONS

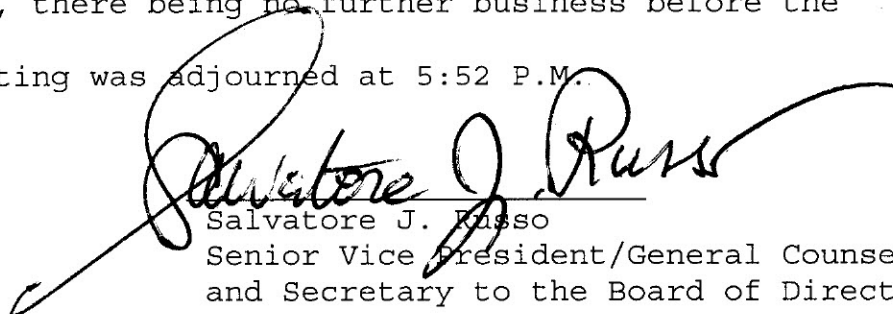
3. Authorizing the President of the New York City Health and Hospitals Corporation to execute a five year revocable **license agreement** with the **Grace Foundation of New York** for the

SUBSIDIARY AND BOARD COMMITTEE REPORTS

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

ADJOURNMENT

Thereupon, there being no further business before the Board, the meeting was adjourned at 5:52 P.M.



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

COMMITTEE REPORTS

Capital Committee – May 14, 2015 As reported by Ms. Emily Youssef

Senior Assistant Vice President’s Report

Roslyn Weinstein, Senior Assistant Vice President, Office of the President, advised that the meeting agenda included four real estate agreements; one for occupancy of space at various facilities to operate optical stores; one authorizing the use of space by the Department of Education at North Central Bronx; and, two for space at Sea View Hospital Rehabilitation Center and Home (Sea View), for which there would be a brief presentation regarding the history of the facility and its campus.

Ms. Weinstein congratulated Angelo Mascia, Executive Director, Sea View, on a recent five (5) star rating and quality award that the facility had received. Mr. Mascia thanked Ms. Weinstein and explained that the recognition was an honor granted to the top ten (10) percent, highest performing nursing homes in the country. Dr. Ramanathan Raju, President, Health and Hospitals Corporation acknowledged that Mr. Mascia had also received a personal recognition. Mr. Mascia said that he had received a leadership award from the American College of Healthcare Executives, but said he shared it with the entire facility, for all the fine work they do. Ms. Youssef said that she was sure that their work was attributable to his good leadership. Committee members and meeting attendees congratulated him.

That concluded Ms. Weinstein’s report.

Ms. Youssef requested that the first two action items, those relating to space on the Sea View campus, be presented together.

Action Items

Authorizing the President of the New York City Health and Hospitals Corporation (“the Corporation”) to execute a five year license agreement with the Metropolitan Fire Association, Inc. (the “Licensee”) for its continued use and occupancy of a 2,400-square-foot parcel located behind the “G” Building to conduct vocational training at the Sea View Hospital Rehabilitation Center and Home (the “Facility”) with the occupancy fee waived.

Authorizing the President of the New York City Health and Hospitals Corporation (the “Corporation”) to execute a five year revocable license agreement with the Grace Foundation of New York (the “Licensee”) for the continued use and occupancy of 5,700 square feet of space in the building designated #9 (the “Isolation Building”) to operate support programs for individuals affected by Autism Spectrum Disorder at the Sea View Hospital Rehabilitation Center and Home (the “Facility”) with the occupancy fee waived.

Angelo Mascia, Executive Director, Sea View Hospital Rehabilitation Center and Home, read the resolutions into the record on behalf of Arthur Wagner, Senior Vice President, South Brooklyn/Staten Island Health Network, who was present in the audience.

Mr. Mascia narrated a power point presentation explaining the history of the facility and its vast campus. Mr. Mascia explained that in 1829 the City of New York built what is now referred to as the farm colony, a piece of land on which residences were constructed for the poor, where they could raise livestock, do woodworking, etc. In 1915 Sea View Hospital was opened in the colony with the sole focus of treating tuberculosis. It was in the 1950s that they pioneered the treatment there, and then in 1966 the hospital was closed. In 1973 the Robitzek building was opened on the campus, it served as a 304 bed nursing home facility, with an adult day health care program and 21 bed traumatic brain injury unit. In the 1980s the campus was granted landmark preservation status, and the farm colony itself was designated a landmark district.

Ms. Youssef asked how many acres the site was. Mr. Mascia said at one time the colony was 340 acres but it has since been divided. There was a piece belonging to the Economic Development Corporation (EDC), where proposed senior housing units may be built. Ms. Youssef asked about the new construction. Mr. Mascia explained that the Landmarks Preservation Commission (LPC) had decided that six buildings on the site could be torn down but five must be rebuilt. Mr. Page asked if the new structures would have to look like the old ones. Mr. Mascia said that the new structures would have to be approved by the LPC but they do not need to look exactly the same. Ms. Youssef asked how many new buildings would be built. Mr. Mascia said he believed 350 units but it was an EDC project, on land that no longer belonged to Sea View or HHC and the details were still being settled.

Mr. Mascia noted that, at present, 75 acres belonged to Sea View, and that was what HHC was responsible for, not what was known as the Northern parcel where land had been used to build a high school, some had been given to the Parks Department and some to the Department of Citywide Administrative Services (DCAS). Mr. Mascia said that Sea View acreage provided space to the Fire Department of the City of New York, Emergency Medical Services (EMS), the Office of the Chief Medical Examiner (OCME), the local Community Board, and various other City agencies. Mr. Mascia explained that building number eight (8) which underwent a

\$22 million project, renovation of the old nurse's residence, had converted that space into 160 units of Senior Housing. Building 12 was operating as a group home, Camelot Counseling Services, and that site had undergone an \$8 million renovation. He advised that the request being presented to the Committee was for continued upgrading of the Isolation Building, building nine (9), where the Grace Foundation was located. He explained that elected officials had given \$3.75 million for interior work, and roof and window replacement. He identified on a map the location of building seven (7) in front of which there was vacant land to house the proposed, new, meals on wheels headquarters. The Metropolitan Fire Association, whose license agreement was also being presented for approval, occupied space behind building 19, which was an isolated part of the campus, where Mr. Mascia said he appreciated having a tenant located. Just having a presence on that part of the campus, he said, is beneficial to Sea View.

Dr. Ramanathan Raju, President, asked for the estimated annual cost of maintaining the areas that are not occupied. Mr. Mascia said that the unoccupied spaces had been fenced in but there was still a cost to maintain landscaping and streets. Dr. Raju asked what the benefit to the Corporation was, if the space was all being given away. Mr. Mascia explained that in the few places where no rent was charged the facility would not have to maintain the building. For instance, The Grace Foundation provided the capital dollars to renovate the building it was located in, and they perform their own landscaping, etc. The only thing the facility takes care of is seasonal plowing.

Ms. Youssouf asked how much was spent on maintaining the grounds annually. Mr. Mascia said that there were four individuals on the grounds-keeping crew, with an estimated cumulative salary of \$250,000, and those individuals performed regular maintenance such as cutting grass, and clearing gutters on HHC buildings.

Ms. Youssouf asked if this was in fact City property that HHC was maintaining.

Jeremy Berman, Deputy General Counsel, Legal Affairs, explained that in 1970 the Operating Agreement, or Lease with the City of New York, gave HHC control of all the City Department of Hospitals buildings, including Sea View, for the cost of one dollar a year, for the duration of the Corporations statutory existence. That land had evolved as HHC returned to the City parts of the property.

Dr. Raju asked if the spaces that were being leased or licensed with no occupancy fee were spaces that would otherwise be unused. Mr. Mascia said that the Isolation Building, where the Grace Foundation was located also housed the police surgeon, and they paid rent. The building had undergone some renovations and the Borough President's Office contributed \$200,000 for additional work. So, the City and the Borough President's Office funded renovation of the building. Mr. Mascia noted that the City Council was aware and approved of the various occupancy agreements, and in some cases they had approached the facility to foster relationships. Dr. Raju asked for confirmation that renovations were not performed with HHC funds. Mr. Mascia agreed.

Mrs. Bolus asked whether the city funded renovations had kept the buildings up to code, and whether the other, unoccupied spaces, were up to code. Mr. Mascia said yes, occupied buildings were up to code and the unoccupied buildings were fenced, with controls in place as required by governing bodies. Elevator shafts were closed off, ground floor access was limited but there was still an element of risk.

Mr. Page said it seemed that there were no comprehensive plans for the area, and who was responsible for what, and he feared that the site was becoming a de facto senior housing center. He said the HHC should be trying to get out of ownership and responsibility for anything that the Corporation didn't utilize. In the long run, he advised, the Corporation should maneuver itself away from the ancillary responsibilities.

John Maese, MD, Chief Medical Officer, Coney Island Hospital Center, provided an overview of the activity on the Sea View campus. Dr. Maese described Sea View as an anchor for Staten Island, with the facility an integrated part of the fabric of the Community. There were synergies that may not seem apparent but there had been a thoughtful plan. For example, the autistic children at the Grace Foundation may eventually go to work at Meals on Wheels, which provides them an opportunity to work that they may not have had without that relationship. Dr. Maese noted that the growth of autism in the Borough had heightened the need for such programs and was important to the community. The borough also had the fastest growing population over 85, added Dr. Maese, so those services are of great importance as well, and there was thought behind the fact that senior housing and nursing homes are related, and there had in fact been migration from the housing to the hospital.

Ms. Youssouf noted that access must have been discussed prior to funding for Senior Housing being received, and asked Mr. Mascia about transportation and local stores. Mr. Mascia said there were three bus lines that ran through the campus, so transportation was plentiful for visitation, shopping, errands, etc.

Ms. Youssouf said that the empty buildings were a liability and the Corporation should keep in mind the idea of getting rid of what they don't need. It will limit liability and help the community, she concluded.

Dr. Raju agreed with Ms. Youssouf and Mr. Page, and said that the community would benefit and the campus would look better. He noted that as primary care became a larger focal point for the Corporation, the site may provide an opportunity for such growth. He advised that HHC keep abreast of the Borough President's plans and see if the Corporation can benefit. Mr. Mascia advised that

the EDC, the Corporation and other City representatives met regularly to discuss plans for the area and that Central Office representatives attended those meetings.

Ms. Youssouf asked that the Committee be briefed as determinations were made.

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

On motion by the Chair, the Committee approved the two (2) resolutions for the full Board's consideration.

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a revocable license agreement with General Vision Services/Cohen Fashion Optical (the "Licensee") for the continued use and occupancy of space to operate optical stores on the campuses of Harlem Hospital Center, Lincoln Medical and Mental Health Center, Metropolitan Hospital Center and Bellevue Hospital Center (the "Facilities") at an occupancy fee rate of \$58.00, \$36.00, \$73.00 and \$78.00 respectively for a total annual occupancy fee of \$104,318.00 to be escalated by 2.5% per year.

Jeremy Berman, Deputy General Counsel, Legal Affairs, read the resolution into the record.

Ms. Youssouf asked for an explanation of the changes in how occupancy fees were being calculated. Mr. Berman explained that at one time occupancy fees were based on Institutional Cost Recovery (ICR) rates, those rates were typically used for Medicaid reimbursement purposes and were calculated by taking into account the cost of operating the facilities, including amortized capital cost. While there had been a period when it was thought to be a convenient and acceptable way to calculate the rate at which charges were assessed for third parties occupying HHC space, the federal and state fraud and abuse rules that regulate the way in which multiple healthcare providers relate to each other require that there be a relationship that does not include additional inducements or compensation over and above Fair Market Value (FMV) that may be viewed as inducements to inappropriate referrals. Therefore, the law established FMV as a safe harbor rate at which to peg those relationships. HHC thought in the past that ICR was a fair substitute, but moving forward the FMV would be used.

Ms. Youssouf noted that the Committee had historically questioned why the ICR rate was used and not the FMV rate. Mr. Berman said he recalled questions of the sort and acknowledged that there were times when it was hard to explain why rates were seemingly out of line with what the FMV would have been. For instance, there were locations at Coler Specialty Hospital that had higher occupancy fees than those at Bellevue Hospital, which did not seem logical being that Bellevue is located in Manhattan, a more desirable area with typically higher rent rates than those on Roosevelt Island. He advised that the Corporation now employed a consultant who performed market studies for each transaction.

He explained that as a result of switching the formula from ICR to FMV some rates had gone down, most had gone up, but now there was a more rational basis for charges.

Mrs. Bolus asked that the resolution be revised to reflect the charges separated by facility so that it was clear which rate represented which site.

Mr. Page said it was important that HHC maximize the return to the hospital for the use of its space for commercial purposes. He noted that with regards to the presented agreement there was a relationship and convenience to HHC patients that was good and he supported the switch to market value. It is a good idea and we should do it carefully to make certain we are gaining whatever support we can for our general service responsibility for basic for-profit use of our space, he said.

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

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

Mrs. Bolus commented that she had seen the location at Kings County Hospital Center and it appeared to be doing excellent business.

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a five year revocable license agreement with the New York City Department of Education (the "Licensee") for its continued use and occupancy of 160 square feet of space at North Central Bronx Hospital (the "Facility") to operate a vocational training program with the occupancy fee waived.

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

Ms. Youssouf asked for a brief overview of the program. Mr. Scelza explained that the program offered hands on educational training and work experience for challenged students and the facility contributed by providing a place on the hospital grounds for learning

and work. Ms. Youssouf asked if any students had been hired at the hospital. Antonio Martin, Executive Vice President, said he remembered when the program was last presented and at least one individual had been hired.

Ms. Youssouf asked how many students were enrolled in the program. Mr. Scelza said three.

Mrs. Bolus asked what assistance the interns provide. Mr. Scelza said they work on the grounds crew and deliver interoffice mail. Dr. Raju said they often perform messengering and filing duties, and grounds work.

Mrs. Bolus asked if they were paid. Mr. Martin said no.

Ms. Youssouf requested that a representative from the Department of Education (DOE) be present next time as it is helpful to the committee when the individual presenting is more informed about the program.

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

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

Information Items:

Project Status Reports

Central / North Brooklyn Health Network

Lisa Scott-McKenzie, Network Deputy Executive Director, Central/North Brooklyn Health Network presented reports for projects at Kings County Hospital Center, and Woodhull Medical and Mental Health Center.

Mrs. Scott-McKenzie advised that the Linear Accelerator project at Kings County Hospital Center was substantially complete with punch-list items remaining. She noted that a commissioning of the system would likely be performed in August, 2015, and when that was complete the Department of Health (DOH) inspection would be scheduled.

Ms. Weinstein shared photographs of the completed transport of the Ida Israel pre-fabricated building to Coney Island. Ms. Youssouf said that the committee was instrumental in helping to negotiate the site and they would like to be at the ribbon cutting. She said she was excited and hoped the community was as well.

Ms. Youssouf suggested that if the pre-fab construction worked well then it should be looked into as an option for other projects. If in fact it is satisfactory and cheaper, she added. Ms. Weinstein explained that the project was paid for with FEMA funding and while some minor change orders resulted in some additional cost, none of it was an outlay of HHC dollars. So, Capital Committee approved \$8.6 million, and there was some increase as a result of field conditions, but that total project cost would be shared when the site opened. Mrs. Bolus asked if FEMA would come to approve the final project. Ms. Weinstein explained that FEMA approvals were given throughout the process. That happens along the way, she said,

Ricardo Corrales, Senior Associate Director, Woodhull Medical and Mental Health Center advised that the Obstetric Expansion project at the facility was being outfitted, and when that was complete the Department of Buildings (DOB) would be scheduled to come in for limited review.

Ms. Weinstein shared photos of the completed EPIC training center, as discussed at the April 16, 2015, Capital Committee meeting, and another FEMA project. Mr. Page asked for explanation of a photograph showing an emergency power off switch, which was part of the project. Denise Lyman, Director, Office of Facilities Development explained that each of the Information Technology (IT) closets was equipped with a power off switch so that in case of emergency the system could be shut down to any possible damage spreading. Ms. Lyman advised that training had started in the space the week of May 11, 2015. Ms. Weinstein said that there were 16 classrooms in total, that held between ten (10) and 35 individuals, the rooms were operational 24 hours a day, seven (7) days a week so that students from all tours could be serviced. Ms. Weinstein noted that the in house training was an anticipated financial asset to the Corporation.

Community Relations Committee – May 5, 2015 **As reported by Josephine Bolus, NP-BC**

Chairperson's Report

Mrs. Bolus welcomed everyone. Mrs. Bolus informed members of the Committee and invited that this evening they will hear the Annual Activity Reports from the Community Advisory Boards of HHC's Generations Plus and Northern Manhattan Networks. Mrs. Bolus noted that it was May 5th, "Cinco de Mayo", a day of celebration for people of Mexican heritage and that it would be

particularly fitting to hear from the Generations Plus Network, among whose communities many Mexican-American's live. Mrs. Bolus announced a festive "Cinco de Mayo" to all!

Mrs. Bolus congratulated Mr. Robert Nolan, Bronx Representative and loyal Community Relations Committee member who was the recipient of the United Hospital Fund's 2015 Distinguished Trustee Award.

Mrs. Bolus reported that HHC's Board of Directors held their first two Annual Public Meetings last week in Queens and Manhattan. She noted that these were well attended by CAB members, representatives from the community and union representatives.

Mrs. Bolus continued and stated that "Mr. Carlos Cortes, Chair of the Elmhurst CAB and Chair of the CABs Council, discussed the work of the CAB and thanked Dr. Raju for committing to expand the Emergency Department at Elmhurst Hospital." She noted that Mrs. Jacqueline Boyce, Chairperson, Queens Hospital Center discussed CAB and hospital activities and also focused on the work of the Patient Care Committee. Mrs. Bolus added that Mr. Cortes and Mrs. Boyce were joined by several of their CAB colleagues who addressed the Board on work of their respective CABs and local issues.

Mrs. Bolus reported that nearly all of the Manhattan CABs were represented at the Manhattan meeting last week at Gouverneur. Mrs. Bolus noted that she was impressed by those who spoke as consumers, and recognized President Raju's recent HHC 20/20 Vision announcement to improve the patient experience.

Mrs. Bolus continued and reported that the Chair of the Coler CAB, Ms. Gladys Dixon spoke in a dual role as Chair of the Coler CAB and patient at Metropolitan Hospital. Mrs. Bolus noted that Ms. Dixon emphasized that all facilities need to improve communication, decrease wait time, and eliminate red tape. Mrs. Bolus added that her comments were later echoed by Bobby Lee, the former Bellevue CAB Chair.

Mrs. Bolus reported that Bette White, Chair of the Harlem CAB, described the close, interdisciplinary cooperation of the CAB on a number of special Committees; while Judy Wessler, former Executive Director of the Commission on the Public's Health System, spoke of her own patient experience and problems with scheduling appointments and access to care as a patient of Gouverneur Healthcare Services. Mrs. Bolus added that Ms. Wessler stressed the need to work more with patients and improve service coordination.

Mrs. Bolus continued and reported that in addition to hosting the Board's Manhattan meeting, Gouverneur held their ribbon-cutting ceremony to celebrate the completion of its major modernization. Mrs. Bolus explained that the expansion created a larger, more modern skilled nursing and ambulatory care facility. Mrs. Bolus added that among the community representatives and dignitaries at the ribbon cutting, many of Gouverneur's local elected officials attended including: U.S. Representative Nydia Velazquez, Assembly Member Sheldon Silver, State Senator Daniel Squadron and New York City Council Members Rosie Mendez and Margaret Chin.

Mrs. Bolus announced that Gouverneur Healthcare Services had another reason to celebrate recently, when Elizabeth Fernandez, who had served 23 years at Gouverneur as a Clerical Associate, was recognized in March with the Mayor's Customer Service Excellence Award.

Mrs. Bolus reported that HHC had another opening when Elmhurst Hospital Center opened a new ten-bed dedicated unit. Mrs. Bolus explained that the unit would allow staff to more closely monitor certain emergency room patients and expedite their diagnoses. She noted that the staff would be able to assist patients in finding medically appropriate community-based services instead of admitting them for inpatient services.

Mrs. Bolus reported that recently, HHC joined Mayor de Blasio, Deputy Mayor Lilliam Barrios-Paoli and several City Agency Commissioners to announce the "Safe Sleep" Campaign. Mrs. Bolus noted that this campaign is designed to increase awareness among parents and other caregivers about the potentially fatal risks of sharing a bed with an infant, and how to prevent injuries and deaths associated with other unsafe sleep practices. Mrs. Bolus added that unfortunately, nearly 50 infant deaths occur each year from a preventable sleep injury.

Mrs. Bolus informed members of the Committee, CAB Chairpersons and invited guests that the Fund for HHC held a follow up "Guns Down, Life Up" program assembly recently at Harlem Hospital Center and that a number of CAB representatives attended the event, where participants continued their work to identify steps that can be taken to "reduce gun violence and keep communities safe.

Mrs. Bolus continued and recognized the following Generations Plus/Northern Manhattan Network staff present at the meeting: Ms. Denise Soares, Senior Vice President, Generations+/Northern Manhattan Network and Executive Director, Harlem Hospital Center, Mr. Philip Cooke, Associate Executive Director, Public Affairs Harlem Hospital Center, Ms. Dinah Surh, Senior Executive Administrator.

Mrs. Bolus announced that this year's 11th Annual Marjorie Matthews Community Advocate Recognition Awards will be held on Tuesday, July 21st. Location and logistics will be sent at a later date pending approvals. CABs and auxiliaries are encouraged to begin the process of selecting their nominee.

Mrs. Bolus concluded her report by thanking all the CAB Chairs and members who attended President Raju's "HHC for Tomorrow" address. Mrs. Bolus noted that Dr. Raju's presentation focused on improving the patient's experience. Mrs. Bolus asked CAB Chairs to take Dr. Raju's message back to their CAB's and discuss how they can work to improve the patients experience at their facility.

Before turning the meeting over to Dr. Raju for his remarks, Mrs. Bolus announced for the third time in three consecutive years, Dr. Raju has been named among the 50 most influential physicians in Modern Healthcare. Mrs. Bolus and the Committee members acknowledged Dr. Raju for this great accomplishment.

PRESIDENT'S REMARKS

RAM RAJU, M.D.

Dr. Raju thanked Mrs. Bolus and the Committee members and invited guests. He announced that the month of May is Nurse's Month and took the opportunity to wish all the nurses "Happy Nurse's Month." He also acknowledged Mrs. Bolus as the nurse's champion for the Corporation.

Dr. Raju began his presentation by sharing with the Committee members and invited guests the new challenges faced by the Corporation. He stated that the Health and Hospitals Corporation is very essential to New York City in many ways such as:

1. A lot of people including the working population depend on the public health system for their health care
2. A large number of HHC employees financially depend on the Corporation
3. Many doctors are trained at HHC facilities
4. Research is conducted at HHC facilities

Dr. Raju reminded the Committee of HHC's gigantic mission, which is to treat everyone in need of health care, regardless of their ability to pay. However, Dr. Raju cautioned that HHC is faced with many challenges to keep up with his mission. He explained that the Affordable Care Act (ACA), which is one of the greatest healthcare Acts, while allowing a lot of people to get insured, also creates a challenge for HHC. The fact of the matter is that these newly insured who used to come to HHC's door, are now given an opportunity to go elsewhere for their care if they feel that they are waiting too long to get an appointment or waiting too long for their appointment visit. In addition, Dr. Raju added that, because of the way that ACA is done, monies that use to fund the public system are used to fund the various health exchanges. As such, the disproportionate share (DSH) monies are taken away from the public health system to fund these insurances (health exchanges). Moreover, Dr. Raju added that the third challenge is that 1/3 of HHC's funds coming from the federal government is at risk and will be problematic by Year 2020. Lastly, Dr. Raju stated that, as HHC patients are now great targets for other hospitals, patient retention also becomes an issue.

Dr. Raju reiterated that HHC is very essential to New York City and stated that, for all the aforementioned reasons, going out of business is not an option. Therefore, Dr. Raju shared with the Committee his vision for the Corporation's survival as noted below:

- Bring more patients and keep them within the public health system. In order to accomplish both, the patient's experience has to address the following questions:
 - a. Are the patients able to get through the system?
 - b. Are the patients treated nicely?
 - c. Is there a good follow-up in place for the patients?
 - d. How people interact with the patients as a person?

Dr. Raju stated that all of the above questions have to be addressed in a synchronized way. He warned that it is not going to be an easy task, because HHC's problem for all these years has been its capacity to meet the demand. Dr. Raju added that, there were enough patients coming to HHC, and we used to worry about whether there were enough nurses and doctors to treat them. However, Dr. Raju announced that, for the first time in the history of the Corporation, HHC will be faced in the near future with a problem of demand. He justified his prediction because of the slow erosion of patient retention in the system in the last 10 years.

- Improve the patient' experience to keep the patients.

Dr. Raju informed with the Committee that going forward, the biggest goal of the Corporation is to work on improving the patient's experience. By doing so, patients will be happy and refer more patients to HHC.

Dr. Raju shared with the Committee that two weeks ago, a group of 200 individuals including front line employees, CAB members and union partners were selected to participate in a retreat to share their views about what HHC needs to do to improve the patient's experience. He stated that the meeting was successful in two ways:

1. The involvement of front line staff members to find solutions
2. The direct contact with patients for their needs

Dr. Raju reminded CAB members that they play an important role in that process. He also reminded them that they are the voices of the people they serve. Therefore, their job is to also inform the Corporation about what is working well or not. Dr. Raju reassured the Committee that the Corporation will do its best to fix what is not working well. He added that a huge cultural change is about to happen in the Corporation. As such, HHC needs to work on its finances to keep up with its functions; staff has to be more productive so not to waste time on a lot of things; the Corporation needs to revolve around the patients, as opposed to revolve around the providers. Obviously, all of these goals are going to take a lot of time. That is why, Dr. Raju stated that the Corporation is giving itself five year time. He stated that his expectation is that by Year 2020, some of these goals will be accomplished as it is the only way for the Corporation to be sustained and continue to be an essential part of New York City. He added that, though HHC has a great history, it is only meaningful if it can continue to do what it has been doing over the years.

Dr. Raju commented that HHC is one of the greatest system who looks like its patient. He remarked that HHC President looks like an Elmhurst patient as many of Elmhurst patients speak just like him. Dr. Raju stated that HHC has a great strength for looking like its patients and that we should capitalize on that strength so as to gain market share.

Dr. Raju urged the Committee members to help him in achieving his 2020 vision as outlined above. He reminded them that to change the culture of 20,000 people is to change one person at a time. He cautioned them not to be afraid to change and concluded his remarks by quoting that "every job starts with the first step".

Generations Plus/Northern Manhattan Network

Lincoln Medical & Mental Health Center (Lincoln) Community Advisory Board

Mrs. Bolus introduced Mr. George Rodriguez, Chairperson of Lincoln Medical & Mental Health Center and invited him to present the CAB's annual report.

Mr. Rodriguez began his presentation by thanking the members of the Committee for the opportunity to present.

Mr. Rodriguez reported that the Lincoln CAB works very closely with the hospital leadership and local elected officials in many ways to make sure the needs of the community are met.

Mr. Rodriguez congratulated Dr. Raju, on his announcement of HHC's 20/20 Vision. Mr. Rodriguez continued and described Dr. Raju's vision for HHC as a healthcare system where patients, families, the community and caregivers can all trust in, be proud of and call HHC their home for many years to come.

Mr. Rodriguez concluded his presentation by informing members of the Committee, CAB Chairs and invited guests that he was a proud participant in Corporation's 20/20 Visionaries. Mr. Rodriguez noted that the group consists of leaders from across HHC that includes managers, physicians, nurses, staff, patients, and labor representatives. Mr. Rodriguez noted that one objective is to contribute to the strategies and tactics to make HHC patient centered.

Mr. Robert Nolan, Committee Member referred to page three (3) of the Lincoln CAB's report and asked about the most frequent complaints raised by patients, which is worst?

Mr. Rodriguez responded that the hospital's administration had hired new staff to assist with the problem of wait times in the Emergency Department and Pharmacy.

Mr. Ludwig Jones, Chairperson, East New York Diagnostic and Treatment asked Mr. Rodriguez to explain the facility's Ebola readiness plan.

Mr. Rodriguez responded that the facility's leadership remains optimistic and that there are continuous training sessions for the appropriate staff on all tours.

Morrisania Diagnostic & Treatment Center (Morrisania) Community Advisory Board

Mrs. Bolus introduced George Robinson, Chairperson of Morrisania Diagnostic and Treatment Center and invited him to present the CAB's annual report.

Mr. Robinson began the Morrisania CAB report by thanking the Committee for the opportunity to present the CAB's annual report.

Mr. Robinson reported that major improvements were made to Morrisania Diagnostic and Treatment Center. Mr. Robinson announced that Morrisania D&TC had expanded its Dental clinic days to include Saturdays, to meet the needs of the community.

Mr. Robinson concluded his presentation by stating that "the community is very pleased with the services received at Morrisania D&TC."

Segundo Ruiz Belvis Diagnostic & Treatment Center (Belvis) Community Advisory Board

In the absence of Segundo Ruiz Belvis Diagnostic and Treatment Center's (D&TC) CAB Chairperson, Mr. Gabriel DeJesus, Mrs. Bolus introduced Mr. Antonio Montalvo, CAB Liaison and invited him to present the CAB's annual report.

Mr. Montalvo extended apologies on the behalf of the CAB Chairperson, and stated that "Mr. DeJesus would like to Committee to know it's a pleasure working with the Belvis D&TC's administration and staff to help provide the best possible healthcare to the community at-large."

Harlem Hospital Center (Harlem) Community Advisory Board

Mrs. Bolus introduced Ms. Bette White, Chairperson of the Harlem CAB and invited her to present the CAB's annual report.

Ms. White began her presentation with greetings to the Committee members, CAB's Chairpersons and invited guests. Ms. White thanked Denise Soares, Senior Vice President/Executive Director, Generations+/Northern Manhattan Network, Philip Cooke, Associate Executive Director and staff for their dedication and commitment to the Harlem community.

Ms. White reported that the Harlem Hospital Center CAB have thirty-two (32) members out of a maximum of thirty-five (35). Ms. White continued and applauded the CAB's membership committee for their outstanding recruitment efforts.

Ms. White informed members of the Committee, CAB Chairs and invited guests that the Harlem CAB is focused on the "patient's experience." Ms. White noted that she can fill a room with community residents/patients that have come to Harlem Hospital and want to share their positive experience.

Ms. White asked Ms. Ruth Jones, CAB member and patient to share her experience with the Committee. Ms. Jones reported that she was admitted to Harlem Hospital on Tuesday, April 28 thru Thursday, April 30th. Ms. Jones noted that during her stay, she received the best possible care. Ms. Jones stated "the staff was unaware that she was a CAB member, which made the experience realistic." Ms. Jones added all patients want is quality care.

Ms. White continued and thanked Dr. Raju, HHC President, LaRay Brown, Senior Vice President, Corporate Planning, Community Health and Intergovernmental Relations and Renee Rowell, Director of Community Affairs for their support at the CAB's Orientation/Retreat that was held on Saturday, September 13, 2014.

Ms. White concluded the Harlem's CAB report by asking members of the CAB in attendance to stand and be recognized. Members were applauded.

Renaissance Healthcare Network Diagnostic and Treatment Center (Renaissance) Community Advisory Board

Mrs. Bolus introduced Ms. Jackie Rowe-Adams, Chairperson, and invited her to present the CAB's annual report.

Ms. Adams began her presentation by greeting member of the Committee and thanking Denise Soares, Sr. V.P. /Executive Director, Dinah Surh Sr. Administrator Generation+/NMN, Vernie Riley, Auxiliary/CAB Liaison for their vision, dedication and commitment to the CAB.

Ms. Adams continued and paid homage to former RHCN CAB members and applauded the newer members who will continue to advocate for the community and be the voice of the voiceless.

Ms. Adams reported that she is the proud Chairperson of the RHCN CAB. Ms. Adam noted that she works closely with the Harlem CAB, and together they are a “team.” Ms. Adams highlighted the Harlem and RHCN CAB Joint Legislative Breakfast. Ms. Adams noted that this year’s event was well attended by the community and elected officials.

Ms. Adams concluded her presentation by commending Dr. Raju on his 20/20 Vision for the Corporation and she announced that on Saturday, June 6th the RHCN CAB will host a Retreat/Orientation.

New Business

Ms. Gladys Dixon, Chairperson, Coler Specialty Hospital and Nursing Facility informed members of the Committee, CAB Chairpersons and invited guests that after testifying at this year’s HHC Board of Directors Manhattan Annual Public Meeting about the long wait times at Metropolitan Hospital Center Pharmacy, due to several windows closure, she is now happy to report that she had met with the staff of Metropolitan Hospital Center. Ms. Dixon added that she was impressed with the change in the Pharmacy department. Ms. Dixon noted that on several occasions she noticed six to seven windows in the Pharmacy is now operational.

Ms. White, Harlem CAB Chair commended Dr. Raju for answering the public’s emails.

Ms. Queenie Huling, National Action Network, Health and Wellness Committee thanked Harlem Hospital Center for sharing their outreach programs, educating and empowering the community.

Finance Committee – May 12, 2015

As reported by Mr. Bernard Rosen

Senior Vice President’s Report

Ms. Marlene Zurack informed the Committee that her report would include an update of the City’s Executive Budget, HHC’s cash status and later on the agenda as an information item, a review of the gaps in HHC’s financial plan that were identified and submitted to OMB. HHC is close to completing its plan update. At the request of the Committee, the review will include an overview and highlights of those gaps that would be presented to the City in comparison to the previous plan. Before beginning the report, Ms. Zurack announced the appointment of Anthony Saul, CFO/Central Brooklyn Health Network replacing Julian John who was recently appointed Corporate Comptroller.

Ms. Zurack stated that HHC’s cash on hand (COH) relates to the new gaps in the plan. At this Committee’s last meeting it was reported that HHC was projected to end the current FY 15 with a cash balance of \$462 million; however, last month HHC received some disparaging news from the State on the UPL calculation that included some revenue and expense. Consequently, the current forecast for the FY 15 year end is \$150 million or 9.5 days of COH which is an extremely critical situation for HHC. HHC has been in discussions with the State on long term solutions which is due in part to the timing of the cash and budget issues. The City’s Executive Budget was released last week and some of the highlights for HHC on the expense side relate to additional funding for collective bargaining for the unions that recently settled their contracts totaling \$17.5 million to \$28 million in FY 19. In addition HHC received \$2 to \$3.3 million annually funding for a program to combat domestic violence in family justice centers. The City re-estimated HHC EBOLA costs that resulted in full funding for HHC initial costs estimate of \$20 million as oppose to \$10 million. The City and HHC has agreed to take some of the capital items that HHC would have used City capital and having HHC do its own lending and corporate finance will be seeking input from the Committee, particularly Ms. Youssouf and Mr. Page for assistance in creating a strategy for doing this type of action.

Committee member, Emily Youssouf asked for clarification of the change in HHC’s cash position. Ms. Zurack stated that HHC had expected a certain amount of UPL funding and that amount was decreased by \$229 million. The details of that change would be discussed later on the agenda as part of the financial plan gap review as an information item.

Key Indicators/Cash Receipts & Disbursements Reports

Ms. Krista Olson reported that utilization through the current FY 15 as of March 2015 showed a continuation of the slight downward trend in utilization that has been consistent during the year. Billed ambulatory care visits were down by 2.2%; D&TC visits also down by 2.8%. Discharges were down by 1.9% but a slight improvement over the prior months. A large share of this reduction is due to a reduction in one day stays and re-admissions. Nursing home days were up slightly by 2.5% over last year. The average length of stay (LOS), all of the hospitals were below the corporate average with the exception of Coney Island Hospital. Coney Island is addressing this issue as part of a plan that focuses specifically on the problems involved in getting their LOS at the level it should be. The CMI was up by 2% over last year which is expected given the decline in one-day stay and readmissions.

Mr. Fred Covino continuing with the reporting stated that FTEs were up by 246 year-to-date (YTD) compared to the 325 budgeted level of increase. During the month of March 2015 there was an improvement in the budget of \$40 million; however, receipts were \$60 million less than budget and disbursements were \$30.5 million overspent. A comparison of current year actual to the prior

year for the same period, receipts were \$159 million better than last year due to an increase in the DSH and UPL payments of \$194 million. Medicaid and managed care were up by \$139 million; medical health home payments were up by \$23 million; risk pool payments were up by \$16 million. These increases were offset by SLIPA payments of \$88 million which was down by one payment due to an advancement of that payment in FY 14 to assist HHC with its cash flow problem. Additionally payments are down by \$16 million due to the 2% reduction in the full Medicaid rate which is scheduled to be restored in April 2015.

Ms. Youssouf asked if there is any retroactivity on the 2% reduction to which Mr. Covino responded that there is none and that it was extended through March 2015 and is expected to be restored effective April 1, 2015 to a 100%. Continuing with the reporting, expenses were up by \$303 million versus last year. Personal services (PS) were up by \$174 million due to collective bargaining (CB) and \$8 million increase in FTEs in the budget plan as well as an increase in overtime. Fringe benefits were up by \$10.1 million due to FICA and CB increases. OTPS expenses were up by \$74.8 million due to a reduction in the number of days in accounts payable from 84 days to 64 days. One of the biggest contributors to that increase has been in pharmaceuticals, up by \$29 million due to the 340B pricing and a significant increase in generic drugs as well as an increase in usage by the DOH in purchases of pharmaceuticals through HHC for some of their medical services. City payments were up by \$15.7 million due to timing of payments for EMS services. Affiliation payments were up by \$24.9 million due to a change in payments from monthly to biweekly. Additionally there were two prior year payments in the Queens Health Network for performance indicators and a prior year recalculation payment at Bellevue Hospital Center. Affiliation costs are projected to increase by 4% or \$971 million in FY 15 compared to \$934 million last year.

Ms. Youssouf asked what the affiliation increase was attributable to. Mr. Covino stated that it is due to an increase in some of the programs and growth in costs.

Mr. Martin added that it is due to an increase in beds at Lincoln and Gouverneur hospitals and the expansion of some programs have accounted for the majority of that increase.

Ms. Youssouf asked if the plan target for a reduction in FTEs has been completed.

Ms. Zurack stated that HHC's plan includes a 1,000 FTE global reduction which is inclusive of overtime usage; temporary staff, etc. with a target date of completion in FY 16 from a base period of June 2014 to June 2016.

Mr. Covino stated that a comparison of the FY 15 actual to the budget, inpatient receipts were down by \$85.4 million due to a decrease in workload and Medicaid fee-for-service. Paid Medicaid discharges were down by 2,100; chronic and SNF days down by 17,000 and psych days were down by 4,500 against the plan. Outpatient revenues were up by \$39 million due to the distribution of the risk pool payments from MetroPlus that were higher than plan by \$20 million due to an increase in utilization and a reduction in prior year reserves which flowed to HHC. All other was down by \$14 million due to a 2% reduction in the Medicaid rate. Expenses with the exception of OTPS were on budget. As previously reported, OTPS expenses are up due to a reduction in the number of days in accounts payable.

Ms. Youssouf asked with the exception of the OTPS what the biggest contributor is. Mr. Covino stated that it is the Medicaid fee for service.

Mr. Rosen added that in terms of the OTPS there are few options available in terms of where and how HHC can reduce its payments due to the discount factor.

Mr. Covino stated that one of the primary discounts is with Cardinal.

Dr. Raju asked how much of the FFS reduction was related to the mental health patients LOS issues. Mr. Covino through assistance from Ms. Zurack in clarifying the question stated that psych cases are down by 4,100 days.

HHC President, Dr. Ram Raju stated that HHC has an aggressive plan to reduce the LOS for psych patients and in a fee for service environment, HHC is getting hit for doing the right thing given that the reimbursement is based on days.

The reporting was concluded.

Information Item:

Ms. Zurack informed the Committee that included in their packet was a report that is used internally by Corporate Finance but not as a distribution to the Board and the Committee; however, in HHC's efforts to keep the Board informed in its process for updating its plan, an analysis was done on the prior plan to identify additional gaps or surpluses. The longer version of that process was not included but rather the shorter version consisting of the three pages included in the packet which is referred to as the "gap sheet." The summary includes revenue and expense changes. The highlights are consistent with the monthly reporting that Mr. Covino has been reporting each month. One of the concepts used in the plan, "above the line" versus "below the line." The above the line consists mainly of the normal course of events, operations, revenues and expenses as part of doing business. The below the line items are mostly the prior gap closing programs. There were changes in the gap closing programs; changes in the baseline revenue

assumptions and in the baseline expenses and moving those items after being achieved to the baseline. In 2015, the gap closing program were reduced as part of the below the line items. Those items that were achieved were zeroed out and assumptions were made regarding the remaining items in terms of whether those items are achievable. Based on those assumptions, the above the line items reflect those changes. The balance is basically things that will occur during the last quarter of the current FY 15 that were the gap closing items. A DSRIP payment of \$60 million and a MetroPlus risk pool payment are expected and remains in the below the line. Some of HHC's restructuring initiatives remains as part of the below the line items as these are actions that are yet to be achieved such as the labs reconfiguration; FQHC, etc. Of the HHC actions, some will be achieved this year; the next year value is \$300 million increasing to \$350 million each year thru the life of the plan. In the City's budget, HHC \$300 million in FY 16 was highlighted as a major contribution to the entire City's plan of \$500 million. HHC accounted for \$300 million of the \$500 million. Additionally, State and Federal actions were added in the out years to balance the plan. HHC's primary concern is FY 15 and 16. The plan does not include any updated assumptions due to the lack of information needed to change those projections.

Ms. Youssouf asked if the actions for the State and Federal were based on assumptions or requests in the out years.

Ms. Zurack stated that there are some legislative requests that HHC is tracking that are included in those numbers.

Ms. Youssouf asked if those numbers were linked to any specific items that HHC can reasonably expect to receive or other assumptions.

Ms. Zurack stated that there are specific items that will be forthcoming.

Dr. Raju added that those are targets set for HHC by HHC.

Ms. Zurack continuing with the gap analysis stated that the focus on the disclosure of the above the line changes and when there is improvement in the above the line, the below the line is reduced; however, when it worsens, HHC has to add things to the below the line which is not an easy task. Revenue changes since the January Plan includes a negative \$166.4 in FY 15, positive \$138 million in FY 16, positive \$101.7 in FY 17, \$102.2, FY 18 and positive \$104 in FY 19. There were some changes in Medicaid reductions in the current year and an increase in the out years and changes in DSH funding. The biggest item of importance for the Committee is the Upper Payment Limit (UPL) which has been a major factor in HHC's cash flow. One of the things that HHC has been in discussions with NYS who is supportive of HHC in negotiations with CMS is the actual required calculations that are statewide numbers; however, HHC plays a role in how much it will get in UPL funds. UPL funding was essentially created by Congress in recognition of the fact that safety net hospitals do not have a source of cross subsidization for Medicaid fee-for-service. Medicaid programs across the country are subsidized but safety providers do not have other care to subsidize those programs. In recognition of that factor for the safety net providers supplemental Medicaid was created by Congress several years ago to provide full cost reimbursement for Medicaid and funding for the uninsured. Consequently, the UPL was the way in which the federal government recognized the cross subsidizing going on throughout the country but not applicable to the public hospitals. The administration of those types of payments can be subject to some manipulations by states to get actual gap closings for their budgets that have resulted in major criticism about those payments and have led to various levels of scrutiny of those payments. Those actions have resulted in efforts to reduce those payments by identifying issues to support those efforts by not recognizing certain expenses. Most recently, the problem surfaced whereby in the past CMS allowed providers to do a base year calculation of the UPL trended with rate changes to determine the UPL allocation. However, that concept has changed and CMS has changed the base year that would involve volume reductions against the base year. In the past the calculation was done on a base year given by CMS for a five-year period with a 2% CPI added. Now the base year has changed and all of the changes that could affect that base are being applied in that calculation. The biggest change affecting HHC as a result of that action is the fee-for-service (FFS) volume driven by the implementation of the Medicaid Redesign Team (MRT) that includes the movement of individuals to managed care. The UPL is only calculated on the FFS Medicaid. HHC has had a large portion of its Medicaid populations moved to managed care which has resulted in a volume decrease. Additionally, due to the storm, Hurricane Sandy there was a temporary volume decrease. What CMS did with NYS was to take the base year and reduce it by those volume decreases. HHC has argued that the acuity is high and those remaining patients are sicker and more costly. In the past this would have allowed HHC to prevail but did not. CMS is insistent on reducing the payments largely due to a congressional review that had a very ideological view that has resulted in two reports. Consequently, due to the current cash flow problem, HHC has decided to accept the reduction of \$203 million in the baseline.

Ms. Youssouf asked if the new base year was reduced by \$203 million trending downward going forward what is being accounted for in the future.

Ms. Zurack stated that what is being reflected in the plan is the change in a series of different payments, the UPL through 2011, the outpatient through 2013. All of the other retrospective payments will occur in 2015. There is one more that is reflected in next year 2016 which is part of the cash flow problem due to the delay resulting from the approval process.

Ms. Youssouf stated that the UPL does not include the uninsured. Ms. Zurack stated that it does not and that it is only Medicaid FFS. One of the problems HHC has is that the UPL is not applied to managed care which is a major source of HHC deficit due to an inherent underpayment in managed care with the exception of HealthFirst and MetroPlus. The payments from the other managed care plans are grossly inefficient given that the premiums are based on FFS experience without UPL being included. The State is

required to create a 5% saving by converting individuals to managed care. Therefore 95% of the FFS is the premium. HHC is working on alternative means through alternative programs to fund the losses in managed care.

Ms. Youssouf asked if other managed care programs pay more. Ms. Zurack it is not likely that in other states managed care companies pay more.

Dr. Raju stated that there is a lot of discussion regarding HHC's financial situation being in a deficit. There is some speculation that HHC's costs are very high. Unlike other healthcare systems, HHC does not have a mechanism for shifting cost given that the majority of HHC population is Medicaid. Unfortunately the type of care HHC provides to its patients is not negotiable. The disease process is very costly and the care cannot be reduced without compromising the overall well-being of the patients. One of the ways to manage this is through the UPL that will allow HHC to provide the required level of care to its patients. This is a continuous problem and will be a huge risk for HHC's finances. HHC has been financially prudent in its spending and every step is being taken to reduce cost. However, the cost of care exceeds the amount being paid through the managed care plans. There is no subsidy for those underpayments. There is a large undocumented and unfunded population that has not been addressed.

Ms. Youssouf asked is there are any provisions to cover that cost. Ms. Zurack stated that the DSH was established to address that funding issue in recognition that the safety net hospitals do provide care to the uninsured and is not reimbursed for underfunding which is deficit funding for the hospitals.

Ms. Youssouf asked if it is based on actual numbers. Ms. Zurack stated that it is based on a methodology for allocating a fixed pool of monies that is split between the public and non-public hospitals and that split is arbitrary not necessarily based on any specific care and within those pools there is a number for the uninsured and the services provided to them. The formula has been updated slightly but is very complicated in terms of the transitional formula that include a hybrid of an old formula that rewarded the hospitals for bad debt and a new formula that allocates a fixed amount based on services to the uninsured. In that hybrid there are some very low providers that are getting significant funding. Different advocates will highlights those issues relative to the level of care provided to the uninsured compared to certain hospitals. Also the definition of a safety net hospital has changed significantly over the years.

Ms. Youssouf asked if HHC has data on the number of undocumented. Ms. Zurack stated that the number of uninsured patients HHC can identify but not the undocumented.

Ms. Youssouf asked if it is possible to get that number without violating individuals' rights that could result in HHC getting more money.

Dr. Raju stated that although HHC may not have that data it is widely known that HHC treats more of the uninsured than any of the other healthcare entities. Most of the uninsured are undocumented. What HHC is requesting is that as the DSH funding declines the charity care pool should be allocated to those hospitals that are actually providing charity care as opposed to a formula that was put into effect years ago. HHC will continue to argue this issue until HHC gets it fair share. The goal is to focus on the issues and how to argue those issues in a way that best represents the services HHC provides as a public system to ensure that those who are in need of care gets the care needed without compromising the overall well-being of the communities/population served by HHC.

Ms. Youssouf asked if HHC got the amount that it should get what would that amount be. Ms. Zurack stated that it would be more than the \$203 million.

Mr. Rosen asked what the number in the January Plan was.

Mr. Covino stated that the baseline in the financial plan was \$400 million.

Ms. Zurack added that the number consisted of two different UPL payments, inpatient was at \$400 million and outpatient was \$200 million. Currently, the inpatient is at \$300 million and outpatient is at \$150 million.

Mr. Rosen noted that in the out years the reduction is not as significant. Dr. Raju stated that this year includes multiple years.

Ms. LaRay Brown, Senior Vice President, Corporate Planning, Intergovernmental Relations and Community Health in response to Ms. Youssouf concern about getting the message out about HHC, yesterday, stated that the City Comptroller, Mr. Stringer, promulgated a report that speaks to the issues Ms. Zurack and Dr. Raju have articulated as to the role HHC plays in serving the uninsured and undocumented individuals as part of that and the financial challenges HHC is facing and will continue to face as those different reimbursement and funding streams change that do not recognize that essential role. The NY Immigration Coalition with the Hastings Institute also released a report which actually spoke to those concerns and underscored HHC's essentiality and who HHC serves. At a future Strategic Planning Committee Meeting a more robust conversation can be had to further expand on the issues relative to those policy issues by inviting HHC's colleagues such as the NY Immigration Coalition and others who are very involved and strong advocates on behalf of HHC at both the State and Federal levels and the need to re-address this issue even with the ACA.

Ms. Youssouf stated that the undocumented issue was not addressed in the Comptroller's report which is a major issue for HHC.

Ms. Brown stated that it is important to note that given the current discussions around the country regarding the undocumented immigrants in particular, there are instances when HHC must decide how it overtly positions itself particularly when the discussion are at the federal level and not the NY delegation. However, if something is put forward that requires not just NY to vote and approval that has the highlight or the headline "immigrant" it will not get HHC where it would need to be in order to make an impact on the issue. If it was only NYS it would be a slightly different issue. It is important as Dr. Raju indicated for HHC to focus on how it messages certain issues relative to what is put out there given the political reality.

Committee member, Josephine Bolus, RN noted that there appears to be a slight increase in Medicare. Ms. Zurack stated that HHC has recognized some improvement in its Medicare population largely due to the documentation and coding improvement initiative which as a below the line item in recognition of that improvement. The City services are predominately collective bargaining that corresponds to the increase in the personal services costs. Those two balance out. As part of the grants, HRA administration grant has been pushed out a few months. HHC carries the FDNY in its financials which is a change to balance out all of the numbers in the plan. The fringe benefit change is a technical item whereby HHC recognized the health savings in a prior plan and has become an offset to the collective bargaining and acknowledged as a cost but was actually a function of how it was addressed in the budget. The OTPS as part of the expense changes that were detailed in showing the health insurance savings. In the OTPS there are a number of changes that are not actually reflective of the work Paul Albertson, Assistant Vice President, Corporate Operation/Procurement has done that resulted in a \$31 million savings but was offset by a \$31 million increase in pharmacy costs. The pharmacy increase is due to two major factors, the change in the 340B regulations that impacted HHC's ability to get discounted pricing for mixed used areas such as the emergency department (ED) and an increase in the cost of generic drugs. While there are savings as part of the supply chain there are other factors that are occurring at the same time these savings are being generated. Malpractice, there was a one-time benefit this FY 15. All other categories are the same as the January Plan.

Mr. Rosen asked if in the plan the DSRIP continues beyond FY 20. Ms. Zurack stated that it is beyond FY 19 into FY 20 extending beyond the life of the plan and there could be some residual thereafter.

Dr. Raju stated that it was important to note that the 340B changes are a major issue for HHC that must be addressed on an ongoing basis given that there are some opinions that there is no longer a need for it. HHC has been in discussion regarding the inclusion of the 340B inpatient side but is now losing it on the outpatient side.

Mrs. Bolus asked for clarification of the 340B to which Ms. Zurack explained that it allows safety net providers to purchase with the veterans administration discounts only for outpatient and FQHC as well.

Dr. Raju added that it allows HHC to provide medications to its patients at a low or no cost on the outpatient side only and if that goes away it will be a major issue for HHC.

Ms. Zurack stated that for Medicaid the pharmaceutical companies are required to give rebates to the government for Medicaid which benefits HHC.

Mr. Rosen stated that it is a reasonable plan and as previously stated what is important in the plan is for the stakeholders to understand what is being presented. It appears that FY 16 will be less challenging but the out years will be more challenging within those parameters.

The report was concluded.

Information Item:

Ms. Olson reported that the inpatient payor mix report for the 3rd quarter of the current FY 15 showed that overall the improvement that were seen in the prior quarters was sustained with the reduction in the uninsured and an increase in Medicaid. However, the report showed that the increase in Medicaid was in FFS as opposed to managed care. The Exchanges began the 2nd quarter of last year. Therefore, in the report the exchanges would have begun to impact the baseline period and is no longer a pre and post comparison of the ACA. As always there is a lag in the processing of Medicaid applications and typically the uninsured rate decreases further as a result over a period of time due to timing. The Outpatient Adult Payor Mix report, the improvement in Medicaid has dissipated as compared to the previous quarter. There was a 3.1% improvement and a decline in the uninsured. The increase in commercial continued with a 1.1% increase. Pediatrics payor mix report there was less new opportunity from the ACA a slight improvement but little overall change.

Mrs. Bolus asked if HHC Options was supplemented by Medicaid.

Ms. Zurack stated that the Options program has two components, in that there are 570 application counselors who assist patients in applying for Medicaid coverage and other governmental insurances. HHC processes 70,000 applications per year. The second part is related to access as part of the fee scaling process based on income that determines the charge for the clinic visit that could

be from \$0 to \$15. Before HHC Options there were Executive Orders issued by prior HHC Presidents that basically established the protocol for patients with certain conditions that required repetitive services that authorized the hospitals' administrators (Executive Directors) the discretion in determining whether the fee scaling could be lowered.

Mrs. Bolus asked who pays the difference in the actual fee and the charge. Ms. Zurack stated that the DSH is used to offset that difference. In the financial statement the charges charity care reflect the actual charges compared to the actual cost. At the Audit Committee meeting HHC's financial statement is presented and there are highlights of those charges in relation to the DSH and charity care funding.

Governance Committee – April 30, 2015

As reported by the Committee Chair

Committee Chair, Dr. Boufford asked and received the Committee's approval to convene in Executive Session to discuss a personnel matter.

The Committee continued in Executive Session to discuss the annual evaluation for the HHC President Dr. Ram Raju.

The discussion turned to the review of the draft evaluation for the period April 1 2014 – March 31, 2015. After some discussion and recommended revisions, the evaluation was approved for presentation to the full Board for its consideration.

Medical & Professional Affairs / IT Committee – May 14, 2015

As reported by Dr. Vincent Calamia

Chief Medical Officer Report

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

ACO Updates

In partnership with regulatory leadership and Dr. Raju, the ACO was able to successfully resolve a CMS attribution error that had been preventing a large number of HHC's Medicare patients from being appropriately attributed to the HHC ACO. This correction, expected to be reflected in our May patient attribution list, restores thousands of our engaged patients to the ACO roster and reflects the growth of the ACO Medicare population through active patient engagement.

The ACO Clinical Leadership Team convenes its quarterly leadership retreat on May 13th, representing a continually growing learning community based out of the ACO's 18 facility-based multidisciplinary teams. The retreat follows a series of cross-facility learning visits and consists of population and performance analytics review, sharing of best practices, and shared strategic development for population health across HHC.

The ACO has actively initiated the application process for a second expanded contract under the Medicare Shared Savings Program. This renewal process represents an opportunity to integrate strategic priorities developed in domains of network growth, scaling of best practice, and strengthening critical partnerships with the PPS, PCMH, Health Home, and Metro Plus.

Laboratory Services

General

During April and May 2015, the HHC laboratories participated in two major activities in support of the further development of the Cerner laboratory computer system which will be implemented in conjunction with EPIC in spring 2016. This work also requires the HHC facilities identify future standard work processes.

Process Standardization

Development of standardized laboratory quality systems including development of a standard operational procedure template has been initiated by a recently developed laboratory Quality Systems Workgroup.

Near Patient Testing

Recent work completed by an interdisciplinary laboratory workgroup focused on point of care testing which may be valuable in managing patients presenting in the emergency departments. Results of the review will be presented to the appropriate Clinical Councils for further consideration.

Blood Bank

Implementation has commenced of standard metrics with focus on the management of blood product Standing Orders, and standardization of Plasma Order screens for Quadra Med and EPIC computer systems.

Patient Centered Care

The employee and physician engagement survey is open now for all staff working at any HHC facility. It is on line and available at work or on any device. We will craft our next steps to improve the patient experience based in part on the feedback we receive in the survey.

May 6-12 was National Nurse Recognition Week with all the sites having events to celebrate the nursing staff and patient care teams. CNO Lauren Johnston spent the week attending multiple events congratulating the staff and challenging them to live up to the theme for the year: Ethical practice and Quality Care.

HHC was represented at the annual GHX national supply chain conference with Nursing and Procurement presenting the HHC story of preparing the system for EVD - and successfully caring for a confirmed case and the nearly 50 suspected cases that presented across our system.

HHC through Lauren Johnston participated on a panel discussion about implementing Patient Centered Care, at a recent Health Leaders of NY (local chapter of ACHE) meeting.

Office of Healthcare Improvement

This is the Seventh year of the John Corser Ethics Conference which is sponsored by M&PA and developed by the Ethics Council. The focus of the program is current NYS law, which addresses end of life issues for those who lack decisional capacity and who are without natural surrogates, has been known to lead to overtreatment, and possibly have dire effects on patients.

This year the conference, held at Baruch College, will include Robert Swindler, LLD, who helped in drafting the law; Erica Wood, JD, who directs the American Bar Association Commission on Law and Aging; and Tia Powel, who, trained as a psychiatrist and is a professor of Bioethics at Albert Einstein College of Medicine and is an expert on public policy, dementia, and end of life care. Nancy Duller, LLB, who is the M&PA ethics consultant is coordinating the planning in conjunction with the Office of Legal Affairs and with Susan Sanely, MD, of Queens Hospital—the Chairwoman of our Ethics Council. The HHC Fund has provided support for the speaker's honoraria.

We currently have 275 registrants for the conference which will take place on Thursday, May 21st from 8 am to 3 PM. An unusual feature of the conference is that it will be conducted using case presentations as a primary method of learning. The audience will be asked to vote on their best solutions to the ethical dilemmas presented and then will hear and interact as experts discuss the features of each case. The audience will then vote again presumably taking advantage of the expert information and dialogue fostered by the audience.

DSRIP

HHC continues its preparation for implementation and management of care delivery transformation under the NYS DOH Delivery System Reform Incentive Payment (DSRIP) program. A subset of partners in the HHC-led Performing Provider System (PPS), OneCity Health, have defined the initial clinical guidelines for the DSRIP programs, and all partners (the Project Advisory Committee, or PAC) were invited to review and comment on those findings. Over the next several months, in every borough or hub, partners of all types will participate in a series of collaborative, facilitated workshops intended to achieve focus on the patient's journey between care settings, including home and community, and to design workflows and interventions that will sustainably transform each care setting along the care continuum. The output of these workshops will be a "playbook," or improvement manual that will be reviewed by the OneCity Health Care Models Governance Committee, used as a reference guide, and modified as we continuously evaluate our improvement efforts.

Last week, NYS DOH announced that the potential 5-year DSRIP program value for OneCity Health is \$1.2 billion. It is important to note that this value is not a guarantee; it is the value that the PPS will earn only if it achieves all performance milestones. The NYS DOH anticipates making an initial DSRIP payment of 60% of the total DSRIP year 1 valuation (called DY1) in late May. We expect, under approval of the OneCity Health Executive Committee, that initial funding to partners will occur in the 4th quarter of CY2015, following sufficient assessment of partner capabilities and contribution to specific implementation efforts.

MetroPlus Health Plan, Inc.

Arnold Saperstein, MD Executive Director, MetroPlus Health Plan Inc. Presented to the Committee. Dr. Saperstein informed the Committee that the total plan enrollment as of April 1, 2015 was 470,150. Breakdown of plan enrollment by line of business is as follows:

Medicaid	411,214
Child Health Plus	12,601
Family Health Plus	3
MetroPlus Gold	3,454
Partnership in Care (HIV/SNP)	4,770
Medicare	8,500
MLTC	854
QHP	28,093
SHOP	603
FIDA	58

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

I have previously informed this committee that in light of our growth goal, in addition to aggressive marketing strategies, we are working to expand our network into Staten Island. Since I last reported on this topic, we have had discussions with the two hospitals in Staten Island – Staten Island University Hospital (SIUH) and Richmond University Medical Center (RUMC). Progress is slower than we had hoped. We will need to contract with both facilities for Medicaid LOBs at a minimum, but preferably for all lines of business. We are primarily targeting PCPs and high volume specialties (Cardiology, Gastroenterology, etc.) with a goal of having a minimum number of providers contracted and credentialed by July 1st. This will allow us to file a network that meets NYSDOH minimum access standards (two providers per county in each HPN specialty). While that standard is fine for filing a network, we recognize that many more providers will be needed to attract members and offer viable options to our members.

I had brought to this Committee's attention that starting in July 2015, plans were expected to contract for urgent and routine primary care with School Based Health Center (SBHC) sponsoring entities. In the interim, however, the State has announced that additional work is needed toward the transition. The Department of Health is therefore extending the transition implementation date from July 2015 to July 2016 to allow additional time to appropriately address the remaining operational issues related to the shift to managed care. The State has also noted that in order to minimize disruptions, they have agreed to maintain the current reimbursement that the SBHCs currently receive in the fee-for-service Medicaid system for at least two years after implementation. Of equal importance is to mention that reproductive health services provided by SBHCs will not be transitioned to the Medicaid managed care benefit package at this time. These services will instead remain covered by Medicaid fee-for-service for SBHCs enrollees of Medicaid managed care plans. The carve-out of reproductive health services may be re-evaluated in the future when the SBHC workgroup can more fully address issues related to confidentiality and managed care plan pharmaceutical formularies.

An additional follow-up item I would like to update this committee on is coverage of transgender services. As of March 11, 2015, the Medicaid program covers transition-related care and services: cross-sex hormone therapy, surgical gender reassignment (including post-transition care), as well as counseling services (the Medicaid program has covered and will continue to cover counseling services for individuals with gender dysphoria).

In terms of Behavioral Health/HARP, we have been notified that the implementation dates have been delayed. The HARP line of business and SSI carve-in will go live in NYC on October 1, 2015. Passive enrollment will be in three phases, by birth-date over a three-month period, to begin July 1, 2015. Children's go-live is delayed until January 1, 2017. We also had to rename our HARP program as new guidance indicates that we cannot use "HARP" or "Health and Recovery Plan" in our HARP Plan Name. The new name is MetroPlus Enhanced.

Information Items

Sal Guido, Acting Corporate Chief Information Officer, Enterprise Information Systems presented to the committee the EMR Implementation Update:

On the clinical side all targets are being meant, revenue cycle into sorian is on target. Integration has started and the testing has gone well. The clinical application bills and content are eighty seven percent complete and will go up to about ninety three percent once all of the revenue cycle with sorian is done. Revenue cycle, cadence is done and the billing has started. The center lab has been finalized. The interphase, such as blood bank, lab, and radiology have been in progress for the last 12 months and are in good shape. Application testing will start on September 1st. They are ahead of target. The training facility was built at metropolitan with sixteen class rooms, they be will training all of the HHC participant in Epic. That training will start January for end user. The user training will be for 2 weeks. All materials are due on June 1st. 2015. The Epic plan work flow and content, design role out will start in March 2016. A reevaluation is going to take place to look if any changes need to be made. Several group partnered to look at any risk factors.

Terri Coutts, Consultant - Enterprise Information Technology Systems presented on Epic Day at HHC facilities.

The goals of Epic Day and the facilities will consist of end-user engagement, workflow demo and content sign off. The objective is to engage end users at each HHC facility and generate excitement for the new EMR system. The activities are tentatively planned for the end of June

The sessions will take place at the acute care hospital of each network to accommodate and minimize the disruption of end-user schedules. It will occur over multiple days to try to hit everyone's schedules. Integrated demo will be scheduled for every 2 hours and representatives from each application team will be stationed outside of the sessions to document comments from the attendees about the demonstrated workflows. Representatives will answer high-level questions, show application functionalities and to review content. Comments will be categorized: Patient Safety, Regulatory Requirements, Workflow-Critical, Future State, Nice-To-Have and triaged accordingly. A scenario was demonstrated. The next steps will be to work with Communications (Enterprise, EITS and Network/Facility) to promote EPIC Day. That information would be sent out through HHC Insider, Posters at Facilities, Facility Newsletters. Proactively reaching out to the different councils throughout the corporation to promote Epic Day as well. Investigating additional options for engagement such as demos or live dress Rehearsals.

Kenra Ford, Assistant Vice President of Lab in the division of Medical and Professional Affairs, updated the committee on HHC Lab project with North Shore LJ.

The vision is that if two large systems shared Consolidated Core Laboratory there would be savings. North Shore has a core lab and we have 4 core labs in our system from previous consolidation. The two systems combined we can project to do more than 20 million blood test a year there will be savings. That would be one of the largest labs in the country. These high value test have a low margins, scale matters in terms of the financial position. This also give an opportunity to standardize work across our system, and give the best standardized practices, like equipment, Information System, policies and Procedures etc. The cost saving should be as follows; Reduce Cost HHC - \$23.1 million benefit annually by 2018, and NSLIJ - \$15 million benefit annually by 2018.

The project history started May 2012 several senior level people were key in this process. We received Board approval in March 2013 and North Shore Board approved it in 2013 as well. North Shore lab runs on Cerner. An agreement was signed in May 2014 with Cerner and the joint agreement was signed as well with HHC and North Shore. Once signed the next steps were governance, real estate and equipment purchase. The first Executive Committee meeting was April 2014 and the go live will be 2016. The progress as of now has develop a reference testing and quality monitoring process. A Jointly developed standardized equipment selection process and procurement Value Analysis activities. Building leases are being signed and architects are hired and engaged. The building will be located in Queens. HHC team will be part of design phase. HR planning for relocation of Micro staff are in process. The lab licensure and Tax Statue Form 1023 in process.

Strategic Planning Committee – May 12, 2015

As reported by Josephine Bolus, RN

Senior Vice President Remarks

City Update

Mr. John Jurenko, Senior Assistant Vice President, greeted committee members and invited guests. He reported that, last week, Mayor de Blasio released the New York City FY 16 Executive Budget. The \$78.3 billion spending plan and \$83.8 billion 10-year capital strategy included:

- Initiatives to boost reserves
- Addition of a new capital reserve fund
- More than half a billion in agency savings over two years (\$300 million in HHC savings)
- Funding to expand mental health services
- Increased assistance to the New York City Housing Authority (NYCHA)

Mr. Jurenko informed the Committee that a portion of the funding targeted for the expansion of mental health services would be provided to HHC. Additional resources would also be provided to fund collective bargaining agreements. He announced that the City Council would hold hearings on the Executive Budget proposal starting next week; and HHC would be providing testimony on Wednesday, May 20th at 10:00 am. The public hearing session is scheduled to occur on Tuesday, June 9, 2015.

Mr. Jurenko reported that, on May 11, 2015, Senator John Flanagan was elected by his peers to serve as the new Majority Leader in Albany and would replace former Majority Leader Dean Skelos. Mr. Jurenko informed the Committee that Mr. Flanagan is a lawyer by training, who had taken over his father's seat. He was also an Assembly Member for several years. Most recently, Mr. Flanagan was chair of the Education Committee in the Senate. As an Assembly Member, Mr. Flanagan was the ranker on the Health Committee prior to being ranker on the Ways and Means Committee in the Senate.

Information Item

Presentation: Supporting Strategic Goals through On-Demand Training

Carlos Scholz, Senior Director, Organizational Innovation & Effectiveness
 Nathan Link, MD, Medical Director, Bellevue Hospital Center
 Marcy Pressman, Deputy Executive Director, Bellevue Hospital Center
 Linda Lombardi, Chief Strategy Officer, Bellevue Hospital Center
 Wendy Yung, Bellevue Hospital Center
 Tian Wei, Bellevue Hospital Center
 Kenneth Feldman, AED Ambulatory Care, Gouverneur Healthcare Services
 Molly Lopez, Associate Director, Women's & Children's Health
 Gouverneur Healthcare Services
 Robert Malone, Chief Financial Officer, Queens Hospital Center
 Helen Sapla-Coll, Ambulatory Care Nurse, Queens Hospital Center

Ms. Joanna Omi, Senior Vice President for the Division of Organizational Innovation and Effectiveness invited Mr. Carlos Scholz and the Bellevue Hospital Center team members to join her for the presentation. She informed the Committee that the First Lady, Mrs. Chirlane McCray, would be visiting Bellevue Hospital Center that morning; as such, the Bellevue staff members would be leaving the meeting immediately following their presentation.

Ms. Omi reminded the Committee that Breakthrough was first introduced at HHC nearly eight years ago. She explained that training had always been a large part of the Breakthrough program, and was used as a tool to initially educate and engage corporate staff. Ms. Omi stated that the presentation would demonstrate that the training program was not being conducted only for the sake of training but served as a mechanism to achieve strategic goals and operational improvements. Ms. Omi stated that the presenters were unique in a number of ways. They have all done incredible work through the process of achieving Silver level certification. Furthermore, these individuals are also representatives of the leadership tier within HHC, who are beginning to take advantage of the training program. The Bellevue Hospital team members introduced themselves. Team members included Mr. Tian Wei and Ms. Wendy Yung of Organizational Staff Development; Ms. Marcy Pressman, Deputy Executive Director; Ms. Linda Lombardi, Chief Strategy Officer; and Dr. Nathan Link, Medical Director.

Mr. Scholz began the presentation by describing the Silver certification training program. He stated that Silver certification training was part of HHC's tiered Breakthrough certification training program. It includes very basic concepts ranging from how to identify waste, problem solving through the development of flow cells. He added that the most advanced Lean concepts and tools were being taught at the Gold and Platinum certification training levels.

Mr. Scholz reported that the Silver certification training level had been modified to align with Dr. Raju's strategic goals for HHC, which includes his 2020 vision to improve the patient experience, develop the workforce, increase enrollment in MetroPlus Health Plan, grow market share and improve financial viability. Mr. Scholz stated that Breakthrough was an essential tool for achieving that vision and would be deployed in the manner outlined below to support this strategic vision:

- HOW--Implement the Breakthrough operating system
 - Create internal expertise to adopt and lead Breakthrough
 - Create the structural elements for a system of bidirectional accountability and mutual respect that effectively supports continuous improvement
- WHAT--Support specific corporate initiatives
 - Achieve and sustain primary care access goals
 - Support corporate-wide operational model for reducing ED length of stay
 - Integrate HARP planning into existing Breakthrough value stream activity
 - Implement the Daily Management System into critical value streams
 - Support integration and rollout of DSRIP goals

Mr. Scholz described the Reason for Action. He reported that originally, Breakthrough training was delivered in a batch format. All of the training is conducted in one week followed by a rapid improvement event (RIE), which would occur eight weeks later. As a result of this format, group members were found to be disconnected. It was determined that the training was not directed to the staff who would benefit the most. Furthermore, some participants were not members of the staff of the facility where the trainings were conducted, and trainings were not being delivered "on-demand."

Mr. Scholz described the Current State of the Silver certification training program as outlined below:

- Provides basic flow cell skills and competencies:
 - Standard Work
 - 6S

- Simple Flow
- Pull Systems
- Visual Management
- Previously, training included one week of training and one week RIE “blitz”
- From 2010 to 2013:
 - 13 sessions
 - 107 staff members trained
- Most of the students were dedicated or part-time Breakthrough staff (Deployment Officers, Facilitators or Embedded Facilitators)

Mr. Scholz reported that the model was changed in order to ensure that the training was closer to where it was needed, when it was needed and that it was more connected to the work that the facilities were doing through their value streams and also directly connected to their value stream analysis. He added that there was a need to escalate the pace of that training. He described the assumptions for change management as the following:

- The effectiveness of training – how, when, what, to whom, can always improve
- Training effectiveness is enhanced:
 - When it is provided close to when and where it is needed
 - Adult learning principles, i.e., hands on, repeated instances, affects area of value to students, interactive
 - In the Gemba (where the work is done)
 - Team-based
 - Opportunities to learn from fellow students
 - Okay not to be an expert on Day 1
- Pace and depth of change must escalate
 - Must spread from existing improvements (don’t remake the wheel)
 - While still creating opportunities for organic learning and recognizing local differences

Mr. Scholz described the Target State for the Silver certification training program as the following:

- Silver level certification aims to develop teams to conduct major improvement activities at facilities:
 - Format change:
 - Group training, prep work and individualized coaching (3 days)
 - One week of multiple-team RIE blitz (reduced total training time by 2 days)
 - Multiple flow cells operationalized in the Gemba by week end
 - Promote area-wide standardization and best utilization of resources
 - Fully align to value streams critical to achievement of strategic goals
 - Provide on-demand, when and where needed
 - Students come from within the value stream or the facility where training is happening
 - Condensed schedule (from 10 to 7 days)
 - Significant customer and supplier input from students and Breakthrough staff from all facilities
 - Focus on quantitative results: students able to use and teach tools, subject focus enables or directly affects value stream outcomes
 - Since then:
 - 8 training sessions conducted in one year (see chart below)
 - 67 staff members trained
 - Increasing pull from leadership groups, demand up 100%

Rapid Experiments and New Models Implemented – 8 sessions

Link to Strategic Initiative	Value Stream	Area	Facility
Access Patient Experience	Ambulatory Care	Adult Primary Care	Woodhull
			Queens
			Lincoln
		Women’s Health	Gouverneur
Patient Experience	Perioperative Services	Central Sterile Services	Jacobi

			Bellevue
Patient Experience Financial Stability	Acute Care	Echo & Stress Labs	Bellevue
Patient Experience Financial Stability	Long Term Ventilation Patients	Unit 4 West	Carter

Mr. Scholz described the concept of the flow cell. He explained that the flow cell uses a visual management chart that makes normal versus abnormal visible. It supports transparency in terms of expectation and ongoing tracking and improvements. He described the four elements of the flow cell, using the visual management chart on presentation slide #9, as the following:

1. I by I (Simple Flow)

- Only handle information once
- Only move the patient once
- No batching

2. 6S (Defect Free)

- Optimize the environment:
 - Sort
 - Set for flow
 - Scrub
 - Safety
 - Standardize
 - Sustain

3. Standard Work (Lowest Cost)

- Reduce variation and errors:
 - Optimal work sequence
 - Produce at the pace of demand
 - Resource to demand

4. Pull (On Demand)

- Produce only when the next step in the process is ready
 - No “pushing”
 - Tight connections between steps

Mr. Sholz invited the Bellevue Hospital team to share with the Committee their improvements in the Echo and Stress Labs on the 3rd Floor of the Hospital building and to discuss how these improvements were connected to their value stream work.

Mr. Tian Wei provided an overview of the Echo and Stress Labs area before the value stream work was implemented. He described the Reason for Action as the following:

- Long wait times for inpatient patients to have echo tests done
- Incomplete orders in physicians’ queues at day’s end
- Outpatients scheduled in the morning, taking up time slots for pending inpatients
- 47% of physicians dissatisfied with turnaround time for echo
- 65% of physicians dissatisfied with turnaround time for stress
- Long response time is a significant contributor to length of inpatient stay

Mr. Wei reported the test completion rate for the Echo Lab. He explained that, initially, 10-40% of echo tests were completed on time. However, at the end of the Silver certification training RIE, the completion rate drastically moved from 10-20% up to 80-90%. Mr. Wei explained that they were able to sustain these results 60 days after the RIE. In addition, these positive results were also achieved in the regular Stress Lab and the Nuclear Stress Lab.

Ms. Wendy Yung reported that all the aforementioned improvements were based on the elements of the flow cell. She added that a visual process control board was created to show the progress of the work. This visual management tool was used to highlight placement, to indicate patient status throughout the process and to measure the target result time. Ms. Yung described how they were able to deploy the flow cell tools/elements to make improvements in the Echo and Stress Labs:

1. I by I (Simple Flow)

- One by one flow, one-directional flow for inpatients
- Patients transported in the appropriate transport vehicle to eliminate congestion
- Pre-packaged gowns with inventory levels
- Pre-packaged charts and optimized placement for clerical staff
- Organizing files alphabetically instead of by date
- Organized stress lab area

2. 6S (Defect Free)

- Pre-packaged gowns with inventory levels
- Pre-packaged charts and optimized placement for clerical staff
- Organizing files alphabetically instead of by date
- Organized stress lab area

3. Standard Work (Lowest Cost)

Standard Work for:

- Head sonographer handoff of inpatient orders
- PCB huddles and upkeep
- PCT/Escort retrieving patients from unit
- Clerk filing new inpatient files
- Clerk determining mobility status of inpatient for transport

4. Pull (On Demand)

- Pull system to move patients and staff using green/red visual cards
- Move outpatients to the afternoon hours so pending inpatient orders can be processed in the morning

Ms. Yung reported that the scheduling system was optimized by visually mapping out all the patients. The staff was able to create an improved schedule with a smoother work flow. In addition, Ms. Yung reported that before the RIE, there were two entry ways to the Echo Stress Lab area which led to stretcher congestion in the hallway. The patient care technicians (PCTs) and the transport staff were bringing patients in and out of the same doorway, which caused traffic jams. As a result of the RIE, one area was designated to be the “in” entry way to the lab and the other the “exit” area. In addition, red and green stations were implemented to indicate the status of patients so that staff members could easily know whether they were finished with the patients and to move the patients back to their respective floors. The clerical work was reduced by 50% by simply reorganizing the clerk duties and making pre-packaged forms. These actions helped to reduce the processing time for creating a chart. Ms. Yung added that, by reducing 50% of the clerical work for 40 patients a day, a lot of time and effort had been saved and ultimately the patient waiting time was reduced.

Ms. Yung reported that the process control board was instrumental for the front line staff to track their daily progress. They were able to determine if all of their cases were fulfilled or not. They also had a chance to discuss the reason why they did not accomplish their goal. Ms. Yung stated that, overall, the driving factors that have made this event really successful were: 1) all the candidates that were part of the project remained in the area; and 2) engagement of the front line staff members, who were there to observe and ask questions, and their involved in every aspect of the work. Ms. Yung added that staff members were very receptive to that kind of work and a lot of these changes have been sustained. She added that the Breakthrough team was still working with the staff to improve their daily work.

Mr. Nolan, Board Member, asked the Bellevue team to explain the difference between a stress test and a nuclear stress test. Mr. Wei explained that a nuclear stress test is similar to the exercise stress test that is conducted using a treadmill but it includes pictures that can show areas of low blood flow through the heart and damaged heart muscle.

Ms. Omi introduced Ms. Marcy Pressman who participated in the Silver certification training improvement event. She asked Ms. Pressman to share her experience with the Committee. Ms. Pressman stated that the RIE had been a great model in helping the department to achieve its strategic goal. She reminded the Committee of Bellevue’s role as a transferring and referring center for patients who suffer from cardiac diseases. Ms. Pressman added that, as a result of the work that was done in the flow cells, remarkable results were achieved. The two access beds days were reduced to .8 access days. Ms. Pressman explained that, even though the access beds days were bumped up a little bit in February, there were significant reductions in March and April. Ms. Pressman stated that, “This is definitely the way to go for flow events because we are not in a week for just thinking about the changes to be made, but we are actually thinking about what needs to be fixed ahead of time...the week is used to work in the area with the staff and to test those changes.”

Ms. Linda Lombardi also shared her experience with the Committee. She stated that the feeling was transformative. Staff members were trained and they applied the training. She added that the process control board was a very active board. Staff members shared their goals for the day, tools for getting there, and accomplishments once it is done. That kind of continual communication, the application of continuous learning is really transformative in the culture. She added that students and learners felt a sense of respect,

ownership and control as they experimented and tried something. Sometimes the experiments work and sometimes they decide against a certain approach. The whole process of learning together, trying things together and developing a process that is considerably better and sustainable is something that really makes the team feel good about their work.

Dr. Nathan Link added that, from his perspective, not only was it a great event because of the outcomes, but also because it was focused on learning. Dr. Link stated that, before the Silver training RIE, they had made several attempts on their own to fix the problem. Dr. Link informed the Committee that he had been working at Bellevue Hospital for 30 years, and for all those years they really did not know how to fix the problem in the Echo Stress Lab. Dr. Link stated that, what he liked the most about the process was learning the tools to fix the problem. As leaders, they will have more opportunities to use those tools to fix other issues. Dr. Link added that they did not see the light until they had to go through the work and learn all the steps, then doing and practicing it and see how it worked. The process control board was the key to success because the staff was able to track their work during the day and they knew exactly where they were every hour in achieving the goal of the day. Dr. Link also added that the team members were very proud of their work. They have been able to sustain the improvements.

Mr. Robert Nolan, Board Member, asked Dr. Link to explain the elements of the process control board. Dr. Link responded that the process control board was comprised of 5 rows, or categories of the different kinds of echocardiograms that needed to be done. The top row referred to inpatients. When they start in the morning, there are 8 inpatient orders to be completed by 1:00 p.m. That information is recorded in the first box. As each one is done, it is being checked off in the next box. A zero is recorded for the left over ones. By noon, they were all completed. Dr. Link added that different categories had different time goals. He added that the Lean process forces staff to think methodically. All the elements have to be addressed according to a rigorous process. He agreed with Mr. Nolan that, once done, in retrospect, it appeared so simple.

Ms. Omi referred to a phrase commonly used in Breakthrough, “slow down to go fast”. She stated that the Bellevue Hospital team had spent three days in pre-work and the actual event was one week long. Ms. Omi highlighted that, by taking that time to learn, the tools can be used to coach other staff and can also be applied in other areas of the hospital. The spread and the diffusion of that learning and the staff experience would be much deeper at the facility because of the roles that they play and the credibility that they have going through the process. Ms. Omi stated, as Ms. Pressman noted, Bellevue is a referral center for the entire corporation for certain cardiac services. As such, if there is a bottleneck at Bellevue, there is a citywide bottleneck. Therefore, it is critical to ensure that the system wide referral of patients to Bellevue is possible by making the patient flow possible and by ensuring that there is throughput for that service. Ms. Omi emphasized that there had been no mention of creating a new electronic information system to manage this process. It is simply using a white board with black tape and black markers on it. The board is erased every day. Ms. Omi added that lost revenue was stopped and cost savings increased by deploying this simple technology. By eliminating more than 50% of excess bed days, which are reimbursed at a lower level, Bellevue is achieving tremendous savings while reducing unnecessary costs. Ms. Omi added that the new Chief Financial Officer is working on adding values to those savings to monetize and to demonstrate this going forward.

Mr. Scholz invited the Queens Hospital Center and Gouverneur Healthcare Services staff to present their work. The team included Ms. Molly Lopez, Associate Director, Women’s & Children Health, Gouverneur Healthcare Services; Mr. Kenneth Feldman, Associate Executive Director, Ambulatory Care, Gouverneur Healthcare Services; Ms. Helen Sapla-Coll, Ambulatory Care Nurse, Queens Hospital Center; Mr. Robert Malone, Chief Financial Officer, Queens Hospital Center and Mr. Ravi Ramphal, Ambulatory Care Facilitator, Queens Hospital Center.

Mr. Scholz stated that the Gouverneur Healthcare Services staff had conducted the same type of training in their Women’s Health Clinic. Mr. Scholz stated that Ms. Alina Moran, Chief Financial Officer for Elmhurst Hospital Center also attended that training session.

Mr. Feldman provided the Committee with an overview of the Women’s Health Clinic before the value stream analysis. His description is summarized below:

- Both patients and staff were often confused and frustrated by long waits, uneven work burdens, and a high degree of variation:
 - Excessive waiting
- Rework – multiple staff asking for the same information
 - Each provider or support staff did similar tasks differently
 - Poor visibility re the status of any one staff person or patient
- No standardized clinical protocol for the well woman visit, potentially extending cycle time and duplicating effort, while not providing a fail-safe for preventive services

Ms. Wendy Lopez reminded the Committee that, as part of the Silver certification training event, the goal was to improve the patient’s experience by improving the way the team worked together. She added that they felt that having metrics/performance indicators were key to measure whether the team was working together for the patient from start to finish. Ms. Lopez shared the results for the following metrics:

- Patients seen within 60 minutes: Started with 30% of patients were being seen in 30 minutes and now 100%

- Percentage of daily briefs conducted: Daily briefs conducted was 100% from the beginning
- Contraception addressed in reproductive age female: Started under 20% and now at 100%
- Women 40-60 screened with mammography within 1 month: Started nearly at 80% and now at 100%

Mr. Feldman stated that the team was provided with the opportunity to align the Silver training process with both the process indicators and quality indicators. He described the activities that were included in the team's flow cell development process as the following:

1. 1 by 1 (Simple Flow)

- Geographic patient-centeredness in the clinic. Procedures done in the same exam room (pregnancy, HIV tests, etc.)
- Clerical functions performed by the RNs minimized, more quality time spent with patients

2. 6 S Defect Free

- Standards for room organization. All supplies and equipment are where needed and fully functioning (LARC, microscope, fetal monitor, scales, thermometer)
- Created procedure kits
- WOWs located where needed

3. Standard Work (Lowest Cost)

- Team members' roles and functions defined to maximize staff productivity and reduce patient flow time
- Teams integrated to support department and patient-centered flow
- Defined and staffed teams by demand

4. Pull (On Demand)

- Patients brought to one room, staff members swing rooms using color triggers
- Established supplies inventory standards, new par levels and replenishment system

Mr. Scholz reported that team members participated in daily morning briefs to discuss previous day and current day activities. He reported that the process control board that they created had helped them to track the metrics. It also shows how they were able to bring people together. Operationally, it created a sense of pride within Women's Health, and a little bit of envy from the rest of the building. Mr. Scholz informed the Committee that the goal was to spread and to have stability for the rest of the organization. He added that Women's Health was the first value stream analysis (VSA) that was conducted and a second pass was initiated last month. He also announced that, most importantly, the Medicine VSA would start next month and that the goal was to create standardization and expertise within the building. The Women's Health area now has a sense of pride as the departments in the building rotate through their daily process board to see how they can be successful and how, if there is a push back, it can be handled successfully.

Ms. Lopez described some key changes that resulted from the Silver certification training. She informed the Committee that the most successful outcome of the event was the implementation of a patient-centered flow. As such, the staff comes to the patient in one exam room instead of moving the patient from the exam room to various waiting areas. She reported that, through that change, the patient steps were decreased from 176 steps to 103 steps, as confirmed by Ms. Alina Moran, who also walked the patients' walk.

Ms. Lopez explained the composition of the process control board. She stated that the metrics included:

- Cycle time less than 60 minutes
- Mammography screening
- Contraceptive counseling

She described the target performance for each metric as the following:

- 50% for the cycle time
- 90% for mammography
- 75% for contraceptive

Ms. Lopez reported that one of the issues that they had faced concerned the supplies and replenishment system. They wanted to make sure that there were enough long active reversal contraception (LARC) supplies. They instituted measures to ensure that there were adequate supplies at all times. For instance, whenever a PCA uses the last of any supply an orange tag with the words "out of stock" is placed in the mailbox of the person in charge of ordering supplies to prompt the placement of a new order. For a larger supply closet, if a bin is empty, that empty bin would be placed on top of the shelf. When the head nurse sees the empty bin, a new order would be placed.

Ms. Anna Kril, Board Member, asked Ms. Lopez to explain the notes at the bottom of the process control board. Ms. Lopez responded that these notes were parameter charts. She explained that, whenever a metric is not met, one of the PCAs would document the reason why on the X access and the date it occurred on the Y access. Ms. Lopez informed the Committee that the recurring issue of not meeting the cycle time goal of less than 60 minutes resulted from provider delays. She added that the right side of the board reflected monthly trend lines. Ms. Omi added that these were some of the methods that the team used to track

the types of problems and re-occurring issues so that they can get back to where they want to be on cycle time and to problem-solve for that specific issue.

Ms. Omi highlighted that the Women's Health was established at Gouverneur over the last year. This department has been live in that area for only a year. The goal is to create a place where anyone in the facility can go to see what good looks like. Therefore, the team has created a level of excitement throughout the rest of the facility. The Adult Medicine area will stand on the shoulders of Women's Health and they will be able to show more quickly how to implement the work that has been done in Women's Health. Ms. Omi commented that this was a wonderful way to create a model for others to see and learn from. She thanked the Gouverneur staff for their presentation.

Mr. Sholz invited Mr. Robert Malone to present Queens Hospital Center's Silver certification RIE in the Adult Primary Care Clinic. Mr. Malone stated that the event focused on the cycle for patients. He explained that it was increasingly important because patients' experiences affect the hospital's Hospital Consumer Assessment of Healthcare Providers (HCAPH) scores and the hospital's financial shift from inpatient to outpatient. Mr. Malone added that initially, the cycle time in the Adult Primary Care Clinic was over three hours for a patient. He invited Ms. Helen Sapla-Coll to share with the Committee the previous state of the Adult Primary Care Clinic prior to the Silver certification training event.

Ms. Sapla-Coll reported on the pre-existing conditions of the Adult Primary Care Clinic as described below:

- No visual management guiding the process
- No pull systems for treatment process. Staff "pushed" patients from one process to the next regardless of readiness
- Dwell time of registration was extensive, the process was cumbersome and siloed
- Care was interrupted each time a new room was needed
- Staff had to leave exam rooms throughout the day to get basic supplies due to inefficient stocking of supplies in each treatment room, creating multiple interruptions and adding to total flow time
- Patient was moved multiple times to the waiting room between treatment phases
- Space was not optimized for flow

Ms. Sapla-Coll reported that the Silver event produced a reduction of the downtime from about 4 hours to 1 hour and 40 minutes. She added that the department was still improving and has been able to sustain these results over the past 6 months. The best ever downtime of 1 hour and 9 minutes was achieved last month. She added that with the new results, both patients and staff were happy. Mr. Malone added that, while the goal is not always known right away and sometimes tends to go up a little bit in subsequent months, it is important to maintain and continue to enforce what was developed in the RIE as some results will ultimately show up. He emphasized that their downtime is now 1 hour and 9 minutes and that the goal is to reduce downtime to only 1 hour.

Ms. Sapla-Coll described the key activities of the team's flow cell development process as the following:

1. 1 by 1 (Simple Flow)

- Cell concepts introduced in Green Team in which providers use swing room to provide care

2. 6S Defect Free

- 6S a "Model" Treatment room and 2 "model" RN room with everything labeled with pictures of what it should look like. Later introduced to the rest of the clinic
- End of shift replenishment system
- Process Control Board to understand and manage flow
- Soarian chart "ready" trigger included in the standard work and flag system installed in the model treatment rooms

3. Standard Work (Lowest Cost)

- Cross-trained all registration staff
- Standardized work was created for each discipline and posted where the work is being done (pilot: green Team)

4. Pull (On Demand)

- Room flag system to improve flow

Mr. Malone stated that the process control board had helped the team to understand and manage the flow. He added that the Soarian chart "ready" trigger was included in the standard work and a flag system was installed in the model treatment rooms.

Mr. Malone reported on the key changes that resulted from Silver certification training work. He explained that a colored flag system was developed to alert staff of the status of the patient. He explained that the different colors indicate certain information such as: who is in the room with the patient, the appointment time, time for the next patient, etc. He added that purple is for care; pink is for equipment; green meant that all disciplines were involved; and blue is for pull systems in place. This new approach is patient-centered and puts the patient in the middle.

Mr. Martin, Executive Vice President and Chief Operating Officer, asked the Bellevue, Gouverneur and Queens staff members if their Hospital Consumer Assessment of Healthcare Providers (HCAHP) scores had been impacted by the results of the Silver training. Mr. Malone responded affirmatively. He shared with the Committee that a call center was added in the clinic to make the appointments and that the clinic was seeing more patients than it previously had. He is expecting to see even more improvements over the next quarter based on the increased access.

Mr. Ramphal added that one of the major complaints was the cycle time. Patients were wondering why they had to wait so long, even with a scheduled appointment; and why they also had to be moved from room to room when all they needed to do was to see a doctor. Mr. Ramphal reported that, after examining the causes, the process was streamlined and patients were able to go through their appointments a lot faster; while at the same time, simplifying the patient flow and increasing access for more patients. Mr. Nolan commented that, prior to the patient's visit, or even the day before, the proper supplies and equipment were in place in the room for the doctor. Mr. Ramphal responded that a system of pre-visit planning was non-existent before the Silver training.

Mr. Malone stated that one of the new requirements in managed care for diabetic patients is to have a retinal eye exam annually. He informed the Committee that, in addition to seeing patients on a regular basis, the patients can solely come for the eye exam, see a PCA and do not have to go to the Ophthalmology Suite for the exam, thereby, bringing more access to the eye clinic.

Ms. Lopez stated that Gouverneur's patient satisfaction scores were trending up. She informed the Committee that waiting room surveys were conducted before and after the event between June and March. She reported that one of their highest scores was for their ability to reach the patient on the phone. In addition, one of the metrics being watched, as it is also measured by the state is the percentage of women who receive contraceptive counseling. Ms. Lopez reported that there had been a dramatic improvement up to 65-70%, which is about the state's average.

Ms. Omi added that success brings success. She explained that, when a Silver training is put together, the team consists not only of students from the area that are called to learn the work, apply and sustain the improvements in that area, but also leadership staff. She highlighted that Mr. Malone is from the Finance Office and has a tremendous history with Breakthrough. He has been a longstanding champion of Breakthrough in his area. In addition, Mr. Malone has been asked to take on a lot more responsibilities to help spread Breakthrough at the facilities by being an expert process owner and helping other managers in other areas of the facility. Ms. Omi stated that Breakthrough is building the capacity of staff to train other staff, while developing leaders at the same time.

Mr. Sholz concluded the three presentations by sharing with the Committee some of the next steps, which include:

- Bringing more students to Silver earlier in their development
- Ensuring that all value streams include flow cell development and have opportunities for Silver
- Using Silver as a tool to achieve enterprise wide project outcomes more quickly
- Creating prescribed models to deliver flow improvement for different value streams
- Ensuring Silver improvements are sustained through the Daily Management System (DMS)
- Applying learning from Silver trainings to Gold and Platinum courses

Mr. Nolan thanked Mr. Sholz and the Breakthrough teams for their presentations.

SUBSIDIARY BOARD REPORT

MetroPlus Health Plan, Inc. – May 25, 2015 **As reported by Mr. Bernard Rosen**

Chairperson's Remarks

Chair Rosen welcomed everyone to the MetroPlus Board of Directors meeting of May 5th, 2015. Mr. Rosen stated that the meeting would start with the Executive Director's report presented by Dr. Saperstein followed by the Medical Director's report presented by Dr. Dunn. Mr. Rosen stated that there would be one resolution for approval. Mr. Rosen asked for approval to appoint Mr. Antonio Martin to the MetroPlus Executive Committee. The members of the Executive Committee now are: Dr. Saperstein, Mr. George Proctor, Dan Still, Bernard Rosen and Mr. Martin.

Executive Director's Report

Total plan enrollment as of April 1, 2015 was 470,150. Breakdown of plan enrollment by line of business is as follows:

Medicaid	411,214
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Child Health Plus	12,601
Family Health Plus	3
MetroPlus Gold	3,454
Partnership in Care (HIV/SNP)	4,770
Medicare	8,500
MLTC	854
QHP	28,093
SHOP	603
FIDA	58

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

One of our main goals is to have significant membership growth, up to one million members by the year 2020. We have developed a solid strategic plan and started undertaking many initiatives to help us reach this membership goal. One of the next steps in our growth plan is holding a special session with the MetroPlus Board of Directors whereby additional strategies can be discussed and approved. This session is scheduled for May 19th. Until then, we have well-defined strategic marketing plans to help us maximize enrollment. In addition, we are closely monitoring the development of a number of immigration executive actions which can help us increase the number of members we serve.

In addition to the aforementioned growth strategies, we are working to expand our network into Staten Island. We have had discussions with the two hospitals in Staten Island – Staten Island University Hospital (SIUH) and Richmond University Medical Center (RUMC). Progress is slower than we had hoped. We will need to contract with both facilities for Medicaid LOBs at a minimum, but preferably for all lines of business. We are primarily targeting PCPs and high volume specialties (Cardiology, Gastroenterology, etc.) with a goal of having a minimum number of providers contracted and credentialed by July 1st. This will allow us to file a network that meets NYSDOH minimum access standards (two providers per county in each HPN specialty). While that standard is fine for filing a network, we recognize that many more providers will be needed to attract members and offer viable options to our members.

It is important to bring to this Committee's attention that the Affordable Care Act requires every health plan participating in the Exchange to be accredited by an HHS-approved accrediting body by 2016. HHS has approved URAC (Utilization Review Accreditation Commission), NCQA (National Committee for Quality Assurance, and AAAHC (Accreditation Association for Ambulatory Health Care) as accrediting bodies for health plans participating in the Exchange.

We have decided to pursue URAC accreditation. There are 44 health plans that have either been accredited by URAC or are in the process of being accredited. URAC provides cutting-edge quality measures and data analytics capabilities that minimize the burden and cost of data reporting while providing a level of analysis not available in other accreditation programs. Its flexible design allows incorporation of state-specific standards and measures while its collaborative educational approach helps guide health plans in achieving accreditation.

MetroPlus' delegation of all Behavioral Health (BH) and Substance Use Disorder services to Beacon Health Strategies began on January 1st when Beacon began managing the FIDA line of business. Beacon and MetroPlus held HHC specific Clinical Orientation Sessions in all four boroughs for all Psychiatric Directors, Assistant Directors, BH Central Office Staff and other staff delegated by the Psych Directors. Beacon also held ongoing web based trainings for the entire MetroPlus network. By all accounts this has been a very smooth transition for MetroPlus members and providers.

We have been notified that the Behavioral Health/HARP implementation dates have been delayed. The HARP line of business and SSI carve-in will go live in NYC on October 1, 2015. Passive enrollment will be in three phases, by birth-date over a three-month period, to begin July 1, 2015. Children's go-live is delayed until January 1, 2017.

In my previous report I had mentioned that starting in July 2015, plans were expected to contract for urgent and routine primary care with School Based Health Center (SBHC) sponsoring entities. In the interim, however, the State has announced that additional work is needed toward the transition. The Department of Health is therefore extending the transition implementation date from July 2015 to July 2016 to allow additional time to appropriately address the remaining operational issues related to the shift to managed care. The State has also noted that in order to minimize disruptions, they have agreed to maintain the current reimbursement that the SBHCs currently receive in the fee-for-service Medicaid system for at least two years after implementation. Of equal importance is to mention that reproductive health services provided by SBHCs will not be transitioned to the Medicaid managed care benefit package at this time. These services will instead remain covered by Medicaid fee-for-service for SBHCs enrollees of Medicaid managed care plans. The carve-out of reproductive health services may be re-evaluated in the future when the SBHC workgroup can more fully address issues related to confidentiality and managed care plan pharmaceutical formularies.

Dr. Saperstein mentioned that a Special Board of Director's meeting will take place on May 19, 2015 to discuss the 2015 Strategic Plan and how realistic it is and how MetroPlus plans to get to the numbers presented in the plan.

Dr. Saperstein mentioned several of MetroPlus' goals, some which will include to have a significant membership growth, up to one million members by the year 2020 and to bring 80% of the population of MetroPlus into HHC. The Plan is currently at 53% of its goal. Mr. Still asked if the 80% would be a part of the million or the increase. Dr. Saperstein responded by saying that it would be 80% of the million population. Out of 470,000 members, the Plan has about 250 thousand members that are actually getting Primary Care at HHC. The goal is to increase that from 250,000 to 800,000 members being able to receive care in HHC for Primary and Specialty Care.

In addition to the aforementioned growth strategies, MetroPlus is working to expand its network into Staten Island. The Plan has had discussions with two hospitals in Staten Island – Staten Island University Hospital (SIUH) and Richmond University Medical Center (RUMC). The progress is slower than the Plan anticipated. MetroPlus will need to contract with both facilities for Medicaid Line of Business (LOB) at a minimum, but preferable for all lines of business. Mr. Martin suggested that Dr. Saperstein speak with Dr. Raju regarding Staten Island's 2½ times more of MetroPlus' rate that they are requesting.

MetroPlus' delegation of all Behavioral Health (BH) and Substance Use Disorder services to Beacon Health Strategies began on January 1st when Beacon began managing the Fully Integrated Dual Advantage (FIDA) LOB. Beacon and MetroPlus held HHC specific Clinical Orientation Sessions in all four boroughs for all Psychiatric Directors, Assistant Directors, BH Central Office Staff and other staff delegated by the Psychiatric Directors. Beacon also held ongoing web based trainings for the entire MetroPlus network. By all accounts this has been a very smooth transition for MetroPlus members and providers. Mr. Still asked if NYSDOH (New York State Department of Health) is able to decide on how they will be distributed among all the plans. Dr. Saperstein responded by saying that the Supplemental Security Income (SSI) carve-in/ SSI carve-out are already Plan members. Many of the Health and Recovery Plans (HARPs) are already carve-in members. The ones that are members of MetroPlus will go to the Plan, however, if the Plan does not get accredited, it would lose about 40,000 members. Therefore, MetroPlus' accreditation is a must.

Dr. Saperstein mentioned that the Plan has been notified that the BH/HARP implementation dates have been delayed. The HARP line of business and SSI carve-in will go live in New York City on October 1, 2015. Passive enrollment will be in three phases, by birth-date over a three-month period, to begin July 1, 2015. Children's go-live is delayed until January 1, 2017. Mr. Rosen asked in regards to auto-assign, if the State would have to make a conscious decision if they want MetroPlus. Dr. Saperstein responded by saying that the State is going to give MetroPlus many of the members and the ones that are up for grabs, The Plan would have to market to them through Providers to refer them to MetroPlus.

Medical Director's Report

Health Education Activities Update

I have attached the Spring/Summer 2015 issue of the MetroPlus Health Letter. The health letter focuses important steps that our members can take to be healthy and well. There are articles on the 3 ways to improve your health; how to prevent tooth decay and gingivitis; the ways to stop smoking; the steps you can take to better manage your diabetes (know your numbers); healthy ways to deal with depression; the four steps to fight high blood pressure; tips for living with Chronic Obstructive Pulmonary Disease (COPD); and questions and answers about the importance of refilling your medications.

FIDA and MLTC Update

As of May 2015, FIDA will add 50 new members bringing our membership total to 104. MLTC will add 52 new members which will bring our membership total to 996.

Behavioral Health Services Update

I. Adult Behavioral Health Managed Care Timeline

Readiness Review Schedule

- Findings and follow up from off-site document review scheduled to be posted by 4/24/15
- Reflects resubmission timeframes and updates on network development and staffing.
- Distribute On-Site Review Agenda to Plans- end of May
- Complete On-site Reviews by July 2015
-

Process for Plan Approval

- A plan of corrective action is being provided to each Plan based on Readiness Review findings.
 - Most corrective action items will be reviewed by the State during the on-site visits
 - Plans will be given 30-90 days after the on-site review to address any remaining outstanding issues.
 - Issues not sufficiently addressed by the benefit inclusion date may subject the Plan to an enrollment freeze.
- NYS anticipates issuing a conditional Certificate of Authority to HARPs in July 2015.
- Final certificate will be issued upon successful resolution of issues identified during Readiness Review process.

NYC Implementation

July 2015 – First Phase of HARP Enrollment Letters will be sent out

- NY Medicaid Choice enrollment letters will be distributed in three phases:
 - Approximately 20,000 July/August distribution for October enrollment
 - Approximately 20,000 August/September distribution for November enrollment
 - Approximately 20,000 September/October distribution for December enrollment

October 1, 2015 – Mainstream Plans and HARPs implement non-Home and Community Based Services behavioral health services for enrolled members

October 2015 - January 2016 – HARP enrollment phases in.

January 1, 2016 – Home and Community Based Services begin for HARP population.

- Medical Managed Care Model Contract are considering HCBS Minimum Network Standards.
 - NYS has designated more than 160 HCBS providers in NYC.
 - State operated HCBS providers are considered essential community providers.
 - NYS strongly encourages Plans to contract with a mix of large and small HCBS providers-particularly peer-run agencies.
 - Approximately 25 HCBS providers have never billed Medicaid.
 - NYS and the Plans need to provide extra technical assistance to help them succeed in a Managed Care environment.
 - MCTAC is developing a specialized training curriculum specifically for these providers.

Enrollment Process

- Individuals initially identified by NYS as HARP eligible, who are already enrolled in an MCO with a HARP, will be passively enrolled in that Plan's HARP.
- Individuals identified for passive enrollment will be contacted by the NYS Enrollment Broker.
- They will be given 30 days to opt out or choose to enroll in another HARP
- Once enrolled in a HARP, members will be given 90 days to choose another HARP or return to Mainstream before they are locked into the HARP for 9 additional months (after which they are free to change Plans at any time).
- Individuals initially identified as HARP eligible who are already enrolled in an MCO without a HARP will not be passively enrolled. They will be notified of their HARP eligibility and referred to the NYS Enrollment Broker to help them decide which Plan is right for them.
- HARP eligible individuals in an HIV SNP will be able to receive HCBS services through the HIV SNP. They will also be given the opportunity to enroll in another HARP. They will be notified of their HARP eligibility and referred to the NYS Enrollment Broker to help them decide which Plan is right for them.

2. Children's Behavioral Health Managed Care Timeline

January 1, 2017 – NYC and Long Island Children's Transition to Managed Care.

Quality Management Update

The New York State Department of Health (NYSDOH) Office of Quality and Patient Safety (OQPS) is initiating a 2014 Measure Pilot Study of Medicaid Adult Core Set Measure CDF-AD: Screening for Clinical Depression and Follow-up Plan. The study aim is to assess the validity of specifications of Measure CDF-AD: Screening for Clinical Depression and Follow-up Plan, specifically, the extent to which it accurately measures the clinical performance of standardized screening for depression and follow-up for patients with positive results, in the primary care setting. Therefore, this study entails a review of outpatient medical records for a sample of Medicaid adult enrollees with outpatient visits during the time period from July 1, 2013- June 30, 2014.

MetroPlus has completed the medical record retrieval and submission process upload to IPRO for the Depression screening pilot study. Out of the 72 members that have been identified we submitted medical records for 70 members.

2014 Quality Incentive Results

The Office of Health Insurance Programs announced the 2014 Quality Incentive results for Medicaid managed care plans.

The maximum number of points available for the incentive is 150, with 100 points from quality measures, 30 points from satisfaction measures, and 20 points from the four PQIs. Points from compliance are **subtracted** from the plan's total points for statements of deficiency associated with specific compliance areas. The total points achieved of the 150 points are then normalized to a 100 point scale. The final score earned by each plan represents the percentage of the points achieved by each plan divided by the total available points.

Plans are grouped into one of five tiers to determine the incentive award (100%, 75%, 50%, 25%, and 15% of the incentive award which is added to the monthly member premium). The five tiers are based on the percentage of points earned by the plans. Plans must achieve or exceed the threshold for the respective tier to be eligible for an award. Plans that do not meet the threshold for the lowest tier (15%) do not receive any award from the incentive (0%).

MetroPlus performance in the Quality Incentive affects the auto-assignment algorithm. Plans achieving any level of the Quality Incentive award receive the quality preference in the auto-assignment algorithm. The quality preference in the algorithm directs a

proportion of auto-assignees only to plans that qualified for the incentive. Overall, MetroPlus did extremely well. We earned an incentive premium award of 75%. Out of a possible 100 points for quality, we received 97.297 (second only to Healthfirst). Our final score was 74% which placed third in the State behind Hudson Health Plan (88%) and Healthfirst (76%). If we would have performed better in the patient satisfaction measures (10 points out of a possible 30 points), we might have received the maximum incentive award.

Quality Incentive							
Incentive Premium Award (%)	Plan Name	Quality Points 100 points possible	Satisfaction Points 30 points possible	PQI Points (20 points possible)	Compliance Points (20 points possibly subtracted)	Total Points	Percent (up to 100%)
100%	Hudson Health Plan	96.351	30	10	-4	132.4	88
75%	Healthfirst	100.000	10	9.25	-6	113.3	76
75%	MetroPlus Health Plan	97.297	10	9	-6	110.3	74
50%	WellCare	68.919	15	17.25	-6	95.2	63
50%	HealthPlus, Amerigroup	81.081	15	2.5	-6	92.6	62
50%	UnitedHealthCare	68.919	15	9.5	-6	87.4	58
25%	Fidelis Care	70.27	15	1.5	-6	80.8	54
25%	Univera Community Health	54.459	20	4.75	-4	75.2	50
25%	Independent Health	48.649	20	11.5	-6	74.1	49
25%	Total Care	60.045	10	3.75	-4	69.8	47
15%	HIP (EmblemHealth)	55.405	10	7.25	-6	66.7	44
15%	MVP Health Care	50.27	20	0	-4	66.3	44
15%	Excellus BCBS	47.297	20	4.75	-6	66.0	44
15%	CDPHP	39.189	20	7.5	-2	64.7	43
0%	Affinity Health Plan	41.892	15	3.5	-6	54.4	36
0%	HealthNow	33.784	10	8	-8	43.8	29

Dr. Dunn provided the health education activities update along with the Spring/Summer 2015 issue of the MetroPlus health letter. The health letter focuses on the important steps that MetroPlus members can take to be healthy and well. The MetroPlus health letter is now published twice a year. Dr. Jenkins asked if the reason the MetroPlus health letter is being published twice a year is due to cost. Dr. Dunn responded by saying, no, the publication is completed twice a year because it used to be about 4 pages an issue, and was looked through and thrown away by members. Now that the issues are larger, contain more articles and the color is better – it is a quality magazine. It is found that Plan members like that and they are able to share the information more freely.

Dr. Dunn provided the 2014 Quality Incentive results for Medicaid managed care plans from the Office of Health Insurance Programs. The maximum number of points available for the incentive is 150, with 100 points from quality measures, 30 points from satisfaction measures, and 20 points from the four PQIs. Points from compliance are subtracted from a plan's total points for statements of deficiency associated with specific compliance areas. The total points achieved of the 150 points are then normalized to a 100 point scale. The final score earned by each plan represents the percentage of the points achieved by each plan divided by the total available points.

Overall, MetroPlus did extremely well. The Plan earned an incentive premium award of 75%. Out of a possible 100 points for quality, MetroPlus received 97.297 (second only to HealthFirst). The Plan's final score was 74% which placed third in the State behind Hudson Health Plan (88%) and HealthFirst (76%). If the Plan would have performed better in the patient satisfaction measures (10 points out of a possible 30 points), MetroPlus might have received the maximum incentive award.

Dr. Saperstein stated that one of the Plan's concerns is the preliminary results for 2014. It is found that the Plan had a lot of Exchange members who were receiving care at the community doctors and the community doctors do not do as well as HHC doctors. The quality results for the Plan's population that was heavy in the community, is not as good as the quality results that was heavy in HHC. Part of the worry is that as MetroPlus does its membership push, if it gets more people outside of HHC, the Plan might fall on its quality points. The Plan is only as good as its providers.

Action Items

The resolution was introduced by Mr. Antonio Martin.

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

The adoption of this resolution was duly seconded and unanimously adopted by the MetroPlus Health Plan Board of Directors.

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

RAMANATHAN RAJU, MD
HHC PRESIDENT AND CHIEF EXECUTIVE OFFICER
REPORT TO THE BOARD OF DIRECTORS
May 28, 2015

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

OneCity Health Update

Dr. Christina Jenkins was appointed by unanimous vote as President and CEO of OneCity Health, the HHC subsidiary that serves the partners of our DSRIP Performing Provider System (PPS). I am most pleased to announce this appointment because the transformation of our healthcare delivery system needs leaders like Dr. Jenkins. She knows how to put patients first, and is the perfect choice to guide our team and help us meet the Medicaid reform program goals and objectives for better-coordinated care and improved health outcomes for all New Yorkers.

This month, we held kick-off meetings within each of our four OneCity Health PPS hubs. At them, Dr. Jenkins provided updates on implementation planning, hub level planning, and the contracting process. Various patient scenarios were presented to partners and opportunities to collaborate on improving the provision of care were explored and discussed.

We expect to receive our first DSRIP payment in early to mid-June.

Harmful 340B Drug Discount Program Language Dropped from 21st Century Cures Bill

Legislation was introduced recently in Washington in an attempt to speed up the drug approval process and combat various rare diseases, disease treatment, management, and cures. The 21st Century Cures bill recognizes that health research and technology that develops breakthrough medicines moves quickly, but the federal drug and device approval has not kept pace.

HHC, and other providers who participate in the federal 340B drug pricing program, were very concerned with amendments to the bill that were proposed by the pharmaceutical industry, which seek to weaken or eliminate the program. After considerable push back by 340B program advocates, the House Committee on Energy and Commerce did not include proposals to reform the 340B Program. The bill was reported out of committee and will now head to the House floor for a vote in the coming weeks.

Testimony at City Council Budget Hearing

Last week, I testified before the City Council Finance, Health and Mental Health Committees on HHC's budget.

In my testimony I highlighted HHC's Vision 2020 agenda. I told the Council that improving the patient experience is my number one priority for the Corporation.

The Council raised concerns regarding our finances over the long term. However, they expressed support for our efforts to secure financial viability.

Many Council Members expressed strong support for HHC in our efforts to attract new patients and increase revenue. They will continue to advocate with us to reform the State's charity care funding distribution formula

Patient-Centered Medical Home Recognition for All Primary Care Practices at HHC Health Centers on Staten Island

I am very glad to announce that we now have NCQA recognized Patient-Centered Medical Home primary care practices in all five boroughs. The recent recognition of Mariner's Harbor and Stapleton health centers on Staten Island as Patient-Centered Medical Homes at level 3, the top level, is further evidence of HHC's commitment to high quality primary care as the foundation for improving the health of New Yorkers. These two centers join the primary care sites at our hospitals and diagnostic and treatment centers in the other four boroughs that have been designated by NCQA at level 3.

HHC Fellowship Program

I was very pleased last week to address a gathering of HHC leaders - 24 Fellows who have been nominated and endorsed by their Senior Vice Presidents and Executive Directors and individually selected out of a pool of 54 applicants. They are the inaugural class of HHC Fellows who will attend six intensive sessions of three days each, learning more about how they can leverage their skills, passion and vision for healthcare leadership. These are some of our best and brightest, and they are fully committed to having a strong impact on achieving our strategic priorities. We continue to nurture and train our leaders, preparing them to lead us into an even stronger future.

Lastly, thank you to HHC Board Member Dr. Jo Ivey Boufford for lending her expertise to the program by leading a session with the Fellows on population health.

HHC FABWay Awards

We have a winner! Ms. Elizabeth Pierre Assistant Director from HHC's Office of Patient-Centered Care received the first FABWay (Finding a Better Way) award for going above and beyond to support her team and further HHC's goals. This program honors the work of outstanding Central Office employees who exemplify our Guiding Principles. Details about next quarter's FABWay nominations will be announced in July.

Health Equity Symposium

This morning I delivered the opening address at our full-day Health Equity Symposium. At Baruch College we convened nearly 100 key stakeholders to identify innovative initiatives to improve the timely delivery of quality, equitable and culturally competent care. Our staff reflects the same diversity that our patients do -- one of the great strengths of our system. We have a long history of providing equitable healthcare and we're convinced that even more can be done. We plan to set clear and tangible outcomes that will improve our ability to provide equitable healthcare and preserve our role as a leader in healthcare reform.

HHC Harlem Hospital Opens Expanded and Modernized Dental Center

Early this month I joined HHC Harlem Hospital leaders as they celebrated the opening of the hospital's newly renovated and expanded dental clinic. The \$6.3 million project brings increased patient capacity along with new dentistry and imaging equipment to a clinic that last year handled over 21,000 patient visits. I was joined by many luminaries, including Congressman Charles B. Rangel, Councilmember Inez E. Dickens and Mrs. Gwen Elliott-McIntosh, widow of the Center's namesake Dr. James E. McIntosh.

As I've said repeatedly, there is no health without oral health. Dental hygiene is often overlooked as part of effective primary care, but poor oral health has been shown to contribute to other conditions such as stroke and heart disease. We are happy to make this investment in the long-term health of the Harlem community.

New Mental Health Service for Children and Teens at HHC Bellevue Hospital

A few days later I was very pleased to join First Lady Chirlane McCray this month as we announced a new mental health program at HHC Bellevue Hospital Center. The new Children's Partial Hospitalization Program (CPHP) at Bellevue will provide day treatment and a "soft landing" for patients, aged 6 to 17, between hospitalization and outpatient care.

The program provides treatment in a medically supervised, safe and structured environment for patients who are at risk for psychiatric hospitalization or are experiencing significant functional impairment at home, in school, or in the community. Children in the program attend a K-12 NYC Department of Education special education school co-located with the acute and intermediate care services at Bellevue. The new program will expand access to psychiatric treatment and support to as many as 550 children and adolescents every year.

Proposed City Funding for Partnership with Family Justice Centers to Provide Mental Health Services

The Mayor's proposed Executive budget provides \$1 million in FY16 and \$1.7 million in FY17 and beyond to full-time mental health services at all family justice centers, in partnership with our providers. The centers serve more than 36,000 survivors of domestic violence each year.

The program is part of a major new investment in mental health the de Blasio Administration recommends as part of its Executive Budget, with \$54.4 million FY16 and \$78.3 million in FY17 and beyond to build a more effective and inclusive mental health system in New York City.

Lincoln Hospital Earns High Praise in Joint Commission Survey

Lincoln hospital performed extremely well on their survey by the Joint Commission early this month. They are accredited for another three years.

The survey team on a whole were extremely impressed by what they saw. Two of the surveyors were very emotional in their summation -- a tribute to what they saw during the survey. Congratulations to SVP Denise Soares, Executive Director Milton Nunez, Internal Medical Director Dr. Anita Soni and all the staff of Lincoln Hospital, for a job well done. Many thanks to our own Robert Nolan for representing the Board and attending the Leadership Session of the survey.

The remaining facilities being surveyed this year are Kings County Hospital Center and Sea View Hospital Rehabilitation Center and Home.

Doctors' Day

Last week we honored our doctors by celebrating 24 physicians in all five boroughs, during a ceremony marking Doctors' Day 2015. Physicians from our hospitals, community health centers, home health services, and MetroPlus Health Plan were recognized for their leadership and commitment to advancing the mission of the public hospital system.

The practice of medicine is a unique profession. There is no greater responsibility than protecting and maintaining the health and vigor of one's neighbors. Our doctors pursue one of the greatest and most meaningful callings and make the sacrifices that come with the territory. Thank you to all our doctors for choosing to work at HHC, where we strive to heal all New Yorkers regardless of their ability to pay or their immigration status.

Featured Program:

Better Healthcare Needs Secure Housing

Today, as the Health and Hospitals Corporation Program of the Month, we shine a spotlight on our initiative to increase housing opportunities for our patients.

We understand that as healthcare leaders, we cannot just focus on healthcare anymore---not if we are serious about creating wellness throughout New York City.

We cannot just say:

"I have opened these clinics. I have provided excellent medical care. My job is over."

Instead, we must act to improve the socio-economic determinants which affect the health of our patients. Among the most important of these is housing.

At our Corporation we understand that safe, affordable and accessible housing provides our patients with the best opportunity to connect to care.

I'd like to commend Senior Vice President Laray Brown's longstanding leadership on this issue. Laray has spearheaded our partnership with NYC Housing Preservation and Development, NYCHA, HUD and the NY State Departments of Health and Housing and Community Renewal to develop a gorgeous apartment complex at Metro East 99th Street, adjacent to Metropolitan Hospital.

This new 10-story structure includes 176 one-bedroom and studio apartments. These units were designed to address the special needs of many of our skilled nursing home residents with mobility impairments that limited their opportunity for independent community living.

Health and Hospitals Corporation recognized a long time ago that only a holistic approach will result in our delivering the best care possible.

We believe that healthcare leaders can't just complain about negative social determinants.

Wherever and whenever we can, we must do something about them.

That is why we have worked with other agencies and housing developers to create housing at Metro East 99th Street--- and at Camba Gardens on the Kings County Hospital Campus--- and at other projects across the city.

The Health and Hospitals Corporation is at the forefront of healthcare leadership in New York City because we strongly believe in servicing as a social change agent. This is another way that we will empower our patients to lead the healthiest lives possible.

Feature Individuals:

**Josie Amilcar, Hospital Care Investigator
and Christine Lascase, Social Worker Queens Hospital Center**

We hear so often about people who disappear from the lives of their family and friends. Sometimes over a period of time, sometimes abruptly and without explanation. These are tragedies of modern life--- always painful to learn about.

In 2012 a 74 year old Haitian-American woman here in New York City went missing. Her family has been looking for her ever since.

Fast forward to last month--- April 2015.

An elderly woman was found wandering and disoriented in a terminal at JFK.

She was taken to Queens Hospital Center for treatment.

She entered our system with...

no identity...

no verifiable name...

no address...

While being cared for at the hospital, Josie Amilcar, a Patient Accounts Hospital Care Investigator and Christine Lascase, an In-patient Psychiatry Social Worker...each took an interest in this older lady.

Over a period of days, Josie and Christine visited repeatedly with the patient.

She was often disorganized and irritable.

She told stories of traveling the world, and of hotel suites.

It was difficult to determine what was accurate and what wasn't.

Despite these obstacles, and the fact that neither Josie nor Christine were members of the provider team, these committed caregivers checked on the patient again and again ---in a dogged effort to understand, and help her.

They developed a relationship with her.

And at some point, in one of those conversations, our patient divulged her social security number to Ms. Amilcar.

And then, after a lot of internet searching, cross referencing, and monitoring social media, Josie and Christine came across a Facebook posting from the patient's son indicating that his mother was missing.

They were able to identify her, and eventually, over a period of time, reunite her with her family.

What makes this story unique, is this:

Normally, hospital systems would have treated the patient, improved her condition, and placed her in a nursing home, without worrying about her fate after that.

She would have entered the hospital as a "Jane Doe", and she would have left the hospital as "Jane Doe".

But here at Queens Hospital Center, our patient left HHC with her identify recovered, and her family intact once again.

That empathy...That commitment to our patients... is what differentiates the great care that HHC provides, from that of our competitors.

We understand that what happens to our patients outside the medical arena impacts the care we provide inside.

And we act on that philosophy!

Please join me in thanking Ms. Josie Amilcar and Ms. Christine Lascase for demonstrating this so well.

HHC in the News Highlights

Broadcast

Bronx DA's Office Offers Helping Hand to Sexual Assault Victims Years after Crime, NY1 News, NCBH: Dr. Brigitte Alexander, Medical Director, Sexual Assault Response Team

First Lady Chirlane McCray Announces Children's Mental Health Program at HHC Bellevue, WNBC; WABC; WNYW: Bellevue, Dr. Jennifer havens, Director, Child and Adolescent Psychiatry; Elmhurst

Breast Cancer Awareness, News 12 Brooklyn, Woodhull: Dr. Stefan Balan, Chief, Cancer Care Center

Hospital Safety Ratings, News 12 Bronx, Lincoln; Jacobi

Breast Cancer Awareness, NY1 News, Elmhurst: Dr. Marlon Brewer, Associate Director for Ambulatory Care

Hepatitis Awareness Month Program, News 12 Bronx, NCBH: Dr. Yvette Calderon, Director of Emergency Medicine Department

Exclusive Interview with Chirlane McCray on 'Up Close', WABC, Bellevue

Man Reunites with Hospital Workers Who Saved His Life, WABC, Bellevue: Dr. William Goldberg, Dr. Robert Roswell, Dr. Nate Link

NYS Veteran Hall of Fame, News 12 Bronx, Jacobi: Analiza Benjamin, Senior Nursing Director

Print

CEO Power Panel poll finds broad support for value-based pay, Modern Healthcare, Dr. Ram Raju, President

New kids' "partial hospitalization" psych program in NYC, timesunion.com, Bellevue: Dr. Jennifer Havens, Director, Child and Adolescent Psychiatry

Chirlane McCray launches Bellevue Hospital program for kids with mental health problems, Bellevue: Dr. Jennifer havens, Director, Child and Adolescent Psychiatry; Elmhurst

Bellevue Psych Program, Bellevue: Dr. Ram Raju, President

Program targets mental health services for children, Bellevue

Harlem Hospital Opens New Dental Center, Harlem World, Dr. Raju, HHC President; Denise C. Soares, Senior Vice President of Generations+/Northern Manhattan Health Network and Executive Director of HHC Harlem Hospital Center; Ebonè Carrington, Chief Operating Officer of HHC Harlem Hospital Center

Harlem Hospital Center Renovates Dental Clinic, Healthcare Construction & Operations, Harlem: Dr. Raju, HHC President

Bellevue to host Breast Cancer info events, Town & Village Blog, Bellevue; Metropolitan: Dr. Ram Raju, President

How to have a healthy baby, Bronx Free Press, Lincoln: B.K. Rajegowda, MD, Director of Neonatology Services

Jacobi, NCB get new Chief Medical Office, Bronx Times, Dr. Jon Marley

Those saved by FDNY rescuers thank workers at National EMS Week ceremony, New York Daily News, Bellevue: Dr. William Goldberg

New York public health system's deficit to balloon without federal aid, Modern Healthcare, Dr. Ram Raju, President

Federal Cuts would be major blow to New York City's Public Hospitals, Comptroller Says, The New York times, Dr. Ram Raju, HHC President; Lincoln

H.H.C. Pulls Plug on Dialysis Deal, Crain's Health Pulse, Dr. Ram Raju, President

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a revocable license agreement with General Vision Services/Cohen Fashion Optical (the "Licensee") for the continued use and occupancy of space to operate optical stores on the campuses of Harlem Hospital Center, Lincoln Medical and Mental Health Center, Metropolitan Hospital Center and Bellevue Hospital Center (the "Facilities") at an occupancy fee rate of \$58.00 at Harlem, \$36.00 at Lincoln, \$73.00 at Metropolitan and \$78.00 at Bellevue, for a total annual occupancy fee of \$104,318.00 to be escalated by 2.5% per year.

WHEREAS, in April 2010, the Board of Directors of the Corporation authorized the President to enter into a license agreement with the Licensee to continue to operate optical stores on the campuses of Harlem Hospital Center, Lincoln Medical and Mental Health Center, and Metropolitan Hospital Center, and Bellevue Hospital Center; and

WHEREAS, the Licensee provides optical services, including but not limited to filling new prescription eyeglasses, examining eyes, prescribing and fitting contact lenses, and selling contact lens supplies, and;

WHEREAS, the optical services provided by the Licensee's stores has benefited the patients and communities served by the Facilities.

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 General Vision Services/Cohen Fashion Optical (the "Licensee") for use and occupancy of space to operate optical stores on the campuses of Harlem Hospital Center, Lincoln Medical and Mental Health Center, Metropolitan Hospital Center and Bellevue Hospital Center (the "Facilities") at an occupancy fee rate of \$58.00 at Harlem, \$36.00 at Lincoln, \$73.00 at Metropolitan and \$78.00 at Bellevue, for a total annual occupancy fee of \$104,318 to be escalated by 2.5% per year.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a five year revocable license agreement with the Grace Foundation of New York (the "Licensee") for its continued use and occupancy of 5,700 square feet of space in the building designated #9 on the attached map (the "Isolation Building") to operate support programs for individuals affected by Autism Spectrum Disorder at the Sea View Hospital Rehabilitation Center and Home (the "Facility") with the occupancy fee waived.

WHEREAS, in October 2009, the Board of Directors authorized a license agreement with the Licensee; and

WHEREAS, over one million people in the United States have been diagnosed as having Autism Spectrum Disorder ("ASD"), a term used to describe a variety of neurological disorders; and

WHEREAS, the Licensee, a non-profit organization based in Staten Island, was established to improve the lives of individuals and families affected by ASD; and

WHEREAS, the Licensee's program located on the Facility's campus has allowed it to expand its community services which include recreation and social skill programs, in-home respite services, support groups, Medicaid services coordination and administrative offices; and

WHEREAS, the Isolation Building was built in 1932, was never renovated and the improvements made incident to the Licensee's program affect overdue repairs and reduce maintenance expenses; and

WHEREAS, City of New York has authorized a capital appropriation of approximately \$3,130,000, including \$1 Million in New York City Council funds for the Facility to finance improvements to the Isolation Building and the licensed space; and

WHEREAS, the City funding allows for improvements to the Isolation Building generally beyond just those parts used by the Licensee such as the replacement of the entire roof and all windows; and

WHEREAS, in conjunction with the funding for the licensed space, \$180,000 was approved to fund elevator upgrades that have been completed at the Robitzek Building and \$200,000 approved for road improvements on the Facility campus; and

WHEREAS, the Facility was not using the licensed space prior to the 2009 license to the Licensee and continues to be able to devote the space to accommodate the Licensee's program.

NOW THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation be and hereby is authorized to execute a revocable license agreement with the Grace Foundation of New York for its continued use and occupancy of 5,700 square feet of space in the building designated #9 (the "Isolation Building") on the attached map to operate support programs individuals with Autism Spectrum Disorder at the Sea View Hospital Rehabilitation Center and Home with the occupancy fee waived. Licensee shall have a with a five year option to renew upon the Corporation's Board's approval.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation ("the Corporation") to execute a five year license agreement with the Metropolitan Fire Association, Inc. (the "Licensee") for its continued use and occupancy of a 2,400-square-foot parcel located behind the "G" Building to conduct vocational training at the Sea View Hospital Rehabilitation Center and Home (the "Facility") with the occupancy fee waived.

WHEREAS, in July 2010, the Board of Directors authorized the President to enter into a license agreement with the Licensee to continue to conduct vocational training at Sea View Hospital Rehabilitation Center and Home; and

WHEREAS, since 1973, the Licensee has been providing this type of training to the Staten Island community; and

WHEREAS, the Licensee shall provide vocational training to those interested in pursuing careers as firefighters, police officers, or emergency medical technicians; and

WHEREAS, the Facility continues to have available space on the grounds behind the vacant "G" Building to accommodate the Licensee's vocational training programs.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation ("the Corporation") be and is hereby authorized to execute a five year license agreement with the Metropolitan Fire Association, Inc. (the "Licensee") for its continued use and occupancy of a 2,400-square-foot parcel located behind the "G" Building to conduct vocational training at the Sea View Hospital Rehabilitation Center and Home (the "Facility") with the occupancy fee waived.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a five year revocable license agreement with the New York City Department of Education (the "Licensee") for its continued use and occupancy of 160 square feet of space at North Central Bronx Hospital (the "Facility") to operate a vocational training program with the occupancy fee waived.

WHEREAS, in April 2010 the Board of Directors authorized the President to enter into a license agreement with the Department of Education; and

WHEREAS, the Licensee operates a work/study vocational training programs staffed by a teacher and para-professionals, and the students participating in each program provide services within various Facility departments; and

WHEREAS, the Facilities have space available to continue to accommodate the Licensee's program requirements.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation") be and is hereby authorized to execute a five year revocable license agreement with the New York City Department of Education (the "Licensee") for its continued use and occupancy of 160 square feet of space at North Central Bronx Hospital (the "Facility") to operate various training programs with the occupancy fee waived.

RESOLUTION

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

WHEREAS, a resolution approved by the Board of Directors of the New York City Health and Hospitals Corporation ("HHC") on October 29, 1998, authorized the conversion of MetroPlus from an operating division to a wholly owned subsidiary of HHC; and

WHEREAS, the Certificate of Incorporation of MetroPlus designates HHC as the sole member of MetroPlus and has reserved to HHC the sole power with respect to electing members of the Board of Directors of MetroPlus; and

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

WHEREAS, the Chairperson of HHC has selected Mr. Rosen to serve an additional term as a member of the Board of Directors of MetroPlus; and

WHEREAS, the Board of Directors of MetroPlus has approved said nomination;

NOW, THEREFORE, be it

RESOLVED, that the HHC Board of Directors hereby reappoint Bernard Rosen to the Board of Directors of the MetroPlus Health Plan, Inc. to serve in such capacity until his successor has been duly elected and qualified, or as otherwise provided in the Bylaws of MetroPlus.



Epic EMR Implementation Update

Board Of Directors June 18, 2015



June 2015 Milestone Update

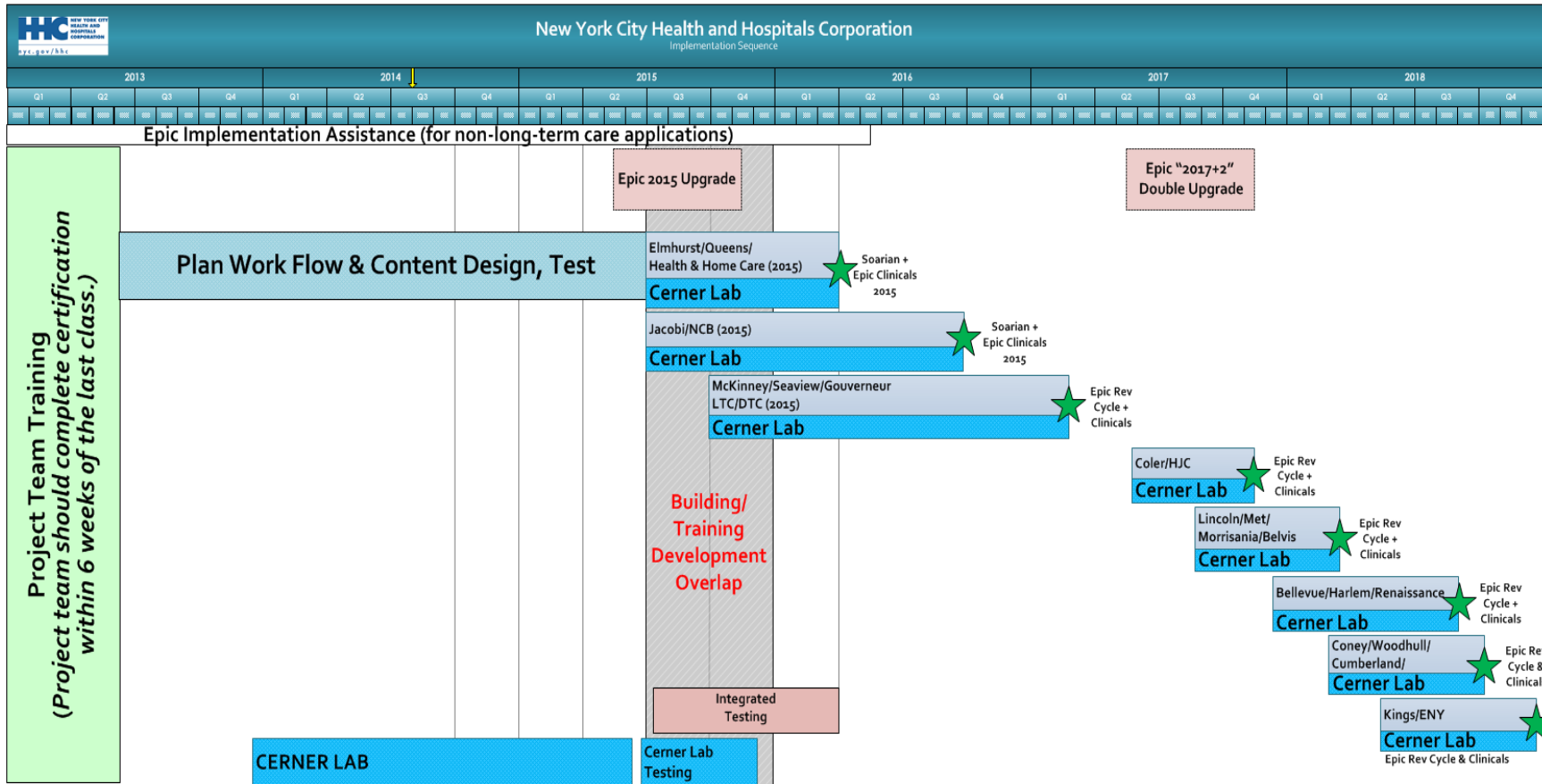
Content Build

- Tracking according to plan
- Potentially at risk
- At risk

Major Milestones	Due Date	Status	Comments / Concerns
WORKFLOW SIGN OFF AND APPLICATION BUILD			
Clinical Application Modules	7/17/15		<ul style="list-style-type: none"> ▪ Clinical content is at 87% build complete
Revenue Cycle Application Modules	7/17/15		<ul style="list-style-type: none"> ▪ Cadence scope needs to be determined ▪ Need to work with Finance for CDM build ▪ HH Billing
Cerner Lab Build	7/17/15		<ul style="list-style-type: none"> ▪ Build is progressing as per plan; monitoring for potential issues
Interface Build	8/31/15		<ul style="list-style-type: none"> ▪ QHN Ancillary Systems 95% ready for integrated testing ▪ Schedule risk affected by Jacobi NCB Ancillary systems
TESTING			
Application Testing	8/31/15		<ul style="list-style-type: none"> ▪ Will begin 8/1/15
Integrated Testing	1/1/16		<ul style="list-style-type: none"> ▪ Will begin 9/1/15
TRAINING			
Curriculum Development and Scheduling	9/25/15		<ul style="list-style-type: none"> ▪ Depending on scope for Cadence, may need to ramp up training for Revenue Cycle ▪ Cross walk to 2015 upgrade starts in June
User Training	3/13/16		<ul style="list-style-type: none"> ▪ Two weeks of personalization to proceed after the end of training



Revised Time Line (as of June 2015)



★ = Go Live

NOTE:

- o Epic Includes: EMPI, Scheduling, Registration, Billing, and all EMR modules available through Epic
- o Timeline boxes above include integrated testing, end-user training, desktop deployment, and go-live

Confidential

Initial 5 year cost projection for Revenue Cycle was an additional \$100 million. Budget is under review. Further evaluation required.



6 Year Epic Implementation

Budget vs. Expenditures (Paid or In Process)

EMR Project - Six Year Implementation Budget [Expenditures include Invoices Paid or <u>In-Process</u>]					
	Item	Description	Total Implementation Dollars (in millions)		
			Total Budget	Expenditures [Paid or in Process] as of 04/30/2015	Balance
1	Epic Contract	Includes Software and Implementation and Training Services.	\$144	\$66	\$78
2	Third Party & Other Software	Includes Endoscopy, Fetal Monitoring Systems, ePrescribing, Patient Education.	\$30	\$2	\$28
3	Hardware	Includes Servers, Storage, Server Licensing, Network Switches.	\$84	\$26	\$58
4	Interfaces	Includes Interface Software/Biomed Middleware.	\$39	\$4	\$36
5	Implementation Support	Third party vendor staff augmentation, go-live support and training (includes costs associated with backfilling non-IT staff and temps).	\$355	\$34	\$321
6	Application Support Team	New HHC FTE staff to be used through the implementation period including fringe benefits. These costs will become on-going after implementation period.	\$113	\$25	\$88
	Clinicals-Only Total	[Without QuadraMed Transition/Existing Application/Existing Staff Costs]	\$764	\$156	\$608

***Note: Initial 5 year cost projection for Revenue Cycle was an additional \$100 million. Budget is under review. Further evaluation required.**



Budget Allocation By Project Phase

EMR Clinicals Six Year Budget

Project Phase	Project Time Period		Budget Allocation by Project Phase		Paid or In Progress as of 4/30/2015 % of Total \$764M Budget	
	Start	End	\$ (Millions)	%	\$ (Millions)	%
Build	1/1/2013	7/17/2015	\$209	27%	\$155	20%
Testing	8/1/2015	3/1/2016	\$95	12%	\$1	0%
Training	10/1/2015	12/31/2018	\$46	6%	\$0	0%
Deployment	4/1/2016	12/31/2018	\$415	54%	\$0	0%
Total			\$764	100%	\$156	20%

**Note: Initial 5 year cost projection for Revenue Cycle was an additional \$100 million. Budget is under review. Further evaluation required.*

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to negotiate and execute a Memorandum of Understanding with the City of New York for the transfer to the Corporation of staff of the New York City Department of Health and Mental Hygiene ("DOHMH") engaged in the performance of correctional health functions, together with the transfer, whether by license or otherwise, of all real and personal property, as appropriate, used by DOHMH in its provision of correctional health services.

WHEREAS, DOHMH is mandated to promote or provide medical, dental, and mental health services for the inmates of correctional facilities maintained and operated by the City of New York; and

WHEREAS, a determination has been made that the transfer of correctional health services from DOHMH to the Corporation will improve the quality of medical, dental, and behavioral health care for inmates, and enhance the coordination and continuity of services during and after incarceration; and

WHEREAS, the parties believe that the transfer of these functions is in the best interests of the Corporation and the City of New York; and

WHEREAS, the City will provide additional capital and operating funds as reasonably required for the provision of these services.

NOW, THEREFORE, be it

RESOLVED that the President of the New York City Health and Hospitals Corporation is hereby authorized to negotiate and execute a Memorandum of Understanding with the City of New York for the transfer to the Corporation of staff of the New York City Department of Health and Mental Hygiene engaged in the performance of correctional health functions, together with the transfer, whether by license or otherwise, of all real and personal property, as appropriate, used by DOHMH in its provision of correctional health services..

EXECUTIVE SUMMARY

Pursuant to the New York City Charter, the New York City Department of Health and Mental Hygiene (DOHMH) is mandated to promote or provide medical and mental health services for the inmates of correctional facilities maintained and operated by the City of New York. From 1994 to 2003, HHC assumed responsibility for these services pursuant to a contract with the City. In 2003, the correctional health functions were transferred back to DOHMH.

The City and HHC have determined that HHC will be able to improve the quality of correctional health services, by, among other things, providing better coordination of care between hospital and jail-based health services, access to HHC's geographically convenient primary care centers to improve continuity of care after release, and more seamless coordination between the physical and behavioral health services, which ensures a holistic approach to care for inmates.

Accordingly, it is in the interest of the City and HHC that there be a functional transfer to HHC of DOHMH staff engaged in providing correctional health services, along with all real and personal property, as appropriate, used by DOHMH in its provision of correctional health services. The transfer will be effectuated by a Memorandum of Understanding between HHC and the City of New York (on behalf of DOHMH). In furtherance of the transfer of these responsibilities, there will be a transfer, whether by license or otherwise, of all real and personal property, as appropriate, used by DOHMH in its provision of correctional health services.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to assume from the New York City Department of Health and Mental Hygiene ("DOHMH") its contracts for the provision of medical, mental health and dental services for the inmates of correctional facilities maintained and operated by the City of New York ("Correctional Health Services") with (1) Corizon Health, Inc., Correctional Medical Associates of New York, P.C., and Correctional Dental Associates of New York (collectively, "Corizon"); (2) Damian Family Care Centers, Inc. ("Damian"); and (3) the seven contracts listed in the attached Schedule A for the duration of their terms which, for Corizon, expires December 31, 2015, which, for Damian, expires August 31, 2016 and which, for the seven vendors listed in Schedule A, expire on the dates indicated in Schedule A for a total amount over the remaining term of the Corizon contact of \$70 million, for the remaining term of the Damian contract of \$15,500,000 and for the remaining terms of the other seven contracts listed on Schedule A of \$12,202,758 for a total not to exceed amount of \$97,702,758 for all nine contracts.

AND

Authorizing the President of the Corporation to negotiate and execute a Memorandum of Understanding among the Corporation, DOHMH, the City and the New York City Department of Correction to provide for the Corporation to assume responsibility for correctional health services for the inmates of correctional facilities maintained and operated by the City of New York.

WHEREAS, DOHMH is mandated to promote or provide medical, mental health and dental services for the inmates of correctional facilities maintained and operated by the City of New York ("Correctional Health Services") ; and

WHEREAS, DOHMH entered into the 2013 contracts with Corizon and with Damian and the contracts made on the dates indicated in Schedule A for the seven vendors listed to provide Correctional Health Services; and

WHEREAS, a determination has been made that the transfer of Correctional Health Services from DOHMH to the Corporation will improve the quality of such services for inmates, and enhance the coordination and continuity of services during and after incarceration and the Corporation wishes to assume responsibility for Correctional Health Services with the goal of improving them;

WHEREAS, by separate resolution adopted by the Corporation's Board of Directors, the President of the Corporation is authorized to negotiate and execute a Memorandum of Understanding with the City of New York for the transfer to the Corporation of the DOHMH staff engaged in providing Correctional Health Services; and

WHEREAS, for the Corporation to properly promote or provide Correctional Health Services it will be necessary for the Corporation to also assume from DOHMH the nine referenced contracts; and

WHEREAS, the City of New York will provide additional capital and operating funds as reasonably required for the provision of Correctional Health Services; and

WHEREAS, the parties believe that the assignment by DOHMH and the assumption by the Corporation of the referenced contracts is in the best interests of the Corporation and the City of New York.

NOW, THEREFORE, be it

RESOLVED that the President of the New York City Health and Hospitals Corporation is hereby authorized to assume from the New York City Department of Health and Mental Hygiene its contracts for the provision of medical, mental health and dental services for the inmates of correctional facilities maintained and operated by the City of New York with (1) Corizon Health, Inc., Correctional Medical Associates of New York, P.C., and Correctional Dental Associates of New York (collectively, "Corizon"); (2) Damian Family Care Centers, Inc. ("Damian"); and (3) the seven contracts listed in the attached Schedule A for the duration of their terms which, for Corizon, expires December 31, 2015, which, for Damian, expires August 31, 2016 and which, for the seven vendors listed in Schedule A, expire on the dates indicated in Schedule A for a total amount over the remaining term of the Corizon contact of \$70 Million, for the remaining term of the Damian contract of \$15,500,000 and for the remaining terms of the other seven contracts listed on Schedule A of \$12,202,758 for a total not to exceed amount of \$97,702,758 for all nine contracts. **AND IT IS FURTHER**,

RESOLVED, that the President of the New York City Health and Hospitals Corporation is hereby authorized to negotiate and execute a Memorandum of Understanding among the Corporation, DOHMH, the City and the New York City Department of Correction to provide for the Corporation to assume responsibility for correctional health services for the inmates of correctional facilities maintained and operated by the City of New York.

EXECUTIVE SUMMARY

Pursuant to the New York City Charter, the New York City Department of Corrections (“DOC”) operates the City’s correctional facilities. Pursuant to the New York City Charter, the New York City Department of Health and Mental Hygiene (“DOHMH”) is mandated to promote or provide medical and mental health services for the inmates of such correctional facilities (“CHS”). From 1994 to 2003, HHC assumed responsibility for these services pursuant to a contract with the City. In 2003, the correctional health functions were transferred back to DOHMH.

It is now proposed that responsibility for such services be transferred back to HHC. The City and HHC have determined that HHC will be able to improve the quality of CHS, by, among other things, providing better coordination of care between hospital and jail-based health services, access to HHC’s geographically convenient primary care centers to improve continuity of care after release, and more seamless coordination between the physical and behavioral health services, which ensures a holistic approach to care for inmates.

Accordingly, it is in the interest of the City and HHC that there be a functional transfer to HHC of DOHMH staff engaged in providing CHS, along with all real and personal property, as appropriate, used by DOHMH in its provision of correctional health services.

The transfer of the services will be effectuated by a Memorandum of Understanding among HHC, the City of New York, DOHMH and DOC. Pursuant to the proposed MOU, DOHMH will assign to HHC and HHC will assume from DOHMH its Corizon and Damian agreements, the principle two contracts DOHMH executed with private parties to provide CHS as well as the seven smaller contracts listed in Schedule A to this resolution. Under the MOU, HHC will assume full responsibility for providing CHS and will report its efforts directly to the Deputy Mayor for Health and Human Services. DOC will to give HHC access to its facilities in the jails now being used for the delivery of CHS. HHC and DOC will cooperate with each other as necessary to coordinate the delivery of CHS with DOC’s operation of the jails. The term of the MOU will be approximately five years with two, two year extensions. Any party may terminate the MOU on twelve months’ notice.

SCHEDULE A to HHC BOARD RESOLUTION RE CORRECTIONAL Health SERVICES CONTRACTS

Vendor Name	Description	PIN	Contract Start Date	Contract End Date	MRA
eClinicalWorks	Electronic Health Record/Pharmacy System Maintenance and Support	16PR008001R0X00	1/1/2010	12/31/2015	\$5,600,000
EAC INC EDUCATION AND ASSISTANCE CORP	LINK Discharge Planning	09PR195200R2F01	7/1/2014	6/30/2017	\$5,680,443
EAC INC EDUCATION AND ASSISTANCE CORP	LINK Discharge Planning - homeless ex-offenders	16PR004801R0X00	4/1/2015	6/30/2017	\$194,443
ST. BARNABAS HOSPITAL	LINK Discharge Planning	13PR007001R1X00	7/1/2015	6/30/2018	\$2,962,746
Bowery Residents' Committee, Inc.	SPAN	10PR010301R3X00	7/1/2015	6/30/2018	\$2,810,467
CENTER FOR ALTERNATIVE SENTENCING & EMPLOYMENT SERVICES, INC	LINK Discharge Planning/-	15PR049501R0X00	4/1/2015	6/30/2016	\$1,839,091
MENTAL HEALTH ASSOCIATION OF NYC INC THE	Fiscal agent regarding Brad H. Settlement Consent Decree.	14PR050001R0X00	6/3/2014	6/2/2016	\$1,500,000

MRA = Maximum Reimbursable Amount

Does not include Corizon or Damian Contracts

All amounts payable were increased by 10% in Board Resolution to allow for contingency

Physician Services Contract Renewals

FY 2016 to FY 2020

**New York University School of Medicine
Icahn School of Medicine at Mount Sinai
Physician Affiliate Group of New York, P.C.**

Antonio Martin, EVP & COO
Ross Wilson MD, SVP & CMO
Marlene Zurack, SVP & CFO

HHC Board of Directors June 18, 2015

Background

- ❖ This presentation introduces three resolutions to contract for physician services across HHC from 2016-2020
- ❖ The proposed contracts are with NYU SOM, Icahn SOM at Mt Sinai and PAGNY and they collectively employ nearly 3,000 physicians on our behalf
- ❖ Our hospitals have used contracting with affiliates (academic and non-academic) as a key method to engage physician services, even before HHC was formed.
- ❖ The proposed total cost of the three contracts for consideration is \$5.4b over 5 years

Improving the Process

- Centralized coordination of the negotiation process between HHC and the affiliates who provide physician services has led to
 - Expediting the process
 - Further progress on standardization of contract terms and conditions
- Increased contract term from three years to five years
- Maintain flexibility in the contract to allow for changes service needs
- Facilitating timely contract management at the facility level by increased flexibility for our facilities and affiliates to manage costs and changes to services through their facility-level Joint Oversight Committee (JOC)

With the overall goals being to maintain and improve collaboration between HHC and affiliates combined with timely and effective contract management.

Performance Incentives

- ❖ Performance measures are carefully selected to attain the goals of HHC's Strategic 2020 Vision to further assist in physician alignment with those goals
- ❖ Five percent of the physician's total compensation is allocated to performance measures
- ❖ Performance indicators are proposed in three sets –
 - ❖ Acute care facilities
 - ❖ Diagnostic & Treatment Centers
 - ❖ Long Term Care Facilities

Acute Care Performance Indicators

Patient Experience	Outpatient Access	Outpatient Care	Inpatient Care
<p>*1. OUTPATIENT Satisfaction with Care Provider: Ambulatory (CMS CAHPS)</p> <p>*2. INPATIENT Communication between Physicians and Patients (CMS HCAHPS)</p>	<p>3. Appointment Fill Rate in Primary Care</p> <p>*4. ED Cycle Time – Improve median time from “Door to Leave” time in Emergency Room for Admitted Patients</p> <p>5. Primary Care panel size greater than or equal to 1,500</p>	<p>6. Improving MetroPlus Quarterly Provider Performance. Indicator Reports, QARR/ HEDIS</p> <p>7. Documentation of Co-morbidities for Outpatient Services</p>	<p>*8. Reduce ALOS for Acute Care Patients</p> <p>*9. Reduce 30 Day Readmission Rate for All Cause</p> <p>10. Documentation of Co-morbidities for Inpatient Services</p>

Indicators for LTC and D&TC

❖ Long Term Care

1. Pneumococcal Vaccine Administration
2. Influenza Vaccine Administration
3. Informed Consent
4. Advanced Directive
5. Timeliness of admission and discharge notes

❖ Diagnostic & Treatment Centers

1. Patient Satisfaction with Care Provider *CAHPS*
2. Appointment Fill rates in Primary Care
3. Primary Care panel size ≥ 1500
4. Documentation of Co-morbidities for Outpatient Services
5. Improving MetroPlus Quarterly Provider Performance, *using Indicator Reports or QARR/ HEDIS*
6. Improvement in HealthFirst PHPS quality score

- ❖ Strategic Imperatives for 2020
 - Improving patient experience
 - Increased market share
 - Improved Access
- ❖ Rolling out a new Electronic Health Record – EPIC
- ❖ Participating in service delivery changes as part of DSRIP, with workforce implications
- ❖ Workforce shortages in areas like psychiatry and primary care

Proposed Contract Costs

FACILITY	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	TOTAL
Bellevue	\$179.1	\$181.5	\$183.5	\$186.6	\$187.4	\$918.0
Gouverneur	\$13.8	\$14.0	\$14.1	\$14.3	\$14.3	\$70.6
TOTAL	\$192.9	\$195.5	\$197.6	\$200.9	\$201.7	\$988.6
Coler	\$8.4	\$8.4	\$8.5	\$8.6	\$8.6	\$42.4
Carter	\$17.8	\$17.9	\$18.0	\$18.2	\$18.2	\$90.0
TOTAL	\$26.1	\$26.3	\$26.4	\$26.7	\$26.8	\$132.4
Woodhull	\$106.5	\$107.2	\$108.6	\$110.5	\$111.5	\$544.4
Cumberland	\$4.6	\$4.6	\$4.6	\$4.7	\$4.8	\$23.3
TOTAL	\$111.0	\$111.8	\$113.3	\$115.3	\$116.3	\$567.7
Elmhurst	\$132.0	\$132.6	\$133.3	\$134.6	\$135.3	\$667.7
Queens	\$95.4	\$95.9	\$96.4	\$97.3	\$97.8	\$482.9
TOTAL	\$227.5	\$228.4	\$229.7	\$231.9	\$233.1	\$1,150.6
Jacobi	\$120.7	\$120.1	\$119.9	\$120.9	\$120.8	\$602.5
NCB	\$44.4	\$44.1	\$44.4	\$44.7	\$44.7	\$222.3
TOTAL	\$165.1	\$164.2	\$164.3	\$165.6	\$165.5	\$824.7
Harlem	\$83.9	\$84.7	\$85.4	\$86.2	\$86.9	\$427.1
Renaissance	\$4.9	\$4.9	\$5.0	\$5.0	\$5.1	\$24.9
TOTAL	\$88.8	\$89.6	\$90.4	\$91.2	\$92.0	\$452.0
Lincoln	\$95.6	\$95.0	\$96.1	\$98.3	\$97.7	\$482.6
Morrisania	\$3.9	\$3.9	\$3.9	\$4.0	\$4.0	\$19.8
Belvis	\$1.6	\$1.6	\$1.6	\$1.7	\$1.7	\$8.3
TOTAL	\$101.2	\$100.5	\$101.7	\$104.0	\$103.4	\$510.7
Coney	\$73.1	\$73.5	\$74.2	\$75.0	\$76.5	\$372.2
Kings	\$10.6	\$10.6	\$10.6	\$10.6	\$10.6	\$53.2
TOTAL	\$83.7	\$84.1	\$84.8	\$85.6	\$87.1	\$425.4
Metropolitan	\$67.3	\$68.3	\$69.7	\$71.2	\$72.8	\$349.3
GRAND TOTAL	\$1,063.7	\$1,068.8	\$1,077.9	\$1,092.5	\$1,098.6	\$5,401.5

- The above amounts include ~\$260m in Performance Indicator payments. Actual payment may vary based on achieved results.

Physician Services Contract Renewal

FY 2016 to FY 2020

- **New York University School of Medicine**
 - *Bellevue Hospital Center*
 - *Gouverneur Healthcare Services*
 - *Woodhull Medical and Mental Health Center*
 - *Cumberland Diagnostic and Treatment Center*
 - *Coler Rehabilitation & Nursing Care Center*
 - *Henry J. Carter Specialty Hospital & Skilled Nursing Facility*

Proposed Contract Costs

- The increase in FY 16 contract at Bellevue can be attributed in large part to the change from a productivity based compensation model to cost based compensation model

FACILITY	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	TOTAL
Bellevue	\$179.1	\$181.5	\$183.5	\$186.6	\$187.4	\$918.0
Gouverneur	\$13.8	\$14.0	\$14.1	\$14.3	\$14.3	\$70.6
TOTAL	\$192.9	\$195.5	\$197.6	\$200.9	\$201.7	\$988.6
Coler	\$8.4	\$8.4	\$8.5	\$8.6	\$8.6	\$42.4
Carter	\$17.8	\$17.9	\$18.0	\$18.2	\$18.2	\$90.0
TOTAL	\$26.1	\$26.3	\$26.4	\$26.7	\$26.8	\$132.4
Woodhull	\$106.5	\$107.2	\$108.6	\$110.5	\$111.5	\$544.4
Cumberland	\$4.6	\$4.6	\$4.6	\$4.7	\$4.8	\$23.3
TOTAL	\$111.0	\$111.8	\$113.3	\$115.3	\$116.3	\$567.7
TOTAL	\$330.1	\$333.6	\$337.3	\$342.9	\$344.8	\$1,688.7

Physician Services Contract Renewals

FY 2016 to FY 2020

Icahn School of Medicine at Mount Sinai

*Elmhurst Hospital Center
Queens Hospital Center*

Proposed Contract Costs

FACILITY	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	TOTAL
Elmhurst	\$132.0	\$132.6	\$133.3	\$134.6	\$135.3	\$667.7
Queens	\$95.4	\$95.9	\$96.4	\$97.3	\$97.8	\$482.9
TOTAL	\$227.5	\$228.4	\$229.7	\$231.9	\$233.1	\$1,150.6

Physician Services Contract Renewals

FY 2016 to FY 2020

Physician Affiliate Group of New York

*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
Coney Island Hospital
Kings County Hospital Center*

Proposed Contract Costs

FACILITY	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	TOTAL
Jacobi	\$120.7	\$120.1	\$119.9	\$120.9	\$120.8	\$602.5
NCB	\$44.4	\$44.1	\$44.4	\$44.7	\$44.7	\$222.3
TOTAL	\$165.1	\$164.2	\$164.3	\$165.6	\$165.5	\$824.7
Harlem	\$83.9	\$84.7	\$85.4	\$86.2	\$86.9	\$427.1
Renaissance	\$4.9	\$4.9	\$5.0	\$5.0	\$5.1	\$24.9
TOTAL	\$88.8	\$89.6	\$90.4	\$91.2	\$92.0	\$452.0
Lincoln	\$95.6	\$95.0	\$96.1	\$98.3	\$97.7	\$482.6
Morrisania	\$3.9	\$3.9	\$3.9	\$4.0	\$4.0	\$19.8
Belvis	\$1.6	\$1.6	\$1.6	\$1.7	\$1.7	\$8.3
TOTAL	\$101.2	\$100.5	\$101.7	\$104.0	\$103.4	\$510.7
Coney	\$73.1	\$73.5	\$74.2	\$75.0	\$76.5	\$372.2
Kings	\$10.6	\$10.6	\$10.6	\$10.6	\$10.6	\$53.2
TOTAL	\$83.7	\$84.1	\$84.8	\$85.6	\$87.1	\$425.4
Metropolitan	\$67.3	\$68.3	\$69.7	\$71.2	\$72.8	\$349.3
TOTAL	\$506.1	\$506.7	\$510.9	\$517.7	\$520.8	\$2,562.2

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation ("the Corporation") to negotiate and execute a Physician Services Agreement with New York University School of Medicine ("NYUSOM") for the provision of General Care and Behavioral Health Services at Bellevue Hospital Center ("Bellevue"), Gouverneur Healthcare Services ("Gouverneur"), Coler Rehabilitation and Nursing Care Center ("Coler"), Henry J. Carter Specialty Hospital and Nursing Facility ("Carter"), Woodhull Medical and Mental Health Center ("Woodhull"), and Cumberland Diagnostic and Treatment Center ("Cumberland") for a period of five years, commencing July 1, 2015 and terminating on June 30, 2020, for an amount not to exceed \$1,688,679,033;

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, calculated on an annual basis, in any fiscal year to NYUSOM that exceed twenty-five percent (25%) of the not to exceed amount specified in this resolution.

WHEREAS, the Corporation has for some years entered into 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 Agreement with NYUSOM to provide General Care and Behavioral Health Services at Bellevue, Gouverneur, Coler, Carter, Woodhull, and Cumberland shall expire on June 30, 2015; and

WHEREAS, the Corporation, in the exercise of its powers and fulfillment of its corporate purposes, now desires that NYUSOM continue to provide General Care and Behavioral Health Services at Bellevue, Gouverneur, Coler, Carter, Woodhull, and Cumberland.

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 a Physician Services Agreement with New York University School of Medicine ("NYUSOM") for the provision of General Care and Behavioral Health Services at Bellevue Hospital Center, Gouverneur Healthcare Services, Coler Rehabilitation and Nursing Care Center, Henry J. Carter Specialty Hospital and Nursing Facility, Woodhull Medical and Mental Health Center, and Cumberland Diagnostic and Treatment Center for a period of five years, commencing July 1, 2015 and terminating on June 30, 2020, for an amount not to exceed \$1,688,679,033;

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 increases in costs, calculated on an annual basis, in any fiscal year to NYUSOM that exceed twenty-five percent (25%) of the not to exceed amount specified in this resolution.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation ("the Corporation") to negotiate and execute a Physician Services Agreement with the Icahn School of Medicine at Mount Sinai ("Sinai") for the provision of General Care and Behavioral Health Services at Elmhurst Hospital Center ("Elmhurst") and Queens Hospital Center ("Queens") for a period of five years, commencing July 1, 2015 and terminating on June 30, 2020, for an amount not to exceed \$1,150,620,692;

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, calculated on an annual basis, in any fiscal year to Sinai that exceed twenty-five percent (25%) of the not to exceed amount specified in this resolution.

WHEREAS, the Corporation has for some years entered into 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 Agreement with Sinai to provide General Care and Behavioral Health Services at Elmhurst, and Queens shall expire on June 30, 2015; and

WHEREAS, the Corporation, in the exercise of its powers and fulfillment of its corporate purposes, now desires that Sinai continue to provide General Care and Behavioral Health Services at Elmhurst and Queens.

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 a Physician Services Agreement with the Icahn School of Medicine at Mount Sinai ("Sinai") for the provision of General Care and Behavioral Health Services at Elmhurst Hospital Center ("Elmhurst"), and Queens Hospital Center ("Queens") for a period of five years, commencing July 1, 2015 and terminating on June 30, 2020, for an amount not to exceed \$1,150,620,692;

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, calculated on an annual basis, in any fiscal year to Sinai that exceed twenty-five percent (25%) of the not to exceed amount specified in this resolution.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation ("the Corporation") to negotiate and execute a Physician Services 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"), Coney Island Hospital ("CIH"), and Kings County Hospital Center ("KCHC") for a period of five years, commencing July 1, 2015 and terminating on June 30, 2020, for an amount not to exceed \$2,562,175,665;

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, calculated on an annual basis, in any fiscal year to PAGNY that exceed twenty-five percent (25%) of the not to exceed amount specified in this resolution.

WHEREAS, the Corporation has for some years entered into 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 Agreement with PAGNY to provide General Care and Behavioral Health Services at Lincoln, Morrisania, Belvis, JMC, NCB, Harlem, Renaissance, Metropolitan, CIH, and KCHC shall expire on June 30, 2015; and

WHEREAS, the Corporation, in the exercise of its powers and fulfillment of its corporate purposes, now desires that PAGNY continue to provide General Care and Behavioral Health Services at Lincoln, Morrisania, Belvis, JMC, NCB, Harlem, Renaissance, Metropolitan, CIH, and KCHC.

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 a Physician Services 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"), Coney Island Hospital ("CIH"), and Kings County Hospital Center ("KCHC") for a period of five years, commencing July 1, 2015 and terminating on June 30, 2020, for an amount not to exceed \$2,562,175,665;

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, calculated on an annual basis, in any fiscal year to PAGNY that exceed twenty-five percent (25%) of the not to exceed amount specified in this resolution.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the “Corporation”) to negotiate and execute a management contract with Stericycle, Inc. (“Stericycle”). Stericycle will manage the carting and disposal of the Corporation’s seven waste streams for each facility. The contract will be for an initial term of two years for the period from July 1, 2015 through June 30, 2017 with options to renew the agreement for two additional two-year periods at the sole discretion of the Corporation in an amount not to exceed \$38,990,448 over the potential six-year term of the contract.

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

WHEREAS, the Corporation has seven different waste streams and requires expert management of all seven waste streams to assure regulatory compliance; and

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

WHEREAS, the Stericycle proposal is estimated to save the Corporation \$2.5 million over the six years of the proposed contract; and

WHEREAS, the Corporation wishes to award a contract to Stericycle, an entity whose core business is waste management for the purpose cost reductions and assuring regulatory compliance; and

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

NOW, THEREFORE, BE IT RESOLVED, that the President of the New York City Health and Hospitals Corporation (the “Corporation”) to negotiate and execute a management contract with Stericycle, Inc. (“Stericycle”). Stericycle will manage the carting and disposal of the Corporation’s seven waste streams for each facility. The contract will be for an initial term of two years for the period from July 1, 2015 through June 30, 2017 with options to renew the agreement for two additional two-year periods at the sole discretion of the Corporation in an amount not to exceed \$38,990,448 over the potential six-year term of the contract.

EXECUTIVE SUMMARY

The Corporation reviewed and identified waste services as a source of savings and cost avoidance in order to close a substantial deficit in the Corporation's budget.

In 2008, HHC issued a solicitation in accordance with HHC Operating Procedure in order to have one vendor effectively manage all seven of the Corporation's waste streams, maintain regulatory compliance and reduce costs. HHC received proposals from qualified vendors and selected Stericycle, Inc. to perform the services. Stericycle has performed, in the last 6 years; all services related to the Corporation's waste management operations meeting all contractual and regulatory requirements and saved the Corporation \$4,026,915.

HHC in accordance with the Corporation's Policy and Procedure issued a Request for Proposal seeking to enter into a management contract with a waste services management company.

A selection committee reviewed and rated the submitted proposals using criteria specified in the Request for Proposal and gave Stericycle the highest rating of any other proposer. The Stericycle proposal is estimated to save the Corporation \$2.5 million over the six years of the proposed contract.

Stericycle will provide a compliant, environmentally friendly and cost effective solution to manage 100% of HHC waste streams:

- MUNICIPAL SOLID WASTE
- REGULATED MEDICAL WASTE INCLUDING SHARPS
- CONFIDENTIAL DOCUMENT DESTRUCTION
- HAZARDOUS PHARMECUTICAL WASTE
- HAZARDOUS CHEMICAL WASTE AND CHEMOTHERAPEUTIC WASTE
- UNIVERSAL WASTE and ELECTRONIC WASTE
- RECYCLING

The Resolution authorizes the President of the New York City Health and Hospitals Corporation to negotiate and execute a management contract with Stericycle, Inc. Stericycle will manage the Corporation's seven waste streams for each facility. The contract will be for a term of two years with an option to renew the agreement for two additional two year periods at the sole discretion of the Corporation. The contract shall be for an amount not to exceed \$38,990,448 over the six year term of the contract.

CONTRACT FACT SHEET

New York City Health and Hospitals Corporation

Contract Title: Waste Management Services
Project Title & Number: Waste Management Services DCN 2192
Project Location: HHC Facilities
Requesting Dept.: Contract Administration & Control

Successful Respondent: Stericycle, Inc.
Contract Amount: Not to exceed of \$38,990,448
Contract Term: 2 Years with options for 2 additional 2 year periods for a total of 6 years.

Number of Respondents: 2
(If Sole Source, explain in Background section)

Range of Proposals: \$6,464,759.47, not inclusive of all services to \$6,498,408.00/year

Minority Business Enterprise Invited: No, 3 vendors possessing the resources capable of serving HHC were invited to propose.

Funding Source: General Care

Method of Payment: Monthly Payment

EEO Analysis: In process

Compliance with HHC's McBride Principles? In process

Vendex Clearance In process

(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):

In 2008, HHC solicited a request for proposals in order to have one vendor manage the Corporation's waste streams, maintain regulatory compliance and reduce costs. The term of the current contract shall expire on June 30, 2015. Consequently, HHC issued a Request for Proposals for Waste Management Services in accordance with Operating Procedure 100-5. HHC received two proposals from qualified vendors and selected Stericylce, Inc. (formerly Healthcare Waste Services) to perform the services. The term of the agreement was two years with an option for two additional 2 year periods for a total of six years, which saved HHC \$4,026,915.

CONTRACT FACT SHEET(continued)

Contract Review Committee

Was the proposed contract presented at the Contract Review Committee (CRC)? (include date): May 13, 2015

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):

Selection Committee:

Dean Mihaltzes, Associate Executive Director, Elmhurst
David Baksh, Associate Executive Director, Queens
Demetrio Boyce, Assistant Manager, Kings
Erwin Morales, Associate Director, Jacobi
John Breimann, Senior Associate Director, Lincoln
Peter Ortiz, Assistant Director, Coney Island
Stephan Shaw, Assistant Director, Finance
Joseph Quinones, Senior Assistant Vice President, CAC

List of firms responding to RFP:

Stericycle, Inc.
Waste Management National Services

List of firms considered:

Clean Harbors, Inc.
Stericycle, Inc.
Waste Management National Services

The proposed contractor was selected based on the weighted average following criteria:

- Understanding of work and soundness of approach (27%)
- Firm's experience, organization, resources (24%)
- Management plan or program plan (26%)
- Cost of proposal (23%)

Stericycle was the highest rated proposer based upon an offering of management services for

all of HHC waste streams at a fixed not to exceed cost for the term of the agreement.

CONTRACT FACT SHEET_(continued)

Scope of work and timetable:

Stericycle will provide a compliant, environmentally friendly and cost effective solution to manage 100% of HHC waste streams:

- MUNICIPAL SOLID WASTE
 - REGULATED MEDICAL WASTE INCLUDING SHARPS
 - CONFIDENTIAL DOCUMENT DESTRUCTION
 - HAZARDOUS PHARMECUTICAL WASTE
 - HAZARDOUS CHEMICAL WASTE AND CHEMOTHERAPEUTIC WASTE
 - UNIVERSAL WASTE and ELECTRONIC WASTE
 - RECYCLING
-

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

Waste Stream Services - \$5,897,196 NTE/year

Management Fee - \$ 601,212/year

Savings Model - If facilities spend is lower than the NTE, HHC will receive 75% of savings and Stericycle will receive 25%.

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

FY '14 Annual Fixed Waste Costs - \$5,551,033

FY '14 Annual Variable Waste Costs - 232,091

FY '14 Annual Fixed Management Costs - 601,212

FY '14 Waste Management Costs- \$6,384,336

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

HHC does not possess the resources, nor the capacity to effectively manage the waste streams.

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?

N/A

CONTRACT FACT SHEET (continued)

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

Antonio Martin, Executive Vice-President, COO

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.: May 12, 2015
Date

Analysis Completed By E.E.O.: In Process
Date

Manasses Williams
Name

31155A

Manasses C. Williams
Senior Assistant Vice President
Affirmative Action/EEO

manasses.williams@nychhc.org

TO: David Larish
Corporate Operations
Contract Admin. & Control

FROM: Manasses C. Williams

DATE: May 27, 2015

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

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

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): Corporate-wide

Contract Number: _____

Project: Waste Management Services

Submitted by: Division of Operations

EEO STATUS:

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

COMMENTS:

MCW:srf



Stericycle, Inc.
Waste Management Services

HHC Board of Directors Meeting
June 18, 2015

Contract Scope of Services

What Stericycle Provides to Facilities:

Stericycle will provide a regulatory compliant, environmentally friendly and cost effective solution to manage 100% of HHC's waste streams:

- MUNICIPAL SOLID WASTE
- REGULATED MEDICAL WASTE INCLUDING SHARPS
- CONFIDENTIAL DOCUMENT DESTRUCTION
- HAZARDOUS PHARMECUTICAL WASTE
- HAZARDOUS CHEMICAL WASTE AND CHEMOTHERAPEUTIC WASTE
- UNIVERSAL WASTE and ELECTRONIC WASTE
- RECYCLING

Key Contract Service Indicators

Enhance Patient Experience /Quality & Satisfaction

- Identification and Mitigation of Potential Occupational and Patient Safety Risk Areas
- Provide potential safety risk reports, inspections in the areas of regulatory compliance and devises action plans for mitigating any risks to each facility.

Process Excellence

- Inspections of Equipment and Subcontractor Facilities and Performance.
- Constant assessment to improve operational efficiencies and reduce costs.

Operational Efficiencies

- Stericycle provided procedure for inspections and criteria for replacement of all proposed waste handling equipment and reusable containers.
- Provided quarterly, annually and on an ad-hoc basis Training Programs and education specific to the following topic: Worker Safety Education, Waste Prevention and Segregation Awareness, Recycling Awareness Education, Food Service Waste Education, Environmental Initiatives, Operational Risk Mitigation, Waste stream related regulations and advancements.

Flexibility

- Align service schedules to the needs of the facility.

Expertise

- Provide a continuous review of operation which includes waste diversion and increasing the overall sustainability of HHC.

Annual Costs and Savings

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	Total
Confidential Documents	\$714,501	\$714,501	\$714,501	\$714,501	\$714,501	\$714,501	\$4,287,008
Electronic Waste	\$16,445	\$16,445	\$16,445	\$16,445	\$16,445	\$16,445	\$98,671
Hazardous Waste	\$405,956	\$405,956	\$405,956	\$405,956	\$405,956	\$405,956	\$2,435,738
Hazardous Pharmaceutical Waste	\$539,586	\$539,586	\$539,586	\$539,586	\$539,586	\$539,586	\$3,237,515
Municipal Solid Waste	\$2,003,876	\$2,003,876	\$2,003,876	\$2,003,876	\$2,003,876	\$2,003,876	\$12,023,254
Recycling	\$224,222	\$224,222	\$224,222	\$224,222	\$224,222	\$224,222	\$1,345,334
Regulated Medical Waste	\$857,639	\$857,639	\$857,639	\$857,639	\$857,639	\$857,639	\$5,145,836
Sharps Management	\$1,134,970	\$1,134,970	\$1,134,970	\$1,134,970	\$1,134,970	\$1,134,970	\$6,809,819
Sub-Total	\$5,897,196	\$5,897,196	\$5,897,196	\$5,897,196	\$5,897,196	\$5,897,196	\$35,383,176
Management Fees	\$601,212	\$601,212	\$601,212	\$601,212	\$601,212	\$601,212	\$3,607,272
Total	\$6,498,408	\$6,498,408	\$6,498,408	\$6,498,408	\$6,498,408	\$6,498,408	\$38,990,448
Recycling Cost Savings	\$245,802	\$245,802	\$245,802	\$245,802	\$245,802	\$245,802	\$1,474,812
Municipal Solid Waste Reduction Savings	\$110,847	\$110,847	\$110,847	\$110,847	\$110,847	\$110,847	\$665,082
Regulated Medical Waste Reduction Savings	\$57,460	\$57,460	\$57,460	\$57,460	\$57,460	\$57,460	\$344,760
Total	\$414,109	\$414,109	\$414,109	\$414,109	\$414,109	\$414,109	\$2,484,654

Thank You

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute an amendment to the Corporation's existing contract with Surgical Solutions, LLC (the "Vendor") to provide laparoscopic/endoscopic video equipment, associated instruments, disposable supplies and preoperative, postoperative support services to expand its scope from Bellevue Hospital Center, Elmhurst Hospital Center and Kings County Hospital Center to also include Harlem Hospital Center, Coney Island Hospital, Lincoln Medical and Mental Health Center, Metropolitan Hospital Center, and Queens Hospital Center for a term of 6 years in an amount not to exceed \$65,000,000 inclusive of a 3% contingency of \$1,925,486 while extending the term of the existing agreement currently to expire September 2, 2019.

WHEREAS, Operating Procedure 100-5 authorizes the Supply Chain Council to standardize products, services and methods of providing products and services that will produce savings for the Corporation without sacrificing quality or safety; and

WHEREAS, July 25, 2013 the Corporation's Board of Directors authorized the execution of an agreement with the Vendor but only for Bellevue Hospital Center, Elmhurst Hospital Center and Kings County Hospital Center requiring that the contract be extended to other facilities of the Corporation only upon a further authorization of the Board based upon a demonstration by the Vendor of successful performance at the initial three sites; and

WHEREAS, the Vendor has been successfully providing laparoscopic and endoscopic instruments, and the management of the preoperative and postoperative scope procedures at Bellevue Hospital Center, Elmhurst Hospital Center and Kings County Hospital Center; and

WHEREAS, the administrative and clinical staff at Bellevue Hospital Center, Elmhurst Hospital Center and Kings County Hospital Center have reviewed the Vendor's performance under its existing contract, found it to be good and concluded that the Vendor's scope management model will increase patient access; and

WHEREAS, the Executive Vice President/COO shall be responsible for the management and enforcement of the proposed contract.

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 an amendment to the Corporation's existing contract with Surgical Solutions, LLC to provide laparoscopic/endoscopic video equipment, associated instruments, disposable supplies and preoperative, postoperative support services to expand its scope from Bellevue Hospital Center, Elmhurst Hospital Center and Kings County Hospital Center to also include Harlem Hospital Center, Coney Island Hospital, Lincoln Medical and Mental Health Center, Metropolitan Hospital Center, and Queens Hospital Center for a term of 6 years in an amount not to exceed \$65,000,000 inclusive of a 3% contingency of \$1,925,486 while extending the term of the existing agreement currently to expire September 2, 2019.

EXECUTIVE SUMMARY

Bellevue Hospital has been receiving instrument and scope management services from Surgical Solutions since July 2008. Bellevue Hospital presented to the Supply Chain Committee the program they currently have with Surgical Solutions and, consequently, the Supply Chain Committee authorized Surgical Solutions to conduct an evaluation of interested HHC acute care centers to ascertain the costs and benefits of an instrument and scope management program. The findings were presented to Supply Chain Committee on May 30, 2012 and the Supply Chain Council voted to approve the facility's evaluation and potential standardization to Surgical Solutions, LLC for instrument and scope management throughout the Corporation.

Elmhurst Hospital and Kings County Hospital were selected by the New York City Health and Hospitals Corporation Board of Directors to implement the Surgical Solutions' program as a pilot program on July 25, 2013.

The Bellevue Hospital Center program was expanded to King County Hospital and Elmhurst Hospital to assure that the vendor can successfully replicate the program. A review of the program was conducted by all three hospitals after a full year of implementation to determine whether the program should be expanded to the remaining eight acute care hospitals. The program review validated a significant increase in the volume of endoscopic and laparoscopic procedures, as well as, capital and operational cost avoidance for each facility. Jacobi Hospital, North Central Bronx Hospital and Woodhull opted to not participate in the program due current contract obligations or insufficient volume.

The results of the pilot have shown an increase in patient access for Elmhurst Hospital and Kings County Hospital.

The Resolution authorizes the President of the New York City Health and Hospitals Corporation to negotiate and execute a contract amendment with Surgical Solutions, LLC to provide laparoscopic/endoscopic video, other associated instruments and disposable supplies and both equipment repair and preoperative, postoperative support services to Bellevue Hospital, Coney Island Hospital, Elmhurst Hospital, Harlem Hospital, Kings County Hospital, Lincoln Hospital, Metropolitan Hospital, and Queens Hospital for a term of 6 years in an amount not to exceed \$65,000,000 inclusive of a 3% contingency of \$1,925,486 while extending the term of the existing agreement with the Vendor that previously covered only Bellevue Hospital, Elmhurst Hospital and Kings County Hospital.

CONTRACT FACT SHEET

New York City Health and Hospitals Corporation

Contract Title: Instrument and Scope Management
Project Title & Number: Instrument and Scope Management
Project Location: Bellevue, Coney Island, Elmhurst, Harlem, Kings, Lincoln, Metropolitan, and Queens,

Successful Respondent: Surgical Solutions, LLC.

Contract Amount: Not to exceed \$65,000,000 inclusive of a 3% contingency of \$1,925,486.

Contract Term: 6 Years

Requesting Dept.: Central Office Operations

Number of Respondents: N/A
(If Sole Source, explain in Background section)

Range of Proposals: \$ N/A

Minority Business Enterprise Invited: If no, please explain: Only One Respondent

Funding Source: General Care

Method of Payment: Other: explain, Invoiced, Net 90, based upon facility's purchase order.

EEO Analysis: Yes

Compliance with HHC's McBride Principles? Yes

Vendex Clearance In Process

CONTRACT FACT SHEET(continued)

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

HHC facilities presently have agreements with multiple manufacturers of endoscopes and laparoscopes equipment and instruments. The various agreements have proved to be a challenge to manage effectively and efficiently.

Surgical Solutions' offers:

- Vendor-Neutrality
- State-of-the-Art equipment based on surgeons' preferences
- 24-hour / 7-day case coverage
- Specialized Endoscopy services
- CRCST or CST certified technologists
- Use of supplies when needed supplied by vendor. No inventory needed by HHC for trocars, obturators, veres needles, clip appliers, and shears

CONTRACT FACT SHEET (continued)

Contract Review Committee

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

Yes, May 13, 2015

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

The scope of work and contract deliverables has not changed since presentation to the CRC. The budget has been increased due to an increase in the number of facilities included in the resolution.

CONTRACT FACT SHEET (continued)

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

A Request For Expression of Interest (RFEI, issued April 1 – April 12, 2013). Surgical Solutions was the sole respondent to the RFEI for a qualified supplier for Laparoscopic / Endoscopic Video Equipment, Instruments, Rigid Scopes, Flexible Scopes, Disposable Supplies and management and repair. In addition, ECRI and The Advisory Board were not aware of any competing companies.

Scope of work and timetable:

Pre-Operative Set Up

- Technicians set up the room with the required scope(s) for the procedure. The scope is tested under the supervision of the Nursing Department for proper functioning of video, suction and air/water output so that it is ready for the physician without any further preparation.

Intra-Operative Support

- Our technicians are available for video and scope troubleshooting throughout the procedure, including printer and photo support and picture-in-picture set up for procedures such as Endoscopic Ultrasound. The technicians will also perform scope switches as necessary so that the Corporation's doctor can perform multiple scope procedures such as EGD/Colonoscopy.

Post-Procedure Room Turnover

- Technicians coordinate with the housekeeping staff to expedite the room turnover process, including cart cleaning, endoscope pre-cleaning, removal of the soiled instrument(s) and returning any equipment configurations to the correct setting for the next procedure is done at this time. The technician will transport the instrument(s) to the Sterile Processing Department of the facility.

Equipment Maintenance and Repair Management

- Technicians troubleshoot malfunctioning scopes and equipment and work with the repair vendor to arrange loaner instrumentation, repairs and repair record keeping.

Decontamination and Disinfection of Equipment

- Technicians wipe down the scope prior to taking to Sterile Processing Department.

Physician Preference

- Technicians work closely with the physicians, endoscopy techs and nurses to ensure that each physician has available to them their preferred model scope and other instrumentation/equipment for all standard and specialty procedures. This allows for a smoother transition when the physician working in a room completes their cases and the next physician arrives.

Repair

- Pull defective endoscopes and send out for repair. Repairs billed to Surgical Solutions, LLC. Provide loaners as needed.

Implementation Schedule

Hospital	Timing	
	Start	Estimated Completion
Metropolitan	7/1/2015	8/15/2015
Harlem	7/1/2015	8/15/2015
Woodhull	8/1/2015	9/15/2015
Queens	8/1/2015	9/15/2015
Lincoln	9/1/2015	10/15/2015
Coney Island	9/1/2015	10/15/2015

The schedule is an estimated time frame. The program will only begin upon the written approval of the facility. The contract term is 6 Years to allow for a co-terminous expiration of participating facilities.

CONTRACT FACT SHEET (continued)

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

Antonio Martin, SVP, COO

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. April 22, 2015


Analysis Completed By E.E.O.: April 27, 2015

Manasses Williams

30839B

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

TO: David Larish, Director
Procurement Systems and Operations
Division of Materials Management

FROM: Manasses C. Williams 

DATE: April 27, 2015

SUBJECT: EEO CONTRACT COMPLIANCE REVIEW AND EVALUATION

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

Minority Business Enterprise Woman Business Enterprise Non-M/WBE

Project Location(s): Corporate-wide

Contract Number: _____ Project: Instrument and Scope Management

Submitted by: Division of Materials Management

EEO STATUS:

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

COMMENTS:

MCW/srf



*Surgical Solutions
Instrument and Scope Management Program*

*HHC Board of Directors Meeting
June 18, 2015*

Contract Scope of Services

What Surgical Solutions Provides to Facilities:

Capital Equipment for Endoscopic and Laparoscopic Procedures

- Surgical Solutions provides the surgeon's preference of surgical towers, video processors, scopes, light sources, cables, and workstations facilitating doctors preferences and assuring the doctors have the equipment that best serves the needs of the patient.

Disposable Supplies for Laparoscopic Procedures

- Surgical Solutions provides all supplies necessary for the procedure thereby allowing nurses to focus on patient care.

Technical Support

- Doctors and nurses are able to complete patient procedures as equipment failures are resolved during the procedure.

Equipment Maintenance and Repair Management

- Doctors and nurse are assured of having the equipment they need as Surgical Solutions technicians repair malfunctioning equipment to manufacturer's specifications and provide loaner instrumentation if required to assure procedures are preformed on schedule.

Off-Site and Bedside Procedures

- Doctors and nurses are provided equipment support by Surgical Solutions for endoscopy procedures in the ICU, OR, ER and other patient units as requested to conduct procedures.

Program History

- Bellevue Hospital has received the above services from Surgical Solutions since July 2008. The Nursing Department has been very satisfied with Surgical Solutions performance as it increased the amount of time they spend with patient and increased the amount of procedures the facility is able to perform.
- “We have doubled our bariatric volume over the last 3-4 years and Surgical Solutions has been instrumental in providing infrastructure support including equipment .” – Dr. Manish Parikh, Bellevue Hospital
- Elmhurst Hospital and Kings County Hospital were selected by the New York City Health and Hospitals Corporation Board of Directors to implement the Surgical Solutions’ program as a pilot program on July 25, 2013.
- Surgical Solutions commenced the program at Elmhurst Hospital on September 23, 2013.
- “Surgical Solutions takes care of the equipment and supplies and we now spend 100% of our time and energy on patient care.” – William McDonagh, Elmhurst Hospital, AED Nursing
- Surgical Solutions commenced the program at Kings Hospital on January 20, 2014.
- “The overall impression by the clinicians is that there is improved work flow. The clinical team feels they can focus on patient care.” - Dr. Michael H. Mendezsoon, Kings County Hospital

Key Contract Service Indicators

Enhance Patient Experience /Quality & Satisfaction

- Gives Nursing ability to focus on patient care and patient safety.

Clinical and Process Excellence

- Gives doctors their preferences of equipment.
- Assures completion of the procedure.
- Bellevue Hospital, Elmhurst Hospital and Kings County Hospital experienced 100% readiness of Operating Room start time and on schedule Operating Room turnover.

Operational Efficiencies

- Improved operational efficiency and workflow by achieving over all increase in patient procedures.
- The program has not impacted HHC union labor as no union member has been attrited or laid off.

Flexibility

- Allows Corporation to preserve capital dollars for other needs by having vendor pay for capital equipment cost .

Expertise

- Maintenance of equipment is maintained to manufacturer's preventative maintenance standards.

Key Contract Service Indicators

Access

- Bellevue Hospital laparoscopy scope procedures increased 75% from 2100 to 3684 procedures (1584) in Fiscal Year '14 – '15 (April 13, 2014 – April 12, 2015) from the baseline of Fiscal Year 2008.
- Bellevue Hospital endoscopy scope procedures increased 39% from 4250 to 5924 procedures (1674) in Fiscal Year '14 – '15 (April 13, 2014 – April 12, 2015) from the baseline of Fiscal Year 2008.
- Elmhurst Hospital's laparoscopy scope procedures has increased 38% from 1621 to 2237 procedures (616) in Fiscal Year '14 – '15 (April 13, 2014 – April 12, 2015) from the baseline of Fiscal Year 2013.
- Elmhurst Hospital's endoscopy scope procedures increased 30% from 2657 to 3464 procedures (807) in Fiscal Year '14 – '15 (April 13, 2014 – April 12, 2015) from the baseline of Fiscal Year 2013.
- Kings County Hospital's laparoscopy procedures has increased 2% from 1100 to 1125 procedures (25) in Fiscal Year '14 -'15 (April 13, 2014 – April 12, 2015) from the baseline of Fiscal Year 2013.
- Kings County Hospital's endoscopy procedures has increased 13% from 4500 to 5094 procedures (594) in Fiscal Year '14 -'15 (April 13, 2014 – April 12, 2015) from the baseline of Fiscal Year 2013.

Thank You

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute an Indefinite Quantity Construction Contract (IQCC) with Nirman Construction Corporation (the "Contractor"), selected through the HHC public bid process, to provide construction services on an as-needed basis at various facilities throughout the Corporation. The contract shall be for a term of two (2) years, for an amount not to exceed \$6,000,000.

WHEREAS, the facilities of the Corporation may require professional construction services, such as, General Contracting (GC) services; and

WHEREAS, the Corporation has determined that such needs can best be met by utilizing outside firms, on an as-needed basis, through a requirements contracts; and

WHEREAS, the Corporation's Operating Procedure No. 100-5 requires approval by the Board of Directors contracts of \$3,000,000 and above; and

WHEREAS, the Corporation published a request for bids for professional GC services, bids received were publicly opened on December 16, 2014 and December 18, 2014 the Corporation determined that the Contractor is one of the lowest responsible bidders for these contracts; and

WHEREAS, the Contractor has met all, legal, business and technical requirements and are qualified to perform the services as required in the contract documents.

NOW, THEREFORE, be it

RESOLVED, the President of the New York City Health and Hospitals Corporation be and hereby is authorized to execute an Indefinite Quantity Construction Contract (IQCC) with Nirman Construction Corporation, selected through the HHC public bid process, to provide construction services on an as-needed basis at various facilities throughout the Corporation. The contract shall be for a term of two (2) years, for an amount not to exceed \$6,000,000.

EXECUTIVE SUMMARY

CONSTRUCTION SERVICES INDEFINITE QUANTITY CONSTRUCTION CONTRACTS (IQCC)

GENERAL CONTRACTING (GC) – NIRMAN CONSTRUCTION CORPORATION

- OVERVIEW:** The Corporation seeks to execute one (1) Indefinite Quantity Construction Contract for a term of two years, for an amount not-to-exceed \$6,000,000, to provide professional construction services on an as-needed basis at any HHC facility.
- The method of requirements contract proposed starts with fixed prices for thousands of materials utilized in a typical construction project. The prices are derived from widely published construction reference works to which HHC subscribes that are updated at frequent intervals. The contractors awarded requirements contracts under the proposed resolution are later invited to submit proposals for particular projects. The requirements contractors submit proposals based upon acceptance of the fixed material prices and a multiplier based on such material costs to determine their labor cost proposals. For example, if a material to be installed is priced at \$10.00, and the contractor's labor multiplier to install that material is 1.0, the cost of that material and labor is \$10.00, inclusive of overhead and profit. If the multiplier is 1.2, then the cost of that material and labor is \$12.00, inclusive of overhead and profit.
- This format has been used in previous HHC requirements contracts, and continues to be used by the New York City School Construction Authority, the Dormitory Authority of the State of New York State, the New York City Department of Design and Construction, the New York City Department of Environmental Protection, the United States Postal Services and others. The program was developed by the Department of Defense and has been in existence for more than twenty years.
- NEED:** The various facilities of the Corporation are likely to require GC services that vary in frequency, size and urgency, which cannot be timely and cost effectively completed through a dedicated design, bid and award process.
- TERMS:** The construction services will be provided via a work order system within a two (2) year period, for an amount not to exceed \$6,000,000.
- COSTS:** Not-to-exceed \$6,000,000 over two years.
- FINANCING:** Requirements contracts provide a pre-qualified approved mechanism for Networks to access construction services. Networks establish funding sources such as capital funds from bond proceeds, grants or expense (Other Than Personnel Services - OTPS) funds.
- SCHEDULE:** Upon contract execution the contract shall be in effect for two years or until funds are exhausted.

CONTRACT FACT SHEET

INDEFINITE QUANTITY CONSTRUCTION CONTRACTS (IQCC)

GENERAL CONTRACTING (GC)

NIRMAN CONSTRUCTION CORPORATION

CONTRACT SCOPE: General Contracting Services

CONTRACT DURATION: Two (2) years

CONTRACT AMOUNT: \$6,000,000

ADVERTISING PERIOD: Advertised in City Record 11/25/14 - 12/18/14.

BIDS RECEIVED: 10 bid proposals received for consideration. Nirman Construction Corporation was recommended as the lowest responsive bidder.

HHC EXPERIENCE: Requirements Contract: Various Facilities. Completed in 2014.

VENDEX: Pending approval. The New York City Controller has stated that all Nirman VENDEX related issues have been resolved.

EEO: Pending.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation ("the Corporation") to execute a five year license agreement with the New York City Department of Parks and Recreation (the "Licensee") for its use and occupancy of an 800-square-foot parcel located on the campus of the former Neponsit Health Care Center (the "Facility") to operate a Lifeguard Trailer with the occupancy fee waived.

WHEREAS, the Licensee operates a Lifeguard Trailer on the Facility campus that serves as an office and locker room for New York City lifeguards; and

WHEREAS, the Licensee plans to undertake a capital project to replace the existing trailer with a trailer measuring approximately 20 feet by 40 feet; and

WHEREAS, the Licensee shall operate the Lifeguard Trailer during Summer months, approximately from June 1st through Labor Day; and

WHEREAS, the Licensee shall be responsible for all operating expenses including utilities and maintenance.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation ("the Corporation") be and is hereby authorized to execute a five year license agreement with the New York City Department of Parks and Recreation (the "Licensee") for its use and occupancy of an 800-square-foot parcel located on the campus of the former Neponsit Health Care Center (the "Facility") to operate a Lifeguard Trailer with the occupancy fee waived.

EXECUTIVE SUMMARY
LICENSE AGREEMENT
NEW YORK CITY DEPARTMENT OF PARKS AND RECREATION
QUEENS HEALTH CARE NETWORK

The President seeks the authorization of the Board of Directors of the Corporation to execute a revocable license agreement with the New York City Department of Parks and Recreation ("Parks") for its use and occupancy of space to operate a Lifeguard Trailer on the campus of the former Neponsit Health Care Center ("Neponsit")

Neponsit consists of three buildings located on a 5.6 acre parcel at 149-25 Rockaway Beach Boulevard. The facility was closed in September 1998 and remains vacant. The Queens Healthcare Network is responsible for maintaining the property.

Parks operates a Lifeguard Trailer on the Facility campus that serves as an office and locker room for New York City lifeguards. Parks plans to undertake a capital project to replace the existing trailer with a trailer measuring approximately 20 feet by 40 feet. The Lifeguard Trailer is utilized by approximately four (4) to six (6) lifeguards each day, operating from 9:00 AM to 7:00 PM, during Summer months, approximately from June 1st through Labor Day. Parks will be responsible for all operating expenses including utilities and maintenance.

Parks will be required to indemnify and hold harmless the Corporation and the City of New York from any and all claims arising out of the use of the licensed space and will provide appropriate insurance naming the Corporation and the City of New York as additional insured parties.

The license agreement shall be revocable by either party on sixty (60) days prior notice, and shall not exceed a term of five years without further authorization by the Board of Directors of the New York City Health and Hospitals Corporation.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to proceed with the procurement and installation of a Linear Accelerator and to renovate the suite required to house this new unit at Lincoln Medical and Mental Health Center (the "Facility") in an amount not-to-exceed \$8,179,641.

WHEREAS, the Facility is a leading health care provider for radiation oncology services in the South Bronx community; and

WHEREAS, the existing Linear Accelerator cannot provide certain treatments that are current best practices for certain cancer types, such as Image Guided Radiation Therapy, Sterotactic Radiosurgery, and Sterotactic Body Radiotherapy; and

WHEREAS, in October, 2011, notification was sent to the New York State Department of Health (NYSDOH) informing them of a one to one replacement of the Linear Accelerator; and

WHEREAS, the Advisory Board Company recommends the purchase of a new Linear Accelerator to address the increasing need for this service within the South Bronx community; and

WHEREAS, the amount of \$7,700,000 in city capital funds in the Mayoral Budget Line is included in the Capital Commitment Plan, \$97,943 in HHC Bonds have been allocated for the purchase of a Linear Accelerator and related construction, and an estimated \$381,698 in future HHC financing; and

WHEREAS, the proposed Linear Accelerator equipment will provide the capability to treat additional out-patients per year and improve quality of care; and

WHEREAS, the revision to Operating Procedure 100-5 requires that capital projects with budgets of \$3 million or more shall receive approval of the Board of Directors; and

WHEREAS, the overall management of the construction and installation contracts will be under the direction of the Facility's Executive Director and Assistant Vice President – Facilities Development.

NOW THEREFORE, be it

RESOLVED, Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to proceed with the procurement and installation of a second Linear Accelerator and to renovate the suite required to house this new unit at Lincoln Medical and Mental Health Center (the "Facility") in an amount not-to-exceed \$8,179,641.

EXECUTIVE SUMMARY
PROCURE AND INSTALL LINEAR ACCELERATOR AND RENOVATE SUITE
LINCOLN MEDICAL AND MENTAL HEALTH CENTER

OVERVIEW: Lincoln Medical and Mental Health Center's Radiation Oncology Department (ROD) currently provides radiation therapy services to the South Bronx patient population and also receives referrals from Lincoln Medical and Mental Health Center, Metropolitan Center, Harlem Hospital Center, Morrisania Diagnostic and Treatment Center, Segundo Ruiz Belvis Diagnostic and Treatment Center, and Renaissance Diagnostic and Treatment Center. As one of the major radiation therapy providers of the South Bronx community and with a Cancer Care Center which is accredited by the American College of Surgeons Commission on Cancer, it is imperative that the Facility continue to provide precise and conformal radiation treatment modalities in a safe and expeditious manner. The proposed new LINAC will be equipped to meet these needs, adding new capabilities to the array of services provided at the Facility.

NEED: The Facility's ROD currently utilizes a 25-year old Varian 2100C in conjunction with a 15-year old Elekta Precise Linear Accelerator to provide external beam therapy. The existing LINAC treats over 300 patients annually, who receive over 7,000 treatments per year. According to the American Hospital Association's Estimated Useful Lives of Depreciable Hospital Assets, 2013 Edition, the estimated useful life of a LINAC is seven (7) years, though may continue to be utilized for as long as 10 to 15 years provided the LINAC functions properly with routine maintenance, and appropriate use and handling. Due the increasing demand by eligible patients to receive radiation therapy, the hindered functionality and utilization of the existing LINAC creates clinical and operational challenges due to backlogs and delays of patient care. Additionally, the chiller in place is not adequate to supply the cooling capacity demand of the existing LINAC, therefore the existing chiller and its components need to be replaced with a chiller dedicated to cooling the new Varian LINAC.

With the expected growth in utilization and volumes for IMRT treatment over the next several years, the replacement of the existing LINAC will position the Facility to increase its market share. The new LINAC will equip the Radiation Oncology Department with the capability of treating additional out-patients.

SCOPE: The scope of work includes the following:

- Renovating a space in the Radiation Oncology Department located in the basement of Lincoln Medical Center;
- Procure and install One (1) Varian Clinac iX IMRT/RapidArc/Gating Ready Linear Accelerator;
- Chiller and HVAC upgrade

COST: \$8,179,641

FINANCING: City Capital Funds (\$7,700,000)
HHC Bonds (\$97,943)
Future HHC financing (\$381,698)

SCHEDULE: Facility expects to complete construction by March 2016.

The Advisory Board Company

2445 M Street, NW Washington, DC 20037 Telephone: (202) 266-5600 FAX: (202) 266-5700

Mr. Dean Moskos
 Director, Capital Budget
 Office of Facilities Development
 New York City Health and Hospitals Corporation
 346 Broadway, 12 West
 New York, NY 10013

November 10, 2011

Dear Mr. Moskos,

Please find below Technology Insights' assessment of and recommendation for the proposed purchase of the following capital equipment for Lincoln Medical and Mental Health Center:

One (1) Varian, Clinac iX IMRT/RapidArc/Gating Ready Linear Accelerator, and Associated Components	\$2,976,756.00
One (1) Aktina Medical, Stereotactic Radiosurgery Equipment Package	\$131,698.00
One (1) Sun Nuclear Corporation, Physics Equipment Package	\$95,320.25
Total Cost:	\$3,203,774.25

Lincoln Medical and Mental Health Center is requesting \$3,861,964 in capital funding to acquire the proposed linear accelerator (LINAC) and associated components from the vendor Varian, Stereotactic Radiosurgery Equipment from Aktina Medical, and Physics Equipment from Sun Nuclear Corporation, along with vault renovation for which costs are not included within this assessment. **The proposed capital project has been included in the organization's capital plan. The proposed funding sources for the project are the existing New York City Health and Hospitals Corporation (NYCHHC) bonds, series 2010.**

The proposed capital equipment investment includes both capital- and non-capital-eligible identified costs. Those costs identified as being non-capital-eligible, such as vendor-sponsored training and disposable items, must be funded through the Lincoln Medical and Mental Health Center's operating budget. Please see "Appendix A: Non-Capital-Eligible Items" for complete descriptions of non-capital-eligible items.

Project	Capital-Eligible Costs	Non-Capital-Eligible Costs
One (1) Varian, Clinac iX IMRT/RapidArc/Gating Ready Linear Accelerator with ARIA Information Management System, Eclipse Treatment Planning System, and GE CT Simulator	\$2,941,970.00	\$34,786.00*
One (1) Aktina Medical, Stereotactic Radiosurgery Equipment Package	\$131,698.00	
One (1) Sun Nuclear Corporation, Physics Equipment Package	\$95,320.25	
Total	\$3,168,988.25	\$34,786.00*

*Some non-capital-eligible costs have been identified in the vendor quotation; however, the vendor quotation does not specify the cost of these items. For a description of those items identified as being non-capital-eligible, please see "Appendix A: Non-Capital-Eligible Items".

While the ARIA Information Management System, Eclipse Treatment Planning System, GE CT Simulator, Aktina Medical Stereotactic Radiosurgery Equipment, and Sun Nuclear Physics Equipment are requested in the same capital request as the Clinac iX LINAC, they are considered to be accessory and complementary items which are critical components to the overall technology investment. It is Technology Insights' recommendation the ARIA Information Management System, Eclipse Treatment Planning System, GE CT Simulator, Aktina Medical

Stereotactic Radiosurgery Equipment, and Sun Nuclear Physics Equipment be purchased with the Clinac iX LINAC, as they facilitate the treatment delivery process while ensuring quality control and patient safety.

I. Technology Insights' Recommendation

Based upon the age of the current technology, as well as its clinical and functional obsolescence, Technology Insights *recommends* the purchase of the following capital equipment for Lincoln Medical and Mental Health Center:

	<u>Priority Level</u>
One (1) Varian, Clinac iX IMRT/RapidArc/Gating Ready Linear Accelerator, and Associated Components	High
One (1) Aktina Medical, Stereotactic Radiosurgery Equipment Package	High
One (1) Sun Nuclear Corporation, Physics Equipment Package	High

Lincoln Medical and Mental Health Center currently utilizes a LINAC which is 20- years old, and is classified as clinically and functionally obsolete. With the machine experiencing downtimes during 20 percent of working days due to various reasons and inability to deliver intensity modulated radiotherapy to major eligible tumor sites due to the lack of a multi-leaf collimator (MLC), the current LINAC presents significant operational and clinical challenges leading to delays in patient care and suboptimal outcomes according to more recent industry standards. Further, due to significant downtimes of the aged LINAC, the other aging LINAC, 10-years old, is also experiencing frequent wear-and-tear issues, requiring regular maintenance. Stakeholders also claim that affiliated hospitals within the HHC network, such as Jacobi Medical Center, are referring almost 350 new cancer patients to a local competitor instead of Lincoln Medical and Mental Health Center due to the outdated technology.

As one of the major radiation therapy providers for populous communities of the South Bronx and Harlem areas, it is necessary for Lincoln Medical and Mental Center to provide precise and conformal radiation treatment modalities, in a safe and expedited manner. The proposed LINAC is equipped to meet these needs of the center, adding new capabilities to the array of services provided at Lincoln Medical and Mental Health Center including image-guided radiotherapy, volumetric arc therapy, and stereotactic radiosurgery, along with an integrated information management and treatment planning system. Furthermore, the proposed investment may bolster the radiation oncology business by affording the opportunity to generate revenue from the existing pool of eligible patients within Lincoln Medical and Mental Health Center's catchment area, especially in the case of patients who were previously deemed ineligible for invasive surgical procedure or deemed to gain marginal benefits from conventional radiotherapy. Accordingly, Technology Insights recommends the proposed investment in the Varian Clinac iX Linear Accelerator and associated components for Lincoln Medical and Mental Health Center.

II. Relation to Capital Plan

Lincoln Medical and Mental Health Center is requesting \$3,861,964 in capital funding to acquire the proposed linear accelerator (LINAC) and associated components from the vendor Varian, Stereotactic Radiosurgery Equipment from Aktina Medical, and Physics Equipment from Sun Nuclear Corporation, along with vault renovation for which costs are not included within this assessment. The proposed capital project has been included in the organization's capital plan. The proposed funding sources for the project are the existing New York City Health and Hospitals Corporation (NYCHHC) bonds, series 2010.

The proposed capital equipment investment includes both capital- and non-capital-eligible identified costs. Those costs identified as being non-capital-eligible, such as vendor-sponsored training and disposable items, must be funded through the Lincoln Medical and Mental Health Center's operating budget. Please see "Appendix A: Non-Capital-Eligible Items" for complete descriptions of non-capital-eligible items.

Project	Capital-Eligible Costs	Non-Capital-Eligible Costs
One (1) Varian, Clinac iX IMRT/RapidArc/Gating Ready Linear Accelerator with ARIA Information Management	\$2,941,970.00	\$34,786.00*

System, Eclipse Treatment Planning System, and GE CT Simulator		
One (1) Aktina Medical, Stereotactic Radiosurgery Equipment Package	\$131,698.00	
One (1) Sun Nuclear Corporation, Physics Equipment Package	\$95,320.25	
Total	\$3,168,988.25	\$34,786.00*

*Some non-capital-eligible costs have been identified in the vendor quotation; however, the vendor quotation does not specify the cost of these items. For a description of those items identified as being non-capital-eligible, please see "Appendix A: Non-Capital-Eligible Items".

While the ARIA Information Management System, Eclipse Treatment Planning System, GE CT Simulator, Aktina Medical Stereotactic Radiosurgery Equipment, and Sun Nuclear Physics Equipment are requested in the same capital request as the Clinac iX LINAC, they are considered to be accessory and complementary items which are critical components to the overall technology investment. It is Technology Insights' recommendation that the ARIA Information Management System, Eclipse Treatment Planning System, GE CT Simulator, Aktina Medical Stereotactic Radiosurgery Equipment, and Sun Nuclear Physics Equipment be purchased with a Clinac iX LINAC, as they facilitate the treatment delivery process while ensuring quality control and patient safety.

III. Assessing the Investment(s)

One (1) Varian, Clinac iX IMRT/RapidArc/Gating Ready Linear Accelerator -- Lincoln Medical and Mental Health Center is requesting the purchase of the proposed technology to replace the existing Varian 2100C LINAC.

Lincoln Medical and Mental Health Center utilizes two (2) LINACs, a twenty-year old Varian 2100C LINAC and a ten-year old Elekta Precise to deliver conventional radiation therapy and intensity modulated radiation therapy (IMRT) for eligible patients. The aging Varian LINAC has exceeded the recommended industry life for the system, and falling short of the accepted clinical standards for the vast majority of clinical applications. According to Lincoln Medical and Mental Health Center administrators, the aging LINAC is experiencing downtime during 20 percent of working days. With about 40 patients a day expected to receive radiation therapy, the poor functionality and utilization of the aging LINAC creates additional strain on the facility's second LINAC and warrants regular maintenance needs on both platforms. This creates clinical and operational challenges due to backlogs and delays in patient's care. Additionally, the current aging LINAC lacks a multi-leaf collimator which is essential to delivering IMRT, which can afford more precise treatment of lesions while sparing surrounding healthy tissues and vital structures.

IMRT is increasingly considered to be a standard of care modality at progressive community hospitals. With expected growth in utilization and volumes for IMRT treatment over the next several years, the addition of another platform with IMRT capability would position Lincoln Medical and Mental Health Center to increase its market capture. Further, RapidArc which is Varian's branded technology for volumetric-modulated arc therapy (VMAT), refers to the delivery of radiation in a continuous arc around the patient, as opposed to across a finite number of gantry angles characteristic of traditional IMRT treatments. Dose rate, MLC shape, and gantry speed are modulated continuously throughout the treatment delivery arc. On the efficiency front, VMAT enables delivery of a dose in five minutes or less in most cases. In addition to increasing throughput and revenue potential, this shortened treatment time may also hold clinical benefits by reducing the amount of time patients have to move on the treatment table. On the clinical front with VMAT, the total dose is spread over an infinite number of delivery angles, which may help limit dose deposition to any one area of healthy tissue.

Additionally, stereotactic radiosurgery is increasingly considered to be a standard of care offering for progressive institutions. Stereotactic radiosurgery differs from conventional radiation therapy in that it involves incrementally more accurate delivery of the planned dose to the tumor in one to five treatment sessions, as opposed to across 30 to 40 fractions, which can afford higher tumor response and local control. Stereotactic radiosurgery allows for 3D coordinate-based delivery of high intensity ionizing radiation to destroy malignant and benign intracranial tumors, and can also be used to treat a number of additional extracranial tumor sites. As a non-invasive approach, it eliminates the risk associated with surgical interventions while essentially achieving a surgical outcome. Numerous

clinical studies indicate the opportunity to achieve superior tumor response and local control through placement of a high dose of radiation to the tumor with a minimal dose to surrounding tissues. The Clinac iX LINAC along with Aktina Stereotactic Radiosurgery equipment would add the capability of offering stereotactic radiosurgery and may provide improved clinical outcomes for a subset of the NYCHHC population which does not currently have access to stereotactic radiosurgery. In addition, Lincoln Medical and Mental Health Center would be able to market a more comprehensive radiation oncology service offering within the local market and NYCHHC health system with the added capability. Providing stereotactic radiosurgery would afford the opportunity to generate revenue streams from patients previously deemed ineligible for surgery or 3D CRT.

In sum, in light of the clinical, operational and financial benefits afforded by the proposed LINAC replacement, Technology Insights recommends investment in the LINAC replacement for Lincoln Medical and Mental Health Center.

Equipment Life Cycle Estimates

Lincoln Medical Center is currently utilizing a 20-year old LINAC. Based upon industry trends and equipment life cycle estimates, the existing LINAC has surpassed end-of-life status. As such, Technology Insights recommends replacement of the existing LINAC with the proposed Clinac iX platform from the vendor Varian. Per the American Hospital Association's Estimated Useful Lives of Depreciable Hospital Assets, 2008 Edition, the estimated useful life of a LINAC is 7 years, though may continue to be utilized for as long as 10 to 15 years provided the LINAC functions properly with routine service, maintenance, and appropriate use and handling.

Vendor Selection Justification

External beam radiotherapy, including treatment modalities such as 3D CRT, IMRT, and VMAT, can be delivered via use of a linear accelerator. In addition, intra- and extracranial radiosurgery can be delivered via use of a linear accelerator or a dedicated radiosurgery platform, as well.

Clinical and administrative stakeholders at Lincoln Medical and Mental Health Center compared LINAC replacement options across three vendors: Elekta, Siemens and Varian. Ultimately, Varian emerged as the preferred vendor based on the stakeholders' assessment of clinical capabilities and past experience with Varian products. Stakeholders prioritized acquiring a platform which is capable of providing conventional and advanced RT services along with a state of the art treatment planning system which integrates the array of treatment delivery platforms. Stakeholders felt that from past experience Varian products are more reliable and cutting edge when compared to Elekta's, while the purchase of a Siemens platform would necessitate the purchase of a third party treatment planning software which was deemed not ideal. Further, since the purchase of the Aktina stereotactic radiosurgery equipment will be new to the institution and even the system, NYCHHC administration should monitor the performance of the product in comparison to other stereotactic radiosurgery solutions requested by other hospitals/medical centers within the NYCHHC network in order to standardize the vendor selection process in the future.

IV. Identifiable Areas for Cost-Savings or Revenue Generation

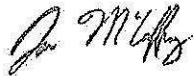
Based upon the clinical efficacy of advanced radiation therapy treatment modalities such as IMRT, IGRT, VMAT, and stereotactic radiosurgery; operational efficiencies and increased throughput gained through VMAT; and potential for generating revenue by offering these treatments for an underserved population, Technology Insights recommends investment in the LINAC replacement and associated components.

Data collected from Lincoln Medical and Mental Health Center stakeholders suggests that an average increase of approximately 60-80 new patients and 120 new patients in the first operational year are expected to be treated with IMRT/IGRT and stereotactic radiosurgery, respectively. Assuming that Medicare and Medicaid reimbursement rates for IMRT and LINAC-based SRS and SBRT treatments do not fluctuate significantly in the next few years, Lincoln Medical and Mental Health Center, as the primary provider within the community, can expect to generate significant revenue from these patients. Lincoln Medical and Mental Health Center administrators are also confident that they will be able to secure about 350 cases from nearby facilities such as Jacobi Medical Center due to the new state of the art technology.

Stereotactic radiosurgery is increasingly considered to be a standard of care offering for progressive institutions. However, while the proposed investment in the Aktina stereotactic radiosurgery equipment is not significant compared to the overall cost of the LINAC replacement and can be seen as a strategic addition to a strong radiation oncology program, it may not be an essential component relative to the proposed technology and services to be included in the LINAC replacement on its own. Thus, the proposed investment in the stereotactic radiosurgery equipment may potentially be deferred for the next capital budgeting cycle if there are other more urgent, competing priorities for new medical equipment and capital funding. If there are other priorities and the present investment in stereotactic radiosurgery equipment can be deferred, this can lead to an immediate cost-savings of \$131,698 for the NYCHHC system, upon which investment in the proposed stereotactic radiosurgery equipment should be re-considered at a later date.

While the proposed LINAC replacement and associated components will expand the radiation oncology service offering and afford the opportunity to generate revenue by drawing from a pool of eligible patients within the existing population, Lincoln Medical and Mental Health Center's ability to capitalize upon the technology and realize new revenue streams is highly dependent upon physician activity, referrals, market dynamics, and myriad other factors which can deflect the profitability of services afforded by the LINAC replacement.

Best regards,



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