NYC HEALTH + HOSPITALS

125 Worth Street ▪ New York, NY ▪ 10013

BOARD OF DIRECTORS MEETING
THURSDAY, NOVEMBER 17, 2016
A•G•E•N•D•A

CALL TO ORDER - 2:30 PM	**Mr. Campbell**
Executive Session	
RECONVENE – Open Session – 3:00 PM	**Mr. Campbell**
1. Adoption of Minutes: October 27, 2016	
Acting Chair's Report	**Mr. Campbell**
President's Report	**Dr. Raju**
➢**Information Item:** ❋**Enterprise IT Service Program Updates** **Presenter:** Sal Guido, Senior Vice President, Enterprise IT Services	
>>**Action Items**<<	
2. RESOLUTION authorizing the NYC Health + Hospitals to execute a **Customer Installation Commitment** with the **New York City Department of Citywide Administrative Services** and the **New York Power Authority** for an amount not-to-exceed $8,936,612 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the **Boiler Plant Upgrade** at NYC Health + Hospitals | **Kings County**. (Capital Committee – 11/03/2016)	**Ms. Youssouf**
3. RESOLUTION authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to negotiate and execute a contract with the following six construction management firms**: AECOM, Gilbane Building Company; HAKS; LiRo Program and Construction Management; TDX Construction Corporation; and Turner Construction** to provide **professional construction management services** on an as-needed basis at various facilities operated by NYC Health + Hospitals. The proposed contracts shall each be for a term of one year with two one-year options to renew, solely exercisable by the NYC Health + Hospitals, for an aggregate cost of not more than $8,000,000 for all six firms over the initial and the two option terms. (Capital Committee – 11/03/2016) EEO: Pending / VENDEX: Approved-Gilbane and LiRo; Pending-TDX, Turner, AECOM and HAKS.	**Ms. Youssouf**
Committee Reports	
➢Capital	**Ms. Youssouf**
➢Finance	**Mr. Rosen**
➢Information Technology	**Mr. Campbell**
➢Strategic Planning	**Mr. Campbell**
Executive Session / Facility Governing Body Report	
➢NYC Health + Hospitals | Harlem	
Semi-Annual Governing Body Report (Written Submissions Only)	
➢NYC Health + Hospitals | Metropolitan	
>>**Old Business**<<	
>>**New Business**<<	
Adjournment	**Mr. Campbell**

NYC HEALTH + HOSPITALS

A meeting of the Board of Directors of NYC Health + Hospitals was held in Room 532 at 125 Worth Street, New York, New York 10013 on the 27th day of October 2016 at 3:00 P.M. pursuant to a notice which was sent to all of the Directors of NYC Health + Hospitals and which was provided to the public by the Secretary. The following Directors were present in person:

Mr. Gordon J. Campbell
Dr. Ramanathan Raju
Ms. Helen Arteaga Landaverde
Dr. Mary T. Bassett
Josephine Bolus, R.N.
Dr. Vincent Calamia
Barbara A. Lowe, R.N.
Mr. Robert Nolan
Mr. Mark Page
Mr. Bernard Rosen
Ms. Emily A. Youssouf

Jennifer Yeaw was in attendance representing Commissioner Steven Banks in a voting capacity. Mr. Gordon Campbell chaired the meeting and Mr. Salvatore J. Russo, Secretary to the Board, kept the minutes thereof.

ADOPTION OF MINUTES

The minutes of the meeting of the Board of Directors held on, September 22, 2016 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 September 22, 2016, copies of which have been presented to this meeting, be and hereby are adopted.

CHAIRPERSON'S REPORT

Mr. Campbell reminded the Board members to complete their Board self-assessment surveys if they have not yet done so.

Mr. Campbell stated that he and Audit Committee members Ms. Youssouf, Mrs. Bolus and Mr. Page were briefed by the Chief Corporate Compliance Officer and the General Counsel on the risk identification, assessment and prioritization activities undertaken in calendar years 2015 and 2016 system-wide. Mr. Campbell reported that the Audit Committee was pleased with the level of diligence and commitment demonstrated by senior management and their staffs who carried out those activities. In addition, on October 20, 2016 a special meeting of the Audit Committee was held for the presentation and approval of the KPMG audited fiscal year 2016 financial statements.

Mr. Campbell thanked Ms. Helen Arteaga Landaverde for participating in the September 30, 2016 leadership session at NYC Health + Hospitals/Elmhurst with the Joint Commission.

The Board approved the motion to appoint Mr. Gordon Campbell, as a member of the Audit Committee.

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

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

Dr. Patricia Yang, Senior Vice President, Correctional Health Services, updated the Board on the progress that has been made since becoming the direct provider of healthcare in the New York City jails.

ACTION ITEMS

RESOLUTION

2. Authorizing the NYC Health + Hospitals Corporation ("NYC Health + Hospitals" or the "System") to execute an agreement with **Manatt Health,** a division of Manatt, Phelps & Phillips LLP ("Manatt") to: build upon and modify the preparation of legislative initiatives for a Medicaid waiver and an adjustment of DSH cuts in anticipation of a change of administration in Washington; build on prior planning to create safety net ACOs with the goal of obtaining firm agreements from the voluntary hospitals to participate and to request funding from governmental sources; advance data analysis previously initiated to prepare recommendations for ambulatory, post-acute and acute care service delivery structural adjustments reflecting a shift from acute to post-acute and ambulatory care with greater integration among these service lines; and to provide further and more robust support to the Commission and the System's Office of Transformation at cost not "to exceed $3,100,000 for work performed and to be performed during the period July 1, 2016 through January 31, 2017.

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

RESOLUTION

3. Authorizing the New York City Health + Hospitals to execute an agreement with **The Advisory Board** to provide subscriptions and memberships to research databases, leadership and fellowship trainings, talent development, and technology tools for revenue optimization for a term of five years, for an amount not-to-exceed $5,680,997 including a 2% contingency.

Prior to providing a brief overview on this item, Antonio Martin, Executive Vice President & Chief Operating Officer, introduced Rosa Colon-Kolacko, Senior Vice President and Chief People Officer. Roslyn Weinstein, Vice President, continued with a synopsis of the services provided by The Advisory Board.

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

RESOLUTION

4. Authorizing NYC Health + Hospitals to execute a revocable five year **license agreement** with **New York University School of Medicine** for its continued use and occupancy of 9,500 square feet of space at **NYC Health + Hospitals/Bellevue** for the NYU-HHC Clinical Translational Science Institute ("CTSI") with the occupancy fee waived.

After discussion, Dr. Raju moved the adoption of the resolution which was duly seconded and adopted by the Board by a vote of nine in favor with Ms. Youssouf, Ms. Arteaga Landaverde, and Mr. Campbell recusing.

RESOLUTION

5. Authorizing the NYC Health and Hospitals Corporation ("NYC Health + Hospitals") to approve a **Capital Project** for an amount not-to-exceed $9,237,739 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the installation of a 1.6 megawatt (MW) Micro-turbine Cogeneraton (CHP) System (the "Project") at **NYC Health + Hospitals/Kings County.**

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

RESOLUTION

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

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

BOARD COMMITTEE AND SUBSIDIARY REPORTS

Attached hereto is a compilation of reports of the NYC Health + Hospitals 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.

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

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 NYC Health + Hospitals/ Coney Island, received an oral and written governing body submission and reviewed, discussed and adopted the facility's report presented; (2) as governing body of NYC Health + Hospitals/Sea View, the Board reviewed and approved its semi-annual written report; (3) as governing body of NYC Health + Hospitals/Coler, the Board reviewed and approved its semi-annual written report; and (4) as governing body of NYC Health +

Hospitals/Carter, the Board reviewed and approved its semi-annual written report.

Additionally, the Board received and approved the 2015 performance improvement plans and evaluations from NYC Health + Hospitals/Renaissance, a Gotham Health Center.

ADJOURNMENT

Thereupon, there being no further business before the Board, the meeting was adjourned at 5:36 P.M.

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

COMMITTEE REPORTS

Audit Committee – October 13, 2016
As Reported by Ms. Emily Youssouf

An Audit Committee meeting was held on Thursday, October 13, 2016. The meeting was called to order by Ms. Emily Youssouf, Audit Committee Chair. A motion was made and seconded to hold an Executive Session of the Audit Committee to discuss risk assessment to the Corporation.

Ms. Youssouf then directed the meeting to Chris Telano for the audit update.

Mr. Telano thanked her and saluted everyone and stated that he will start on page three of the briefing. He stated that he wanted to note that the New York City Office of the Comptroller has begun an audit of our electronic medical record system, EPIC. September 29th was our entrance conference. According to their audit notification letter, and I'll quote here, "The objective of the audit is to determine whether the implemented EPIC system at Elmhurst is fully functional and performing as designed and planned. So far we've had the entrance conference, which Mr. Russo attended.

Mr. Russo stated that his point in attending was to make sure that they understood the parameters that they could not get protected health information in terms of conducting their audit and they had to agree that they will do things that would involve simulations and other to effectuate their audit, but they will not peer into our actual medical records.

Ms. Youssouf stated that that is good because she knows there was an issue with that.

Mr. Telano said that there was. Some of the documents they have requested: they wanted the contracts and purchase orders related to the EPIC implementation, and they wanted detailed technical specifications on the software and the license specifications on the software and the license features and training services and some organization charts and information on the EPIC data sets and dictionaries and record layouts of data files. So it seems that it's going to be very IT oriented.

Mr. Campbell stated that he thinks that it is good, having someone looking over our shoulders and if they have any suggestions because it is still a work in progress, and it is welcomed.

Ms. Youssouf concurred by stating that she does too and thinks we have done a really good job with this.

Mr. Telano said that he will keep the Committee aware as to the status.

Mr. Telano then continued to page four and stated that he has two audits that were conducted since the last meeting in September, and the first audit is of dietary services at New York City Health + Hospitals/Kings County. He asked the representatives to approach the table and introduce themselves. They did as follows: Sheldon McLeod, Chief Operating Officer; Samantha Auslander, Clinical Nutrition Manager; Myles Foley, Vice President (Sodexo). Mr. Telano said that he will go through the four issues and then they can respond. The first issue that we noted was that dietary services personnel sometimes inaccurately transcribed patient diet orders submitted by the physicians through QuadraMed onto their manual card filing system. This was previously noted by the Centers for Medicare and Medicaid Services (CMS), in a survey report in April 2014.

The second finding had to do with the menu selection. We were informed that it was determined by surveys that were given to residents at New York City Health + Hospitals/Coler; however, no documentation was able to be produced confirming that the process was conducted.

The third finding is that the dietary department did not track and monitor their training classes. As a result there was no documentation related to in-service and training, self-development and accident-prevention training and food-handling training.

The last finding is that there was no sign on the door to the dietary area requiring that hair coverings be worn, and as a result, we did observe two individuals enter that area without hair nets.

Mr. Foley stated that the first finding with the manual system – we have since implement CBORD, it is a technology system, and it is fully functional as of May of 2016 and that has been resolved.

Ms. Youssouf asked if it would meet CMS's requirements. To which Mr. Foley responded yes.

Mr. Foley continued with the second finding, lack of menu creation documents – that process had documentation, but it was not complete, we have since repaired that process. It had been considered a tool up until this point not realizing that we needed the level of documentation that we needed to retain. We will be retaining that moving forward, that is a sign-in sheets, survey results, agendas for the meeting and the attendees at that meeting. While it was held at Coler, it represented all the long-term care facilities and their resident committees. That is the resolution of the second finding.

Ms. Youssouf asked what that is exactly. Mr. Foley answered that that is the menu itself. We change the variety of the menu a couple of times a year.

Mr. Foley continued with the third finding – lack of employee training. I believe there were four different in-services that resulted in eleven people not having follow-up training done. We have since developed a tracking tool, and we are tracking all trainings and following them back up and making sure that everyone is trained.

Ms. Youssouf asked what the tracking tool is. Mr. Foley answered that it is a management tool that it's entered into the computer on an Excel spreadsheet and it is taken off the sign-in sheets on their monthly in-service training. Anyone who did not attend, is put into the system, and as a management tool it is updated weekly.

Ms. Youssouf asked if they have looked into the possibility of having offerings that patients could select, that they would have a choice because we know that that is offered at other hospital systems.

Mr. Foley responded yes, that the select menu initiative is underway.

Ms. Youssouf asked at all facilities. Mr. Foley said that it is rolling out. It is following CBORD and EPIC implementation, and starting next week, Queens and Elmhurst will be on the select menu, then it will be rolling out on a schedule.

Ms. Youssouf stated that she is very happy to hear that.

Mrs. Bolus asked how long it will take. Mr. Foley answered that right now I believe we are still waiting to schedule Bellevue, but it is scheduled through the first quarter of 2017.

Mrs. Bolus asked how much variety they will have in the entrée.

Mr. Foley responded that typically there is the main and the alternate, and then we usually have at least two or three other items that they would be able to select, so probably up to about five per meal.

Mr. Campbell asked if they could share a sample of the menu with the Board or the Committee.

Mr. Foley said that he did not have one with him, and did not know we were going to cover that today.

Mr. Foley continued with the final finding – adherence to department policy. We actually have the policy in place for hair covers. The two people that were identified as coming into the area over the four months of this audit were not dietary employees. They were outside visitors. We have re-in-serviced all the managers to ensure that anyone coming into the department has to have a hair covering, and the signs that were on the doors for whatever reason were off the doors. We now have had them professionally mounted, and they will stay on the doors.

Ms. Youssouf asked that if you have visitors during meal preparation, wouldn't you have them wear hair nets as well? Mr. Foley answered absolutely, but these were other hospital employees from other departments coming into the department. At the door there is a sign that they have to wear a hair covering. It is a kind of self-policing. By the time we catch them, they are already in the kitchen.

Ms. Youssouf said the most important thing is you provide them and there is a notice. Hopefully there is somebody there who will say something.

Mr. Foley stated that the problem is that they are already halfway in the kitchen by the time we get them, so they are already past the point of no return.

Mrs. Bolus stated that when they visited the cook plant, they noticed that some of those carts when they get finished do not get completely washed before they are reused. Are they taking better control of the cleanliness of the place?

Mr. Foley responded that we are updating the cart washers. We are buying new ones, and we have increased the washing cycles. That has been in place probably 12 to 18 months now and we are updating all the capital equipment in the plant.

Ms. Youssouf asked that as a general statement going forward when Board members visit a facility and discuss with management some suggestions that we do get a report back about this being accomplished or something because it is hard for us to know, not that we do not trust everyone's word, but still it would be nice if it is written down for the record.

Mr. Telano continued by stating that turning to page five, the audit was of controls of cash at New York City Health + Hospital/Woodhull and Cumberland. He asked the representatives to approach the table and introduce themselves. They did as follows: Erika Soiman, Chief Financial Officer; Nagat Shehata, Controller.

Mr. Telano said that he will go through the findings first, and you can respond to each one of these. First, I would like to state that we performed an announced cash count throughout both facilities and we found no exceptions and no difference in the counts. We also reviewed all bank reconciliations and found that they were completed timely, so I wanted to give kudos out to the finance department at these two sites. Now the bad news.

The first issue has to do with the signatures on the bank accounts not being current on seven Woodhull bank accounts. Five separated employees and one nurse executive were listed as signatories on the JP Morgan accounts, and at the six Cumberland bank accounts, seven separated employees and the same one nurse executive were listed as signatories.

The other findings had to do with security concerns in which the cash management staff at Cumberland were unescorted when transporting cash throughout the facility to different floors, and we recommended that hospital police escort them around. We also noted that the safes in which the cash in maintained have never been changed, and there has been turnover of personnel throughout the years, so there might be individuals that had those combinations. Lastly, there were no cameras facing the safes or the cashiers located on the second and third floors in Cumberland.

Ms. Soiman stated that she joined the organization in August, so in effect it is after the pleasure of meeting the Audit team, but we had an exit conference and we discussed these findings, and certainly we accept responsibility for the shortcomings and immediately proceeded to resolve them. With respect to the removal of signatories, it is my understanding from Ms. Nagat Shehata that she has had emails sent to Central Office on several occasions. Perhaps they were not followed up, which I admit is one of our weaknesses, but since then everything has been corrected.

The second issue Ms. Shehata stated that I just wanted to mention for the record that we are here representing both Woodhull and Cumberland, but again we are facing a transition period. I am not sure how long this has started, but again some of these representatives and findings we do assume responsibility. We continue to provide service at Cumberland.

Ms. Youssouf thanked them and asked them about the separated employees. That this is an issue that we have discovered time and again, and here it says you will be checking on it once a year, which I do not think an annual review is timely enough.

Mr. Anantharam added that I completely agree, and I think this came up at the last Audit Committee meeting about the Central Office, and what we have initiated is a process of looking at the system. There are about 126 accounts, and we already got a list of all of the accounts and all the signatories for them, and we are going process by process.

Woodhull has already been corrected, Metropolitan has been corrected, but we are going through a process of ensuring that all of them are okay, and we are doing it bi-annually so that should address most of this.

Ms. Soiman stated that I can assure you all that we have already taken off somebody who's left the organization since then, so we are really proactive now. We said here annually, perhaps we correct it. I am not sure if it's possible. It is semiannual immediate action, so we are really very proactive in this matter.

Mrs. Bolus stated that I am curious about number one, where it says five separated employees and one nursing executive. Two of those former employees, where it says signatures for seven accounts. That is the executive and who were on the signature? I see the nurse executive, who was the other employee?

Mr. Anantharam responded that I cannot answer that.

Mr. Russo asked who the other signatories were. Mr. Telano answered that they were ex-finance individuals.

Ms. Soiman added Controllers or CFOs that previously served in those roles.

Mr. Telano added that they have had turnover in executive management at Woodhull from the beginning of the year, so those individuals are still on.

Mr. Page asked do we have the capacity to actually have the signatories on those hundred and some accounts in a data base so that when somebody leaves you can just automatically compare them to the list and make sure they were taken off? It strikes me that it seems so simple, and nothing ever is, but it could be a very quick data processing check if we had it set up.

Mr. Anatharam stated that he hates to refer back to ERP. We find the resolution for all of our ills, but this has come up in other instances where do not necessarily track our payroll records to people who are authorized to do a variety of things and not just on back accounts but other instances too. That would be one way to ensure that the systems talk to each other so that it does not continue to be the issue. Every time this issue comes up, we step up to the plate and resolve it. What I have to ask my staff to do is review once every six months on all of the accounts across the system until such time that we actually have something that sort of manages this.

Ms. Youssouf asked why we need so many separate accounts. We have a certain amount of facilities.

Mr. Anatharam answered that I have not undertaken that review yet. We are in the process of resolving a variety of finance functions, and we will take that up.

Ms. Youssouf stated that I think six months when someone has access to cash is too long to wait and seems there is got to be a better way to do that.

Mr. Anatharam added that I will say that while this is not proper, the probability of those departed employees accessing out bank account is slim because I understand that they actually have to go through a process of having the token that is generated monetarily for every transaction, so while this is inappropriate in itself, I think the risk of their accessing the system is probably slim.

Ms. Youssouf said that still, it exists and it just seems it would be a more smart, more efficient way to do it, and coming back on the banks I think consolidation would help tremendously.

Ms. Soiman stated that you had indicated the issue of no cameras, and we have immediately noted this. I do not know that there is necessarily a rationale for the cameras. They should have been there, but we have already taken action steps to resolve that matter, so the purchase order was put in. The vendor is aware that we need this type of security measure, so the corrective action is in process. You had mentioned also in the findings that the transportation of cash did not occur with the proper hospital police accompaniment. That is a weakness. Unfortunately we had an individual who was filling the role of the assistant director, and it is no excuse for management not to be responsible, but this individual did not really follow the protocol even though there was a schedule for 10:00 and 4:00 pickups and so forth. Last, the safe combinations not being changed in a timely fashion. All we can say is that this has been initiated. We changed the locks and we worked with our facility's leadership to implement the change. We will do whatever it takes from now on to make sure that there are no negative findings.

Ms. Youssouf stated that what that finding really means is on a regular basis just as you have to change pass codes for something, you need to change the combinations. I want to be sure you understand that. To which Ms. Soiman responded that she understand it very well. The Controller, Ms. Shehata, is telling me that the access is really secure. There is a log in sheet where individuals who are accessing the safe are identifying themselves, signing, the date, but agreed, adding the change of safe combination is an added measure.

Ms. Shehata added that there is also a camera over the Cash Management Office at Woodhull.

Ms. Scott-McKenzie, Executive Deputy Director at Woodhull added the assurance that we have changed the policy, and we now have quarterly change of the combination on the safes.

Mr. Telano continued and stated just going real quick, turning to page six, it shows that audits that are in progress, and the majority of these will be discussed at the next Audit Committee meeting, and on page seven is the status of the our follow-up audits, which are on time, and that concludes my presentation.

Ms. Youssouf asked Mr. Anantharam to explain why we are not doing the finances now and when we are going through the financial statements.

Mr. Anantharam stated that the City's Actuary's report was delayed. It was expected early last week and did not happen, so now we got it late Friday, and the City's auditors have not completed their work yet. They were supposed to have had it done by Monday or Tuesday, so I had to check, but that should have happened early this week. The City's audit meeting itself has been pushed back to the 26th because they understand they do not have sufficient work outstanding to complete their audit, so the expectation is that we will follow through with our work by the middle of next week and have a meeting scheduled for the 21st.

Ms. Youssouf stated that we are going to have a special Audit Committee meeting just so everybody knows. Once the date gets settled, it will be announced. At that point we will have our outside auditors as well as we will go through financial statements.

Mr. Campbell stated that the problem here is that the City's Actuary has only just managed to produce the final numbers for the year ending June 30, 2016.

Mr. Anantharam answered that that is correct for the calculations.

Ms. Youssouf announced that they were going to go into executive session and after returning from Executive Session, the meeting was adjourned.

Audit Committee (Special) – October 20, 2016
As Reported by Ms. Emily Youssouf

A Special Audit Committee meeting was held on Thursday, October 20, 2016. The meeting was called to order by Ms. Emily Youssouf, Audit Committee Chair. Ms. Youssouf then introduced the first information item regarding the Fiscal Year 2016 Financial Statement and Related Notes.

Mr. Anantharam stated that we have to present our financial statements to the City next week, and we wanted to run them by you, so what you have in your packet is the actual document that is almost final. The numbers are final. There are some extra changes that will probably happen in the next couple of days. What we want to do today is go over KPMG's review of our financial statements, and then we would follow up with the presentation of the financial statements itself and give you an explanation.

Ms. Maria Tiso introduced herself as the lead audit partner on the audit and her team as follows: Mike Breen, Supporting Partner; Joe Bukzin, Senior Manager; from Watson Rice; Bennie Hadnott and Barbara Siochi.

Ms. Tiso stated that what we are going to go through today is our required communications as it relates to the 2016 audit. I will walk through the 12 deliverables, our communications and some of the open items that need wrap up before we issue the financial statements early next week.

There are eight deliverables that we will be issuing as part of the audit. There is one that is not listed here, the debt compliance letter; however, it is included in your package. We will be issuing the auditor's reports on the financial statement, the required communications, which we will be going through today. We'll be issuing the management letter, which is currently in progress of being drafted, which will be presented to this Committee in early December. There will be various regulatory cost reports that we will be issuing in 2017, and the MetroPlus Health Plan and HHC Insurance Company, those are calendar year end, so those audits are typically done in February with an issuance in late March.

On pages five and six, these are the responsibilities of management, KPMG and the Audit Committee as it relates to the conduct of the audit. We have presented these slides to you in the past and I am just going to touch upon a couple of the highlights. Starting on the top on page five, management's responsibility is to make sure that internal controls, all the financial reporting are working effectively; making sure that the financial statements including the disclosures are in accordance with generally accepted accounting principles; making sure that the New York City Health and Hospitals complies with laws and regulations; making sure that the financial statements are adjusted for any significant material misstatements.

Our responsibility is to issue an opinion on the financial statements of the Corporation; conducting the audit in accordance with professional standards; and we also evaluate internal controls, all the financial reporting, not to give an opinion on the controls, but to render an opinion on the financial statements. And then lastly the Audit Committee's responsibility, oversight of the financial reporting process and making sure that internal controls are designed to prevent and detect fraud.

We plan on issuing an unmodified audit opinion on the financial statements, which is the highest level of assurance that the financial statements are free of material misstatements. We are unaware of any material errors, fraud or illegal acts that would result in significant misstatements to the financial statements. There were no new accounting pronouncements adopted that had an impact on the financial statements. There were no new accounting pronouncements adopted that had an impact on the financial statements. There were several that the City of New York adopted, but none that affected these financial statements. Lastly, there were no uncorrected financial misstatements in these financial statements.

At this point I'm going to turn it over to Mr. Bukzin he's going to walk through some of the accounting estimates. These are the areas that we spend a significant part of our audit because they require management's judgments, methodology, and then some of the non-routine significant transactions that were included in these financial statements.

Mr. Bukzin stated the highlights of the accounting estimates, and touched upon some of the procedures that would be performed in relation to them. So as it relates to the valuation of patient accounts receivable, we do review management's process and their methodology in evaluating the reasonableness of the net receivable balance. It does involve a review of subsequent cash activity. As part of the audit process, we actually look at it and do an independent analysis as well as looking at the subsequent cash trends, so that it just gives a little bit of color around the valuation of patients accounts receivable.

Several of the other balances are actuarially determined estimates, so we do involve certain subject-matter professionals as part of the audit process. We have our own actuaries that look at the estimates related to claims payables, pension, and post-retirement. Those are the actuarial adjustments that have certain assumptions embedded within, and all of the balances included within are reasonably stated within the financial statements.

Turning to page eight, I just want to highlight some of the unique or unusual transactions during the year. The first one relates to DSRIP. There was approximately $74 million recognized as grant revenue, and this is based upon specific requirements, eligible requirements that are achieved as of the balance sheet date of June 30th. They met those requirements and as such were able to recognize the revenue and a related receivable on the books and records.

In terms of UPL, this is embedded within the third-party payor account balances. There is a receivable on the books you will see on the balance sheet for a little under a billion dollars, about $922 million from a comparability perspective of approximately $890 million as of last year, and we did look at the actual cash collections that came in on the prior year. We do involve certain subject-matter professionals as well with reimbursement experience and focus in on this particular area. In terms of appropriations from the City, just a couple of highlights here in terms of a couple of amounts related to debt and malpractice that no longer require repayments from the organization to the City, so those amounts are disclosed within the financial statements, and that second bullet there highlights the transaction that transpired late in the last quarter where the City provided cash of approximately $400 million to the Corporation. That's also recorded in the financial statements and within the appropriation line item.

In terms of the electronic medical records system, this is a significant project to the Corporation. We do test additions related to construction and progress as part of our audit process. In terms of debt transactions, there are disclosures within the financials about new debt instruments related to loans and leases, which are recorded, approximately $63 million of additional debt. As it relates to subsequent events, management as well as we the auditors have a responsibility to evaluate that up until the time of issuance. At this point in time, there is nothing significant to disclose or adjust related to subsequent event information.

Ms. Tiso added that the last bullet is on liquidity. We brought this up in the planning when we came to the Audit Committee back in June. Obviously liquidity is something that we look at throughout the audit, so we evaluate the risk of liquidity. During the planning phase of the audit, we consider liquidity a risk. We looked at the March 31st financial statement, and at that point in time there was a working capital deficit; however, as the audit progressed in the last quarter, there were certain transactions that occurred between the City and the Corporation that were included in these financial statements such as $400 million of City assuming the debt in malpractice settlements, so we take a look at all that.

Included in these financial statements, you have almost a break-even working capital right now, a break-even net income from operations and cash provided by operations of $100 million, so as the audit progressed, we did not think at the end of the year that liquidity was a risk; however, with that, going forward we would obviously monitor liquidity in light of Dr. Raju's 2020 Vision and the Transformation Plan. There's a lot of changes that are going to happen, but it's something that we are definitely going to keep on our radar screen as we progress to next year's audit.

As it relates to significant accounting policies, they are included in note one to the financial statements. As it relates to quality of accounting principles, they have been consistently applied, and appropriate disclosures are included in the financial statements. To the best of our knowledge, management has not consulted with or obtained opinions from other independent accountants.

There were no major issues discussed with management prior to our retention. As it relates to difficulties encountered in performing the audit, we encountered no significant difficulties, but I did want to mention that probably it was a very challenging audit from our perspective. We had delays in receiving the pension information. With the Corporate Comptroller position not filled, Mr. Linhart and his team really had to step up to help us get through the audit, so again, challenging. There was a lot of healthy discussion with the management team, but as you know, the Audit Committee date was pushed back two weeks, and our financial statements will be issued probably two weeks later than it normally has, but we had healthy discussions, and Mr. Anantharam is new to his role, so we really acclimated him to the audit process.

As it relates to material written communications, we do have an engagement letter, the management's representation letter, which we'll be receiving in the next few days, and then the management letter, which we'll bring to the Committee in December. As it relates to the management letter, I can tell you that there are no material weaknesses or significant deficiencies on any of the comments that will be included in the management letter. There will be just comments for best practices and operational improvements.

There is the other information in documents containing audited financial statements. There are no other documents except we usually add new bond offerings because financial statements are included in those. There were no significant changes to the audit plan, no disagreements with management.

We are not aware of any relationship between KPMG and New York City Health and Hospitals Corporation that would impair our independence. We look at that very strictly and we make sure that we follow our policies and protocols as it relates to independence. Related party transactions between the City and New York City Health and Hospitals Corporation are fully disclosed in the financial statements. Any non-GAAP policies and procedures were not deemed material to the financial statements, and as it relates to litigation, claims and assessments, none other than normal course of business.

Ms. Tiso stated that at this point I am going to turn it over to Mike Breen. On page eleven there is a slide that talks about some of the audit and post-closing adjustments that were included in these financial statements. Mr. Breen will give a brief highlight of what those adjustments are.

Mr. Breen said that it is a required communication where any audit adjustment, post-audit adjustments that are identified during the audit, so in the past I'll say two months, and I'll say a summary of those. We did not include Pension or OPEB, those two actuarial determined numbers that we all know came late, but here's some of the adjustments. On statements of revenue, expenses and changes in net position, it was out of that $400 million appropriation from the City, there was $118 million that management needed to get additional information on. It originally was recorded as for revenue, meaning it was a liability, and then additional information was received from the City, which then basically said you can use it for 2016, so it was recorded as an appropriation in revenue. This happened during the audit this year. There was some additional grant revenues recorded. Mr. Bukzin had mentioned DSRIP, and FEMA is also recorded, and there was a premium revenue, a couple adjustments with MetroPlus. The main one I would say is reconciling things between New York City Health and Hospitals as well as MetroPlus. The overall increase you could see there the revenue is about $241 million.

Then in the statement of financial position, the balance sheet here, there were some adjustments there. The first one, which relates reclassification, with that Mr. Bukzin had mentioned there was some new debt issued, and there were funds that were received as part of that debt issuance that are used for equipment purposes, and those funds were actually re-classed to long term from short term during the audit.

The next item, the accrued expense, that's the appropriation I had mentioned that originally was hung up as a liability that then became revenue throughout the audit. There was receivables set up, the DSRIP and FEMA grants I had mentioned. And then there was in the due to City, there was a balance of $297 million classified originally as short term, but the City came back and said they were not going to require repayment in fiscal 2017, so that made the reclassification to be long term for our purposes.

Ms. Youssouf asked if that was the current debt service payment.

Mr. Linhart responded that it was the malpractice and debt service FY 15 that we were able to push back into long term.

Mr. Breen added that I think clearly one of the things to sum this up is that there was an increase in working capital of about $483 million in adjustments, so as Ms. Tiso pointed out, when we were thinking about liquidity, these were a number of the adjustments that impacted the liquidity situation.

Ms. Youssouf then stated that I thought that the debt service, that they were in fact saying that they were going to forgive it for a couple of years. Why did it become a long-term obligation then?

Mr. Anantharam answered that this goes back to Fiscal Year 15.

Mr. Breen added that it became long term because of the repayment. The last thing I'll mention here is two things that there's no uncorrected adjustments, so there are no adjustments that we proposed that management did not record, and there were also no omitted disclosures in the financial statements. I think with that I'll pass it back to Mr. Bukzin for slide 12, which is our next steps.

Mr. Bukzin stated that page twelve summarizes where we were as of a couple days ago, so there has been some progress since then. I'll take you through that. The first bullet highlights our second part in the review process. He's had a chance to read through the financial statements, and we heard from him this morning that there would not be any significant or material changes, so that's good. We are substantially complete from that perspective.

Ms. Tiso reported that there may be some minor edits, but nothing significant.

Mr. Bukzin said that that is right and the second item speaks of that. There may be some editorials relating to some of the footnotes and the MD&A's included in the financial statements. The third item, we are just wrapping up a little bit of detail test work related to patient accounts receivable. We don't expect there to be anything significant there. We are dotting I's and crossing T's at this point. In terms of subsequent event procedures, we are actually going through that process currently, and I'd like to report that we actually did just receive while we were here the up-to-date legal updates from in-house counsel. We are completed on that front. We did receive that, and we are going through reviewing just any final minutes that have been issued since we are required to do that as part of the audit.

The management representation letter, we did actually provide a draft to management that will accompany the issuance of the report, so they provide written representations to us. We provide the audited financial statements, and then the last item there, as Ms. Tiso and Mr. Breen mentioned before, we are working through the management letter comments, and we'll report back to the Committee in December with that document.

Ms. Tiso stated that we are prepared to issue the audited final financial statements on Tuesday morning.

Ms. Youssouf turned the meeting over to Mr. Anantharam.

Mr. Anantharam stated that we want to do is walk you through some of the major changes in our income statement and our balance sheet for '15-'16, and Mr. Linhart is going to do that.

Mr. Linhart began and stated that page three, total operating revenue increased $1.2 billion from the prior year, and it is almost entirely due to the appropriations received from New York City. The revenues, line number one under operating revenues, net patient service revenue makes up about three quarters or 75 percent of the total revenues and accounts for $5.8 billion and remained relatively flat from year to year with a 1.4 percent increase. The previous year's balance was $5.7 billion, representing 88.7 in total operating revenues. Going to line two, appropriations from the City of New York, as you can see from the documents, 1.4 billion current year as compared to $141 million the previous year. The appropriations represent about 18 percent of revenue for current year, and for past years, so it just shows that the City has increased their support to us.

The City supplied support for collective bargaining increases of $135 million, maintenance of DSH UPL support of $204 million nets, and the City maintained their portion of the local share to the previous historical number.

Correctional Health Service, which is a new endeavor for New York City Health and Hospitals, those are services that were previously provided by New York City DOHMH. That amounts to $165 million.

Ms. Youssouf asked KPMG about Correctional Health Service because they did not specifically addressed that in their report.

Ms. Tiso answered that Correction Health facilities services are going to be provided in FY 17.

Mr. Anantharam stated FY 16.

Ms. Tiso stated that we included it as part of our revenue sampling, so when we do look at revenue, we include that part of the revenue test work.

Ms. Youssouf stated that I would think that is something that would be because that is a whole new division.

Ms. Tiso responded that if you would like, we can definitely add it to the presentation.

Ms. Youssouf said that I think so, just for the record that is appropriate.

Ms. Tiso answered that that is fine, but we did include it as part of our overall revenue testing.

Mr. Linhart continued and said that included in the $1.4 billion is City subsidy amounts of $581 million, and of that amounts, $40 million was provided on June 30, 2016. Moving down to line four under operating revenues, with grant revenues in the amount of $362 million versus $527 million for the prior year represents a decrease, a variance of $164 million, which is due to the first year set up and receipt of the IAAF, or the Interim Access Assurance Fund of $140 million, which was provided to all the DSRIP programs and ensured the financial viability of critical safety net providers during the period leading up to DISRIP implementation.

Moving down to operating expenses, similar to the $1.2 billion increase in revenues, we had an offset of $1.1 billion in expenses. This is mainly due to a $672 million increase, combined increase of Pension and OPEB expenses as well as our assuming the Correctional Health Services too.

On line one, under operating expenses, you have personal services, which increased $147 million from the previous year mainly due to collective bargaining settlements worth approximately $68 million and the addition of Correctional Health Services. Line two under operating expenses, which is other than personal services, increased $192 million or 6 percent from the previous year, and that too was due mainly to the addition of Correctional Health Services. Lines four and five under operating expenses, which are pension and post-employment benefits other than pension, what we call OPED, those increased $217 million and $455 million respectively, and these amounts are all based on the revised estimates provided by the New York City Office of the Actuary.

Operating revenues minus operating expenses for the year shows a positive amount of $40.1 million. That is compared with a loss of $58.1 million of the previous period. That is an overall improvement of $98 million. I would like to say that the reason for ending in this positive position was mainly due to the City's appropriation amount of $1.4 billion.

The balance sheet summarizes our position on June 30, 2016. It includes all of our system's assets, liabilities and net position summarized here. As I said earlier, the current ratio is reported at .95 this year compared to .84 and .87 in the previous years. The New York City average for 2015 is 1.14 for the current ratio, so we are not doing too terribly at .95. The ideal is 1.0, so moving forward from that, we will hopefully get to that point.

Current assets, cash and cash equivalent, Health and Hospitals was left with $544 million at the end of ear after all operations, and that represents a decrease of $67 million from the previous period and, you may remember at the Finance Committee meeting, we had said $433 million was the ending balance, cash balances, but the amount takes into account all transactions that need to be processed whereas this takes into account cash on the table.

Current Assets, patient accounts receivable, net. It is consistent with prior years and represents receivables for 2016 and approximates about two months' worth of receivables. Line five under current assets estimated third-party settlements receivables, $922 million represents a variance of $31.9 million, and that reflects the anticipated UPL receivables, revised estimates for 2016.

Going down to the liability section, if you look at due to the City of New York, it is provided in two section, one in the current section, on in the long-term section. It decreased $277 million, and as previously stated, we had paid the 2014 malpractice and debt service, and there was no increase in those amounts for 2016 because the City had assumed that cost, so it was never recorded as a liability.

Current liabilities, which is Pension and OPEB, a combined increased increase of $1.071 billion as we recognize our annual pension costs and payments toward the pension liability and an increase of $321 million related to OPEB obligations as determined by the New York City Office of the Actuary.

Mr. Anantharam announced that that concludes our presentation of the financial statement.

Ms. Youssouf stated that I believe that the Audit Committee needs to agree to the release of these audited materials, so can I have a motion. Motion was seconded and granted.

Ms. Youssouf said that I would like to thank you all for working very hard and a great presentation and as always, KPMG, thank you very much.

Mr. Anantharm thanked the committee and also commended Mr. Linhart and his team for working very diligently as well as KPMG for being so helpful in the process.

Capital Committee – October 13, 2016
As Reported by Ms. Emily Youssouf

The meeting was called to order by Gordon Campbell, Vice Chair, Acting Chairman of the Board, at 11:11 A.M.

Vice President's Report

Ms. Weinstein announced that the Office of Facilities Development had received close to $20 in grants for energy savings projects. That was in addition to over $111 million in grants received in the past few years. In FY 16 there had been $21 million savings, in cash, on energy costs and energy use had decreased by 10% over that same period. She said that Health + Hospitals was well on their way to meeting mandated energy usage reduction.

Ms. Weinstein provided an update on the JCI/CBRE contract. She explained that the contract had been renegotiated and amended to allow for better control of services. She advised that some managers had been kept in place under the CBBRE contract, and that their procurement system was still being used, but all Directors and Assistant Directors of Engineering had been moved to Health + Hospitals payroll and were now reporting to the Office of Faculties Development.

Ms. Weinstein asked Salvatore Russo, General Counsel, Legal Affairs, to provide a brief overview of the contract with Manatt Health that would be presented.

Mr. Russo explained that while there were various committees that fell under the Board of Directors, and those committee meetings provided vetting for resolutions to be presented to the full Board of Directors, there was no requirement that any item be presented to a committee. There was also no requirement as to which committee an item may go before. With regards to the Manatt Health contract, on the meeting agenda, it was decided that the timing of the Capital Committee was most convenient for presenting and would provide an appropriate forum for discussion. With that in mind, it was also noted that any member of the Board of Directors may sit on any Committee they wish if they would like to take part in discussion on a particular item.

Mr. Russo also noted that Gordon Campbell, Acting Chairman, and Ms. Youssouf, Committee Chair, were both faculty members at New York University, and would therefore be recusing themselves from discussion and voting on the resolution requesting authorization to license space at Bellevue Hospital Center to New York University (NYU). It was also decided that resolution would be the last action item presented. Josephine Bolus, RN, asked if there would be adequate votes. Mr. Russo said there would be.

Action Items

Authorizing the President of NYC Health + Hospitals to approve a Capital Project for an amount not-to-exceed $9,237,739 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Installation of a 1.6 megawatt (MW) Micro-turbine Cogeneration (CHP) System (the "Project") at NYC Health + Hospitals / Kings County (the "Facility").

Louis Iglhaut, Assistant Vice President, Office of Facilities Development, read the resolution into the record. Mr. Iglhaut was joined by Cyril Toussaint, Director, Office of Facilities Development.

Mr. Toussaint explained that over the past two years Consolidated Edison (Con Ed) had been working to decrease demand on the power grid, particularly in certain overloaded areas like Richmond Hill, Crown Heights, and Ridgewood. When Con Ed determined that it would cost approximately $1 billion to build a new substation they looked for more cost effective ways of decreasing demand, and decided that awarding $200 million in incentive programs would help accomplish that goal. The grant was divided into two categories; Utility, which included storage, solar, fuel cell and voltage optimization; and, Customer, which included thermal and battery storages, demand response, solar photovoltaic, fuel cell, and energy efficiency projects. Kings County Hospital

was identified as one of the largest consumers of energy within their service area. With that knowledge available the Office of Facilities Development submitted a grant request to the New York State Energy Research and Development Authority (NYSERDA) to fund construction of a cogeneration plant for the facility.

Mr. Toussaint explained that cogeneration, also known as Combined Heat and Power (CHP), was the simultaneous production of electricity and heat from a single fuel source – such as natural gas. Constructing a cogeneration plant would generate electricity on site, capture waste heat, and convert was heat into usable energy, resulting in less draw on the grid and the enhancement of functionality in existing boilers and chillers for heating, cooling, domestic hot water, steam or sterilization. This would reduce energy costs, improve environmental performance and increase energy reliability.

Mr. Toussaint noted that RSB systems was selected to install the system, following Operating Procedure.

Mr. Toussaint reviewed economic benefits of the project, explaining that annual savings over the first ten years would be $10,094,458. Mr. Page asked if that number assumed that the City was providing funding at no cost. Mr. Toussaint said yes, and the City has said that was the case. Mr. Page asked how it would affect the bottom line of the project if there were debt service on the funding. Mr. Toussaint said it would decrease estimated savings to approximately $3,000,000 over ten years.

Ms. Weinstein noted that cogeneration may be considered at additional sites in the future. Mr. Page asked that future resolutions reflect what the cost would be if monies were not covered by the City of New York. He said he would like to know what it would look like if they were counting the cost of the City money, because he believed that if you got money for one thing, you may not get it for another.

Mrs. Bolus stated that the resolution mentioned only one building on the campus, and asked why. Mr. Iglhaut explained that this unit would only provide supplemental energy, and only for a portion of one building on the campus.

Mrs. Bolus asked how large the unit would be, and where it would be located. Mr. Toussaint said they would be located adjacent to the power plant, and shared an image of what the units looked like.

Mrs. Bolus asked what type of security would be in place. Mr. Iglhaut said the site would be fenced in, with lighting surrounding the area.

Mrs. Bolus asked if new staff would need to be trained to operate the unit. Mr. Iglhaut said that ten years of maintenance was included in the funding summary, and would be provided by the consultant, RSB.

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

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

Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals" or the "System") to execute an agreement with Manatt Health, a division of Manatt, Phelps & Phillips LLP ("Manatt") to: build upon and modify the preparation of legislative initiatives for a Medicaid waiver and an adjustment of DSH cuts in anticipation of a change of administration in Washington; build on prior planning to create safety net ACOs with the goal of obtaining firm agreements from the voluntary hospitals to participate and to request funding from governmental sources; advance data analysis previously initiated to prepare recommendations for ambulatory, post-acute and acute care service delivery structural adjustments reflecting a shift from acute to post-acute and ambulatory care with greater integration among these service lines; and to provide further and more robust support to the Commission and the System's Office of Transformation at cost not to exceed $3,100,000 for work performed and to be performed during the period July 1, 2016 through January 31, 2017.
Ross Wilson, MD, Senior Vice President, Medical and Professional Affairs, read the resolution into the record.

Ramanathan Raju, President, NYC Health + Hospitals, provided summary information on the contract. He advised that this contract with Manatt Health could be considered Phase III, as two prior contracts were already in place. He noted that Manatt was tasked with assisting in making Health + Hospitals a financially sustainable system. Manatt was selected as a result of the experience they had in working with Health + Hospitals on Delivery System Reform Incentive Payment (DSRIP) program initiatives, and their intimate knowledge of the organization and its financial situation.

The original contract with Manatt, "Phase I", for $2.7 million, compiled a report on the system's financial situation which was provided to the Mayor's Office. After the report was released, it was decided that Health + Hospitals needed to find a new strategy

for financial operations, and to manage that process, Manatt was issued another contract, "Phase II". That contract, for $2.895 million, went through the Contract Review Committee (CRC) for required review and approval. This contract, "Phase III", is requesting the ability to continue prior services and help build a strategy to deal with those roadblocks. Goals include synchronization of services and plans for clinical transformation. Manatt had been selected for various reasons; their familiarity with the system and its financial operations, continuity of services being provided, and the need to meet difficult time deadlines.

Dr. Raju explained that there were questions regarding the Manatt contract and contracts with BCG and COPE. He noted that the BCG contract was established to develop overall Project Management Operations (PMO) structure and tools, and partnering with PMO working teams to support setup, charters and milestone definitions, and to pressure test and ensure quality/consistency on PMO work streams. The COPE contract was related specifically to DSRIP, and related road-mapping.

In summary, Dr. Raju advised that the first contract was issued under Operating Procedure, as a result of tight deadlines. The second contract went through proper contract channels, and so had this third contract.

Ms. Youssouf asked if there was one person in charge of these multiple contracts. Dr. Raju said that Dr. Wilson was overseeing the transformation office and these contracts.

Ms. Youssouf asked if there was Health + Hospitals staff working on the system transformation. Dr. Wilson said yes, they were working on establishing the transition from consultant to Health + Hospitals staff, but that required some hiring.

Mr. Campbell said that as he understood it there would not be a request to extend these contracts past their December and January expirations. Dr. Raju agreed. He added that there was a desire to enter into requirements contracts with particular consultants so that if specific services or expertise were needed then they would be on hand and available for those specific services. He said that there would likely be things along the way for which Health + Hospitals did not have the necessary expertise.

Ms. Youssouf asked what type of expertise that would be. Dr. Raju said that if the State requested alterations to the analysis provided by Health + Hospitals, then those alterations would likely need to be made by the consultant. Ms. Youssouf cautioned against relying on consultants. Dr. Raju agreed. He said that consultants should be used only when needed for expertise and then move on, and that he agreed that an outside organization should not run an internal office and they wouldn't be for long.

Mr. Page said he understood this was a unique need for specialized services but agreed that working with Health + Hospitals staff should be a goal. All parties agreed.

Ms. Youssouf asked that Strategic Planning provide reports to the full Board of Directors.

Dr. Wilson advised that the BCG contract had three modules and it was being determined whether either the second or third module would be initiated. Dr. Raju said that any additional contract services would need to come before the Board of Directors.

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

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

Authorizing the President of the NYC Heath + Hospitals (the "Health care system") to execute a revocable five year license agreement with New York University School of Medicine (the "Licensee" or "NYUSoM") for its continued use and occupancy of 9,500 square feet of space at NYC Health + Hospitals/Bellevue (the "Facility") for the NYU-HHC Clinical Translational Science Institute ("CTSI") with the occupancy fee waived.

William Hicks, Executive Director, Bellevue Hospital Center, read the resolution into the record. Mr. Hicks was joined by Michael Rawlings, Associate Executive Director, and Christopher Roberson, Director, Bellevue Hospital Center.

Mr. Hicks explained that this agreement provided for an applied research program operating in the C& D building at Bellevue. It has supported over 120 funded collaborative research opportunities since 2011. CTSI provides Health + Hospitals patients with investigational therapies, studies and clinical interventions that they would not otherwise have access to. The program supports collaborative interventions to improve quality and delivery of care. Approximately 54% of the patients seen are Bellevue patients, and over 1,000 visits since January 2015. There have been 14 pilot grants awarded to Health + Hospitals, amounting to over $1 million, over the term of the agreement. Approximately $1.1 million annually to support staff who operate the CTSI and over $6 million in upgrading facility space that they use. NYU has also agreed to pay $400,000 annually in sub-award agreements that

support our research efforts. So the agreement is proposed with an occupancy fee waived in lieu of the benefits received by the Corporation.

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

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

Medical & Professional Affairs Committee – October 11, 2016
As Reported by Dr. Vincent Calamia

Dr. Vincent Calamia, Chair of the Committee, called the meeting to order at 10:00 AM.

Chief Medical Officer Report
Machelle Allen MD, Interim Chief Medical Officer, reported on the following initiatives.

Zika

The System-wide Zika Town Hall Webinar conducted 8/12/2016 discussed NYC Health + Hospitals overall preparedness and response to Zika. This included an overview of the Zika virus, advice to at-risk populations including pregnant females, what a Zika diagnosis means, and what NYC Health + Hospitals is currently doing in response to the ongoing threat of Zika. Frequently asked question related to Zika were addressed and a Zika-specific email was announced for all future Zika questions and concerns. Over 700 employees across NYC Health + Hospitals participated in this webinar. In addition there were 350 visits to the H+H Zika website related to the webinar. From January 1, 2016 through August 31, 2016 NYCH+H has tested 1439 pregnant women none of whom had Zika infected newborns.

ACO

In late August, Medicare released 2015 national performance results for Accountable Care Organizations (ACOs) in the Medicare Shared Savings Program. Each year, around one-quarter of ACOs in the country are able to successfully meet cost and quality performance targets to generate a shared savings earned incentive payment. For the third consecutive year, the NYC Health + Hospitals ACO was among this top tier of high-performing ACOs in the country.

The performance data reveal that 2015 was the ACO's strongest year yet. Through reducing rates of avoidable ED visits and hospitalizations among our most vulnerable patients, we reduced costs by $13 million. Meanwhile, our quality score improved substantially from 76% to 94%. Our percentage cost reduction and quality improvement results were both #1 in New York State, and the ACO's overall performance was among the top 5% nationally.

The ACO was recognized as a 2016 Gage Award Remarkable Project by America's Essential Hospitals at their annual national meeting in Boston. Abstract from conference promotional materials is pasted below.

In partnership with colleagues in Finance and Operations, the ACO hosted a kickoff event to launch efforts to improve care for episodes of major joint replacement under the Medicare Comprehensive Care for Joint Replacement (CJR) program. Under this new value-based payment model, NYC Health + Hospitals facilities are accountable for costs and quality across the continuum of care for a 90-day episode after surgery. At the kickoff event, stakeholders from clinical, financial, and operations leadership got together to review program components and initiate strategic planning efforts, which continue under the direction of designated CJR Leads at each hospital.

On July 25th, CMS proposed a new suite of cardiac and orthopedic episodes to be added to joint replacements in 2017 under Medicare's mandatory bundled payment program. Under the proposed rule, the number of DRGs subject to mandatory bundled payment under Medicare Fee-for-Service will increase from 2 to 20. This announcement reaffirms the CMS commitment to have 50% of Medicare payments tied to quality or value through alternative payment models by 2018, starting with ACOs and increasingly via (DRG + 90days) episode bundled payments.

America's Essential Hospitals 2016 Gage Award Remarkable Project

NYC Health + Hospitals |HHC ACO Saves Medicare Dollars, Improves Quality
Team lead: Ross Wilson, MD, Chief Executive Officer

Team members: N. Stine, M. Cunningham, S. Cirilo, J. Haven, J. Turi

Project Description:
Health care delivery and payment models are undergoing radical redesign efforts focusing on the provision of high-quality, lower-cost care. Over the next few years, a significant portion of Medicare and Medicaid payments will become tied to value, and health systems that care for the vulnerable will be particularly pressed to demonstrate success in this new payment landscape, as subsidies for care of uninsured individuals are reduced.

To that end, NYC Health + Hospitals joined other physicians groups in 2013 to form a subsidiary nonprofit accountable care organization (ACO) that participates in the Medicare Shared Savings Program (MSSP). An analysis of Medicare claims data indicated that the greatest opportunity for the NYC Health + Hospitals ACO to improve the health of its target population was to reduce emergency department (ED) visits and inpatient admissions.

The ACO was among the top-performing ACOs in the nation in 2013 and 2014, demonstrating that better connecting patients to robust primary care and supporting care coordination can significantly reduce ED visits and inpatient admissions. HHC ACO had an overall quality score in the 76th percentile and was among just 15 percent of MSSP ACOs to generate savings in both 2013 and 2014, saving Medicare $7.2 million and $7.1 million, respectively.

Office of Population Health

Patient Flow in Primary Care

In collaboration with the Breakthrough office, the Office of Population Health has been working with adult primary care practices at Kings County and Morrisania to improve in-clinic patient flow.

Methods and improvement strategies were codified in a playbook that lays the groundwork for enterprise-wide efforts on primary care patient flow during the Board QA Committee's Q3 Performance Improvement project starting in July.

Patient-Centered Medical Home (PCMH) Recognition

NYC Health + Hospitals/North Central Bronx, NYC Health + Hospitals/Elmhurst, NYC Health + Hospitals/Coney Island, and NYC Health + Hospitals/Woodhull all received high scores on their corporate PCMH applications to NCQA, positioning them to receive Level 3 recognition after site-specific applications are submitted in the coming months.

In total, we are pursuing NCQA recognition for 56 of our primary care sites, to demonstrate our ability to deliver superior care; receive increased reimbursement rates from payers; and meet our transformation requirements under DSRIP.

Data Core

OPH is developing and optimizing a risk scoring algorithm to understand and predict high utilization in the Emergency Department and Inpatient settings for all patients at H+H independent of payer.

Collaborative Care

A new version of the Depression Registry launched on July 28. This updated version simplifies and makes for more efficient workflows for facilities and provides better data access for our central office staff. All facilities are using CIP for patients in the Depression Collaborative, and most facilities are beginning to use it for hypertension patients in the RN Treat 2 Target program. Central office staff will provide summary reports to facilities to inform performance improvement efforts.
H+H facilities received HIV awards for $1.4M in FY 16. For FY 17, to date, Harlem has received a grant to focus on PREP.
The 2nd quarter Board performance improvement project, with a focus on BP management for hypertension patients, has completed, and facilities presented their data to present to the QA Board in September and October. Among 17 facilities, 13 saw improvement and 9 reached the target of 5% improvement relative to baseline. Four sites saw decreased BP control, including both EPIC sites and one site with a data issue. Key elements of successful projects included expanding the RN Treat 2 Target program, training on BP measurement, and transparent sharing of monthly provider- level performance metrics.

Dr. Susan Kansagra presented on H+H's approach to addressing social resource needs at America's Essential Hospitals' Vital Conference in June. In the last 6 months, over 10,000 families were screened for social resource needs thru the Health Leads

program. Twenty percent of patients screened positive for a resource need, e.g. food, job training, baby supplies, and were referred to the program for assistance in accessing community-based and governmental resources.

Jennifer Fuld, PhD started as Clinical Translational Science Institute Director and is developing a research priorities agenda for the organization to grow our research partnerships.

Behavioral Health

The Office of Behavioral Health with Ambulatory Care, Women's Health and Pediatrics is implementing a process to screen for depression in pregnant women from prenatal through the postpartum aspects of delivery as part of NYC Thrive. Pilots are focused at Gouverneur, Kings County, Woodhull, and Coney Island. As of May 2016, the prenatal screening rate in Maternal Health is 95%, pre-natal positive rate is 7%, and referral rate is 60%. For Post-partum screening the rate is 98%, positive screen rate is 6.5%, and the referral rate is 82%. Individuals who screen positive are further evaluated by a social worker and if indicated, they are referred for behavioral health treatment.

The Office of Behavioral Health is coordinating a work group related to the management of violence, involving the Councils of Emergency Medicine and Psychiatry. The plan focuses on identification, reporting and data collection. Standard work for all facilities involve risk assessment and engagement of patients. OBH has initiated a "real-time" tracking mechanism to capture all staff injuries related to patient care in Behavioral Health in collaboration with the Safety Office and Risk Management.

OBH is working with each facility related to workforce development. Current strategies include: changing the model of inpatient care using physician extenders; development of use of tele-psychiatry (pilot at Harlem Hospital focused on child psychiatry consultation), and streamlining the onboarding process for clinical staff.

OBH continues to work on the following: Establishment of on-site assessment and short-term treatment in the Family Justice Centers providing increased mental health services to victims of domestic violence. There will be one in each borough for a total of five sites. NYC Health + Hospitals will provide screening, assessment and short-term mental health services at these sites. The five sites are currently recruiting with two sites (Kings and Queens) possibly ready for operation by November 2016.

OBH in collaboration with the Interim Chief Medical Officer has developed standard credential and privileges for the entire system for psychiatrists, psychologists, and psychiatric nurse practitioners. These are being distributed to the facility credentials committees for approval and implementation.

NYC Health & Hospitals Behavioral Health is collaborating with Ambulatory Care in increasing access to all mental health ambulatory care centers. Focus has been on decreasing wait time until first and follow-up appointments. Significant results have been achieved by most facilities with average TNAA (Third Next Available Appointment) of 5 days with continued efforts to decrease to 3 days or lower.

In addition NYCH+H has collaborated with the NYDOHMH Hunter College NYThrive collaborative program with placing 21 early career social workers in 15 primary care practices and 8 psychologists or social workers in 4 of our behavioral health sites.

Pharmacy
Formulary Standardization:

The System's Pharmacy and Therapeutics Formulary Committee formulary standardization is moving forward. In addition to the initial threshold of 43% of formulary standardization achieved for EPIC Queens and Elmhurst which equates to 1720 of 4000 medications line items; a 33% formulary standardization has been achieved across 11 facilities equating to 1200 line items of 3900 medication line item. Of note the average large medical center has no less than 3500 medication line items. This threshold achieved is based on both purchasing and dispensing data points, and what is on the facilities actual formulary list. Along with the ongoing drug class reviews work being done by subject matter experts from various councils formulary standardization is moving forward at a healthy pace. Additionally 400 records of intravenous admixtures have been standardized amongst 4 facilities (Queens, Elmhurst, Jacobi, and NCBH). The off shoot of the IV admixture standardization has been a standardization of workflow and facilitation of resolved EPIC related tickets.

Teen Health

The YouthHealth website launched on April 28th with 130 staff members, city agencies and community based organizations in attendance at the launch event. The website contains information on youth health clinics throughout H+H with the goal of increasing adolescent awareness of health services and engaging them in care.

On July 18th the social media component of the YouthHealth Campaign was launched. Using Facebook, Instagram and other social media platforms we will promote NYC H+H's primary care, reproductive health, and behavioral health services to NYC adolescents. As of August 10th the website (NYCYouthHealth.org) has received 14,572 unique hits.

Delivery System Reform Incentive Payment (DSRIP) Program

OneCity Health continues to progress with clinical project implementation, network development and distribution of funds with a model to be used through March, 2017.

Funds Flow and Network Development
OneCity Health has allocated $55M for DSRIP project implementation through March 31, 2017 for transformation efforts in care management, primary care and behavioral health integration, and chronic disease improvement. Since issuing contracts (called Schedules B) in July, partners have executed 149 (of 182) agreements. OneCity Health has added eight (8) Medicaid billing organizations to its partner network under permission granted to all Performing Provider Systems (PPSs) as part of a New York State Department of Health-required DSRIP Program Mid-Point Assessment. These organizations provide primary care, behavioral health, care management, and other services and will further strengthen the care continuum for the New Yorkers under care. OneCity Health is in active review of the quality and breadth of social services offered across each of its four hubs and may add these non-Medicaid billing organizations to the partnership at any time.

Clinical Project Implementation
To support the building of a high quality primary care network, the OneCity Health team is supporting Patient Centered Medical Home (PCMH) certification for over 80 community primary care partners; the first of two cohorts of primary care organizations are working with technical assistance to achieve PCMH requirements. NYC Health + Hospitals facilities will achieve certification via in-house efforts, as was successfully done in the past.

Five NYC Health + Hospitals sites and five community partner behavioral health and primary care sites have been selected as pilots for intensive support in implementing co-located services for primary care and behavioral health and will begin site-level diagnostics and implementation planning.

At two NYC Health + Hospitals facilities, transition management teams continue to provide 30 days of supportive care management for patients at high risk of readmission. Since piloting, the teams have supported 248 patients with 29 readmissions within the group.

OneCity Health, in conjunction with three other Performing Provider Systems, Community Care of Brooklyn, Bronx Health Access and Bronx Partners for Healthy Communities, launched the 100 Schools Project in September to address mental health disorders in adolescents, beginning with 10 schools across Brooklyn and the Bronx. The PPSs are funding and overseeing the project, while the Jewish Board of Family and Children's Services is coordinating the initiative and will teach schools how to connect students who have emotional, behavioral and substance-abuse challenges with top-tier local mental health providers while enabling the students to remain in school.

Workforce Seminar
In September, OneCity Health held an educational session with nineteen (19) members from its OneCity Health Workforce Committee and observers regarding clinical interventions and their associated training requirements. This session was a part of OneCity Health's required workforce planning and broader efforts to engage labor partners through committee meetings and additional venues.

Community Engagement
OneCity Health was selected to present at a Greater New York Hospital Association symposium in November to discuss successfully partnering with community-based organizations in outreach and engagement of uninsured New Yorkers to connect

them with insurance and primary care. NYC Health + Hospitals and 35 community-based organizations are collaborating in the effort.

Patient Center Care
Nurse Excellence Award Ceremony
October 25, 20216 - 2 to 4 PM - NYU Kimmell Center - Rosenthal Pavilion

MetroPlus Health Plan, Inc.

Total plan enrollment as of September 1, 2016 was 500,420. Breakdown of plan enrollment by line of business is as follows:

Medicaid	378,395
Child Health Plus	14,018
MetroPlus Gold	5,342
Partnership in Care (HIV/SNP)	4,420
Medicare	8,484
MLTC	1,273
QHP	18,823
SHOP	1,002
FIDA	169
HARP	8,135
Essential Plan	60,359

On September 27, 2016, the Daycare Workers of Union local 1707 approved a new contract. Under the agreement, MetroPlus' Gold Care will be the health plan offered to New York City resident employees. The workers involved are not city employees but are employed by over a hundred not-for-profit agencies throughout the city. These employees were previously offered coverage under an Emblem plan but the premium contribution was high and only approximately half the employees enrolled. Gold Care with monthly member premiums as low as $15 offers two coverage options. Gold Care I provides a range of community physicians and the Health + Hospitals network for hospital based care (except on Staten Island). Gold Care II has higher premium contribution but offers a wider range of community physicians, retains the Health + Hospitals as its base network but also includes other hospitals. Enrollment will begin in mid-October and coverage on December 1, 2016. We will be working closely with all H+H facilities to ensure members receive prompt access to care and high quality services.

I have previously mentioned our work with ZocDoc which began about a month ago. Under our partnership, MetroPlus members searching our provider directory will see a “Book Now” button next to the name of any ZocDoc enrolled physician. By clicking on the button they are taken to ZocDoc's site where they can immediately book an appointment. To date, about 500 individuals have gone from MetroPlus' web page to ZocDoc's and about 50 have booked appointments. We will continue to promote this relationship in the months ahead.

The MetroPlus board recently authorized negotiation of a contract with General Dynamics for fraud waste and abuse services. While MetroPlus has previously had a data mining contract this is the first time we will have a contract to review our data for potentially fraudulent claims and attempt to recover from providers who are billing fraudulently. As we grow and expand the network, it becomes even more critical that we closely monitor our providers. Furthermore, the State has been mandating greater recovery efforts by plans. We will be working closely with our H+H partners and the new vendor to identify errors and work to quickly correct them.

As you know, fall is open enrollment for many of the products we offer and we have begun our efforts to enroll individuals. The open enrollment period for City employees begins on October 11, 2016 and we are in a promotional campaign for MetroPlus Gold. The MetroPlus Gold is has grown by nearly 50% since last year and is now over 5,200 members. This year, because of changes made by other plans, Gold is the only plan to have no employee premium and no co-pays for a wide range of in network services. We are also offering a gym membership benefit for the first time. In advance of open enrollment we have attended open houses at agencies and employers such as several CUNY schools, the Department of Education, NYCERS and a number of community boards. We are also attending events at Health + Hospitals facilities and will be participating at multiple agency events in the weeks ahead.

With the opening of public schools we have increased our relationships with schools throughout the city. In many schools we have been able to develop a relationship with the parent coordinators. The parent coordinator invites us to parent association events

at the beginning of the year, when they are most heavily attended, and also makes referrals of parents they come in contact with who are uninsured. We hope in the course of the year to expand this model throughout the city.

On October 6, 2016, in collaboration with Elmhurst Hospital, we are hosting a Latin-American health summit. This event, part of Elmhurst's annual Hispanic Heritage Month celebrations, will focus on health challenges faced by Latino immigrants and their families and explore ways to improve access to healthcare in those communities. Elmhurst physicians will deliver presentations concerning Women's Health, Children's Health, and information regarding the Zika virus. MetroPlus representatives will also be on hand to discuss accessing health insurance plans and medical coverage.

I also wanted to highlight an enrollment effort we are making at the city's airports. We started working at the airports with the food vendor "Flying Foods" that provides meals for airport employees and have more recently built relationships with JetBlue and Chef Gourmet over time. We are allowed to market in their cafeteria while their employees have lunch. At this time we have two reps who are on site during their Open Enrollment Period in November and by appointment or specified days during the rest of the year. When a new employee is hired, the HR department contacts us and we conduct a presentation. Over the last several months we have been able to enroll over 400 airport employees.

Our Medicare STAR rating increased to 3.5 stars and we are working diligently to increase it further for next year. Our new P4P, which indicates for each provider their earning potential with improved quality scores, was launched the end of July and was well received. We expect this revised incentive to support our efforts in improving our QARR scores. Each facility now has a dedicated MetroPlus quality navigator who operates out of the facility and is responsible for addressing all the gaps in care associated with members attributed to the facility.

Action Item:

Roslyn Weinstein, Senior Assistant Vice President of Operation presented to the committee the following resolution:

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute an agreement with the Advisory Board to provide subscriptions and memberships to research databases, leadership and fellowship trainings, talent development, and technology tools for revenue optimization for a term of five years, for an amount not-to-exceed $5,680,997 including a 2% contingency.

Approved for consideration by the full board.

Information Item

Katie Walker, Assistant Vice President of IMSAL presented an update on the Simulation Center.

SUBSIDIARY BOARD REPORT

HHC Accountable Care Organization (ACO) - September 20, 2016
As Reported by Dr. Ram Raju

The subsidiary nonprofit Accountable Care Organization, convened to discuss its 2015 savings distribution and other ACO-related matters. The Board discussed the following:

- Drs. Ross Wilson and Nicholas Stine presented to the Board the ACO's success in generating shared savings in 2015, which the ACO has accomplished every year since its establishment in 2013. For the period January 2015 through December 2015, the ACO achieved quality and financial benchmarks in its third performance year, resulting in a payment of just over $6 million for this period. Note that the ACO reduced Medicare spending by $13 million compared to that period's CMS-established benchmark, while concurrently raising the ACO's quality score from 76% in 2014 to 94% in 2015, representing the largest increase of all the ACOs in New York State.
- The Board reviewed and approved a proposal for distributing savings among NYC Health + Hospitals and the affiliates, based largely on the methodology used for the 2014 shared savings distribution. For 2015, the primary care physician incentive continues to include a modest quality adjustment for hypertension control rate and patients' ratings of the provider. A portion of the savings will also be allocated to a fund to support training and team building for the care teams that are responsible for managing the ACO population.

- The Board approved two resolutions:
  - *Authorizing the ACO's Chief Executive Officer to negotiate and execute an amendment to the ACO agreements and distribute the 2015 performance payment, consistent with the agreed-upon savings distribution methodology; and*
  - *Electing the following persons as ACO officers for 2017: Dr. Ramanathan Raju – Chairman; Dr. Ross Wilson – Chief Executive Officer; Plachikkat V. Anantharam – Treasurer; and Salvatore Russo – Secretary.*

MetroPlus Health Plan, Inc. – September 27, 2016
As reported by Mr. Bernard Rosen

Chairperson's Remarks

Chair Rosen welcomed everyone to the MetroPlus Board of Directors meeting of September 27th, 2016. Mr. Rosen mentioned that on September 22, 2016, a MetroPlus Executive Committee meeting was held to endorse a resolution to sublease space at MetroTech in Brooklyn. This space will house MetroPlus' call center and associated functions. The resolution was approved by MetroPlus' Executive Committee and later in the day it was approved by the NYC Health + Hospitals' ("H+H") Board of Directors. Mr. Rosen stated that there are 4 resolutions for approval, including a resolution for a new Board member, Mr. Steven Bussey. Mr. Rosen then turned the meeting over to Dr. Saperstein.

Executive Director's Remarks

Dr. Saperstein elaborated on the resolution to sublease space at MetroTech. MetroPlus has been running out of space for the last year and a half to two years. There are about 150 to 200 vacancies, which have not been filled in some crucial areas due to lack of space to place staff. This is a sublease from Emblem at an extremely good rate at $26 a square foot, which is lower than the Plan's current building and as well as 33 Maiden Lane's lease. The sublease will be for seven and a half years, which is will terminate around the same time as the other leases.

This is the Board of Director's extra meeting, which was deemed necessary. The decision was made that Executive Staff should not do their regular Executive Director and Medical Director's reports, but to go through the 4 resolutions. At the next Board meeting the Executive Director and Medical Director reports will be presented.

Action Items

The first resolution was introduced by Mr. Dan Still, Chair of the MetroPlus Finance Committee.

Authorizing the Executive Director of MetroPlus Health Plan, Inc. ("MetroPlus") to negotiate and execute a contract with CVS Caremark, to provide Pharmacy Benefit Management services for a term of three years with two 1-year options to renew, each solely exercisable my MetroPlus, for an amount not to exceed $920,000 per year.

Dr. Saperstein mentioned to the Board that CVS Caremark has been utilized by MetroPlus since 2011 for its pharmacy benefit management services. Since the last contract, MetroPlus has had the carve-in of Medicaid and pharmacy added to all lines of business. The current expenditures for pharmacy is over $700 million dollars a year. CVS Caremark helps to manage both the pharmacy's turnover as well as the formulary, its special programs and specialty pharmacy. CVS has aided with numerous initiatives to control pharmaceutical costs, which has been the Plan's fastest growth area. For example, CVS Caremark has created a new formulary measure to control Hepatitis cost since it is the largest expenditure.

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

The second resolution was introduced by Mr. Dan Still, Chair of the MetroPlus Finance Committee.

Authorizing the Executive Director of MetroPlus Health Plan, Inc. ("MetroPlus") to negotiate and execute a contract with General Dynamics Information Technology, Inc. to provide Special Investigation Unit (SIU) services for a term, each solely exercisable by MetroPlus, for an amount not to exceed $833,600 per year and a total cost, for the five year term, of $4,114,000 plus eight (8%) of overpayment recoveries.

Mr. Dan Still stated that this is MetroPlus' first contract for Special Investigation Unit Services, although, internally MetroPlus has a unit and staff working in this area.

Dr. Saperstein mentioned that MetroPlus had IBM for data mining purposes, but never a company that did recoveries for the Plan. The Office of Medicaid Inspector General ("OMIG") is actually setting up benchmarks of expected recoveries that health plans should be doing for fraud and abuse. If the OMIG does the review, and recovers the money, they get to keep it. If MetroPlus does the recovery and recovers fraud and abuse over expenditures, the Plan gets the money and it is then placed in the risk pools and

the dollars are spent for medical costs. In addition, OMIG will be fining any plan that doesn't hit their expected benchmark. It's the expectation that all plans will actually have an aggressive recovery units to both identify fraud and abuse and also to go over the issues that were recovered.

Dr. Saperstein reported that a discussion took place at the Finance Committee meeting earlier that day and the Plan made it very clear during the RFP process that there is an understanding of H+H and its approach, which will be education rather than attack and recovery. If anything is found on the H+H's side, it is not intentional fraud. It is just an error that by education can be corrected. That is the direction the Plan will be taking with H+H, though all of the other MetroPlus providers, the vendor will look into doing recovery. If any information is obtained, it will be shared with H+H for an educational point of view. If anything is recovered by the other MetroPlus providers, they are entitled to 8% for the leg work of finding the recovery.

Mr. Still asked for clarity regarding the OMIG having a state wide target, which is allocated out to the various plans. Dr. Saperstein responded by stating there was a $30 million dollar target for last year. The Plan's recoveries was about half a million dollars, but it is $30 million state wide. Considering the market share, it would have been $2 to $3 million, but it's only half a million. This gives MetroPlus the opportunity to actually put in a program and based on review of the data, there are definitely issues. Therefore, MetroPlus has been working with the New York City Inspector General by referring some of the rigid cases to them in an attempt to identify potential issues through data mining.

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

The third resolution was introduced by Mr. Dan Still, Chair of the MetroPlus Finance Committee.

Authorizing the Executive Director of MetroPlus Health Plan, Inc. ("MetroPlus") to negotiate and execute a contract with Zurich American Insurance Company, Inc. ("Zurich") to provide stop-loss reinsurance coverage for a term of one year with four options to renew for one year each, solely exercisable at the discretion of MetroPlus, for a total amount not to exceed $13,000,000 for the five year period.

Dr. Saperstein gave the Board an overview regarding reinsurance. Reinsurance is when you go above a certain cost; there is a third party insurance company that will help alleviate some of the cost to the health plan. Currently, MetroPlus has reinsurance for Medicaid through the State. MetroPlus does not have reinsurance for the commercial type products like Child Health Plus, Qualified Health Plus, Fully-Integrated Dual Advantage and the small business parts of the Affordable Care Act. This is an opportunity to give protection for very expensive cases. The way it works with Medicaid, it's everything over $100,000 has reinsurance coverage for those products mentioned earlier. For anything over $500,000, reinsurance is only at 80%. It is similar in the same concept of purchasing car insurance. It is only up to $1 million dollars.

Mr. Still asked why this procurement was processed as a negotiated acquisition. Dr. Saperstein responded by stating that since MetroPlus is dealing with insurance companies, there is a need for negotiating ability amongst the three respondents. MetroPlus will be able to negotiate the best possible deal.

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

The last resolution was introduced by Dr. Saperstein, MetroPlus' Chief Executive Officer.

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

Dr. Saperstein explained there is a current vacancy on the Board, which was previously filled by Mr. George Proctor. This vacancy is chosen by the President of H+H according to the Bylaws. The President's office recommended Mr. Steven Bussey. Once the resolution is approved, Mr. Bussey will be referred to the H+H Board of Directors meeting on October 27th.

Mr. Antonio Martin mentioned that Mr. Bussey is currently the Service Line Lead for Ambulatory Care Service Line. During his prior years of service to H+H, he wrote the Ambulatory Care Strategic Plan for H+H. Mr. Bussey has great experience working with health plans and managed care companies. Dr. Saperstein stated that he will also serve on MetroPlus' Finance Committee.

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

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

RAMANATHAN RAJU, MD
NYC HEALTH + HOSPITALS PRESIDENT AND CHIEF EXECUTIVE OFFICER
REPORT TO THE BOARD OF DIRECTORS
October 27, 2016

METROPLUS REPORTS 50% GROWTH IN ESSENTIAL PLAN ENROLLMENT OVER SEVEN MONTHS

Enrollment in MetroPlus's Essential Plan has grown by 50 percent over the past seven months, now surpassing 63,000 enrollees.

Created through the federal Affordable Care Act, the Essential Plan is new to the insurance market this year. While it features the same essential benefits offered by other plans available through New York State of Health, the State's insurance marketplace, it costs much less than the other plans and is available only to adults who meet specific income criteria. For example, an individual cannot earn more than $23,540 a year. In addition, those who qualify for Medicaid are not eligible.

The growing number of enrollees indicate that uninsured New Yorkers are embracing MetroPlus's Essential Plan as an opportunity to enroll in great health insurance at affordable prices. NYC Health + Hospitals has been the longtime provider for many of the new enrollees, so we offer continuity of care for them. In addition, enrollment is possible throughout the year, and it costs only $20 a month, or nothing for some. It's an affordable option that presents easier access to all the services provided by NYC Health + Hospitals in all five boroughs, as well as to our other providers.

PLAN OF CHOICE FOR DAY CARE WORKERS

Another recent success for MetroPlus involves ratification of a new contract agreement favoring MetroPlus as the health plan option for 2,700 day care employees and members of District Council 1707 and the Day Care Council of New York. This is the first union agreement that offers MetroPlus as the sole plan of choice for members and their families living in New York City. Workers will now have access to comprehensive health benefits, including prescription coverage, mental health services, and maternity care, as well as free wellness visits, for as little as $15 per month.

PREPARING FOR THE UPCOMING OPEN ENROLLMENT PERIOD, NYC HEALTH + HOSPITALS HOSTS HEALTH INSURANCE SEMINARS FOR THE COMMUNITY

Leading up to the open enrollment periods for Medicare and Marketplace, NYC Health + Hospitals and the Centers for Medicare & Medicaid Services (CMS) have teamed up for the sixth consecutive year to offer free seminars to help residents understand the health plan options available to them. Health insurance specialists from CMS provided updates on Medicare (Parts A, B, C and D) and Medicaid programs, information about health care reform, the Affordable Care Act (ACA), and how to select and purchase affordable insurance on New York State of Health, the state's official online marketplace to provide health insurance under the ACA.

Seminars were held at five NYC Health + Hospitals locations across New York City. Hundreds of caregivers, patients, community providers, NYC Health + Hospitals staff nearing the age of 65 and individuals who work with seniors, were encouraged to attend.

FREE DEPRESSION SCREENINGS AND COUNSELING AVAILABLE TO NEW YORKERS IN NEED

NYC Health + Hospitals marked National Depression Screening Day on October 6 with screenings and treatment referrals at 14 patient care locations. Confidential screenings are conducted by mental health professionals in individual, private consultations, and are designed to identify symptoms of depression and mood disorders. Patients requiring assistance will be referred to the appropriate levels of treatment within each location.

NYC Health + Hospitals has integrated universal depression screenings for adults in primary care, has successfully led efforts in the city to screen all pregnant women and new mothers for maternal depression, and has focused efforts to promote health care services to young people at YouthHealth neighborhood centers.

NYC Health + Hospitals is a major provider of behavioral and mental health services in New York City with a team of expert and compassionate health care providers who focus on prevention, provide mental health care with the same urgency as any other health condition, and work toward recovery and a better quality of life for all patients. The health system has integrated universal depression screening for adults in primary care to reach even more New Yorkers who may be suffering

from mental illness. Specialized services, including depression help, for youth ages 12-21 are also available at YouthHealth neighborhood centers in all five boroughs.

NYC HEALTH + HOSPITALS TO TRIPLE THE NUMBER OF PEOPLE TREATED FOR HEPATITIS C IN JAIL

On October 13, NYC Health + Hospitals announced that through a combination of funding in the NYC budget and a partnership with Merck & Co., the City will triple the number of incarcerated patients in the next two years who receive medication that can cure hepatitis C.

NYC Health + Hospitals is committed to the health and well-being of all New Yorkers. And is proud to be able to expand life-saving hepatitis C treatment to some of the most vulnerable patients in our City and ensure that people moving into and out of the corrections system can receive a full course of treatment and services.

New York City operates one of only two jail systems in the nation that initiates treatment for patients during incarceration. In April, the City announced that over the next five years it will expand the provision of a drug regimen that cures hepatitis C with $2.5 million in funding in Fiscal Year 2017, ramping up to $5 million in the following years. To increase the impact of this funding, NYC Health + Hospitals partnered with Merck & Co. to obtain its hepatitis C drug ZEPATIER at a discounted price and will use this therapy exclusively unless it is not advisable for an individual patient or not medically appropriate. The combination of new funding, which brings the program's budget to $4.4 million, and the discounted drug price will enable the City to treat and cure over 100 patients in Fiscal Year 2017.

STREET BANNER CAMPAIGN SHOWCASES UNIFIED NYC HEALTH + HOSPITALS

For the first time NYC Health + Hospitals is posting banners on lamp posts throughout the city to promote its unified health care network of hospitals, community-based health centers and long-term care nursing facilities under one logo. Highlighting NYC Health + Hospitals' "Live Your Healthiest Life" wellness slogan in 13 languages, the banners will be seen in 68 neighborhoods that surround the health system's patient care sites.

The banner campaign, which promotes service areas like mental health, youth health and LGBTQ health, also markets MetroPlus, the health plan of choice for more than 500,000 New Yorkers.

"The banners are a public invitation and a visual representation of our integrated health care delivery system. They also send a strong message about what we value: community wellness, quality care, cultural diversity and access to affordable health insurance coverage," said NYC Health + Hospitals President and CEO Dr. Ram Raju.

NYC HEALTH + HOSPITALS/WOODHULL MOTHERS SUPPORT GROUP TO COMBAT POSTPARTUM DEPRESSION

To enhance the patient experience for new mothers, in September, NYC Health + Hospitals/ Woodhull launched a new mother's support group to combat postpartum depression. There are two therapy groups led by a mental health provider who is an expert in postpartum mental health, and co-facilitated by a psychology intern. Two weekly groups just began – one in English and one in Spanish – with a community health worker as part of the team to help bridge cultural gaps. The sessions are called "Mother's Support Groups" in order to attract more participants and reduce stigma. The groups will be open to all pregnant and new moms and a formal diagnosis of depression is not required to participate. The program was made possible through a $20,000 grant from The Fund for NYC Health + Hospitals.

SOCIAL WORKER WORK STATION

To enhance the patient experience and lower the Length of Stay at Woodhull, a Social Worker Work Station was created adjacent to primary Medicine Units (8-100 and 8-200) where social workers can work on patient discharges in the same area as the patients. The workstation was the result of a multidisciplinary process to improve efficiencies and increase accountability.

2016 ELMHURST JOINT COMMISSION SURVEY

Last month, the Joint Commission conducted its final triennial survey for 2016, at NYC Health + Hospitals / Elmhurst. Elmhurst will receive full Joint Commission accreditation for the next three years. This was a challenging survey for Elmhurst, given that the facility had only months before implemented Epic, the electronic medical record system. The Joint Commission survey team leader, having surveyed other NYC Health + Hospitals facilities on QuadraMed, and her team, were eager to observe the functionality of the system and staff's response. The team leader stated NYC Health +

Hospitals and Elmhurst have done a great job with the Epic implementation, and are way ahead of other organizations who have had Epic for a longer period of time". Surveyors commented that staff were awesome, and that physicians participated and were engaged throughout the survey". There were recommendations for improvement, some of which were corrected during the survey while others are already being addressed. There were recommendations for improvement, some of which were corrected during the survey while others are already being addressed.

Congratulations to Israel Rocha, CEO, Jasmin Moshirpur, MD, Chief Medical Officer, Joann Gull, RN, Chief Nurse Executive, Joseph Halbach, MD, Deputy Medical Director and Sharon Behar, Sr. AED Quality Management/Regulatory Services, and Elmhurst staff, for a successful survey outcome. Thanks also to Board Member Helen Arteaga Landaverde, for participating and representing the NYC Health + Hospitals Board at the Leadership Session of the survey.

Congratulations to the class of 2016 – Elmhurst, Gouverneur, Harlem, Jacobi, McKinney, and Metropolitan for continuing to provide outstanding quality patient care to our patients. In 2017, a new survey cycle will begin, with Bellevue, Carter, Coler, NCB, Queens and Woodhull up for survey.

DSRIP UPDATE

OneCity Health continues with our transformation efforts in care management, primary care and behavioral health integration, and chronic disease improvement. We are also proud to announce that we achieved 100 percent of our eligible achievement values for the first quarter of DSRIP Year 2 (April 1, 2016 – June 30, 2016).

- To support the building of a high quality primary care network, we are supporting Patient Centered Medical Home (PCMH) certification for over 80 community primary care partners; the first of two cohorts of primary care organizations are working with technical assistance to achieve PCMH requirements. Our NYC Health + Hospitals facilities will achieve certification via in-house efforts, as was successfully done in the past.

- Five NYC Health + Hospitals sites and five community partner behavioral health and primary care sites have been selected as pilots for intensive support in implementing co-located services for primary care and behavioral health and will begin site-level diagnostics and implementation planning.

- At two NYC Health + Hospitals facilities, transition management teams continue to provide 30 days of supportive care management for patients at high risk of readmission. Since piloting, the teams have supported 248 patients with 29 readmissions within the group.

- OneCity Health, in conjunction with three other Performing Provider Systems, Community Care of Brooklyn, Bronx Health Access and Bronx Partners for Healthy Communities, launched the 100 Schools Project in September to address mental health disorders in adolescents, beginning with 10 schools across Brooklyn and the Bronx. The PPSs are funding and overseeing the project, while the Jewish Board of Family and Children's Services is coordinating the initiative and will teach schools how to connect students who have emotional, behavioral and substance-abuse challenges with top-tier local mental health providers while enabling the students to remain in school.

OneCity Health was selected to present at a Greater New York Hospital Association symposium in November to discuss how we've successfully partnered with community-based organizations in outreach and engagement of uninsured New Yorkers to connect them with insurance and primary care. NYC Health + Hospitals and 35 community-based organizations are collaborating in the effort.

PROGRAM OF THE MONTH

ENTERPRISE RESOURCE PLANNING

For two years or more, we have been doing the difficult initial foundation work necessary to become more patient-centric, more competitive, and more sustainable by the year 2020.

We know that one of the most critical components of transformation will be our success at building an integrated IT system.

But when we talk about IT and its central place in our plans, we are usually talking about our effort to build a state-of-the-art Electronic Medical Record.

But just as important is building an integrated system to unify "back office" functions in a coordinated and effective way. That's why we have embarked on Enterprise Resource Planning, a combined effort of our Supply Chain, Finance, IT, Operations, and Medical & Professional Affairs departments, all of whom are partnering to phase-out our legacy business applications and replace them with an integrated tool.

Answering big, strategic questions requires that we see the whole picture. ERP will allow us to do just that, by bringing various data together in a digestible, accessible, actionable way. Ultimately, it will give our leadership a powerful device for making decisions with a unified source of real time data.

This project will accelerate our transformation by empowering us to offer more seamless care on multiple levels. It will help to drive more community-based care, more wellness, and more linkage of payment to better outcomes for our patients.

Please join me in thanking **Elizabeth Guzman, ERP project lead for Finance Jun Amora, project lead for Supply Chain and Janet Karageozian project lead for IT Services**, for the great work they've done so far, and will continue to do, on this important initiative.

PERSONS OF THE MONTH

STAFF OF NYC HEALTH + HOSPITALS / BELLEVUE PAST AND PRESENT ON THE OCCASION OF ITS 280TH ANNIVERSARY

Last week we marked a truly phenomenal milestone---the 280th anniversary of the founding of NYC Health + Hospitals/ Bellevue.

And it made me think about how NYC Health + Hospitals / Bellevue and the concept of public health are inseparable.

We've never had one in this country without the other.

It's a legacy that's really unmatched in the annals of medicine, or in the history of our country.

Actually Bellevue is older than this country. It traces its origins to the City's first almshouse, which was a two-story brick building completed in 1736 on the site of what is now City Hall.

Let's watch a quick video tribute to that incredible past, and to Bellevue's future as our flagship premier medical, teaching, and research institution.

Joining us here today as representatives of Bellevue's staff, past and present, are: **Bill Hicks**, Chief Executive Officer of Bellevue and **two additional honored guests: Barbara Duckett** who has been at Bellevue for an amazing 57 years as a staff member and volunteer and **Elvis Durazzo**, Director of Planning, who is doing great work involving DRSIP implementation. Please join me in honoring these talented members of Bellevue's current staff, and the thousands of committed caregivers who came before them.

Approved: October 27, 2016

RESOLUTION

Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals" or the "System") to execute an agreement with Manatt Health, a division of Manatt, Phelps & Phillips LLP ("Manatt") to: build upon and modify the preparation of legislative initiatives for a Medicaid waiver and an adjustment of DSH cuts in anticipation of a change of administration in Washington; build on prior planning to create safety net ACOs with the goal of obtaining firm agreements from the voluntary hospitals to participate and to request funding from governmental sources; advance data analysis previously initiated to prepare recommendations for ambulatory, post-acute and acute care service delivery structural adjustments reflecting a shift from acute to post-acute and ambulatory care with greater integration among these service lines; and to provide further and more robust support to the Commission and the System's Office of Transformation at cost not to exceed $3,100,000 for work performed and to be performed during the period July 1, 2016 through January 31, 2017.

WHEREAS, the Mayor of the City of New York issued a report in April 2016 titled, "One New York: Health Care for our Neighborhoods; Transforming Health + Hospitals" (the "Report"); and

WHEREAS, the Mayor assembled a Blue Ribbon Commission to recommend actions NYC Health + Hospitals should take to carry forward the goals of the Report; and

WHEREAS, Manatt has unique knowledge of the System due to its extensive work to assist in the preparation of the NYC Health + Hospital's DSRIP application and its work to assist in the preparation of the Report such any other consultant brought on to do further work to implement the Report would require substantial time to learn the System at additional cost to pay for such study; and

WHEREAS, NYC Health + Hospitals had obtained the approval of its Contract Review Committee to issue a sole source contract to Manatt to provide consulting services commencing June 2016 and expiring September 30, 2016 for the benefit of the Commission and NYC Health + Hospitals with regard to: (i) securing a Medicaid waiver permitting funding of health care services to undocumented immigrants; (ii) obtaining an adjustment of the allocation of cuts to the Medicaid Supplement for Disproportionate Share Hospitals ("DSH") program; (iii) planning for the establishment of Safety Net Accountable Care Organizations ("ACOs") with the private hospital organizations in the City; and (iv) performing preliminary analysis to support later planning for a reorganized acute care delivery structure at a cost of $2,895,000; and

WHEREAS, in accordance with its June 2016 contract, Manatt has (i) developed a plan and model for the Medicaid waiver; (ii) formulated a system for redistributing the DSH cuts to reduce their impact on the System; (iii) structured an anti-trust law compliant way to discuss the Safety Net ACO plan and has stimulated substantial interest among the voluntary hospitals in participating in such a project; and (iv) produced an analysis supported by a data base it developed to indicate where cost saving efficiencies might be found in the acute care delivery structure; and

WHEREAS, as the System's transformation efforts have progressed, it quickly became clear that more services would be needed from Manatt that just those in the June contract to: (a) continue preparation of the two legislative initiatives for a Medicaid waiver and an adjustment of DSH cuts in anticipation of a change of administration in Washington; (b) build on the planning for safety net ACOs to obtain firm agreements from the voluntary hospitals to participate and to request funding from governmental sources; (c) continue data analysis initiated under the June contract to prepare recommendations for service delivery structural adjustments not just regarding acute care as in the June contract but also regarding ambulatory and post-acute care so as to reflect a shift from acute to post-acute and ambulatory care with greater integration among these service lines; and (d) provide further and more robust support to the Commission and the System's Office of Transformation at an additional cost of $3,100,000; and

WHEREAS, the consent of the NYC Health + Hospitals' Contract Review Committee was obtained enter into the new Manatt agreement as a sole source award; and

WHEREAS, the Senior Vice President leading the NYC Health + Hospitals' Office of Transformation will be responsible for managing the Manatt contract as it is proposed to be amended.

NOW THEREFORE, be it

RESOLVED, that the New York City Health and Hospitals Corporation is authorized to execute an agreement with Manatt Health, a division of Manatt, Phelps & Phillips LLP ("Manatt") to: build upon and modify the preparation of legislative initiatives for a Medicaid waiver and an adjustment of DSH cuts in anticipation of a change of administration in Washington; build on prior planning to create safety net ACOs with the goal of obtaining firm agreements from the voluntary hospitals to participate and to request funding from governmental sources; advance data analysis previously initiated to prepare recommendations for ambulatory, post-acute and acute care service delivery structural adjustments reflecting a shift from acute to post-acute and ambulatory care with greater integration among these service lines; and to provide further and more robust support to the Commission and the System's Office of Transformation at cost not to exceed $3,100,000 for work performed and to be performed during the period July 1, 2016 through January 31, 2017.

Approved: October 27, 2016

RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the "System") to execute an agreement with the Advisory Board to provide subscriptions and memberships to research databases, leadership and fellowship trainings, talent development, and technology tools for revenue optimization for a term of five years, for an amount not-to-exceed $5,680,997 including a 2% contingency.

WHEREAS, The Advisory Board Company currently provides to the System multiple research memberships, leadership and fellowship trainings, talent development, technology tools and access to national executive and provider councils under a number of disparate agreements with the System, some of which have expired; and

WHEREAS, The Advisory Board Company is the only source of vetted, best practices-based research with a full suite of services and membership programs including, among others, proprietary hospital data and analytics, benchmarks, step-by-step toolkits, on-site education and training, on-demand consultative services, national meetings, webinars, and access to a dedicated team of research experts; and

WHEREAS, The Advisory Board's Revenue Optimization Compass (ROC) is a web-based analytics platform used at all of the System's acute-care facilities to identify their greatest documentation, coding, and compliance opportunities, challenges and vulnerabilities; and

WHEREAS, Abandoning ROC and moving to a new revenue optimization tool will halt in-progress revenue generating projects; and

WHEREAS, The Advisory Board Company is the only organization that can provide the aforementioned comprehensive systems and tools to the System and that has the current and historical knowledge of the System and its affiliated health care providers; and

WHEREAS, The Advisory Board Company has fully met all services expectations and deliverables under various agreements, all of which will now be combined into one master agreement; and

WHEREAS, the overall responsibility for the monitoring of this contract will be under the direction of the Executive Vice President for Operations.

NOW THEREFORE, BE IT:

RESOLVED, that the New York City Health and Hospitals Corporation be and hereby is authorized to execute a contract with The Advisory Board Company to provide subscriptions and memberships to research databases, leadership and fellowship trainings, talent development, and technology tools for revenue optimization for a term of five years, for an amount not-to-exceed $5,680,997 including a 2% contingency.

Approved: October 27, 2016

RESOLUTION

Authorizing the President of the NYC Heath + Hospitals (the "Health care system") to execute a revocable five year license agreement with New York University School of Medicine (the "Licensee" or "NYUSoM") for its continued use and occupancy of 9,500 square feet of space at NYC Health + Hospitals/Bellevue (the "Facility") for the NYU-HHC Clinical Translational Science Institute ("CTSI") with the occupancy fee waived.

WHEREAS, in June 2011 the Board of Directors of the Corporation authorized the President to enter into a license agreement with the Licensee, and the Facility desires to allow the Licensee continued use and occupancy of space in the C&D Building; and

WHEREAS, the Licensee, a not-for-profit medical school, in its role as Bellevue's academic affiliate, provides health care services that include diagnosis and patient treatment, student education, post-graduate training with other health care professionals, and medically related research; and

WHEREAS, NYUSoM, is a recognized a leader in education and research in medicine, dentistry, nursing, applied mathematics and social work, seeks to continue its partnership with the Corporation through the NYU-HHC CTSI; and

WHEREAS, the grant-funded NYU-HHC CTSI has fostered enhanced collaboration of research and clinical teams with a mutual goal of bringing the findings of medical research directly to bear on the quality and delivery of patient care.

NOW, THEREFORE, be it

RESOLVED, that the President of NYC Health + Hospitals (the "Corporation") be and hereby is authorized to execute a five year revocable license agreement with New York University School of Medicine, (the "Licensee" or "NYUSoM") for its continued use and occupancy of 9,500 square feet of space at NYC Health + Hospitals/Bellevue (the "Facility") to house the NYU-HHC Clinical Translational Science Institute ("CTSI") with the occupancy fee waived.

Approved: October 27, 2016

RESOLUTION

Authorizing the President of NYC Health + Hospitals to approve a Capital Project for an amount not-to-exceed $9,237,739 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Installation of a 1.6 megawatt (MW) Micro-turbine Cogeneration (CHP) System (the "Project") at NYC Health + Hospitals / Kings County (the "Facility").

WHEREAS, in December 2014, the New York State Public Service Commission (PSC) issued an order approving Consolidated Edison Company of New York Inc.'s (Con Edison) Brooklyn-Queens Demand Management (BQDM) Program to address overload of the Brownsville substation throughout the peak load season from June through September; and

WHEREAS, the Facility is located in Crown Heights neighborhood identified by the Con Edison and one of the three neighborhoods within BQDM zone that has an increase growth for power needs; and

WHEREAS, the New York State Public Service Commission (PSC) designated the New York State Energy Research and Development Authority (NYSERDA) as the administrator of funding for energy efficiency and load management programs; and

WHEREAS, a partnership between Con Edison and NYSERDA aims to reduce electric demand in parts of Brooklyn and Queens by encouraging the development of Combined Heat and Power projects within the BQDM zone; and

WHEREAS, RSP Systems was selected from NYSERDA's list of pre-qualified vendors to undertake this project at the Facility; and

WHEREAS, NYSERDA and Con Edison have awarded $1,500,000 each, as a financial incentive for the installation of the grid-connected CHP system; and

WHEREAS, Department of Citywide Administrative Services ("DCAS") has deemed this project eligible for funding under the New York City Clean Energy Program and has allocated $5,737,739 in the PlaNYC capital budget; and

WHEREAS, this project will produce annually over 12.8 million kilowatt hours (kwh) of electricity and provide more than 500,000 therms of usable waste heat to the Facility; and

WHEREAS, the project will derive total annual cost savings to the Facility estimated at $900,000; and

WHEREAS, the Operating and Maintenance (O&M) cost associated with this CHP system is fixed at $345,270 annually for nine years; and

WHEREAS, the revision of Operating Procedure 100-5 requires that construction projects with budgets of $3 million or more shall receive approval of the Board of Directors through Capital Committee; and

WHEREAS, the proposed total project budget, inclusive of all contingencies, is estimated to be $9,237,739; and

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

NOW THEREFORE, be it

RESOLVED, the President of NYC Health + Hospitals to approve a Capital Project for an amount not-to-exceed $9,237,739 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Installation of a 1.6 megawatt (MW) Micro-turbine Cogeneration System (the "Project") at NYC Health + Hospitals / Kings County (the "Facility").

Approved: October 27, 2016

RESOLUTION

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

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

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

WHEREAS, the Bylaws of MetroPlus authorize the President of the NYC Health + Hospitals to select two directors of the MetroPlus Board subject to election by the Board of Directors of the NYC Health + Hospitals;

WHEREAS, the President of the NYC Health + Hospitals has selected Mr. Bussey to serve as a member of the Board of Directors of MetroPlus; and

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

NOW, THEREFORE, be it

RESOLVED, that the NYC Health + Hospitals Board of Directors hereby appoint Steven Bussey to the MetroPlus Board of Directors to serve in such capacity until his successor has been duly elected and qualified, or as otherwise provided in its Bylaws.

NYC HEALTH+ HOSPITALS

Enterprise IT Services Program Updates

Board of Directors Meeting

November 17, 2016

Sal Guido CIO
Vijay Sarahi, AVP, Data Sciences
Janet Karageozian, AVP, Business Applications
Dr. Alfred Garofalo, Sr. AVP, Clinical Information Systems

Agenda

Slides

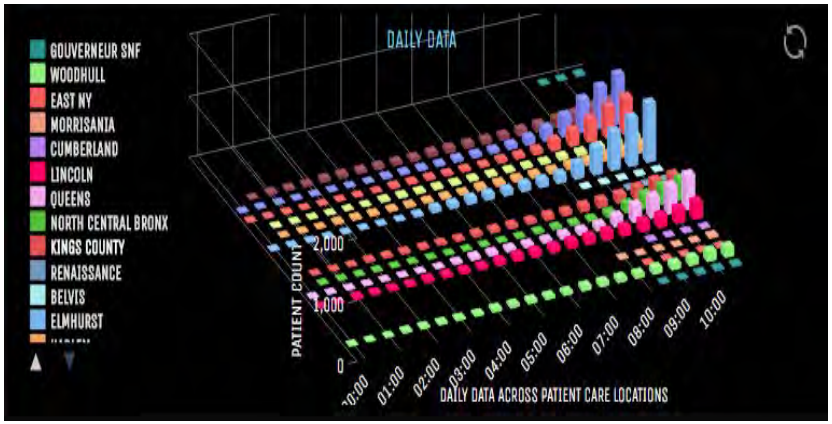
NYC HEALTH+ HOSPITALS

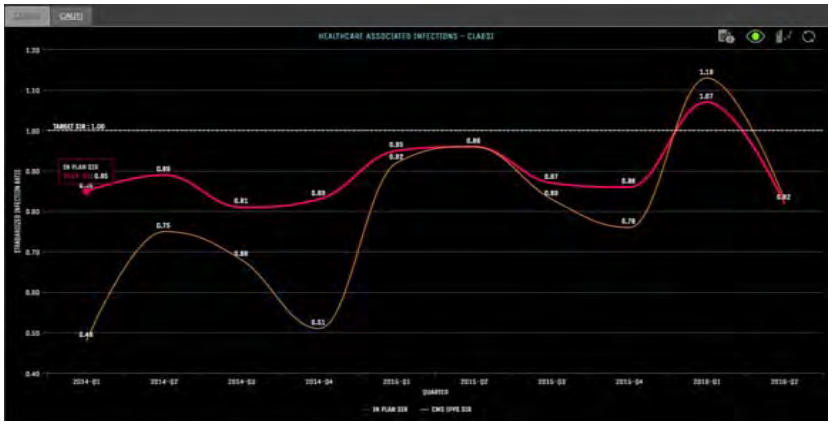
Compass

Comprehensive Business Intelligence Platform for NYC Health + Hospitals

Compass Overview

- Compass is a powerful and versatile enterprise business intelligence platform, built to meet complex data and analytical needs
- Single portal to meet all the data and analytics needs of executives and operational managers
- Designed to support Dr. Raju's Vision 20/20, including reducing NYC Health + Hospitals' costs, improving quality of care, leading to better patient outcomes
- Web-based application built using in-house tools and technologies; built entirely by EITS/Data Sciences staff
- Released on September 29, 2016





NYC HEALTH+ HOSPITALS

Features & Capabilities

- Enterprise view of data
- Real-time analytics
- Previously unavailable capabilities
- Self-service
- View data in various formats and styles
- Reference to provide visibility into definitions
- User feedback

Enhancements Under Development

- Develop Dashboards for Three Service Line Leads
  - Hospital
  - Ambulatory
  - Post-Acute
- Dashboards for Business Areas
  - CNO
  - Value Based Purchasing
- Subject Area Specific Dashboards
  - Readmissions
  - Patient Satisfaction Survey
  - Mammography
- Strategic Program Dashboards
  - DSRIP
- Additional Data Domains
  - Finance, Claims
  - Operations
  - HR

Enterprise Resource Planning (ERP) Program

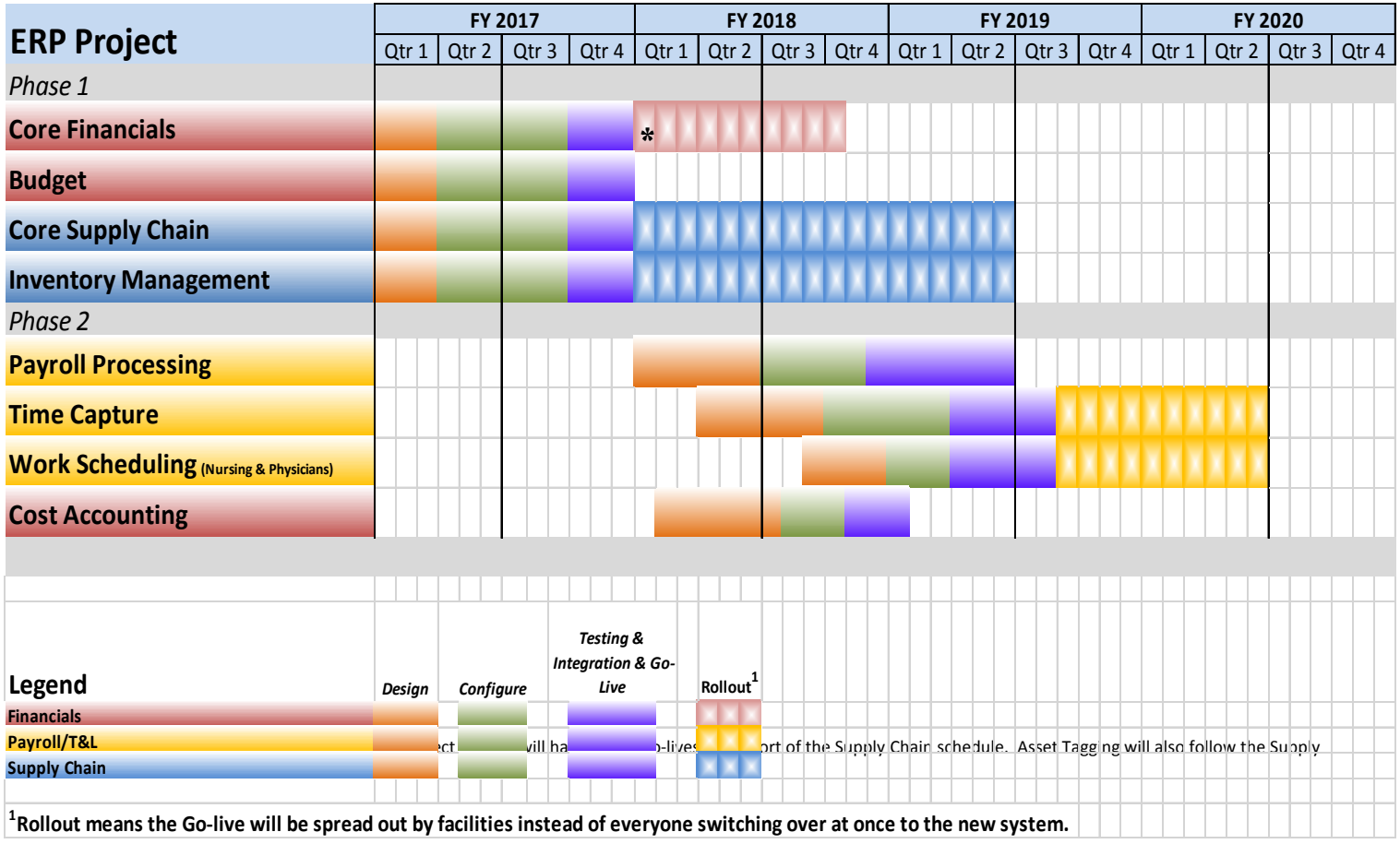
Project Evolve

NYC Health + Hospitals' Business Systems Are Obsolete

- NYC Health + Hospitals' legacy financial system was installed in 1977 and does not fully meet our current business demands.
- There is no automated budgeting system. Instead, monthly budgets are updated via an IT download from the General Ledger cash subsystem, which then requires manual configuration into Excel spreadsheets.
- The vintage of the Mainframe is a major vulnerability as it requires qualified technical programmers and there are few remaining qualified staff who can work on the aging Mainframe. It needs to be upgraded or replaced altogether.
- Currently, we have disparate systems that are strung together using interfaces. This limits the visibility of data and creates redundant work. For example, to create a single purchase order, information must flow through 3 systems (GHX, E-commerce and OTPS).

NYC HEALTH+ HOSPITALS

ERP "High-Level" Program Delivery Schedule



[1]Rollout means the Go-live will be spread out by facilities instead of everyone switching over at once to the new system.

ERP Program Update

- Finalized Business Process Design
- Completed Initial System Configuration
- Completed Configuration Unit Testing
- Completed initial Hyperion Budgeting System Test
- Began Development of Interfaces, Enhancements, and Data Conversion Programs
- Hyperion Budgeting System Test (Round 2) Scheduled for November 21st
- Finance and Supply Chain System Test Scheduled to Begin on November 28th

NYC HEALTH+ HOSPITALS

Meaningful Use

Eligible Professional (EP)
Eligible Hospital (EH)

Meaningful Use Eligible Professional Incentives

The objectives of this program are to;

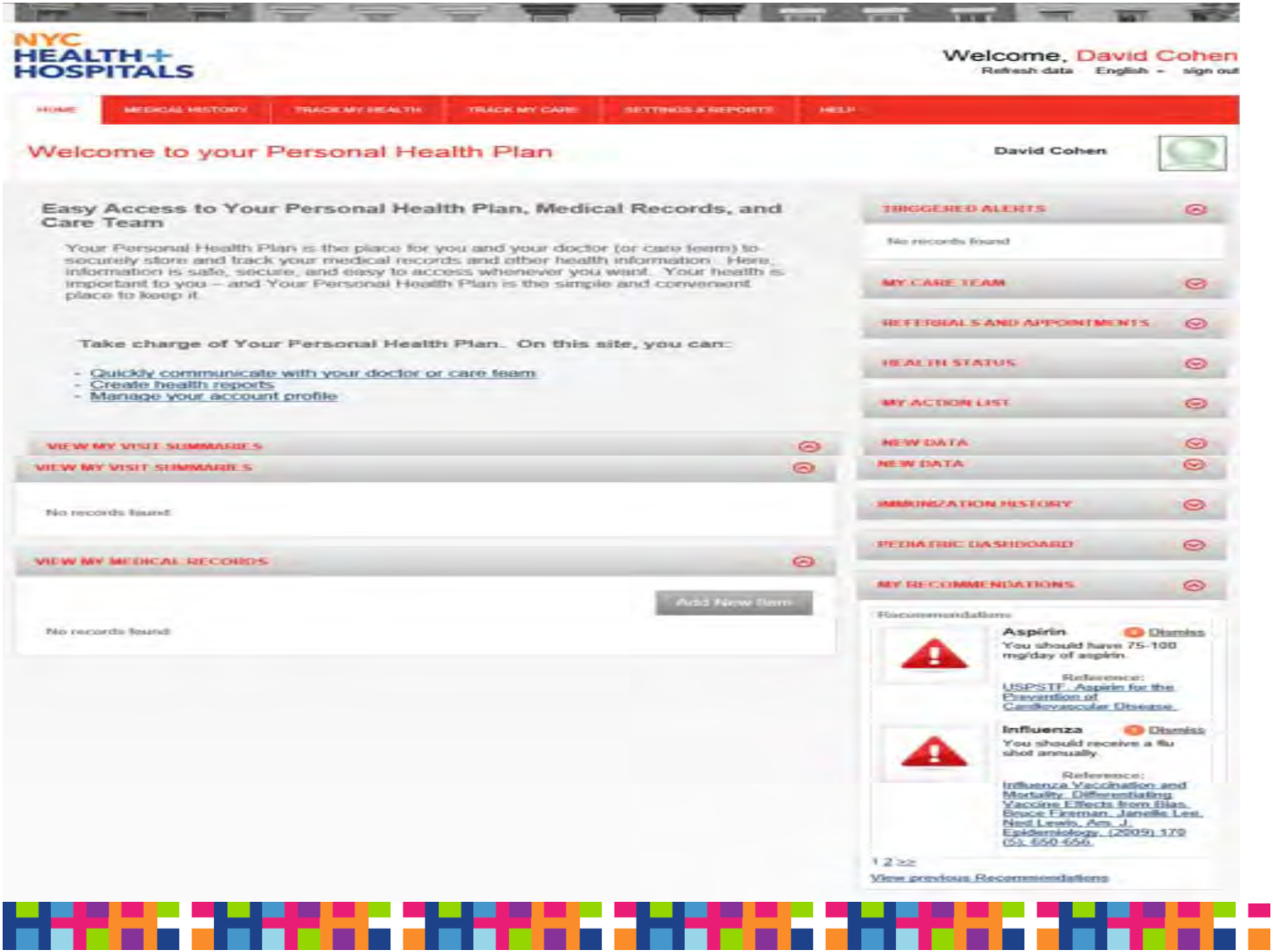
- Improve quality, safety, and efficiency
- Reduce health disparities, and engage patients and family
- Improve care coordination, and population and public health

Specific goals and objectives are created by the Centers for Medicare and Medicare Services (CMS) in which eligible professionals (EPs) must achieve to qualify for Incentive Programs and dollars. Qualifying for Meaningful Use and the Incentive dollars is a two step process:

Step I Focuses on registering (commonly referred to as Adopt/Implement/Upgrade "AIU") providers who meet specific criteria
Step II Focuses on providers who successfully meet the objectives of the program (commonly referred to as Attesting).

Step I – Adopt/Implement/Upgrade = $21,500 per provider
2014 – NYC Health + Hospitals successfully completed AIU for 894 providers = Incentive dollars = **$18,997,500**
2015 – NYC Health + Hospitals continued the AIU for an additional 1,291 providers = Incentive dollars = **$21,972,500**
2016 – Final year for AIU process for approximately 1,364 providers = Incentive dollars = **$28,985,000**
[Elmhurst and Queens will demonstrate and attest to Meaningful Use with Epic in 2016]

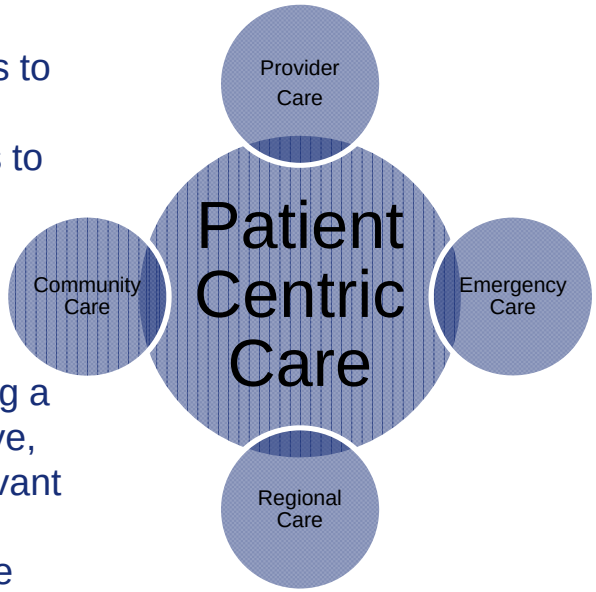
Step II – Attesting = $8,500 per provider
2017 – 2021 (5 yr. Period) – Approximately 3,547 Eligible Providers = Approximate 5 year total **$131,622,500**


NYC HEALTH+ HOSPITALS
Welcome, David Cohen
Refresh data English sign out
HOME
MEDICAL HISTORY
TRACK MY HEALTH
TRACK MY CARE
SETTINGS & REPORTS
HELP
Welcome to your Personal Health Plan
David Cohen
Easy Access to Your Personal Health Plan, Medical Records, and Care Team
Your Personal Health Plan is the place for you and your doctor (or care team) to securely store and track your medical records and other health information. Here, information is safe, secure, and easy to access whenever you want. Your health is important to you – and Your Personal Health Plan is the simple and convenient place to keep it.
Take charge of Your Personal Health Plan. On this site, you can:
- Quickly communicate with your doctor or care team
- Create health reports
- Manage your account profile
VIEW MY VISIT SUMMARIES
VIEW MY VISIT SUMMARIES
No records found
VIEW MY MEDICAL RECORDS
Add New Item
No records found
TRIGGERED ALERTS
No records found
MY CARE TEAM
REFERRALS AND APPOINTMENTS
HEALTH STATUS
MY ACTION LIST
NEW DATA
NEW DATA
IMMUNIZATION HISTORY
PEDIATRIC DASHBOARD
MY RECOMMENDATIONS
Recommendations
Aspirin
Dismiss
You should have 75-100 mg/day of aspirin.
Reference:
USPSTF. Aspirin for the Prevention of Cardiovascular Disease.
Influenza
Dismiss
You should receive a flu shot annually.
Reference:
Influenza Vaccination and Mortality: Differentiating Vaccine Effects from Bias. Bruce Fireman, Janelle Lee, Ned Lewis, Am. J. Epidemiology. (2009) 170 (5): 650-656.
1 2 >>
View previous Recommendations

Three Challenges

Medication Reconciliation

This is a “Major Component” of patient safety and covers the process of comparing the patients medication order to all of the patients medications to prevent errors, omissions, duplications, incorrect or over-dosing and interactions with medications the patient may already be taking. It brings to light all of the Home (both prescribed and “Over The Counter “) Inpatient and Outpatient medications.



Secure Messaging

This allows for the communication between Physician and Patient utilizing a secure method to exchange information or questions the patient may have, for instance, to medications they are currently taking or other issues relevant to the patients health and even as a remote consultation with the patient regarding a new or a pre-existing condition. The communications become part of the Electronic Health Record for recall and referencing by other members of the health care team.

Health Information Exchange

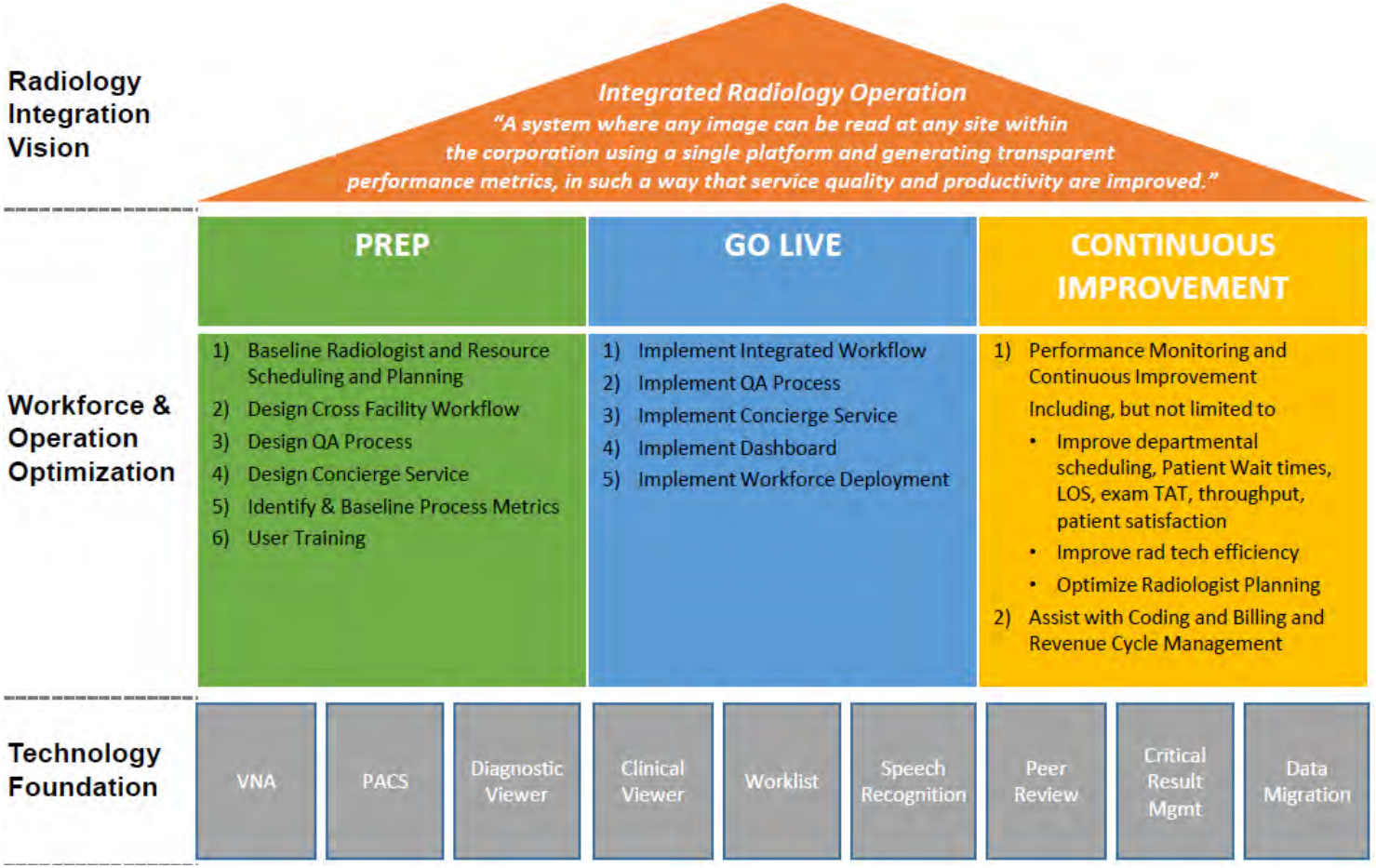
Simply put, the ability to share patient information with all of the patients health care providers, making the patients’ health record the centric of care.

NYC HEALTH+ HOSPITALS

Radiology Integration Program

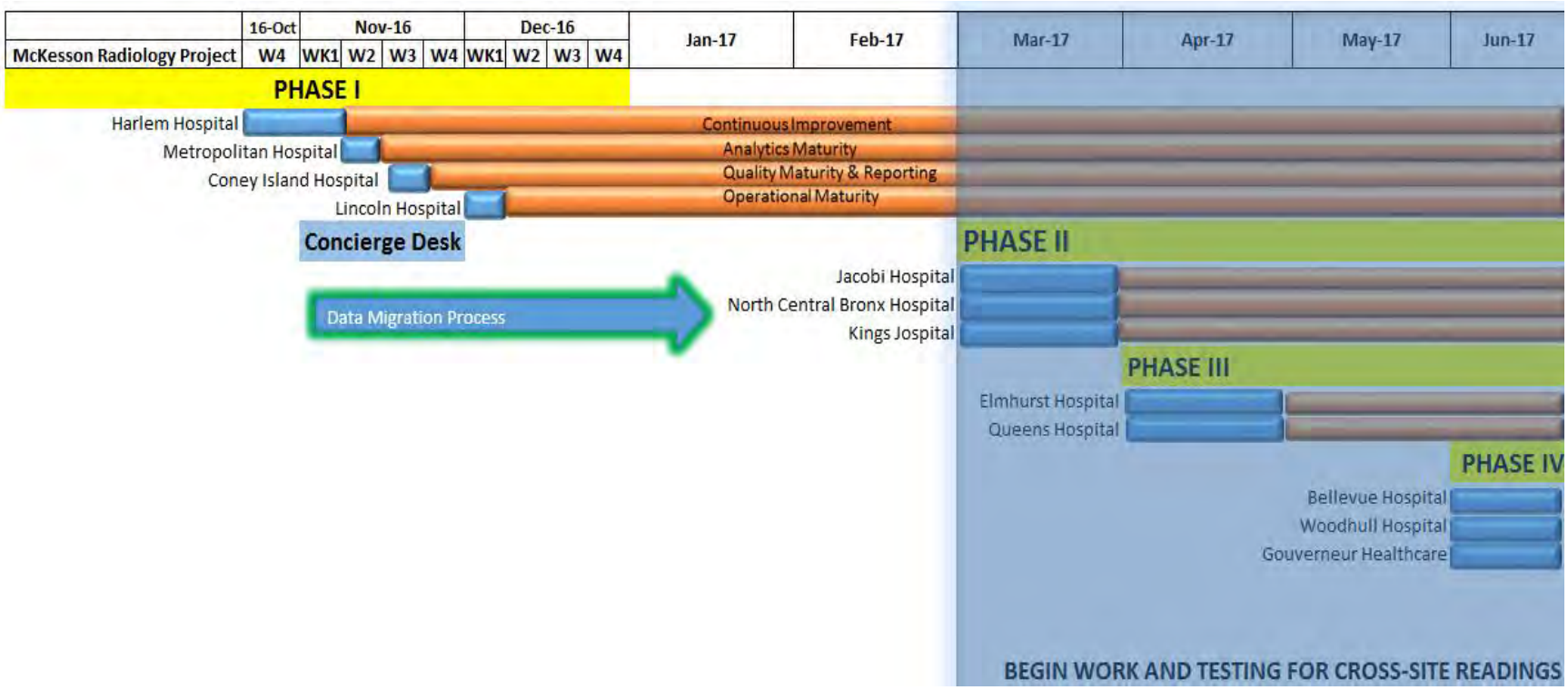
NYC HEALTH+ HOSPITALS

Radiology Integration Vision and Framework



NYC HEALTH+ HOSPITALS

Timeline & Activities



Program Update - Technology

- **Workflow Intelligence in place**
  - Local and enterprise worklist software deployed
  - Initial deployment at the local level
  - Enterprise workflow – Dependent on workforce redesign
  - Peer Review tool deployed – Process design in progress
  - Critical Results Communication Tool deployed – Leverage Concierge Services
- **Business Intelligence and Data Archive**
  - Infrastructure deployed
- **Enterprise Imaging Archive**
  - Data migration begins November 2016
  - Final integration testing
  - Picture Archival and Communication System Imaging Integration
  - Foundation for Enterprise Imaging Management - Other “ologies”
- **Enterprise Radiology Speech Recognition systems**
  - 8 of 11 Radiology and associated departments are live

RESOLUTION

Authorizing the President of NYC Health + Hospitals to execute a Customer Installation Commitment ("CIC") with the New York City Department of Citywide Administrative Services ("DCAS") and the New York Power Authority ("NYPA") for an amount not-to-exceed $8,936,612 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Boiler Plant Upgrade (the "Project") at NYC Health + Hospitals / Kings County (the "Facility").

WHEREAS, in March 2005, NYC Health + Hospitals, the City University of New York, the New York City Board of Education, and the City of New York, through the Department of Citywide Administrative Services (collectively, the "Customers"), entered into an Energy Efficiency-Clean Energy Technology Program Agreement ("ENCORE Agreement") with NYPA; and

WHEREAS, in September 2014, the City mandated a 80% reduction in greenhouse gas emissions in City-owned properties by 2050, managed by Division of Energy Management within Department of Citywide Administrative Services ("DCAS"); and

WHEREAS, in December 2009, as part of PlaNYC 2030, the City passed major legislation known as the "Greener, Greater Buildings Plan" that included more stringent code requirements; required installation of lighting upgrades and tenant meters in non-residential spaces; and required all buildings over 50,000 square feet to undertake benchmarking and audits; and implement retro-commissioning measures. Local Law 87 mandated Comprehensive Energy Audits be completed within a 10 year time frame (2013 – 2023); and

WHEREAS, a component of the project will make the Facility compliant with fuel combustion standards through elimination of No. 6 fuel oil; and

WHEREAS, the City, through DCAS, has allocated funding under the Accelerated Conservation and Efficiency ("ACE") program for improvements and upgrades to increase energy efficiency and energy cost savings at City-owned facilities in line with the PlaNYC initiative to reduce energy and greenhouse gas emissions of municipal operations 80% by 2050; and

WHEREAS, NYC Health + Hospitals has determined that it is necessary to address the proposed project at the Facility by undertaking the project at a not-to-exceed cost of $8,936,612 (see Exhibit A – Executive Project Summary), to enhance the reliability of its systems, as well as increase the comfort and safety of the building occupants; and

WHEREAS, DCAS has deemed this ACE project to be eligible under the PlaNYC initiative and has allocated $3,936,612 in the PlaNYC capital budget; and

WHEREAS, NYPA demonstrates that the project will produce total annual cost savings to the Facility estimated at $183,848; and

WHEREAS, the overall management of the construction contract will be under the direction of the Assistant Vice President - Facilities Development.

NOW THEREFORE, be it

RESOLVED, the President of the NYC Health + Hospitals to execute a Customer Installation Commitment ("CIC") with the New York City Department of Citywide Administrative Services ("DCAS") and the New York Power Authority ("NYPA") for an amount not-to-exceed $8,936,612 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Energy Conservation Measures upgrade project (the "Project") at NYC Health + Hospitals / Kings County (the "Facility").

EXECUTIVE SUMMARY

NYC HEALTH + HOSPITALS / KINGS COUNTY
BOILER PLANT UPGRADE

OVERVIEW: NYC Health + Hospitals is seeking to undertake an energy efficiency project, which addresses mandated energy reduction use while complying with elimination in the combustion of No. 6 (six) fuel oil, which will be no longer be used in most New York City buildings. The project is fully design, estimated, and completely bid under NYPA. The project cost is not-to-exceed $8,936,612.

NEED: During the Comprehensive Energy Efficiency Audit it was determined that the Facility's existing boiler burners do not meet the emissions requirements for both natural gas and No. 6 fuel oil. New York City Department of Enviornmental Protection (NYCDEP) regulations require that No. 6 fuel oil be phased out, and that all City-owned buildings are mandated to convert to a cleaner fuel. The Facility currently operates five (5) high steam pressure boilers installed in the 1980's, which have duel fuel burners and have the ability to operate No. 6 residual fuel. By April 2019, the facility cannot use No. 6 residual fuel.

Since the existing boilers are in good condition and are expected to provide reliable service for years to come, this measure proposes the installation of new burners and conversion to No. 2 fuel oil. If the boilers are not upgraded next year, they would be deemed inoperable.

In 2013, the City of New York, through the Department of Citywide Administrative Services ("DCAS") allocated funding for improvements and upgrades to increase energy efficiency and energy cost savings at City-owned facilities in line with the PlaNYC initiative to reduce energy costs and greenhouse gas emissions ("GHG") of municipal operations 30% by 2017[1]. DCAS developed the Accelerated Conservation and Efficiency ("ACE") Program to fund capital-eligible energy efficiency and clean energy projects. DCAS approved PlaNYC funding for the "Boiler Plant Upgrade" project at the Facility.

SCOPE: The scope of work requires upgrading the existing steam boiler plant systems and fuel oil tanks.

TERMS: NYPA has competitively bid this project and has submitted a final total project cost to NYC Health + Hospitals.

COSTS: $8,936,612

SAVINGS:

<u>Electrical:</u>

Energy Consumption Savings:	72,752 kilowatts-hours (kWh)
Annual Electrical Energy Savings:	$8,730

<u>Fuel:</u>

Gas / Oil Savings:	174,420 therms
Gas / Oil Energy Savings:	$175,118
CO2 Reductions:	958.8 metric tons
Total Annual Estimated Savings:	$183,848
Simple Payback:	48.61 years

FINANCING: PlaNYC Capital - $3,936,612 (no cost); and General Obligations Bonds- $5,000,000. NYC Health + Hospitals expects to proceed with this project upon the approval of this resolution, and the execution of the Customer Installation Commitment ("CIC") (see Exhibit B).

SCHEDULE: NYC Health + Hospitals expects NYPA to complete this project by June 2018.

[1] In September 2014, New York City released a comprehensive, 10-year plan called "*One City: Built to Last-Transforming New York City's Buildings for a Low Carbon Future*" to address the energy used in our buildings. The plan has an overall target of reducing greenhouse gas (GHG) 80% below 2005 levels by 2050, with an interim target to reduce building-based GHG emissions by 35% from 2005 levels by 2025.

RESOLUTION

Authorizing the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") to negotiate and execute a contract with the following six construction management firms: AECOM, Gilbane Building Company; HAKS; LiRo Program and Construction Management; TDX Construction Corporation; and Turner Construction to provide professional construction management services on an as-needed basis at various facilities operated by NYC Health + Hospitals. The proposed contracts shall each be for a term of one year with two one-year options to renew, solely exercisable by the NYC Health + Hospitals, for an aggregate cost of not more than $8,000,000 for all six firms over the initial and the two option terms.

WHEREAS, NYC Health + Hospitals requires professional construction management services; and

WHEREAS, NYC Health + Hospitals has determined that the needs of its facilities for such services can best be met by utilizing outside firms, on an as-needed basis, through a requirements contract; and

WHEREAS, NYC Health + Hospitals conducted a selection process for professional construction management firms through a request for proposals, and determined that the six firms' proposals best meet NYC Health + Hospitals' needs; and

WHEREAS, the proposed contracts shall be administered by the Vice President for Corporate Operations.

NOW, THEREFORE, be it

RESOLVED, the New York City Health and Hospitals Corporation ("NYC Health + Hospitals") is authorized to negotiate and execute contracts with the following six construction management firms: AECOM, Gilbane Building Company; HAKS; LiRo Program and Construction Management; TDX Construction Corporation; and Turner Construction, to provide professional construction management services on an as-needed basis at various facilities operated by NYC Health + Hospitals. The proposed contracts shall each be for a term of one year with two one-year options to renew, solely exercisable by NYC Health + Hospitals, for an aggregate cost of not more than $8,000,000 for six firms over the initial and the two option terms.

EXECUTIVE SUMMARY

REQUIREMENTS CONTRACTS

AECOM, GILBANE, HAKS, LIRO, TDX, TURNER

CONSTRUCTION MANAGEMENT SERVICES

OVERVIEW: NYC Health + Hospitals seeks to execute six requirements contracts for one year, with options to renew for two additional one-year periods, for a total amount over three years not-to-exceed $8,000,000 for all six contracts, to provide professional construction management services on an as-needed basis throughout the NYC Health + Hospitals system.

NEED: From time to time various of the NYC Health + Hospitals facilities require construction management services to be provided under their supervision due to fluctuating demands in construction activity. NYC Health + Hospitals has determined that such needs can best be met by utilizing outside firms on an as-needed basis through requirements contracts.

TERMS: Each of the six firms have committed to a schedule of rates that will be incorporated in agreements for each firm. Additionally, before any project are given to any of the firms NYC Health + Hospitals will conduct an informal selection process among the six firms to select the one with the greatest expertise in doing the desired work and the one that offers the best price for the specified work. The terms for each project will be reflected in a written work order for each project.

COSTS: Not-to-exceed $8,000,000 total over three years, for all work of the six firms.

FINANCING: Capital, expense or other funds.

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

PRIOR SYSTEM EXPERIENCE:

AECOM	New Contract
Gilbane	8-year consultant requirements contract for $4,000,000 2008-present
HAKS	4-year consultant requirements contract for $ 420,000, 2012 - present
LiRo	8-year consultant requirements contract for $3,500,000 2009 to present
TDX	6-year consultant requirements contract for $4,600,000 2010 to present
TURNER	New Contract

Vendex: AECOM – Pending. Gilbane – Approved. HAKS – Pending. LiRo – Approved. TDX – Pending. Turner – Pending.

NYC HEALTH+ HOSPITALS

LEGAL AFFAIRS
125 Worth Street, Suite 527
New York, NY 10013

MEMORANDUM

To: **Elizabeth Youngbar**
Facilities Development

From: **Karen Rosen** KR
Assistant Director

Date: **October 6, 2016**

Subject: **VENDEX Approval**

For your information, on October 6, 2016 VENDEX approval was granted by the Office of Legal Affairs for the following company:

Gilbane Building Company

cc: James Liptack, Esq.

NYC HEALTH+ HOSPITALS

LEGAL AFFAIRS
125 Worth Street, Suite 527
New York, NY 10013

MEMORANDUM

To: **Elizabeth Youngbar**
Facilities Development

From: **Karen Rosen**
Assistant Director

Date: **October 11, 2016**

Subject: **VENDEX Approval**

For your information, on October 11, 2016 VENDEX approval was granted by the Office of Legal Affairs for the following company:

Liro Program and Construction Management, Pe P.C.

cc: James Liptack, Esq.