

BOARD OF DIRECTORS MEETING
THURSDAY, JULY 30, 2015
A•G•E•N•D•A

<p><u>CALL TO ORDER - 4 PM</u></p> <p>Call for a Motion to Convene an Executive Session</p> <p><u>Executive Session / Facility Governing Body Report</u></p> <ul style="list-style-type: none"> ➤Queens Hospital Center <p>Semi-Annual Governing Body Report (Written Submission Only)</p> <ul style="list-style-type: none"> ➤Kings County Hospital Center ➤Dr. Susan Smith McKinney Nursing & Rehabilitation Center <p>Diagnostic & Treatment Center Annual Quality Assurance Plan / Evaluation 2014 (Written Submission Only)</p> <ul style="list-style-type: none"> ➤Segundo Ruiz Belvis Diagnostic & Treatment Center 	<p>Mr. Campbell</p>
<p><u>OPEN SESSION – 5 PM</u></p> <p>1. Adoption of Minutes: June 18, 2015</p>	<p>Mr. Campbell</p>
<p><u>Acting Chair’s Report</u></p> <p><u>President’s Report</u></p> <ul style="list-style-type: none"> ➤Information Items: ✳EPIC/EMR Implementation Update Presenter: Sal Guido, Chief Information Officer, Enterprise IT Services <p>>>Action Items<<</p>	<p>Mr. Campbell Dr. Raju</p>
<p><u>Corporate</u></p> <p>2. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to approve and appoint Citigroup, JP Morgan and Morgan Stanley & Co. to provide investment banking services and serve as senior managing underwriters, and to approve and appoint BNY Mellon Capital Markets, Blaylock Beal Van LLC, Drexel Hamilton LLC, Fidelity Capital Markets, FTN Capital Markets, First Southwest, Janney Montgomery Scott, Jefferies LLC, Loop Capital Markets LLC, Mischler Financial Group, Ramirez & Company, RBC Capital Markets, Rockfleet Financial Services, Roosevelt & Cross Inc., Stern Brothers, TD Securities and Wells Fargo Securities to serve as co-managing underwriters for the Corporation's debt issuances from August 2015 through July 2020 to support its capital finance program. Such authorization in respect to the entities mentioned above shall extend to the successors of any such entities which assume the business of such entities through merger, reorganization, consolidation or acquisition.</p> <p>Further authorizing the President to negotiate and execute a contract with one of the three senior underwriters in the event of a Board authorized issuance. <i>(Finance Committee – 07/14/2015)</i></p>	<p>Mr. Rosen</p>
<p>3. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to enter into multiple contracts to purchase health information related professional services for the Epic Electronic Medical Record program and Epic related Revenue Cycle modules as needed with 20 vendors through requirements contracts for a two year term with three one-year options to renew at the Corporation’s exclusive option for an amount not to exceed \$119,292,988 million for the initial two year period. <i>(Med & Professional Affairs / IT Committee – 07/16/2015)</i></p>	<p>Dr. Calamia</p>
	<p>(over)</p>

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<p><u>South Manhattan Health Network</u></p> <p>4. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to execute a revocable five year license agreement with Visiting Nurse Service of New York Hospice Care for its continued use and occupancy of approximately 12,420 square feet of space on the 7th Floor of the Hospital Building at Bellevue Hospital Center to operate a hospice program at an annual occupancy fee of \$53.58 per square foot or \$665,436 for year one of the agreement, \$55.12 per square foot or \$684,534 for year two, \$56.70 per square foot or \$704,180 for year three, \$58.59 per square foot or \$727,630 for year four and \$59.90 per square foot or \$744,000 for year five, for a total five year occupancy fee of \$3,525,780. (Capital Committee – 07/09/2015) VENDEX: Pending</p>	<p align="center">Ms. Youssef</p>
<p>5. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to execute a five year revocable license agreement with Sirius XM Radio Inc. for its use and occupancy of 90 square feet to house roof-top communications equipment at the Henry J. Carter Specialty Hospital and Nursing Facility at an occupancy fee of approximately \$23,130 or \$257.00 per square foot for year one; \$23,823 or \$264.71 per square foot for year two; \$24,823.62 or \$272.65 per square foot for year three; \$25,274.78 or \$280.83 per square foot for year four; and, \$26,033.02 or \$289.26 per square foot for year five, for a total five year occupancy fee of \$122,800.31. Annual increased rates are based on 3% escalations per year. (Capital Committee – 07/09/2015) VENDEX: Pending</p>	<p align="center">Ms. Youssef</p>
<p><u>North & Central Brooklyn Health Network</u></p> <p>6. RESOLUTION authorizing the President of the New York City Health and Hospitals Corporation to approve a Capital Project for an amount not-to-exceed \$8,500,000 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Installation of Permanent Emergency Power Feeders project at Woodhull Medical and Mental Health Center. (Capital Committee – 07/09/2015)</p>	<p align="center">Ms. Youssef</p>
<p><u>Committee Reports</u></p> <ul style="list-style-type: none"> ➤ Audit ➤ Capital ➤ Finance ➤ Governance ➤ Medical & Professional Affairs / Information Technology ➤ Strategic Planning 	<p align="center"> Ms. Youssef Ms. Youssef Mr. Rosen Mr. Campbell Dr. Calamia Mrs. Bolus </p>
<p><u>Subsidiary Board Report</u></p> <ul style="list-style-type: none"> ➤ MetroPlus Health Plan, Inc. <p align="center"> >>Old Business<< >>New Business<< </p>	<p align="center">Mr. Rosen</p>
<p>Adjournment</p>	<p align="center">Mr. Campbell</p>

NEW YORK CITY HEALTH AND HOSPITALS CORPORATION

A meeting of the Board of Directors of the New York City Health and Hospitals Corporation (the "Corporation") was held in Room 532 at 125 Worth Street, New York, New York 10013 on the 18th of June 2015 at 4:00 P.M. pursuant to a notice which was sent to all of the Directors of the Corporation and which was provided to the public by the Secretary. The following Directors were present in person:

Dr. Ramanathan Raju
Dr. Lilliam Barrios-Paoli
Dr. Mary T. Bassett
Dr. Gary S. Belkin
Mrs. Josephine Bolus
Dr. Vincent Calamia
Ms. Anna Kril
Mr. Robert Nolan
Mr. Mark Page
Mr. Bernard Rosen
Ms. Emily A. Youssef

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

Dr. Raju received the Board's approval to convene an Executive Session to discuss matters of quality assurance and personnel.

FACILITY GOVERNING BODY/EXECUTIVE SESSION

The Board convened in Executive Session. When it reconvened in open session, Dr. Raju reported that, 1) the Board of Directors, as the governing body of Elmhurst Hospital Center,

received an oral report and written governing body submission and reviewed, discussed and adopted the facility's report presented; 2) as governing body of Bellevue Hospital Center, the Board reviewed and approved its semi-annual written report; and 3) as governing body of Morrisania Diagnostic and Treatment Center, the Board reviewed and approved its annual quality improvement plan and 2014 evaluation.

ADOPTION OF MINUTES

The minutes of the meeting of the Board of Directors held on May 28, 2015 were presented to the Board. Then on motion made by Dr. Raju and duly seconded, the Board unanimously adopted the minutes.

1. **RESOLVED**, that the minutes of the meeting of the Board of Directors held on May 28, 2015, copies of which have been presented to this meeting, be and hereby are adopted.

CHAIRPERSON'S REPORT

Dr. Raju updated the Board on approved and pending Vendex. He informed the Board that Kings County Hospital Center and Sea View Hospital Rehabilitation Center and Home performed exceedingly well during their reviews by The Joint Commission.

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

The Board postponed discussion of the information item on the agenda due to time constraints.

ACTION ITEMS**RESOLUTIONS**

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

- and -

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

Dr. Raju moved the adoption of the resolutions which were duly seconded and unanimously adopted by the Board.

RESOLUTIONS

4. Authorizing the President of the New York City Health and Hospitals Corporation to execute a **Physician Services Agreement with New York University School of Medicine** for the provision of General Care and Behavioral Health Services at **Bellevue Hospital Center, Gouverneur Healthcare Services, Coler Rehabilitation and Nursing Care Center, Henry J. Carter Specialty Hospital and Nursing Facility, Woodhull Medical and Mental Health Center, and Cumberland Diagnostic and Treatment Center** for a period of five years, commencing July 1, 2015 and terminating on June 30, 2020, for an amount not to exceed \$1,688,679,033; **AND** further authorizing the President to make adjustments to the contract amounts, providing such adjustments are consistent with the Corporation's financial plan, professional standards of care and equal employment opportunity policy except that the President will seek approval from the Corporation's Board of Directors for any increases in costs in any fiscal year exceeding twenty-five percent (25%) of the amount not to exceed in this resolution.

- and -

5. Authorizing the President of the New York City Health and Hospitals Corporation to execute a **Physicians Services Agreement with the Icahn School of Medicine at Mount Sinai** for the provision of General Care and Behavioral Health Services at **Elmhurst Hospital Center and Queens Hospital Center** for a period of five years, commencing July 1, 2015 and terminating on June 30, 2020, for an amount not to exceed \$1,150,620,692; **AND** further authorizing the President to make adjustments to the contract amounts, providing such adjustments are consistent with the Corporation's financial plan, professional standards of care and equal employment opportunity policy except that the President will seek approval from the Corporation's Board of Directors for any increases in costs in any fiscal year exceeding twenty-five percent (25%) of the amount not to exceed in this resolution.

- and -

6. Authorizing the President of the New York City Health and Hospitals Corporation to execute a **Physician Services Agreement** with the **Physician Affiliate Group of New York, P.C. (PAGNY)** for the provision of General Care and Behavioral Health Services at **Lincoln Medical and Mental Health Center, Morrisania Diagnostic and treatment Center, Segundo Ruiz Belvis Diagnostic and Treatment Center, Renaissance Health Care Network Diagnostic and Treatment Center, Metropolitan Hospital Center, Coney Island Hospital, and Kings County Hospital Center** for a period of five years, commencing July 1, 2015 and terminating on June 30, 2020, for an amount not to exceed \$2,562,175,665; **AND** further authorizing the President to make adjustments to the contract amounts, providing such adjustments are consistent with the Corporation's financial plan, professional standards of care and equal employment opportunity policy except that the President will seek approval from the Corporation's Board of Directors for any increases in costs in any fiscal year exceeding twenty-five percent (25%) of the amount not to exceed in this resolution.

Ms. Kril moved the adoption of Resolution 4 which was duly seconded and unanimously adopted by the Board.

Ms. Youssouf moved the adoption of Resolution 5 which was duly seconded and unanimously adopted by the Board.

Ms. Youssouf moved the adoption of Resolution 6 which was duly seconded and unanimously adopted by the Board.

RESOLUTION

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

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

RESOLUTION

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

Mr. Antonio Martin, Executive Vice President and Corporate Chief Operating Officer, provided an overview of the services that Surgical Solutions will be providing to the Corporation.

Mrs. Bolus expressed concern about lost nursing skills and Dr. Raju responded to her remarks.

Mr. Rosen moved the adoption of the resolution which was duly seconded and adopted by the Board by a vote of 11 in favor. Mrs. Bolus abstained.

RESOLUTION

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

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

RESOLUTION

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

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

RESOLUTION

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

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

EXECUTIVE SESSION/PERSONNEL

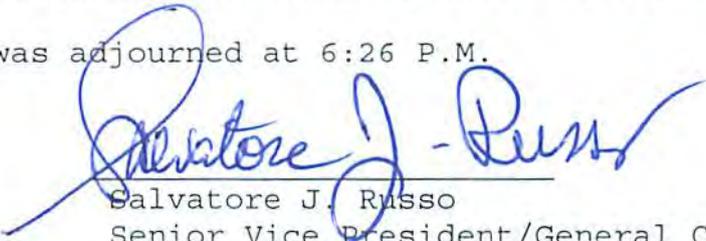
The Board convened in Executive Session. When it reconvened in open session, Dr. Raju reported that the Board had unanimously approved the appointment of Patricia (Patsy) Yang, DrPH, who will serve as the Senior Vice President of Correctional Health Services of the New York City Health and Hospitals Corporation.

SUBSIDIARY AND BOARD COMMITTEE REPORTS

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

ADJOURNMENT

Thereupon, there being no further business before the Board, the meeting was adjourned at 6:26 P.M.



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

COMMITTEE REPORTS

Capital Committee – June 11, 2015 As reported by Ms. Emily Youssouf

Senior Assistant Vice President's Report

Roslyn Weinstein, Senior Assistant Vice President, Office of the President, advised that the meeting agenda included three action items; a license agreement requesting authorization for the Parks Department to occupy space on the former campus of Neponsit Health Center; a new Indefinite Quantity Construction Contract with Nirman Construction; and, project approval for the purchase and installation of a new Linear Accelerator at Lincoln Medical and Mental Health Center.

Ms. Weinstein then announced that she and Louis Iglhaut, Assistant Vice President, Office of Facilities Development, would be attending a charrette hosted by the Department of Buildings (DOB). She explained that HHC, along with some other City agencies, would be meeting to review and discuss new DOB regulations for construction work performed in public buildings. She noted that the current regulations posed a problem for HHC in terms of what work is being allowed for by individuals with or without a license. While we use licensed workers there is additional schooling needed to maintain licensing, which required time off, and HHC did not have the ability to do that.

Ms. Youssouf asked what type of work this related to and whether or not HHC already used license workers. Mr. Iglhaut said that these issues were related to alteration 1 and alteration 2 construction projects, which require filing after completion and yes, while HHC did use individuals that were licensed for plumbing, electrical, etc., the codes had changed the wording within the various licenses and that had prevented the existing licenses from being acceptable. HHC was not able to use the licenses that were previously used.

Ms. Youssouf asked if this was a significant problem. Mr. Iglhaut said yes because HHC used their staff to preform emergency work. If we can't use them then we have to use the Indefinite Quantity Construction Contracts or Requirements Contracts, which are in place, but require time for processing and initiation. Therefor they are not acceptable options for emergency work.

Mr. Martin said this sounded like a good opportunity that would benefit HHC. Ms. Weinstein and Mrs. Bolus agreed.

Ms. Youssouf asked whether HHC had contractors on hand to address emergency work. Mr. Iglhaut explained that is what the IQCC contracts were for, but as noted, they require some lead time. This is specifically related to emergency work that HHC workers must complete.

Mrs. Bolus asked if any prior approvals or requirements were grandfathered into the new codes. Mr. Iglhaut said no.

Ms. Youssouf said that it would be interesting to see results of the charrette.

That concluded Ms. Weinstein's report.

Action Items:

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

Dean Mihaltses, Associate Executive Director, Elmhurst Hospital Center, read the resolutions into the record. Mr. Mihaltses was joined by Elizabeth Jordan, New York City Parks Department.

Mr. Mihalstes noted that the Neponsit Health Care Center had been closed since 1998 and the land on which it was located had since been used to house a Lifeguard Trailer operated by the Parks Department. He explained that Elmhurst Hospital Center maintained the property by providing power, landscaping, clean-up, security and fencing.

Mr. Mihaltses advised that the Parks Department would be funding and maintaining the new trailer and any ongoing related expenses.

Ms. Youssef requested that Jeremy Berman, Deputy General Counsel, Legal Affairs, provide some history on the site.

Mr. Berman stated that the approximately five and one half (5½) acre parcel was located adjacent to Reese Beach, with views of the water, and had been considered for development over the years, but a deed restriction on the site had made that difficult. He explained that the land was only eligible for use as a public park or to house a healthcare facility, and that while there had been discussions during the Bloomberg administration on how to address the situation, Legislative action would be needed to make any final determinations.

Ms. Youssef asked if a long-term care site would be permitted on the land. Mr. Berman said yes but that was not part of the Corporation's master plan. He explained that there had been a number of residential options considered, such as housing for Veteran's or low income housing, but there were concerns within the community about what was appropriate. He noted that there had been a brief pause in discussions when the Mayoral administration changed. There was a public hearing about eight (8) years ago addressing the possibility of giving the land back to the City, but there was much outcry again from the community. In summation, there is much work to develop a consensus on what should be done with the land, but those discussions were happening.

Ms. Youssef asked if there were still buildings on the property. Mr. Mihaltses said yes, there were three (3) structures on the parcel and since 1998 the facility had been maintaining the property at expense to the Corporation. Ms. Youssef asked if the buildings were re-habitable. Mr. Mihaltses said they were in pretty bad shape.

Ms. Youssef asked what the cost was for maintaining the site. Mr. Mihaltses said approximately \$180,000 annually. He added that, after Hurricane Sandy, the perimeter fence had to be replaced at a relatively high cost, but a request had been put in to the Federal Emergency Management Agency (FEMA) for funding.

Ms. Youssef stated that she did not feel there was any issue with current request for authorization by the Parks Department, but noted that this discussion should continue and tie into the other discussions that the Corporation was having with the City about various properties that fall under HHC jurisdiction, but are not utilized to support the Corporate mission.

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

Louis Iglhaut, Assistant Vice President, Office of Facilities Development, read the resolution into the record.

Mrs. Bolus asked how many contracts were in place that provided these services. Mr. Iglhaut said there were two other contracts that provide construction services, but there were others in place to provide electrical, plumbing, engineering, and other types of work.

Mrs. Bolus asked if these services would be available to all facilities. Mr. Iglhaut said yes.

Gordon Campbell, Acting Chairman, Board of Directors, asked about previous contracts with the vendor. Mr. Iglhaut explained that the vendor had been in contract with HHC for six (6) years, under three separate two-year agreements. Mr. Gordon asked if there had been any issues with the vendor. Mr. Iglhaut said there were some issues between the vendor and the New York City Comptroller's Office but those had been remedied. He noted that as the cause of the delay in receiving VENDEX approval, as their paperwork had to be resubmitted and was still pending approval.

Ms. Youssef noted that no contracts were definitively signed until VENDEX approval was received.

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

Milton Nunez, Executive Director, Lincoln Medical and Mental Health Center, read the resolution into the record. Mr. Nunez was joined by Nabil Arslan, MD, Radiology, and Paul Moh, MD, Chief of Radiology, Lincoln Medical and Mental Health Center, and Caswell Samms, Chief Financial Officer, Generations+/Northern Manhattan Health Network.

Mr. Nunez explained that the facility had two (2) Linear Accelerators, one a 25 year old unit, and one a 15 year old unit. The request being presented would be for replacement of the older unit. He said the facility provided over 7,000 treatments per year for a variety of conditions.

Antonio Martin, Executive Vice President, added that the facility also provided services for Metropolitan and Harlem Hospitals. Mr. Nunez said yes, both those facilities refer to Lincoln.

Mrs. Bolus asked if this would be a newly constructed space. Mr. Moh said no, it was the same location which require some construction before the new unit could be installed.

Mrs. Bolus asked how long the facility would be operating without the second unit. Mr. Moh said approximately nine (9) months. Mr. Arslan explained that approximately 30 patients were seen per day, between 8:00 AM and 4:00 PM, but that time would be extended to 7:00 AM through 9:00 PM, creating two shifts per day for service.

Mrs. Bolus asked how long sessions last. Mr. Arslan said an average of 15 minutes. Mrs. Bolus asked if the older machine would be able to handle the added capacity. Mr. Arslan said yes, there was a service contract in place, and an agreement with the vendor that they would keep parts on hand in case of a breakdown, allowing them to expedite because they will not have to order them, and they are scheduled to provide a full preventive maintenance review and services prior to project initiation. He added that the vendor had promised to provide full support throughout the course of the project.

Mrs. Bolus asked how long staff training would take for the new unit. Mr. Arslan said it would be completed within a week or two.

Mr. Campbell asked why the new machine was not purchased earlier if the machine was so far past its useful life. Mr. Nunez said it was strictly based on available funding.

Ms. Youssouf asked what "future financing" meant with regards to the notation within the funding section of the executive summary. Ms. Weinstein said it was part of the new line for Capital projects.

Ms. Youssouf asked if the older machines had experienced breakdowns. Mr. Arslan said yes, they had both had breakdowns. The twenty five year old machine was out of service approximately 10-15% of the time and the 15 year old machine was down approximately 8% of the time, but service was very quick.

Ms. Youssouf asked what type of work was included in the nine (9) month project schedule. Mr. Arslan explained that would include demolition of the site, construction, installation, and correlation testing.

Ms. Youssouf asked what the expected useful life was on Linear Accelerators. Mr. Arslan said typically seven (7) to eight (8) years, but with proper maintenance they could last much longer.

Ms. Youssouf asked if there was a plan to replace the other machine. Mr. Nunez advised that the purchase was included in the facility's tier two capital plan, with funding anticipated in 2017 or 2018.

Ms. Weinstein noted that completing this first project would bring to light any possible issues that may or may not arise when moving forward with the second machine. The construction piece, not the equipment purchase, can often cause delays.

Mrs. Bolus asked if there were other locations, perhaps in newer parts of the facility, where the machine could be housed. Ms. Weinstein noted that the basement was most appropriate given the weight of the machine and the lead shielding utilized in the service areas. Mr. Iglhaut concurred, and added that the minimal vibration in the basement also made it a desirable location.

Mrs. Bolus asked whether there were an additional basement location where the other unit could be housed so that perhaps work could be done concurrently to replace the units. Mr. Iglhaut explained that the lead shielding required in spaces that operate that type of equipment is expensive so using the existing location was cost effective.

Ms. Youssouf asked for confirmation that the shielding in place was up to present day standards and code requirements. The team confirmed.

Ms. Youssouf said she supported the effort, but hoped that the machine wouldn't break down and could handle the additional workload. Mr. Nunez said that contingencies were in place.

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

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

Information Item:

- *EDC/HHC FEMA Financial Controls*

Ms. Weinstein introduced Emil Martone, Senior Vice President, Capital Programs, New York City Economic Development Corporation.

Ms. Weinstein explained that the Federal Emergency Management Agency (FEMA) projects team had made a presentation to the Finance Committee outlining the financial controls in place for anticipated incoming FEMA dollars. She announced the creation of the FEMA Projects Steering Committee, which was comprised of representative from HHC, the Office of Management and Budget (OMB), the Mayor's Office of Recovery and Resiliency (ORR), and the Department of Health (DOH). Members included; Ramanathan Raju, MD, President, Antonio Martin, Executive Vice President, and Marlene Zurack Senior Vice President, Finance, HHC; John Grathwol, and PV Anantharam, OMB; Bill Goldstein, and Dan Zarrilli, ORR; and, Patsy Yang, DOH. Ms. Weinstein advised that the first Steering Committee meeting would be held on June 17, 2015, and they would be in place to provide guidance and recommendations as needed.

Ms. Weinstein reviewed a table of organization showing the working relationships between the Economic Development Corporation (EDC) and HHC Central Office, as well as the facilities and their relations with OMB.

Ms. Youssouf asked where OMB fell on the table of organization. Ms. Weinstein said that James Grathwol, OMB, attends the bi-weekly project meetings, and PV Anantharam was a member of the Steering Team, so they are fully aware, included and involved in the entire process.

Mr. Campbell asked if Mr. Grathwol was on the Capital side of OMB. Ms. Weinstein said yes, capital and grants. Mr. Berman added that he had been assigned specifically to FEMA projects.

Ms. Youssouf asked why she did not see Base Tactical on the table. Ms. Weinstein advised that their representative, John Levy, reported directly to Dr. Raju. He is the embedded FEMA expert.

Ms. Youssouf asked about the type of projects to be performed at the four (4) facilities. Ms. Weinstein advised that a new building and sea wall were planned for Coney Island; Bellevue was scheduled for a new sea wall, elevator work, and many other small projects; Metropolitan was expected to get a sea wall; Coler is expected to get a sea wall along with necessary basement and boiler work, and possibly some auditorium work.

Ms. Youssouf asked what projects were expected to be completed. Ms. Weinstein said the Steering Committee would have final decision making authority over the scope of work. She explained that the presentation was drafted to provide a slice of all the projects. It was specifically tailored with relation to the 428 funding, but there were other streams of funding, with other projects associated with them, and she would share that with the Committee. Ms. Youssouf noted that scope changes had historically been a result of a number of difficulties within a variety of projects. Ms. Weinstein agreed. Mr. Martin concurred and said that the Steering Committee would be in place to prevent those issues. Mr. Berman added that there were a number of restrictions within FEMA guidelines that should also prevent scope creep. If there were significant changes to projects, then funding is at risk, so that should help keep us in line.

Ms. Weinstein announced that a new member of the Office of Facilities Development (OFD) had been hired to provide project management specifically for FEMA work and that he would be on board by early July.

Ms. Youssouf asked who was responsible for ensuring that all jobs were designed to code. Mr. Martone said the design consultants to be hired by EDC would be responsible for that.

Mr. Campbell asked if work was being constructed to 100 or 500 year flood levels. Mr. Martin said everything is built to 500 year levels.

Ms. Youssouf acknowledged that previous work with EDC had been successful and she anticipated that this would be the same.

Mr. Martin asked how EDC was doing in filling open positions, specifically those positions related to HHC projects. Mr. Martone said that two of the positions had been filled and the individuals had started working. A third hire would be starting soon and the fourth hire was in the works.

Mr. Campbell said that he was aware of early work that had been performed at Bellevue and asked why that was faster than other sites. Ms. Weinstein explained that immediate work had been completed at a number of facilities, but perhaps Bellevue was more publicized. Mr. Martin added that there was early work done because it needed to be done to keep sites operational, or return them to operational status, but there was still much work to be done. Mr. Campbell asked about lessons learned from that earlier work. Ms. Weinstein said that it was made clear how integral the coordination is with other City agencies; that was key. Ms. Youssouf agreed and said that coordination with other City agencies was vital. Ms. Weinstein agreed and said that the non-construction side of these types of projects was extremely important and takes time. It was a large part of ensuring the communities are safe and happy.

Ms. Youssouf asked if any hospital services would be impacted during the course of FEMA projects. Ms. Weinstein said there were no anticipated interruptions to patient care.

Mr. Martone said that EDC was excited to be part of the work and looking forward to beginning. Ms. Weinstein said the work had already begun, as the Request for Proposals for the Architectural/Engineering firm had been released and that was an integral first step.

Ms. Youssouf asked about the Ida Israel Clinic. Ms. Weinstein said that the modular structures were in place but the site was awaiting necessary inspections.

Ms. Youssouf said that the Committee would like to be kept abreast on the success of using the modular structures and would like to visit the site.

Equal Employment Opportunity Committee – June 9, 2015
As reported by Mrs. Anna Kril

2014-2015 Corporate M/WBE Program Annual Report

The Assistant Vice President, Affirmative Action/EEO reported on the status of the Corporation's M/WBE Program. The report shows that there was a decrease in the overall OTPS expenditures in the Corporation below the one billion dollar benchmark for the fourth time in six years.

Expenditures of MBEs increased by 10,535,065.00 or 58.56% while expenditures on WBEs increased by 17,609,642 or 2.80%. The overall utilization rate for MBEs increased from 1.93% in 2014 to 3.22% in 2015. WBE participation rates increased from 0.50% in 2014 to 1.99% in 2015.

The results also showed that overall M/WBE goals increased from 2.43% in 2014 to 5.21% in 2015.

Conditionally Approved Contractors

Gail Proto, Senior Director, Affirmative Action/EEO reported on four conditionally approved contractors, A&P Coat, Apron & Linen Supply, Inc., Perkins Eastman Architects, PC, Sodexo Laundry Services, Inc., Crothall Facilities Management, Inc. Two of the

companies, A&P Coat, Apron & Linen Supply, Inc. and Perkins Eastman Architects, PC have no underutilization and Crothall Facilities Management, Inc. has three. Sodexo's underutilizations are in Job Groups 01D-Senior Directors and Executive Directors, 04A-Sales Vice President, Sales Executive, 9-E Service Workers for females and 02F-Professionals, 05A-Administration Related-Highly Skilled and 05B-Administration Related-Entry/Moderate for minorities. Crothall has three female underutilizations, 1B-Mid/Lower Level VP's and Directors, 3A-Biomedical Techs and 3B-Imaging Techs.

Finance Committee – June 9, 2015
As reported by Mr. Bernard Rosen

Senior Vice President's Report

Ms. Marlene Zurack informed the Committee that her report would include update on HHC cash flow and the impact of the UPL payments on the year end cash balance. HHC is very dependent on supplemental Medicaid as opposed to regular Medicaid and as such the flow of those funds has been sporadically as oppose to a consistent flow of payments that has not been in line with HHC's expenses. As of June 5, 2015, HHC's cash on hand (COH) was at 7.5 days; however with the receipt of two years of UPL payments totaling \$318 million, on June 8, 2015, the COH increased to 27 days. HHC expects to receive its first DSRIP and MetroPlus installment payments within the next few days. There are some outstanding UPL payments that are expected in FY 16. Based on discussions with the City, HHC will move payments for FY 14 for malpractice, stabilization funds, Medicare Part B and debt service to July 2015. Those payments for or FY 15 will be moved further in FY 16 and with that movement HHC is expected to end the FY 15 with 33 days of COH.

Mr. Rosen asked how many payrolls would be covered by that level of COH. Ms. Zurack replied that there are two payrolls, a weekly and biweekly, \$6 million and \$200 million respectively that would be covered.

Committee member, Emily Youssouf asked if the purpose of moving those payments for one month was to allow HHC to make payroll.

Ms. Zurack stated that it was not for that reason that there are other payments that will come through from the State. It solves the cash flow problem; however, there is a budget problem that was discussed in detail last month at this Committee relative to the GAP analysis. Corporate finance is preparing a presentation for the City and HHC President Dr. Ram Raju has had various discussions with key stakeholders regarding HHC structural deficit in the budget. Therefore, it is important for HHC to achieve its below the line action items as outlined in the financial plan. A payroll crisis was averted by getting everyone involved to assist HHC in its efforts for getting those payments approved by CMS that represents two and half years of retroactive payments with additional outstanding payments.

Dr. Raju thanked Ms. Zurack and the team for their efforts in getting those payments released and processed.

Acting Board Chair, Gordon Campbell added that as discussed and Ms. Zurack has agreed to work on developing a plan to address this issue so that in the future, HHC is not in a situation of not being able to meet its payroll which would be extremely problematic.

Ms. Zurack stated that Corporate Finance is working on two proposals, one is whether there could be seasonal borrowing from the City or from the bank each come with a cost or some complications.

Ms. Youssouf asked what that would entail to which Ms. Zurack stated that it would involve a line of credit on the bank side and on the City side it would be a loan from the City to HHC. The reporting was concluded.

Key Indicators/Cash Receipts & Disbursements Reports - Krista Olson/Fred Covino

Mr. Rosen informed the Committee that the Key Indicators and Cash Receipts and Disbursements Reports would be submitted for the record to allow sufficient time for the action items and the information item.

Action Items:

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to negotiate and execute a management contract with Stericycle, Inc. ("Stericycle"). Stericycle will manage the carting and disposal of the Corporation's seven waste streams for each facility. The contract will be for an initial term of two years for the period from July 1, 2015 through June 30,

2017 with options to renew the agreement for two additional two-year periods at the sole discretion of the Corporation in an amount not to exceed \$38,990,448 over the potential six-year term of the contract.

Executive Vice President/COO Mr. Antonio Martin stated that as part of the contract scope of services Stericycle will provide a regulatory compliant, environmentally friendly and cost effective solution to manage 100% of HHC's waste streams that include municipal solid waste; confidential document destruction; hazardous pharmaceutical waste; hazardous chemical waste and chemotherapeutic waste; universal waste and electronic waste; and recycling. Some of the key service indicators include to enhance the patients experience ; quality and satisfaction; identification and mitigation of potential occupational and patient safety risk areas; provide potential safety risk reports, inspections in the areas of regulatory compliance and devises action plans for mitigating any risks to each facility; process excellence; inspections of equipment and subcontractor facilities and performance; constant assessment to improve operational efficiencies and reduce costs; operational efficiencies. As HHC current contractor, Stericycle provided procedure for inspections and criteria for replacement of all proposed waste handling equipment and reusable containers; provided quarterly, annually and on an ad-hoc basis; training programs and education specific to the following topic: worker safety education, waste prevention and segregation awareness, recycling awareness education, food service waste education, environmental initiatives, operational risk mitigation, waste stream related regulations and advancements. In terms of flexibility align service schedules to the needs of the facility, Stericycle will provide a continuous review of operation which includes waste diversion and increasing the overall sustainability of HHC. The projected savings from this contract is \$2.5 million.

Ms. Youssouf asked who in HHC is responsible for monitoring Stericycle in terms of inspections of HHC equipment and whether HHC has to report to any external sources on its hazardous waste removal. Mr. Martin stated that Stericyclye is required to report locally and centrally to Joe Quinones, Senior Assistant Vice President, and Operations/Contracting. In terms of the external reporting, medical waste is highly securitized and HHC is surveyed on how it treats its waste and disposes of it and whether it is being done appropriately.

Ms. Youssouf asked is HHC has ever had any issues regarding its handling and disposal of waste to which Mr. Martin replied that HHC has not had any.

Committee member Mr. Mark Page asked what municipal solid waste is and whether the City is obligated to pick up waste for HHC. Assistant Vice President Mr. Joseph Quinones responded that it is the same solid waste that would be in a household and the City does not have an obligation to HHC to pick up its waste.

Mr. Rosen asked if HHC knew why the City does not pick up at the City hospitals. Ms. Zurack stated that it is commercial. Mr. Martin added that the City is responsible for residential as oppose to commercial.

The resolution was approved for the full Board consideration.

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

Mr. Martin in summarizing key contract scope of services stated that Surgical Solutions provides to facilities as part of the capital equipment for endoscopic and laparoscopic procedures the surgeon's preference of surgical towers, video processors, scopes, light sources, cables, and workstations facilitating doctors preferences and assuring the doctors have the equipment that best serves the needs of the patient; provides disposable supplies for laparoscopic procedures and all other supplies necessary for the procedure thereby allowing nurses to focus on patient care rather than looking for supplies; provides technical support to the doctors and nurses are able to complete patient procedures as equipment failures are resolved during the procedure; equipment maintenance and repair management so that doctors and nurse are assured of having the equipment needed as Surgical Solutions technicians repair malfunctioning equipment to manufacturer's specifications and provide loaner instrumentation if required to assure procedures are performed on schedule; provides support for off-site and bedside procedures to doctors and nurses and are provided equipment support for endoscopy procedures in the ICU, OR, ER and other patient units as requested by the medical staff to conduct procedures.

Mr. Martin stated that Surgical Solutions have a track record with HHC in that three of HHC facilities have been using these services as a pilot to measure the performance of the contractor before expanding those services to other HHC facilities. Bellevue Hospital Center has received the stated services from Surgical Solutions since July 2008. The Nursing Department has been very satisfied with Surgical Solutions performance as it has increased the amount of time spent with patient and increased the amount of procedures the facility is able to perform as indicated in the statement made by the physician at Bellevue. "Bellevue has doubled its bariatric volume over the last 3-4 years and Surgical Solutions has been instrumental in providing infrastructure support including equipment." – Dr. Manish Parikh, Bellevue Hospital. Elmhurst Hospital Center and Kings County Hospital Center were selected by the New York City Health and Hospitals Corporation Board of Directors to implement the Surgical Solutions' program as a pilot program on July 25, 2013. Surgical Solutions commenced the program at Elmhurst Hospital on September 23, 2013. Other comments from the staff at those facilities include: "Surgical Solutions takes care of the equipment and supplies and the staff now spend 100% of our time and energy on patient care." – William McDonagh, Elmhurst Hospital, AED Nursing. Surgical Solutions commenced the program at Kings Hospital on January 20, 2014. "The overall impression by the clinicians is that there is improved work flow and more focus is on patient care." - Dr. Michael H. Mendeszoon, Kings County Hospital.

Mr. Martin stated that some of the key contract services include: enhance patient experience quality and satisfaction that gives Nursing the ability to focus on patient care and patient safety; clinical and process excellence – doctors are given their preferences of equipment; assures completion of the procedure; Bellevue Hospital, Elmhurst Hospital and Kings County Hospital experienced 100% readiness of Operating Room start time and on schedule Operating Room turnover. Operational efficiencies and workflow are improved by achieving an overall increase in patient procedures. The program has not impacted HHC union labor as no union member has been attrite or laid off. The Central Sterile Department at Bellevue Hospital has yielded an increase of 3 FTEs since the program was implemented. The flexibility within the program has allowed the Corporation to preserve capital dollars for other needs by having vendor pay for capital equipment cost. Equipment is maintained by Surgical Solutions consistent with the manufacturer's preventative maintenance standards. In terms of access Bellevue Hospital laparoscopy scope procedures increased 75% from 2100 to 3684 procedures (1584) in Fiscal Year '14 – '15 (April 13, 2014 – April 12, 2015) from the baseline of Fiscal Year 2008; Bellevue Hospital endoscopy scope procedures increased 39% from 4250 to 5924 procedures (1674) in Fiscal Year '14 – '15 (April 13, 2014 – April 12, 2015) from the baseline of Fiscal Year 2008. Elmhurst Hospital's laparoscopy scope procedures has increased 38% from 1621 to 2237 procedures (616) in Fiscal Year '14 – '15 (April 13, 2014 – April 12, 2015) from the baseline of Fiscal Year 2013. Elmhurst Hospital's endoscopy scope procedures increased 30% from 2657 to 3464 procedures (807) in Fiscal Year '14 – '15 (April 13, 2014 – April 12, 2015) from the baseline of Fiscal Year 2013. Kings County Hospital's laparoscopy procedures has increased 2% from 1100 to 1125 procedures (25) in Fiscal Year '14 – '15 (April 13, 2014 – April 12, 2015) from the baseline of Fiscal Year 2013. Kings County Hospital's endoscopy procedures has increased 13% from 4500 to 5094 procedures (594) in Fiscal Year '14 – '15 (April 13, 2014 – April 12, 2015) from the baseline of Fiscal Year 2013.

Mr. Martin in summarizing stated that over the last year Surgical Solutions has proved to be effective and therefore HHC is now asking the Board to approve the expansion of these services to the other HHC facilities.

Committee member Josephine Bolus, RN stated that the skills that will be lost as a result of this contract and the replacement of staff with fewer skills are of concern.

Mr. Martin stated that HHC has taken the necessary steps to ensure that those concerns are addressed and the discussions with the staff were held to further ensure that those skills are not lost by the nursing staff. While there is support of Surgical Solutions in the operating room, it is important for HHC to ensure that the nurses remain competent in terms of working in that critical area.

Mrs. Bolus stated that it was not clear how that would be achieved given that as the nursing staff retires those skills will be lost and not immediately replaced. Mr. Martin stated that Bellevue has been operating for the past two years under the contract and has been able to ensure that the level of competence of the staff in the operating room has not be compromised.

Mrs. Bolus asked what the ratio of old to new staff is and whether that might be the problem.

Mr. Steve Alexander, Executive Director, Bellevue Hospital Center stated that the skill set provided by Surgical Solutions are technical skills and there will always be turnover in that staff. The skills are ever evolving and as such there are skills that are computerized or new technology is introduced with new skills in addition to surgical techniques that are constantly evolving. As such the nursing staff is growing and developing new competences on an ongoing basis so this service has not had this type of negative change or impact.

Mrs. Bolus stated that while those changes are understandable if all of the work is being computerized and the medical staff is entering all of the work in the computer and there's a computer outage, the staff might not know what to do given that the staff may not have written a chart and therefore would not know what to do. Hence those skills would be lost.

Mr. Alexander stated that what Surgical Solutions provides is not considered a replacement of the nursing duties but rather the technical duties.

Mrs. Bolus pointed out that it was stated in the presentation that it would free up the nurses to do more bedside functions. Therefore, the nurses are performing functions that are being replaced and it is not clear who or whether the nursing staff will be required to continue to perform those functions.

Mr. Page stated that based on his understanding this type of operating mode is comparatively new and certainly increasing in volume at HHC as noted in the presentation. This type of use of very technical equipment is not unique to HHC in terms of surgical procedures. It would appear that a nurse who has done a very professional job for number of years in his or her career and what HHC is contracting for are services not just the deployment or organization of the equipment in the operating room but actually purchasing a source of and functionality and the evolution in this equipment. The contractor will provide HHC with the operating machinery and computer capacity and keep it up to date. The capital component of replacing the equipment and changing the nature of the equipment that is improving daily, weekly and monthly, there is a needed source that will keep HHC up to date as oppose to HHC having to fund those needs within the limited resources that are available.

Ms. Youssouf agreeing with Mr. Page added that the issue is that what is being left behind is the staff due to HHC's contracting outside for the newest equipment and if the staff is not being trained internally those staff are being left behind and as that trained staff leaves the remaining staff will not be trained on the newest equipment. This has been an ongoing discussion and the question of the number of additional clients Surgical Solutions have contracted with excluding HHC is of importance.

Mr. Martin stated that HHC is 32% of their business. Mr. Quinones added that HHC is the largest of their current client base but Surgical Solutions is in the process of adding a system larger than HHC.

Mr. Chris Constantino, Senior Vice President, Queens Health Network stated that it was important to note that it is not the nurses who are handling those functions. The scopes are sent down to central sterile that sterilizes the equipment in a special machine, and package and return them to the operating room. The nurses open the equipment in preparation of the OR in the past but now Surgical Solutions is now doing that function. It is not a lost skill given that the equipment is being sterilized in the central sterile department and if HHC had to assume those functions, it can be done without any problems. The nurses are not losing any skill sets given that the major function of the nurses was to prep the OR for the surgery.

Mrs. Bolus asked who currently preps the OR. Mr. Constantino stated that Surgical Solutions does for the laparoscopic equipment only, the other functions are done by the skilled medical staff.

Mrs. Bolus stated that the point is that the nurses in the OR are performing a function that is now being replaced and as noted on the slide presentation, the function performed by Surgical Solutions frees up the nursing to do more care. If this is not the case then it should not be stated as such.

Mr. Martin stated that what had been said is that it allows the nursing staff to do their functions more efficiently. It improves the way HHC delivers its services more efficiently. It has been demonstrated at those facilities that using the services that having that support the staff at the hospitals have been able to do more procedures, notwithstanding, increasing access for HHC patient population.

Ms. Corazon Larroza, Nursing Director for Perioperative Services, Bellevue Hospital Center, stated that based on previous experience with these type of services prior to coming to work at HHC with different contractor, the program was very successful. The skills of the nurses in the OR will not be lost. Nurses in the OR regardless of the instrumentation or equipment needs are required to know the functions of the equipment used in the OR. The nurses alongside the technicians are able to determine if a scope is missing or not working. As a result of Surgical Solutions, the nurses no longer have to look for missing equipment but rather the surgical technician does that function while the nurses stay with the patients. Therefore, it is clear to see that the nursing skills are not being compromised. The skills Mrs. Bolus is concerned about are the skills of the staff that does the instrumentation in the hospitals. At Bellevue the staff is trained also on how to do those types of functions; however, a dedicated person is the person to ensure that all of the instrumentation and equipment are working properly. Therefore those services are greatly needed and as a nurse there is less stress in the OR and more time to focus on the patients. The concern of whether there will always be working equipment

and instrumentation in the same confidence as the physician will be extremely helpful to the nursing staff. As a nurse the approval of these contractual services would be extremely beneficial to the overall support and function of the nursing staff on a daily basis.

Ms. Youssef stated while Ms. Larroza's comments are much appreciated, the Committee's concerns are much broader than that. What is of concern is that HHC is seeking the Board's approval to hire an outside service to do what is believed to be done by most hospitals in NYC and not contracted out and that is the point the Committee was trying to make.

Dr. Raju stated that it has helped HHC in multiple ways. One is the technologies which are rapidly changing and HHC must keep up with those changes in order to better meet the needs of its patients. However, in order to do that HHC must purchase the latest equipment through its capital program which would be a major problem given the limited resources available to HHC. The advantage of contracting these services is that it allows HHC to keep up to date on the changes in technology in this area without compromising the overall performance of the functions of the OR in those areas in addressing the needs of the patients without depriving them of the latest and best technology has to offer given that HHC cannot fund those types of equipment upgrades within its capital program. The second issue is whether HHC with contracting these services will be creating a workforce that is not up to date with the required skills to meet the needs of the patients. It is incumbent upon HHC to ensure that those skills are not compromised or lost as Mrs. Bolus has expresses. HHC will continue to monitor those functions and there is a simulation centers that can monitor those areas. Now and then there is testing of the new procedures that is documented and there will be ongoing testing of those issues. There were a number of concerns raised by the Committee and the Board that as President of this Corporation in conjunction with Mr. Martin view as very serious and would therefore suggest that HHC reports back to the Board after a year of performance by Surgical Solutions of those services and financing nature of the contractor relative to newer contracts with other clients given that the concern is that HHC is the only major system supporting Surgical Solutions and that the overall success of a company is the expansion of its services that are also supported by other larger systems. An update on the productivity and the issues discussed will be provided to this Committee.

Mr. Martin added that he would report back to the Committee after a year.

The resolution was approved for the full Board's consideration with one abstention.

Information Item:

HHC FEMA 428 Design and Construction Management – Program Financial Controls

Mr. Rosen stated that the FEMA program as it relates to the funding HHC received as part of the capital funds needed for the restoration of the facilities affected by the storm.

Ms. Roslyn Weinstein, Senior Assistant Vice President, Capital stated that the presentation would provide the Committee with an overview of how HHC is planning to utilize the funds received from FEMA and Community Development Block Grant (CDBG) funds or Housing and Urban Development (HUD). Ms. Weinstein brought to the attention of the Committee that the presentation had been updated and the newer version was distributed to the Committee and reflected on the screen. The lessons learned from previous large construction projects have been the primary focus of the planning and use of these funds. HHC in the past has been successful in the completion of some major construction projects and in other instances not as successful as planned. There have been many discussions at the Capital Committee regarding the pros and the cons of those outcomes. One is that attention must be paid to the budget, attention to being on time and most importantly, staying on target with the scope given that any slippage in that area will create the need for additional funding not planned. HHC's relationship with New York City Economic Development Corporation (EDC) in the Hank J. Carter project has resulted in the development of a methodology to ensure that the \$1.7 billion from FEMA for very large projects are under HHC's control and watch. Within the FEMA funding of \$1.72 billion there is a 10% matching fund. Therefore, in actuality HHC is receiving \$1.55 billion through FEMA that goes to the NYS Division of Homeland Security and Emergency Services (NYS DHSES) which then goes to the City's Office of Management and Budget (OMB) and to EDC. The matching funds which are coming from HUD with its own set of regulations and requirements to the NYC and onto EDC. There are two ways HHC will be controlling the spending of these funds, top down and bottom up. There is an overall Steering Committee comprised of Dr. Raju, Patsy Yang, Marlene Zurack, representatives from the Mayor's Office and OMB. The Committee will be reviewing the scope and the use of the funds. Additionally, the Committee will also work on ensuring that the funds are forthcoming and address any issues relative to the release of those funds to HHC. Additionally HHC Finance and OFD meet on a biweekly basis with OMB, EDC and other key individuals/consultant, Base Tactical (BT) to ensure the appropriate use of the funding. BT is HHC's expert FEMA consultant that advises HHC on the appropriate use of those funds in terms of whether certain things are FEMA approved and there have been instances whereby HHC was advised to consult with FEMA before undertaking a project. The program management (PM) firm will be hired by EDC to track all of HHC contracts to ensure that HHC meets its milestones and bring the

communications of where HHC is in term of the dollars spent that will be monitored by the various construction managers when the actual construction begins. That is the top down version which is a very cohesive level for remaining on track. There is also communication on how HHC will be spending the funds.

Ms. Youssef confirmed that Ms. Weinstein would also present the management structure of the FEMA funding to the Capital Committee and asked if the construction management (CM) contracts would be a program management firm that will oversee the CM contract.

Ms. Weinstein stated that it will be an additional resource to watch all of the contracts and the process would be discussed in more depth at the Capital Committee. The project management consultant firm was used by EDC on the Hank J. Carter project and for the FEMA projects will include a complete construction time line to ensure that HHC's milestones are being achieved or not achieved. As part of the next step, the scope has been defined and on the Coney Island project HHC has worked with OMB on a value engineering project to ensure that the scope for that project is on target. However, things do happen in the field and when that occurs, HHC must decide how to address those issues. Part of the decision might entail whether to change the scope which would involve adding more money or not. As part of the role of the contract manager there will be instances where there might be a need to make a change in construction or the design may not be working as planned and the facility wants to change it. This type of action would require a review by the consultant from EDC, the facility on whether that change order will be FEMA approved. Therefore, all changes will be reviewed with BT before moving forward on the project and if it is approved by BT it would go to the project manager of EDC. If it is not material to the actual scope EDC will go through the approval process. EDC is responsible for ensuring that the project remains on budget. If it changes the original scope that was initially approved by the Steering Committee a higher review would be required and would flow back to OFD and finance and a decision would be made as to whether it should go back to the Steering Committee. The impact of the budget is always first and foremost.

Ms. Youssef asked if there is a threshold amount. Ms. Weinstein stated that as of now there is no dollar amount but that can be decided by the group. As of now any change must be reviewed.

Mr. Covino added that given that there is a fixed cap on this the tolerance will be very low.

Mr. Page commented that the discussions have been focused on how to accommodate the changes; however the ultimate choice would be not to and just reject the change order.

Ms. Weinstein agreed.

Ms. Youssef stated that in the past that was a major issue for HHC that resulted in major changes in the cost.

Ms. Zurack stated that all projects are micro-managed as part of the FEMA process.

Ms. Weinstein stated that as part of the process, HHC has the appropriate level of communication on what is going on out in the field to properly manage the project efficiently that allows HHC to make quick decisions that would be appropriate for the facility's budget and program.

Mr. Rosen asked if there is a timeline on when HHC might receive funding from FEMA. Mr. Covino stated that as far as the \$1.7 billion, HHC has received over \$61 million as it relates to Bellevue. The balance of the funds will come as projects are completed or as HHC draws down through the City.

Mr. Rosen stated that there is an approved scope of service and there were two approved contractors based on that when can HHC expect to see some substantial dollars.

Mr. Covino stated that the obligation of the project worksheets that were signed by Ms. Zurack and OMB has begun and are under federal review. When that review in addition to the environmental review is completed, HHC can move forward with the construction. HHC is working with EDC who is hiring the contract managers so that HHC can begin later in the fall.

Mr. Coleman stated that there was an article in the Times that was critical of the MTA relative to FEMA spending. Therefore, it is important for HHC to be aware and move with appropriate due diligence.

Ms. Youssef stated that is important that OFD has involved the appropriate staff, consultants and created a Steering Committee as an oversight for the use of those funds.

Ms. Zurack stated that HHC has learned through the value engineering process that there are a number of construction projects underway throughout NYC and that there is an inflation factor that HHC has to be mindful of that can also impact the amount of funding available.

Ms. Youssef stated that while that is true it has been an issue for many years.

Ms. Weinstein stated that one of the reasons EDC was selected by HHC was based primarily on their track records in terms of their expertise in budgeting and cost control and the deliverables have been defined. Until the money come in HHC cannot move forward until the project worksheets are obligated that allows HHC to do the funding. The next step is for FEMA to approve those worksheets and after that approval it will go through the process previously described. While HHC awaits the approval from FEMA, Requests for Proposals (RFP) are being issued for architectural and engineering firms, program management, so that when those project worksheets are approved HHC can move forward quickly.

Mr. Page added that while all of those things are needed in terms of the approvals and controls, it is important for HHC to note that the longer the project stretches out due to the inability to get through that process the more it will cost.

Ms. Weinstein stated that OFD is working with OMB on a weekly basis to get it done as fast as possible and if the Committee would like to have quarterly updates it can be done as it will be done at the Capital Committee.

Mr. Rosen stated that if there was some type of timeline on when Coney Island could expect to see construction begin would be a major achievement. Mr. Covino stated that the RFP for the architectural and design for the Coney Island project was release and will take at least eighteen months to complete.

Ms. Zurack added that the drawings and designs are not yet complete and the construction cannot begin without those two things being in place and HHC's internal controls are not the reason the construction has not yet begun at Coney Island but due primarily to the City, OMB and the State process that is not within HHC's control. The reporting was concluded.

Medical & Professional Affairs Committee / Information Technology Committee
June 11, 2015 – As reported by Dr. Vincent Calamia

Chief Medical Officer Report

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

HHC's Accountable Care Organization (ACO)

In order to provide a more comprehensive picture of our patients and those providing care, our ACO is now disseminating daily care transitions reports built around real-time ADT data, linked to information such as # of prior hospital encounters, costs, chronic conditions, and programs in which the patient is engaged (e.g., Health Home, Collaborative Care), The broad goal of this report is to facilitate communication and coordination during transitions for ACO patients, as a means of learning more about how to define roles and manage handoffs among ED, inpatient, post-acute, community, and ambulatory care based services for all HHC patients.

After identifying an error by CMS in ACO population attribution, and after advocacy to regulatory leadership by Dr. Raju, the ACO received its 2015 Q1 attribution list with its full patient population properly restored. This correction restores thousands of our engaged patients to the ACO roster and reflects the growth of the ACO Medicare population through active patient engagement.

Now in the final year of its initial 3-year contract period, the HHC ACO has submitted a Notice of Intent to CMS to renew for 2016-2018, under the Medicare Shared Savings Program.

CMS Site Visit

HHC hosted a site visit from CMS for our CMMI grant to evaluate care management in the Emergency Departments of Elmhurst, Queens, Jacobi, Lincoln, Bellevue and Kings. We await the report of the survey, but our teams did well in demonstrating how they have operationalized the grant. Currently the project has on track for patient enrollment.

HHC Health Home

The HHC Health Home has seen tremendous growth since the beginning of FY2015. During the first 10 months of the year, the number of enrolled patients increased by 117% - from 1786 patients in July to 3883 patients in April. During that same time, the number of patients in outreach increased from 182 in July to 13,158 in April.

Much of the increase in outreach and enrollment numbers can be attributed to the growth of the HHC Health Home network. At the beginning of the fiscal year, Health Home services were only provided by Health Home teams based at HHC's 12 hospital facilities. Since then, contracts have been secured with 18 community based organizations to become downstream providers and perform Health Home services as part of the HHC Health Home. In addition, the HHC Health Home has also contracted with all 12 of the HHC ACT teams, who are providing Health Home services to their patients, in addition to ACT services. There are three additional community-based organizations who will be contracting with the HHC Health Home once the transition to the new EHR is complete and it is expected that others will also join once that transition occurs.

DSRIP Update

Last week, NYS DOH announced 5-year valuations for Performing Provider Systems (PPSs) who will participate in the DSRIP program. OneCity Health, the HHC-led PPS, received a valuation of \$1.2 billion to carry out eleven projects focused on improving the health and well-being of both Medicaid and uninsured populations. It is important to note that the payments are not guaranteed; the valuation represents a maximum potential payment in the case that OneCity Health successfully achieves all performance targets over program life.

DSRIP implementation planning has commenced at the borough hub-level and will continue through the summer months. In early meetings, partners are reintroduced to their community needs as detailed in assessments carried out in late 2014, and oriented to the patient's journey along the care continuum. Our engagements will become increasingly detailed over time and will culminate in a granular understanding of each partner's contribution to program efforts. We expect to use this information alongside a detailed assessment survey in order to enter partner contracting in 3Q, 2015.

CTSI- Clinical & Translational Science Institute

The 5-year HHC-NYU clinical translational science grant comes to a close on June 30th. HHC has reapplied with NYU for another 5-year grant. Six researchers that were awarded pilot funding this past year presented their project results in May. Thus far the 6 pilot projects have collectively generated 9 abstracts, presentations, publications and more are expected. A number of the interventions, including a text messaging program and patient empowerment program, are being assessed for scalability.

Emergency Management

We've received confirmation of the award of 3 of our 5 Ebola and special pathogen-related emergency management Federal grants. The first provides more than \$6.5MM to HHC / Bellevue over five years for its role as a designated treatment center. Under the grant, HHC / Bellevue will purchase PPE for use in training; continue annual staff training focusing on healthcare worker safety when caring for an Ebola patient; plan and conduct an annual tabletop exercise for its isolation unit; and maintain and calibrate its point of care lab equipment. The second grant provides more than \$67,000 to HHC / Bellevue in a single payment to begin the preparatory work for the installation of an autoclave unit that will provide cost savings for waste management throughout the facility. The third grant provides \$820,000 to HHC Emergency Management over five years to bolster the Corporation-wide Ebola and special pathogen treatment and preparedness through the development of a Concept of Operations; purchase of lab equipment and PPE; development, implementation and maintenance of a Corporation-wide training and education initiative to ensure healthcare worker PPE competency; and developing and conducting annual HHC-wide Ebola and special pathogen exercises with frontline facilities and external partners such as NYC DOHMH, NYCEM, and FDNY*EMS.

As part of our HHC-wide coastal storm preparedness, we convened and hosted the first meeting of the Special Medical Needs Shelter (SMNS) workgroup that included participants from across HHC, city, state and federal partners to canvas the practical issues related to our operations of New York City's 8 SMNS during activations of the citywide Coastal Storm Plan. We're collaborating closely with NYCEM, DOE, and CUNY to schedule walkthroughs of each of the facilities and we'll convene our first internal SMNS Council meeting of this season on June 30th. The most pressing issue during SMNS activations remains the potential for Adult Care Facilities and Long Term Care Facilities to inappropriately evacuate their patients to these facilities, thereby overwhelming them. We are in discussions with NYS DOH, as regulator, to take preventive actions, such as enforcing ACFs and LTCFs to develop and implement functional evacuation plans for their facilities to minimize the chances of this from occurring.

MetroPlus Health Plan, Inc.

Arnold Saperstein, MD Executive Director, MetroPlus Health Plan Inc. Presented to the Committee. Dr. Saperstein informed the Committee that the total plan enrollment as of May 1, 2015 was 473,124. Breakdown of plan enrollment by line of business is as follows:

Medicaid	414,927
Child Health Plus	12,978
MetroPlus Gold	3,511
Partnership in Care (HIV/SNP)	4,759
Medicare	8,459
MLTC	872
QHP	26,919
SHOP	61
FIDA	98

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

We have recently submitted the 2016 Qualified Health Plan (QHP) premium rates to New York State Department of Financial Services (DFS). We continually review the amounts we charge to manage our members' healthcare needs. We have taken significant cost-saving measures which resulted in decreased premiums for the majority of our products and minimized the increase for two of our SHOP plans in 2016. In 2015 MetroPlus offered some of the most affordable rates across many of the health insurance options available on the NY State of Health Marketplace.

The rate changes vary based on product (SHOP and Individual) and across the various metal levels. The proposed decreases range from -2% to -9% for Individual plans and from -1% to -5% for SHOP plans. The two SHOP plans with proposed increases range from 0.2% to 1%. While we try to provide members with the most accurate information possible, final rates may differ based on the benefit plan design and other features members choose on renewal. Also, the final, approved rate may differ as DFS may change the proposed rate. For members who enrolled through the NY State of Health and qualified for financial assistance, called an Advanced Premium Tax Credit (APTC), their current premium is less than the amount shown in the letter they received from us notifying them of a rate change. Their 2016 premium will also be less than shown in the letter they received if they qualify for the APTC again next year. NY State of Health will calculate their eligibility for financial assistance each year. Currently, approximately 84% of MetroPlus Marketplace members qualify for an APTC.

In addition, as a result of the ACA legislation and market pressures, we are realigning our Medicare offerings for 2016. We are consolidating two Medicare Dual-eligible SNPs (Select into Advantage). The members will see no change in the services they are provided. The plan will benefit from some operational efficiencies as well as see a reduction in overall cost (shifting some cost from the Plan to New York State Fee-for-Service). We are also closing our PIC (Partnership-in-Care) product. With rising premiums, PIC enrollment has fallen to approximately 50 enrollees. These enrollees are being encouraged to enroll in either our Advantage or Platinum products depending on their Medicaid status. The HIV+ members will see a decrease in their monthly premiums while getting the same services and physician network. We have also restructured our pharmacy network to reduce plan costs, something many competitors have already done.

Going forward, we have put together a workgroup to improve the Plan's overall Medicare Star ratings. Increasing our ratings from the current 3.5 to 4.0 would mean an increase in revenue by 5%, allowing us much more flexibility in providing competitive benefits.

MetroPlus is preparing for the Contract Management Team Operations (CMTO) FIDA Plan Onsite Review on June 4th where a team comprised of both NYSDOH and CMS representatives will be looking for MetroPlus to present on operational items such as Call Center systems review, Network Management, Care Management onboarding process, and Marketing.

The HARP On-Site Review date is scheduled for June 22nd and June 23rd. We will be the first Plan to be reviewed.

Chief Information Officer Report

Sal Guido, Acting Corporate Chief Information Officer, Enterprise Information Technology Services provide the committee members with several key updates: the Epic Electronic Medical Record (EMR) Strategy Session that took place on May 15th and 16th, a status on Meaningful Use (MU) and Eligible Professionals (EP) and an update on HHC's migration to the Exchange email system.

Epic Electronic Medical Record (EMR) Strategy Session – Friday May 15th and Saturday May 16th:

On Friday and Saturday, May 15th and 16th, an Epic EMR Strategy Session was held with members from HHC EITS Leadership, the Clinovations Implementation team, HHC President Dr. Ram Raju, COO and Executive Vice President Antonio Martin, Chief Medical Officer Dr. Ross Wilson and Chief Financial Officer and Senior Vice President Marlene Zurack, representatives from the Mayor's Office and four (4) CIOs from New York University Medical Center, Mount Sinai Health System, University of California at Los Angeles (UCLA) and Massachusetts General, all whom have completed large Epic installations. The goal of this two (2) day strategy session was to share HHC's Epic EMR journey from procurement to design and implementation planning as well as to hear first-hand about the work, approaches and best practices from the four (4) Medical Center CIOs who have already gone live with Epic.

The entire group was very much engaged over the two (2) days with individuals providing relevant feedback and sharing experiences with an Epic go-live event. Program risks such as Enterprise Master Patient Index (EMPI), lab, procurements, the Soarian integration as well as other third party integrations were reviewed and discussed by the entire team. Areas of concern, consideration and opportunity were noted and recorded for further work. Ideas were also shared on how to approach certain upcoming project milestones as well as how to create strategies to sustain the Epic product.

The following day these areas of concern and opportunity were consolidated and prioritized. A brainstorming session followed with all parties providing input to planning, risk mitigation and strategic approaches to enable programs that Epic will be dependent on. Certain potential roadblocks were highlighted and noted to be tracked. All agreed that the time spent was mutually beneficial and that these sessions should continue periodically. Further sessions will be scheduled in the future.

I will continue to have on-going dialogues with all four (4) CIOs who participated and engage them for their advice on strategies and best practices as we approach our Epic implementation. I will also keep the M&PA/IT Committee as well as Leadership and the IT Executive Governance committee members informed and updated as we continue our progress.

Meaningful Use (MU) and Eligible Professional (EP) Update:

QCPR v6.1 Upgrade:

On May 27th, Harlem Hospital successfully completed its upgrade to QCPR v6.1. In less than five hours downtime, the Generations+ QCPR team led by Sima Bruk took the system down, performed the upgrade and brought the system back up making it available for all users. This upgrade also included Meaningful Use Eligible Professionals and ICD10 database enhancements.

New Meaningful Use (MU) Proposed Rule:

On April 10, 2015, CMS released a proposed rule to align Meaningful Use (MU) Stages 1 and 2 objectives with the long term goals proposed for Stage 3 Eligible Hospitals (EH) and Professionals (EP). If passed, new providers demonstrating meaningful use for the first time would immediately attest to Stage 2 objectives in 2015. In addition, the proposed rule would shorten the reporting measurement period to any ninety (90) consecutive days in 2015. This rule would also remove objectives that were topped off, duplicative or redundant.

HHC will remain in Stage 2 for the EH EMR incentive program for its 4th and 5th year in 2015 and 2016 respectively. Changing the measurement period to calendar year, HHC would benefit from the extended deadline of December 31st. The reduction in the overall number of objectives from 19 to 9 offers no significant benefit as HHC facilities have already exceeded the CMS thresholds by far except for Measure C6 – Patient Portal. This measure is retained under the proposed rule and will continue to be challenging for HHC.

For Eligible Professionals (EP) in its 1st year, HHC providers will attest directly to Modified Stage 2, skipping Stage 1 altogether. However, starting on January 1, 2016, HHC will attest to its full year of Stage 2 with additional required objectives, such as, secured messaging technology as a form of communication between providers and their patients. The technology is not available to HHC at

this time. This measure will transform HHC's workflow, both clinically and operationally. Other MU objectives, to mention a few, which will be required in 2016 include public health reporting, registries, medication reconciliation and transition of care.

There are approximately 3043 eligible providers identified by Finance based on CMS eligibility criteria. Ongoing pre-validation of eligibility with the State Department of Health continues so to avoid future audits. So far, 641 HHC providers have been identified and HHC anticipates receiving its first payment of \$21,250 for each in 2015 for a total of over \$13.6M. Overall, the estimated return of Eligible Professionals EHR incentive program over five (5) years is \$180M. These EPs must be "meaningful users" to avoid a Medicare reduction payment of up to 5%. The New York State Department of Health has also extended the enrollment deadline by another 15 days to Monday, June 15th.

Our EITS/QCPR Team remains fully committed to work collaboratively with the business in meeting these regulatory requirements. We will continue to provide ongoing reports to this committee on our progress.

HHC's Exchange Email System Migration:

The Enterprise Infrastructure team has been working over the past year on planning the migration of the HHC workforce from the current Novell GroupWise email system to Microsoft's Exchange system, establishing one single email system for the entire Corporation.

This migration will allow for HHC to have a more advanced and feature rich email system which will be able to easily integrate with other applications allowing our users to interact in new ways including instant messaging, mobile applications, integrated, and video conferencing. A new email archive system will also be available to users, allowing them to more seamlessly archive email and view both active and archived emails side by side all within the same application. Users will no longer require the use of separate folders, outside applications or cumbersome steps to reference or search for historical emails.

Final pilots are underway with select small groups of EITS staff to test how the new email system works. The plan is to move approximately 1500 users per week beginning with Central Office staff in May, followed by the North Bronx and Queens Networks in June, North, Central and South Brooklyn networks in July and Lincoln/Harlem and South Manhattan completing their migration in August.

Both on-site and on-line training is planned for all staff. Roadshows for each of the networks and facilities are being finalized as well as are a series of on-going communications to continuously alert and update staff as to our progress.

Action Items:

Ross Wilson, MD, Senior Vice President/Corporate Chief Medical Officer, Antonio Martin, Executive Vice President and Chief Operation Officer, and Marlene Zurack, Senior Vice President/Chief Finance Officer presented to committee on the following resolutions.

Authorizing the President of the New York City Health and Hospitals Corporation ("the Corporation") to negotiate and execute a Physician Services Agreement with New York University School of Medicine ("NYUSOM") for the provision of General Care and Behavioral Health Services at Bellevue Hospital Center ("Bellevue"), Gouverneur Healthcare Services ("Gouverneur"), Coler Rehabilitation and Nursing Care Center ("Coler"), Henry J. Carter Specialty Hospital and Nursing Facility ("Carter"), Woodhull Medical and Mental Health Center ("Woodhull"), and Cumberland Diagnostic and Treatment Center ("Cumberland") for a period of five years, commencing July 1, 2015 and terminating on June 30, 2020, for an amount not to exceed \$1,688,679,033; and further authorizing the President to make adjustments to the contract amounts, providing such adjustments are consistent with the Corporation's financial plan, professional standards of care and equal employment opportunity policy except that the President will seek approval from the Corporation's Board of Directors for any increases in costs, calculated on an annual basis, in any fiscal year to NYUSOM that exceed twenty-five percent (25%) of the not to exceed amount specified in this resolution.

Resolution was approved for the full Board's consideration.

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

financial plan, professional standards of care and equal employment opportunity policy except that the President will seek approval from the Corporation's Board of Directors for any increases in costs, calculated on an annual basis, in any fiscal year to Sinai that exceed twenty-five percent (25%) of the not to exceed amount specified in this resolution.

Resolution was approved for the full Board's consideration.

Authorizing the President of the New York City Health and Hospitals Corporation ("the Corporation") to negotiate and execute a Physician Services Agreement with the Physician Affiliate Group of New York, P.C. ("PAGNY") for the provision of General Care and Behavioral Health Services at Lincoln Medical and Mental Health Center ("Lincoln"), Morrisania Diagnostic and Treatment Center ("Morrisania"), Segundo Ruiz Belvis Diagnostic and Treatment Center ("Belvis"), Jacobi Medical Center ("JMC"), North Central Bronx Hospital ("NCB"), Harlem Hospital Center ("Harlem"), Renaissance Health Care Network Diagnostic and Treatment Center ("Renaissance"), Metropolitan Hospital Center ("Metropolitan"), Coney Island Hospital ("CIH"), and Kings County Hospital Center ("KCHC") for a period of five years, commencing July 1, 2015 and terminating on June 30, 2020, for an amount not to exceed \$2,562,175,665; and Further authorizing the President to make adjustments to the contract amounts, providing such adjustments are consistent with the Corporation's financial plan, professional standards of care and equal employment opportunity policy except that the President will seek approval from the Corporation's Board of Directors for any increases in costs, calculated on an annual basis, in any fiscal year to PAGNY that exceed twenty-five percent (25%) of the not to exceed amount specified in this resolution.

Resolution was approved for the full Board's consideration.

Strategic Planning Committee – June 9, 2015
As reported by Josephine Bolus, RN

Senior Vice President Remarks

Federal Update

- Sustainable Growth Rate (SGR) Passed by Congress and Signed into Law

Ms. LaRay Brown reported that, on April 17, 2015, Congress passed and President Obama signed a repeal of the Medicare Sustainable Growth Rate (SGR). Ms. Brown also reported that the good news was that the new law postponed the start of the Medicaid Disproportionate Share Hospital (DSH) funding cuts for one year or until 2018. However, the bad news is that it also extends and increases the DSH cuts through 2025. Ms. Brown informed the Committee that the estimated cost of the "Doc Fix" is \$214 billion over the next ten years. For the last decade or more, there was a temporary fix to limit Medicare program physician payments. The number got to be so large that Congress delayed the reduction every year, perennially extending the current Medicare rates so that physicians will not have to incur significant cuts in their payments to prevent physicians from opting out of the Medicare business. Finally, the issue became so large that it needed to be fixed. HR.2 is the 'permanent fix' and the 'pay fors' are from other sources of funding, and not from some of what HHC feared like hospital rate reductions, etc.

Committee member Robert Nolan commented that it seemed that a large number of physicians have left the Medicare business and are not accepting Medicare patients anymore. He asked if this change in Congress would push those physicians to return to the Medicare program. Ms. Brown responded that there had been an exodus of those physicians who take both Medicare and Medicaid. The loss of physicians is because people are aging out and a lot of physicians are retiring and not being replaced, particularly, general practitioners. More of the younger doctors are going into specialties. With the "permanent fix" the idea is that there will be a tapering down of the exodus.

Mr. Nolan asked when the law would take effect. Ms. Brown responded that it will take effect in October 2015, which is the beginning of the federal fiscal year. Ms. Brown emphasized that the DSH cuts that were slated to take effect in 2017 have now been moved to 2018. The originally scheduled 2017 DSH reductions to HHC could have amounted to \$181 million. However, in moving those cuts to DSH funding:

- **In 2018:** out of the \$2 billion national cut, HHC's loss could go up to \$578 million
- **In 2019:** out of the \$3 billion national cut, HHC's loss could go up to \$785 million
- **In 2020:** out of the \$4 billion national cut, HHC's loss could go up to \$800 million
- **In 2021:** out of the \$5 billion national cut, HHC's loss could go up to \$817 million
- **In 2022:** out of the \$6 billion national cut, HHC's loss could go up to \$833 million
- **In 2023:** out of the \$7 billion national cut, HHC's loss could go up to \$850million

- **In 2024:** out of the \$8 billion national cut, HHC's loss could go up to \$925 million
- **In 2025:** out of the \$8 billion national cut, HHC's loss could go up to \$925 million

Ms. Brown explained that half of the projected losses would be federal and the other half local. The idea of half of \$578 million in 2018 is overwhelming. Ms. Brown reminded the Committee that the assumptions, on which the DSH cuts were originally conceived, as defined in the Affordable Care Act, were that there would be a significant number of individuals who would become insured and that safety net hospitals would need less DSH funding as a result. She also reminded the Committee that, because DSH funding is provided to hospitals that serve a disproportionate share of uninsured and low income individuals, those DSH hospitals would benefit from the growth in the number of insured individuals. There are some DSH funded hospitals in some parts of the country that have a disproportionate share of not just uninsured patients, but also uninsured and undocumented individuals. Ms. Brown stated that the numbers were extremely compelling.

Mrs. Bolus asked if hospitals have to prove that they serve uninsured individuals in order to receive DSH funds. Ms. Brown responded that, right now, all the DSH funds come to the state. She explained that the ACA included language that states that the Secretary of Health and Human Services (HHS) would have the authority to establish what the states' DSH cuts would be based upon what the state is doing to allocate its DSH money to those hospitals that serve the most uninsured and low-income individuals. Ms. Brown explained that other institutions such as the New York Immigration Coalition, the Hastings Center and others have been pushing for New York State to change how it allocated its bad debt and charity care funds in order to meet the HHS requirement that states must show that its DSH funds or bad debt and charity care funds go to those hospitals who serve the most uninsured and low-income individuals. Ms. Brown stated that it was not the case right now, as New York is very democratic, everybody gets some.

Some voluntary hospitals in New York City that only served 1-5% uninsured, are also receiving uncompensated care and bad debt and charity care funding. The state has to make that adjustment so that more and more of the money would go to those hospitals that are DSH hospitals including some voluntary hospitals. Ms. Brown added that HHC's #1 strategic and intergovernmental priority is to have the state change how the disproportionate share funds are being distributed in New York. Ms. Brown agreed with Mr. Nolan that the goal is to have the DSH funds follow the patients. Ms. Brown added that the DSH lump sum that is allocated to a hospital should be based on the percentage of the uninsured patients served by that hospital. HHC is the single largest safety-net provider of uninsured care, not just only for New York City but for also New York State. There are some other hospitals, while not public, that also provide health care to uninsured, undocumented and low-income individuals. HHC's message has been that disproportionate share funds, uncompensated care funds, bad debt and charity care funds should follow the patients. As those patients are served, the provider that is providing that care should get those funds.

Mr. Nolan commented that there were some Republican Senators especially in Long Island and Upstate New York that were fighting this because they wanted their share of the money for their neighborhoods. Ms. Brown added that there were some Republican Senators who have public hospitals in their districts and they want disproportionate share funds to go to their public hospitals. On the other hand, there are also some non-Republican legislators who are interested in the status quo. Ms. Brown argued that it was not an upstate or downstate issue.

- **Setback for Obama Administration on DAPA/DACA Executive Orders**

Ms. Brown reminded the Committee that President Obama had executed an Immigration Executive Order and there were some setbacks on the implementation of this Executive Order. She reported that, on May 26, 2015, the U.S. Court of Appeals for the Fifth Circuit denied the U.S. Department of Justice's request for an emergency stay in the Texas, et al. v. United States, et al lawsuit against President Obama's immigration-related executive actions. She informed the Committee that the ruling came as a split 2-1 decision and would allow a lower court's decision to block implementation of initiatives that would allow millions of immigrants to apply for work authorization and protection from deportation. This would remain in place while the Justice Department's formal appeal of the lower court's decision is considered. She also added that the Fifth Circuit decision only concerned the emergency stay request.

Ms. Brown reported that there were several next steps or legal options that can be taken. The federal government can ask for an "en banc" review by the 5th Circuit where 15 active judges of the 5th Circuit would render a decision. It can appeal the stay to the Supreme Court. It can ask the Supreme Court to narrow the decision to Texas or only to the states that are in the suit. Ms. Brown announced that oral arguments were tentatively scheduled for the week of July 6, 2015. She noted that there was no deadline for when a decision on the appeal could come after the oral argument. Ms. Brown commented that while many people celebrated the President's Executive Orders, they have not been able to be executed. She added that the President's Executive Order would have also enabled states to provide health insurance to undocumented immigrants. In New York State's case, the Governor had set aside

funding to extend the health insurance access per the President's Immigration Order, but unfortunately, everything has been put on hold.

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

Ms. Brown stated that, for about a year, she had been speaking about the 340B Drug Discount Program. She reminded the Committee that, because this drug discount program was available to safety net hospitals, FQHCs and other similar types of providers which enabled these providers to purchase drugs at a discounted rate. There has been ongoing discussions on the part of Big Pharma to limit the 340B program, which has grown. She informed the Committee that HHC benefits \$40 million a year in savings from this program. So, whenever there is a tension about the restriction of the 340B program or the doing well of the 340B Program, it is an issue particularly of interest to HHC. Ms. Brown reported that bipartisan legislation or the 21st Century Cures Bill was introduced recently in Washington in an attempt to speed up the drug approval process and combat various rare diseases, disease treatment, management, and cures. She stated that the bill recognizes that health research and technology that developed breakthrough medicines moves quickly, but the federal drug and device approval has not kept pace. Ms. Brown reported that the bill was reported out of committee on May 21st by a vote of 51 to 0 and will now head to the House floor for a vote in the coming weeks. Ms. Brown commented that the good thing about this overarching bill is that it did not include negative language about the 340 B program, which is a success for HHC. Ms. Brown reiterated that, if the 340B program were to be significantly changed, the risk could be up to \$40 million a year for HHC.

- Update on Re-authorization of James Zadroga 9/11 Health and Compensation Act

Ms. Brown stated that, as reported in March, various activities have been launched in support of the re-authorization of the James L. Zadroga Health and Compensation Act of 2010 (Zadroga), which is set to expire in the current Congress. She added that, most recently, a House Energy and Commerce Hearing has been scheduled on H.R. 1786 – Zadroga legislation. Ms. Brown announced that this hearing would occur later this week on June 11th. She informed the Committee that there was also a Senate Bill – S. 928 which had 19 co-sponsors and a House version – H.R. 1786 – which had 80 co-sponsors. In addition, Ms. Brown stated that Congressman Pallone from NJ is the Democratic lead at the hearing with Republican Lepton of Michigan as the Chair. They are working to get bi-partisan for reauthorization. The NY Congressional Delegation is in support of the bill. HHC gets \$10 million/year in grant and fee for service (FFS) payments through this Act for the provision of services through the World Trade Environmental Health Care (WTC EHC) Center. Ms. Brown reminded the Committee that HHC's WTC EHC provides care specifically to community residents, not first responders. She clarified that NYC's FDNY, as well as Mount Sinai gets money for the First Responders' programs. Ms. Brown commented that there was a lot at stake and that HHC's \$10 million was only once piece. There are other programs in other parts of the country that are funded by Zadroga. Ms. Brown reminded the Committee that there were a lot of other First Responders that came from all over the country to help out at the World Trade Center site. Many of those First Responders as well as residents of the communities surrounding World Trade, lower Manhattan, parts of Brooklyn and day laborers from Queens came to help with the cleaning of the apartments near the office buildings. A significant number of these individuals are experiencing residual health care effects from the materials, fumes, dust and other elements that resulted from the 9/11 attack. Ms. Brown added that HHC's WTC EHC program, led by Terry Miles, had been very active in working with the legislative staff and other community representatives on this re-authorization. Ms. Brown informed the Committee that, at the request of local elected officials, HHC was prepared to have a consumer from a non-democratic district to go to the hearing to ensure bi-partisan support for this national act.

State Update

Ms. Brown reported that HHC continued to actively work on the issue of behavioral health rates for Medicaid managed care. As part of its new policy of "care management for all," the State is transitioning Medicaid enrollees with severe and persistent mental illness into managed care. In reviewing the premiums that the State is providing for Medicaid patients who are transitioning from fee-for-service into managed care, they are too low to cover the cost of providing care. Therefore, for HHC this would be a \$120 million impact. Ms. Brown informed the Committee that HHC had been convening regular meetings with the State Department of Health in order to develop a workable solution. She announced that luckily, HHC had a little more time to work this out since the transition to Behavioral Health Organization Health and Recovery Plans (BHO HARPs) was delayed by three months, to October 2015. Ms. Brown informed the Committee that the Corporation's lobbyist, Ms. Wendy Saunders, was very busy in Albany as the State Legislature works over the next two weeks to conclude the 2015 Session.

Ms. Brown stated that, with just five more scheduled Session days to go, HHC was closely monitoring all of the activities in Albany. She reported that there had been activity on several legislative proposals that were important to HHC:

Informal Caregivers: Both houses have passed legislation that would put in place new requirements for contacting and coordinating discharge of inpatients with any informal caregivers the patient designates. It is anticipated that the Governor will approve this legislation.

Nurse Staffing Ratios: The Assembly moved legislation mandating specific, inflexible nurse staffing ratios for hospitals and nursing homes. If this legislation were to pass, HHC would need to hire 3,200 new nurses at a cost of more than \$388 million.

Medical Malpractice: There are several bills that would alter the rules governing medical malpractice. At this point, proponents appear to be focusing their efforts on legislation that would extend the statute of limitations from thirty months from the date of the alleged malpractice, to thirty months from whenever the alleged malpractice is discovered. The bill was reported out of the Assembly Codes Committee last week. HHC is working closely with other stakeholders, including the hospital and nursing home associations and the Medical Society. There is heightened concern this year given the recent change in leadership in both houses.

HHC-specific Legislation: There are two perennial bills, also called the “Lanza bills” by the IGR staff, requiring HHC to financially support hospitals on Staten Island. One would require HHC to provide financial support to the Staten Island-based hospitals. HHC does not have an acute care hospital on Staten Island. In the other bill, Senator Lanza and his predecessor contends that 10% of HHC’s budget should be spent on Staten Island. Both bills have moved to the floor of the Senate and are poised for passage. The Assembly moved one of the bills to the Ways and Means Committee, but no further action is expected in that house.

HHC will continue to be vigilant on these bills as well as any last-minute issues that could affect HHC.

City Update

- City Budget Hearings

Ms. Brown reported that, HHC provided testimony before the Council Finance, Health and Mental Health Committees on May 20, 2015, for its FY 2016 Budget. Unlike the preliminary budget hearing, there is also a public session before the Council which was scheduled for 1:00 pm later today. Ms. Brown informed the Committee that some of HHC’s Community Advisory Board members (CABs) and others who are advocates for and advocates about healthcare services for HHC will be providing testimony before the Council starting at 1:00 pm. Ms. Brown concluded that the budget deliberations between the Administration and the Council would intensify in the next couple of weeks before concluding by the end of June.

Information Item:

Identifying Fair, Effective & Sustainable Local Policy Solutions: Undocumented Immigrants and Access to Health Care in New York City

Claudia Calhoon, MPH, Director of Health Advocacy, the New York Immigration Coalition
 Nancy Berlinger, Ph.D., Research Scholar, The Hastings Center
 Michael Gusmano, The Hastings Center

Ms. Brown introduced Ms. Claudia Calhoon, Director of Health Advocacy, the New York Immigration Coalition and the Hastings Center staff members, Nancy Berlinger, Ph.D. and Mr. Michael Gusmano and invited them to proceed with their presentation on identifying fair, effective & sustainable local policy solutions for undocumented immigrants to gain access to health care in New York City.

Nancy Berlinger, Ph.D. began the presentation by informing the Committee that the report that the Hastings Center wrote originated from a December 2014 meeting, which aimed to:

- Create focused space to augment and deepen ongoing conversations in the Mayor’s Task Force on Immigrant Health Access
- Sharpen local stakeholders’ understanding of gaps in access to health care for populations left out of the ACA—in particular, New York City residents who are both undocumented and uninsured
- Identify proven or promising local solutions to closing these gaps in other cities, counties, and states and discussed applicability to NYC
- Funded by a discretionary grant from the RS Clark Foundation

- Vera Institute for Justice provided space pro bono
- Convening, report, and recommendations were independent of City Mayor's Task Force process
- Aimed to complement it re: timing, utility
- Authors of report are responsible for recommendations
- All meeting participants had opportunities to provide insights via discussion and subsequent review of meeting summary

Dr. Berlinger reported that there were 25 convening participants representing:

New York City Government

- Department of Health and Mental Hygiene
- Health and Hospitals Corporation
- Human Resources Administration Office of Citywide Health Insurance
- Office of the Deputy Mayor for Health and Human Services
- Mayor's Office of Immigrant Affairs

Labor/Advocates

- SEIU
- Community Service Society
- Coalition for Asian American Children and Families
- Make the Road
- Vera Institute for Justice

Clinicians

- Primary Care (HHC Bellevue) and FQHC's (Community Health Care Association of New York State)
- Discharge Planning (Montefiore)
- Specialty Care (Memorial Sloan Kettering Cancer Center)

Funders

- Altman Foundation

Dr. Berlinger reported that the following were external speakers at the December 2014 Convening:

- Tangerine Brigham Deputy Director, Managed Care Services Division of Los Angeles County Department of Health Services (Healthy San Francisco and My Health LA)
- Sherri Rice and Nikki King, President/CEO and Chief Operating Officer of Access to Healthcare Network, Nevada
- Rajeev Raghavan, Assistant Professor of Medicine, Baylor College of Medicine and Ben Taub Hospital-Harris Health System of Houston, Texas
- Andrew Cohen and Kate Bicego, Massachusetts' Health Law Advocates/Health Care for All

Dr. Berlinger gave an overview of the 2015 report. It describes New York City's undocumented uninsured population; the city's safety-net health care system; and specific gaps in coverage and financing that impede access to health care for this population.

The report:

- Highlights special opportunities and challenges for health care system improvement in the City
- Compares models that are proven or promising as sustainable ways to improve access to uninsured populations
- Offers six actionable recommendations for City stakeholders, supported by guidance for ongoing planning, program development, and system improvement

Ms. Claudia Calhoun described New York City's undocumented uninsured population as follows:

- Approximately 500,000 immigrants who live in New York City are undocumented
- About 250,000 are insured through employer sponsored coverage, private insurance purchased outside of ACA marketplace, or Child Health Plus
- About 250,000 remain uninsured:

- 155,000 will be eligible for Deferred Action for Parents of Americans and Lawful Permanent Residents (DAPA) or Deferred Action for Childhood Arrivals (DACA)
- Of these, 40-50% will be income-eligible for Medicaid after enrollment in DAPA or DACA
- In May 2015 DACA/DAPA was delayed
- TAKE HOME: At least 200,000 of the currently uninsured are likely to remain uninsured

Ms. Calhoun described the existing health care services resources and gaps for undocumented and uninsured immigrants. These gaps include:

- Safety-net health care systems in New York City
 - *HHC*
 - *Federally Qualified Health Centers (FQHCs)*
 - *Voluntary Hospitals (to limited degree)*
- Emergency Medicaid and its limits in New York State
 - *Functions as limited form of coverage*
 - *Gaps*
- Gaps in the New York City safety-net
 - *Chronic conditions*
 - *Life-threatening conditions*
 - *Discharge planning and post-hospital care*
 - *Efficiency and cost effectiveness*

Ms. Calhoun also described some of the opportunities and challenges as outlined below:

- Opportunities
 - *DSRIP*
 - *Better linkages with voluntary hospitals*
 - *ID NYC or other sort of enrollment card*
- Challenges
 - *State coverage mechanism for all*
 - *Leveraging primary care workforce*
 - *Indigent Care Pool (ICP) and Disproportionate Share funding (DSH)*

Mr. Michael Gusmano described the following plans:

1. *"My Health LA"*

- No-cost health care program launched in October 2014
- Offers comprehensive health care for low-income (at or below 138 percent of the FPL), uninsured county residents, regardless of immigration status or medical condition
- Does not require out-of-pocket payments or user fees
- Offers care through 164 community clinic medical home sites, where patients receive primary and preventive health care services and some diagnostic services
- Los Angeles County Department of Health Services facilities also provide County clinic medical home sites, plus emergency, diagnostic, specialty, inpatient services, and pharmacy services
- Of the estimated 400,000 remaining uninsured in Los Angeles County, 135,000 are now served, with capacity to reach another 145,000

2. *Healthy San Francisco*

- Low-income program for San Francisco County residents with incomes up to 500 % FPL regardless of employment status, immigration status, or medical condition
- Charges participation fee and point-of-service fee to all patients except for those under 100 % FPL and those who are homeless; One set of fees for all public clinics; non-public clinics set their own fees
- Fee information provided at time of enrollment to help applicants select medical home
- Participants receive a card with the name of their medical home
- Large, interconnected care network made up of different types of providers
- Predictable affordable participation fees decreases client fear of large bills
- Encourages preventive care and offers customer service, health education, care management
- Focus on primary care home to reduce duplication and improve coordination

- Centralized eligibility system to maximize public entitlement and centralized system of record to create accountability
- Non-insurance (care) model lowers costs and protects federal and state funds for counties

3. Access Care, Harris County, Texas

- Financial assistance program of the Harris Health System, the hospital district that includes the city of Houston
- Open to uninsured Harris County residents
- Provides access to discounted health care at more than 20 community clinics, a dental clinic, and surgical and other sub-specialty clinics, one long-term care facility
- Scope of services exceeds that of most FQHCs in the area, although wait times for sub-specialty clinic appointments and for elective surgeries can be long

Mr. Gusmano described the available programs in Massachusetts as the following:

- One application for all available programs, including the insurance marketplace
- Mass Health Limited
 - *State version of Emergency Medicaid*
 - *Available to undocumented immigrants and some immigrants who are PRUCOL*
- Children's Medical Security Plan
 - *Financed by the state and offers primary care and preventive services to low income children up to 200 % FPL*
- Health Safety Net
 - *Grew out of the state's ICP to pay for care at acute care hospitals and community health centers*
 - *For Massachusetts residents earning less than 400 percent of the FPL are eligible for HSN funds, which follow individuals rather than institutions*
 - *Patients with incomes between 200-400 percent of the FPL can apply once they incur a health care cost*
- HSN's Medical Hardship Program can be applied up to a year retrospectively to cover medical debts

Mr. Gusmano reported on the Access to Healthcare Network in Nevada:

- Offers medical discount programs, specialty care coordination, a health insurance program, non-emergency medical transportation services, a pediatric hematology/oncology practice, and a toll free statewide call center
- 35,000 members, more than half of whom are presumed to be undocumented
- Members must be at 100-325 % FPL, live and/or work in Nevada, and be ineligible for public insurance such as Medicaid or Medicare
- Members pay \$35 a month for deeply discounted medical services plus care coordination

Mr. Gusmano concluded by highlighting some common elements of the existing models. They are:

- Eligibility
- Financing
- Provider networks
- Care coordination
- Political support

Ms. Calhoun shared with the Committee the following recommendations:

1. Improve access to primary and preventive health care, and to specialty care and other services, through primary care medical homes in FQHCs and HHC ambulatory centers networked to specialists.
2. Explore the potential for the City's municipal ID card to function as an enrollee card for a primary care medical home network for uninsured New Yorkers.
3. Acknowledge that a primary care oriented medical home solution, while important, will not resolve health care access for undocumented immigrants and other uninsured populations who have medical and related social service needs that significantly exceed the scope of a primary care medical home and that further efforts are needed to close these gaps.
4. Describe explicitly the potential role of the City's major voluntary hospitals in supporting access to health care for the undocumented uninsured and other uninsured populations, with attention to their current role in emergency and inpatient care and to access problems that exist at the hospital/ post-hospital transition.
5. Integrate new efforts to improve access to primary care for uninsured New Yorkers into current efforts of New York City Performing Provider Systems to meet their DSRIP goal.
6. Advocate for state-level policymakers to identify a mechanism that will provide health coverage to immigrant populations who remain uninsured.

Dr. Berlinger shared with the Committee the following observations/suggestions:

- Improving public systems
- Anticipating emerging issues in organizational collaboration
- Promoting knowledge sharing and problem solving among public and voluntary hospitals

Ms. Calhoun presented information regarding the reception of the report and next steps:

- Forum on meeting and report planned for once the Mayor's Taskforce Report is released
- Requests for technical assistance from:
 - *Illinois Coalition for Immigrant and Refugee Rights*
 - *Public Citizens for Children and Youth (Philadelphia)*
- Featured on CUNY TV's Informed Comment
- Cited in the NYC Comptroller's Report "Holes in the Safety Net"
- Invitation from Milbank Quarterly to submit article based on report

SUBSIDIARY BOARD REPORT

HHC Capital Corporation – May 28, 2015

As reported by Mr. Gordon Campbell

Mr. Campbell announced to the Board that Linda DeHart and Nini Mar will be speaking about updates to the Equipment Financing Program, the RFP for underwriting services, the History of HHC's Bond Issuances, the 2010 Bonds Construction Fund Balance and any old business and, or new business.

HHC Equipment Financing Program

Ms. DeHart indicated that on the first page of the presentation, background was provided on the equipment financing program which was authorized by the HHC Board of Directors on April 30th at an amended amount of up to \$60 million. This allowed the Corporation to establish a financing program with one or more banks over multiple years. As previously reported, HHC was unsuccessful in attempting to secure traditional equipment financing using only a lien on the equipment. Once a secondary Health Care Reimbursement Revenue lien security was developed, several banks were interested. As a result, HHC reached an agreement with JP Morgan and is currently working with bond counsel on ironing out the last few details of the agreement. The deal is expected to close within the next few weeks.

Equipment Financing Security Structure

Ms. DeHart explained that the right hand side of the diagram, in black ink, highlights the existing security structure for holders of HHC bonds. The items in blue ink, on the left side of the diagram, describe the newly developed secondary lien pledge related to the equipment financing.

JP Morgan Transaction

Ms. DeHart stated that the third page shows details of the proposed \$60 million transaction with JP Morgan to upgrade, purchase and install medical equipment and IT systems as well as cover the costs of issuance. In addition to a first lien on the equipment, there is a secondary pledge of revenues provided as security. The term is a 12 month drawdown period at variable rates converting to a six year fixed rate loan at close-out. The indicative interest rate as of the end of March was 0.9249% during the drawdown period and 1.7062% for the fixed rate loan. Mr. Campbell asked if there were any questions. Subsidiary Board member Emily Youssouf asked how the fixed rate was calculated. Ms. DeHart stated that she did not have the information with her but would send it to Ms. Youssouf. Senior Vice President/Chief Financial Officer Marlene Zurack recalled that the rate was based on the LIBOR (London Interbank Offered Rate) rate plus a mark-up.

RFP for Bond Underwriting Services

Nini Mar explained that every five years, HHC Debt Finance issues RFPs for services provided by underwriters, bond counsel and financial advisory firms. In 2015, a RFP was issued for underwriting services. The RFP was released on March 16. The due date for the proposals was April 13. HHC received proposals from 9 firms seeking the senior underwriter role and 11 proposals from firms interested in the co-managing underwriter role. The RFP Evaluation Committee will interview the top six senior managing

underwriter candidates on June 4th. Out of those six firms, the top three will be chosen for the senior manager role and the remaining senior manager candidates will be ranked alongside the co-manager candidates for the co-manager role. HHC's current underwriting team consists of three senior managers and 13 co-managing underwriters. Responding to Mr. Campbell's question about the Evaluation Committee members, Ms. Mar replied that the team consists of Jay Olson from the NYC Office of Management and Budget, Carmen Pigler from the NYC Comptroller's Office, Jawwad Ahmad and Cyril Toussaint from HHC's Office of Facilities Development (who will count as one vote), Linda DeHart serving as Chair and Rebecca Fischer from Bellevue Hospital. Ms. Youssef asked if there are plans to rotate the three senior managers. Ms. DeHart said yes. Mr. Page asked for the names of the three senior managers. Mr. Campbell asked if all three firms have re-applied. Ms. Zurack answered that Citi, Morgan Stanley and JP Morgan are the current senior managers and that all three submitted proposals. To Ms. Youssef's question about how many proposals were received, Ms. Mar stated that 9 firms applied for the senior role and 11 for the co-manager role so the total is 20. Mr. Campbell asked if there were at least a few firms that were minority and women owned. Ms. DeHart answered yes.

HHC Bonds - Issuance History

According to Ms. DeHart, the currently par amount of bonds outstanding is \$833.4 million mostly in fixed rate mode with the exception of the Series 2008 B-E bonds which is in variable rate mode, roughly 20% of the portfolio.

Construction Fund Balance on the 2010 Bonds

Ms. DeHart said that page six shows the status of the Series 2010 bond construction fund. Of the total \$8.8 million remaining, \$7.8 million is the unspent encumbrance amount leaving an unencumbered balance of just less than \$1 million.

Mr. Campbell asked for the high point or maximum amount of bonds outstanding. Ms DeHart said that the amount is approximately \$1.1 billion in the early 2000s and again in 2010. Ms. Youssef asked if there are any plans to issue bonds this year. Ms. Zurack replied that typically HHC's capital program is financed with approximately one-third HHC bonds, and two-thirds by the City for mainly the major reconstruction projects.

Ms. Zurack informed the Board that the City's current capital plan contains the large FEMA funded projects which are federal dollars that flow through NYC. Also included are the Epic EMR and other IT projects. It is likely that HHC will have to issue bonds this fall. There is a very small refinancing opportunity resulting in approximately \$5 million of present value savings which may be reduced as interest rates rise. Ms. Youssef asked Ms. Zurack to elaborate on the amount of bonds which might be issued. Ms. Zurack said that historically, HHC spends down approximately \$30 million a year on routine reconstruction and equipment. Some of the capital needs can be addressed by the proposed equipment financing. HHC does not want to create a big construction fund given that it took five years to spend down the bond proceeds from the 2010 bond issue. Finance has been in discussions with Citibank who is willing to provide a revolving loan to finance smaller construction projects. HHC can use the floating rate loan as an interim financing vehicle until HHC can issue bonds. Mr. Page asked if this is similar in mechanics to bond anticipation notes ("BANs"). Both Ms. Zurack and Ms. DeHart replied that it was not and that Citi would be receiving CRA (Community Reinvestment Act) credits and availing the bank of the secondary revenue pledge as a security during the contemplated three year loan period. Ms. Youssef believes that HHC cannot issue BANs because only municipalities are allowed to do so.

Mr. Page asked about the relative cost of HHC issuing debt versus the City. Ms. Zurack said the difference is 50 basis points. Mr. Page stated that having construction funds sitting in accounts earning very little interest and the difficulty of predicting cash flows accurately makes it beneficial for the City to finance more of HHC's capital needs. Ms. Zurack agreed, but added that for smaller projects at the Facilities, the City's approval and spending process can be very onerous often causing delays to projects. If HHC can establish an interim financing vehicle which can be replenished or "fixed out" periodically, it should reduce the problem of having construction funds sitting in low bearing interest accounts. Ms. Youssef asked about the type of projects in the capital plan. Ms. Zurack said that it was mainly infrastructure-related, projects such as boilers, air handlers and some IT.

Mr. Page asked if the City Comptroller's Office agreement on the terms is necessary when HHC issues its own debt. Ms. Zurack said yes. Mr. Page's follow-up question was if City Comptroller approval is needed when drawing down funds if the projects are funded by HHC bonds. Again, Ms. Zurack answered no. Ms. Zurack said that HHC skips OMB processes such as CPs and proceed directives as well as the City Comptroller's work order and contract registrations which can often add months to the completion schedule. On the big projects, clearly it makes sense to seek City financing. Mr. Page added that City debt is the City's obligation, HHC debt is HHC's obligation - and there is the negotiation of reimbursement of City debt service by HHC. Ms. Zurack said that HHC had asked for the maximum City financing during the last budget but it was not approved. Ms. Zurack is hoping that the loans from JP Morgan for equipment and Citibank for construction will provide sufficient capital in the short term.

Ms. Youssouf asked if Morgan Stanley or any other banks were interested in lending to HHC. Ms. DeHart indicated that there were some preliminary discussions with TD Bank and UBS who both had expressed some interest. TD Bank initially had some credit cap restrictions. Morgan Stanley was not directly approached. Ms. Youssouf indicated that Morgan Stanley may have some CRA capacity and it cannot hurt to ask. Ms. Zurack and Ms. DeHart agreed.

*** * * * * *END OF REPORTS* * * * * ***

**RAMANATHAN RAJU, MD
HHC PRESIDENT AND CHIEF EXECUTIVE OFFICER
REPORT TO THE BOARD OF DIRECTORS
JUNE 18, 2015**

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

OneCity Health Update

The New York State Health Department recently announced five-year valuations for Performing Provider Systems (PPSs) who will participate in the DSRIP program. OneCity Health, the HHC-led PPS, received a valuation of \$1.2 billion to carry out eleven projects. The payments are not guaranteed; the valuation represents a maximum potential payment if OneCity Health successfully achieves all performance targets over program life.

DSRIP implementation planning has commenced at the hub-level and will continue through the summer months. We expect to use our increasingly detailed understanding of each partner's contribution to program efforts to enter partner contracting in 3Q, 2015.

On June 1, we submitted the DSRIP State Implementation Plan to NYS DOH. This plan provides the framework for quarterly reporting of the OneCity Health PPS against predefined milestones. We expect to receive comments from the state's Independent Assessor in July.

Federal Update

Congressional Hearing on Zadroga 9/11 Reauthorization Act

Congressional lawmakers at a House Energy and Commerce Health Subcommittee hearing last week pushed for the James R. Zadroga 9/11 Health and Compensation Reauthorization Act that would make the program permanent. Reauthorization would ensure the uninterrupted care for the more than 8,100 enrollees in HHC's World Trade Center Environmental Health Program that cares for area workers, residents, students and passersby suffering from 9/11-related illnesses.

Medicaid DSH Funding Provisions Included in the Sustainable Growth Rate Repeal

As I reported at the April Board meeting, the Medicare Access and Child Health Insurance Program Reauthorization Act of 2015 became law, repealing the Sustainable Growth Rate (SGR), which attempted to limit physician payments under Medicare. One of the ways Congress paid for the repeal was through cuts to Medicaid Disproportionate Share Hospital (DSH) funding.

The new law offers a short term reprieve to HHC by postponing the start of Medicaid DSH funding cuts for one year until the beginning of Federal Fiscal Year 2018. However, the law both extends DSH cuts another year to 2025 and significantly increases the amount of cuts each year. Under the new law, we now face a potential loss of up to \$289 million in federal funds in 2018. By 2025, this grows to \$462 million. These estimates would double if local matching funds were also eliminated. Left unchanged, HHC faces a potential loss of \$3.25 billion in federal funds between 2018 and 2025.

We continue to advocate to further delay and, ultimately, eliminate Medicaid DSH funding cuts.

Setback for Obama Administration on Immigration Executive Orders

In November of 2014, President Obama issued new Executive Orders that would have granted deferred action protections from deportation to some undocumented immigrants. If these orders are ultimately upheld, HHC would benefit since it would allow thousands of undocumented immigrants in New York City -- who qualify under program requirements -- to apply for work authorization, protection from deportation and health insurance coverage. Implementation of these orders has been challenged by the state of Texas. The Justice Department is currently reviewing its legal options. Oral arguments in the case are tentatively scheduled for the week of July 6.

State Update

The New York State Legislature is pushing to conclude the 2015 Session. I'd like to focus on a few bills that are key to the Corporation:

- **Informal Caregivers:** Both houses passed legislation that would put in place new requirements for contacting and coordinating discharge of inpatients with any informal caregivers the patient designates. We anticipate that the Governor will approve this legislation.
- **Sepsis Reporting:** The Senate passed and the Assembly is expected to pass legislation that would provide up to a two-year delay on the public release of data related to incidents of sepsis in hospitals, which the State Health Department began collecting last year. The delay gives the Department time to validate and analyze the data so they can provide accurate and meaningful information to the public.
- **Staffing Ratios:** The Assembly moved, but is not expected to pass, legislation imposing mandatory nurse staffing ratios for hospitals and nursing homes. It would require HHC to hire 3,200 new nurses costing more than \$388 million annually just for our 11 hospitals and possibly more for our nursing homes. The Senate did not act on this bill.

- **HHC-specific legislation:** Last week the Senate passed a bill that would require HHC to spend at least 10 percent of its operating budget in every borough. The Assembly did not move this legislation.

We will provide an update on legislation affecting HHC at the July Strategic Planning Committee meeting.

Kings County and Sea View Hospitals Earn Praise from the Joint Commission During Recent Surveys

I am extremely pleased to report that as of last week, The Joint Commission completed its surveys of Sea View Hospital Rehabilitation Center and Home and Kings County Hospital Center. Both facilities did extremely well with Sea View receiving a deficiency-free survey result. At Kings County, the surveyors were "wowed" by the leadership and the engagement of physicians and staff, and noted that the organization, including its Behavioral Health services, is "right up there" when compared to some of the more well-known organizations across the country.

Generally, the survey team has been extremely impressed with HHC, which they acknowledge has changed their perception of a public health system. Throughout this year's surveys, they have consistently praised the quality of care provided and the commitment of staff, to an underserved and sometimes vulnerable population.

Congratulations to Arthur Wagner, Angelo Mascia, George Proctor, Ernest Baptiste and the staff of both facilities, for a job well done.

Bellevue Hospital Named as Regional Pathogen Treatment Center

Bellevue Hospital, in partnership with the NYC Department of Health & Mental Hygiene, has been named by the U.S. Dept. of Health and Human Services as one of nine regional centers for the treatment of Ebola and Other Special Pathogens. The move expands the US ability to respond to outbreaks of severe, highly infectious diseases. The regional facilities are part of a national network of 55 treatment centers, any of which may also be called upon to handle one or more simultaneous clusters of patients. Each of the nine regional centers will receive \$3.25 million in federal funding over five years.

HHC Assumes Responsibility for City's Correctional Health Service

The City of New York has announced that the Health and Hospital Corporation will assume management of New York City correctional health services. We will manage the quality of care provided to the approximately 70,000 people moving through the City's correctional system each

year and seek to assure the coordination and continuity of services to people during and after incarceration.

We are conducting an in-depth review of the current operations, developing a plan that strengthens the integration of physical and behavioral health care provided to individuals while they are incarcerated, and ensuring continuity of services upon their return to the community. This represents a challenging, but important opportunity to improve New York City's correctional health services. We look forward to taking on this critical work on behalf of the City.

HHC Enhances Healthcare by Providing Nutritional Assistance

We continue to provide our patients with nutritional resources that they require as part of living a healthy life. This year, 11 of our facilities have farmers markets and other food programs, giving our patients and our communities access to affordable, regionally-grown fruits and vegetables. Another project, the Food to Overcome Outcomes Disparities (FOOD) program also provide consistent access to nutritional resources for our patients who are completing prescribed cancer treatment. The FOOD program, on which we collaborate with the Immigrant Health and Cancer Disparities Service, is established in five of our hospitals and will be expanded during the next year to three more. These are more examples of how our public hospital system goes beyond providing healthcare to address some of the key social and economic challenges faced by our patients.

HHC Hospitals Honored for Top Achievements

Six HHC hospitals have earned top awards from the American Heart Association / American Stroke Association for their achievements on the "Get with the Guidelines" quality measures. Congratulations to the staffs at Bellevue, Elmhurst, Harlem, Kings County, Lincoln and Woodhull hospitals for achieving this important national recognition. The local periodical *It's Queens The Magazine* also listed six doctors at Elmhurst and Queens hospitals among their "Top 15 Docs" in Queens.

"Patients First" Electronic Newsletter Promotes Positive Patient Experience

HHC has relaunched its electronic newsletter to promote the positive experiences that so many of our patients have. This issue features a video that tells the story of a patient with diabetes who is successfully managing her disease, with the help of her healthcare providers at Gouverneur Health and health insurance through MetroPlus. Also featured is a story about the mother of two young patients who are keeping their asthma under control through Lincoln Medical Center and the Bronx Respirar Asthma Coalition it leads. We look forward to hearing from our patients as we continue to spread the healthy living message.

Employee Wellness Promoted Through Newsletter

In your packet today, you will receive the current issue of the Employee Wellness Focus newsletter that has been distributed to staff. It includes advice on how employees can live better lives by maintaining a healthy weight. We also list the many fitness classes available to staff at our facilities each week, and the farmers markets at our hospitals that provide fresh food and healthy cooking tips. We remain committed to our employees' well-being, and urge them -- the same way we urge our patients -- to develop healthy goals that lead to long, satisfying lives.

Featured Program: Artists Exchange Expertise for Excellent Healthcare Services

At HHC, our enduring mission is to provide healthcare for ALL New Yorkers.

There are so many fundamental ways that New York City is unique. One of these is that it remains a city of artists. People come here from all four corners of the earth, to perform, to create, to become noticed and renowned.

But the way to the top is not paved with gold. These artists, writers, musicians, dancers, actors, singers, and poets labor mightily here in New York. They work hard. They struggle. They encounter tough times, during which they need healthcare.

We've crafted a program for them. We offer them an opportunity to do what they love to do --- performing, or playing, or creating at hospital and community functions in order to provide solace and comfort to our patients. In exchange, these artists receive credits to use to pay for health care via our HHC Options plan. This is a wonderful and unique program---one that enhances the healing process of our patients while at the same time bolstering the dignity and self-esteem of artists who are part of the HHC community.

The Artist Exchange program demonstrates the importance of tailoring our approach to meet the specific healthcare needs of creative communities. I believe it's another example of HHC's care and compassion that differentiates us from our competitors.

Join me in thanking Volunteer coordinator Timothy McDonough who manages our program at Woodhull, and Fund for HHC Executive Director Joe Schick who oversees this unique effort corporation-wide.

**Featured Individual:
Dr. Edwin Fishkin and the Kids Ride Program**

At the Health and Hospitals Corporation our commitment and our mission is to empower each and every New Yorker to live the healthiest life possible.

We pursue this goal, relentlessly, in wide variety of ways. We are constantly working to expand access to our services. And we have tremendous, ongoing, outreach efforts designed to increase awareness and education about critical health issues, like the need for mammographies or colonoscopies.

But we don't stop there. Our caregivers devote their professional lives---and sometimes their non-working hours as well---to developing new programs to promote health and wellness.

The Kids Ride Club, developed by Dr. Edward Fishkin, Medical Director at Woodhull Hospital Center, is just such a unique and innovative program, and Ed is our HHC Individual of the Month.

Every spring and summer for the past 20 years scores of young people mount bicycles and join Doctor Fishkin, and the program's adult volunteers on bicycling adventures around New York City.

The youngsters who participate are thrilled with the sense of self-reliance and freedom inherent in bike riding.

But beyond conveying the joy of cycling, Ed has always had a bit of an ulterior motive: As we well know, many New Yorkers are afflicted with elevated rates of Asthma, Obesity, Hypertension and other chronic illnesses.

By getting young people enthusiastic about cycling, Dr. Fishkin is instilling the great habit of regular exercise---exercise that can be a vitally important component of maintaining good health and preventing chronic illness.

These kids are estimated to collectively pedal more than 10,000 miles and burn more than a million and a half calories during the club's outings.

For many, this gift of interest and enthusiasm for exercise will last a lifetime.

They---and we---have Dr. Fishkin to thank for that.

He lives up to the credo that we at the Health and Hospitals Corporation will never stop working to ensure that New Yorkers live the healthiest lives possible.

HHC In the News Highlights

Broadcast

Future of Healthcare in New York, City & State, Dr. Ram Raju, HHC President

NYC Hospitals Join Effort to Offer Donated Breast Milk, NY1 News, Bellevue: Dr. Elena Wachtel

New Farmers Markets Open at Two Queens Hospital, NY1 News, Elmhurst Hospital: Dr. Tina Cheng
Jacobi Hospital Burn Center Has Worldwide Recognition, NY1 News, Dr. Bruce Greenstein, Dr.
Michael Tonger

NYC to end correctional health contract, will transfer service to HHC, NY1 News

Print

Treatment of H.I.V.: New York Health Agency's View, The New York Times, Dr. Ross Wilson,
Corporate Chief Medical Officer, Dr. Joseph Masci, Director of Medicine, Elmhurst

HHC farmers markets bring fresh fruits, veg to New Yorkers, Amsterdam News

Coney Island Hospital's Farmers Market Kicks Off Season – Fresh, Local Foods Available Every
Wednesday and Friday!, Sheepshead Bites

The Doctor Who Got Ebola, New York Magazine, Bellevue: Dr. Laura Evans Director of Critical Care;
Dr. Amit Uppal, Critical Care, Attending

Top 15 Doctors in Queens, It's Queens The Magazine, Elmhurst Hospital: Dr. Marlon Brewer, Dr.
Joseph Masci, Dr. Concepcion Songco: Queens Hospital: Dr. Margaret Kemeny, Dr. Martin Maurer,
Dr. Farshid Radparvar

H.H.C. named a regional Ebola treatment center, Capital New York, Dr. Ross Wilson, Corporate Chief
Medical Officer

HHC gets \$1.2 billion for Medicaid reform, Crain's Health Pulse

HHC 'leans' in on patient experiences, Crain's Health Pulse, Dr. Ram Raju, HHC President; Bill Hicks,
Bellevue COO

Weaving a Tightly Knit Safety Net, Press Ganey Partners, Harlem: Ebone Carrington, Chief Operating Officer

Jacobi, NCBH's ACT Program Provide Community Services, Bronx Times, Jacobi, NCBH: Karen Inghilterra, Director, Behavioral Health Outpatient Services; Kara Simpson, NCBH ACT Team Leader; Nathania Kurtz, Licensed Social Worker

City Health CEO Dr. Ramanathan Raju: Take Advantage of "tremendous Opportunities" in STEM Fields, Touro College News

Townsend Harris High School Adds First Woman to Hall of Fame, DNAinfo, NCBH: Dr. Heather Nash

Mayor Announces City Will Take over Jail Health Care from Corizon, DNAinfo

RESOLUTION

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

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

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

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

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

NOW, THEREFORE, be it

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

RESOLUTION

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

AND

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

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

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

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

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

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

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

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

NOW, THEREFORE, be it

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

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

RESOLUTION

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

AND

Further authorizing the President to make adjustments to the contract amounts, providing such adjustments are consistent with the Corporation's financial plan, professional standards of care and equal employment opportunity policy except that the President will seek approval from the Corporation's Board of Directors for any increases in costs, calculated on an annual basis, in any fiscal year to NYUSOM that exceed twenty-five percent (25%) of the not to exceed amount specified in this resolution.

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

WHEREAS, the current Agreement with NYUSOM to provide General Care and Behavioral Health Services at Bellevue, Gouverneur, Coler, Carter, Woodhull, and Cumberland shall expire on June 30, 2015; and

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

NOW, THEREFORE, BE IT

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

BE IT FURTHER RESOLVED, that the President is hereby authorized to make adjustments to the contract amounts, providing such adjustments are consistent with the Corporation's financial plan, professional standards of care and equal employment opportunity policy except that the President will seek approval from the Corporation's Board of Directors for increases in costs, calculated on an annual basis, in any fiscal year to NYUSOM that exceed twenty-five percent (25%) of the not to exceed amount specified in this resolution.

RESOLUTION

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

AND

Further authorizing the President to make adjustments to the contract amounts, providing such adjustments are consistent with the Corporation's financial plan, professional standards of care and equal employment opportunity policy except that the President will seek approval from the Corporation's Board of Directors for any increases in costs, calculated on an annual basis, in any fiscal year to Sinai that exceed twenty-five percent (25%) of the not to exceed amount specified in this resolution.

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

WHEREAS, the current Agreement with Sinai to provide General Care and Behavioral Health Services at Elmhurst, and Queens shall expire on June 30, 2015; and

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

NOW, THEREFORE, BE IT

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

BE IT FURTHER RESOLVED, that the President is hereby authorized to make adjustments to the contract amounts, providing such adjustments are consistent with the Corporation's financial plan, professional standards of care and equal employment opportunity policy except that the President will seek approval from the Corporation's Board of Directors for any increases in costs, calculated on an annual basis, in any fiscal year to Sinai that exceed twenty-five percent (25%) of the not to exceed amount specified in this resolution.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation ("the Corporation") to negotiate and execute a Physician Services Agreement with the Physician Affiliate Group of New York, P.C. ("PAGNY") for the provision of General Care and Behavioral Health Services at Lincoln Medical and Mental Health Center ("Lincoln"), Morrisania Diagnostic and Treatment Center ("Morrisania"), Segundo Ruiz Belvis Diagnostic and Treatment Center ("Belvis"), Jacobi Medical Center ("JMC"), North Central Bronx Hospital ("NCB"), Harlem Hospital Center ("Harlem"), Renaissance Health Care Network Diagnostic and Treatment Center ("Renaissance"), Metropolitan Hospital Center ("Metropolitan"), Coney Island Hospital ("CIH"), and Kings County Hospital Center ("KCHC") for a period of five years, commencing July 1, 2015 and terminating on June 30, 2020, for an amount not to exceed \$2,562,175,665;

AND

Further authorizing the President to make adjustments to the contract amounts, providing such adjustments are consistent with the Corporation's financial plan, professional standards of care and equal employment opportunity policy except that the President will seek approval from the Corporation's Board of Directors for any increases in costs, calculated on an annual basis, in any fiscal year to PAGNY that exceed twenty-five percent (25%) of the not to exceed amount specified in this resolution.

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

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

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

NOW, THEREFORE, BE IT

RESOLVED, that the President of the New York City Health and Hospitals Corporation ("the Corporation") is hereby authorized to negotiate and execute a Physician Services Agreement with the Physician Affiliate Group of New York, P.C. ("PAGNY") for the provision of General Care and Behavioral Health Services at Lincoln Medical and Mental Health Center ("Lincoln"), Morrisania Diagnostic and Treatment Center ("Morrisania"), Segundo Ruiz Belvis Diagnostic and Treatment Center ("Belvis"), Jacobi Medical Center ("JMC"), North Central Bronx Hospital ("NCB"), Harlem Hospital Center ("Harlem"), Renaissance Health Care Network Diagnostic and Treatment Center ("Renaissance"), Metropolitan Hospital Center ("Metropolitan"), Coney Island Hospital ("CIH"), and Kings County Hospital Center ("KCHC") for a period of five years, commencing July 1, 2015 and terminating on June 30, 2020, for an amount not to exceed \$2,562,175,665;

BE IT FURTHER RESOLVED, that the President is hereby authorized to make adjustments to the contract amounts, providing such adjustments are consistent with the Corporation's financial plan, professional standards of care and equal employment opportunity policy except that the President will seek approval from the Corporation's Board of Directors for any increases in costs, calculated on an annual basis, in any fiscal year to PAGNY that exceed twenty-five percent (25%) of the not to exceed amount specified in this resolution.

RESOLUTION

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

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

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

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

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

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

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

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

RESOLUTION

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

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

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

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

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

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

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

RESOLUTION

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

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

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

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

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

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

NOW, THEREFORE, be it

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

RESOLUTION

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

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

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

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

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

NOW, THEREFORE, be it

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

RESOLUTION

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

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

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

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

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

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

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

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

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

NOW THEREFORE, be it

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



Epic EMR Implementation Update

Board Of Directors July 30, 2015

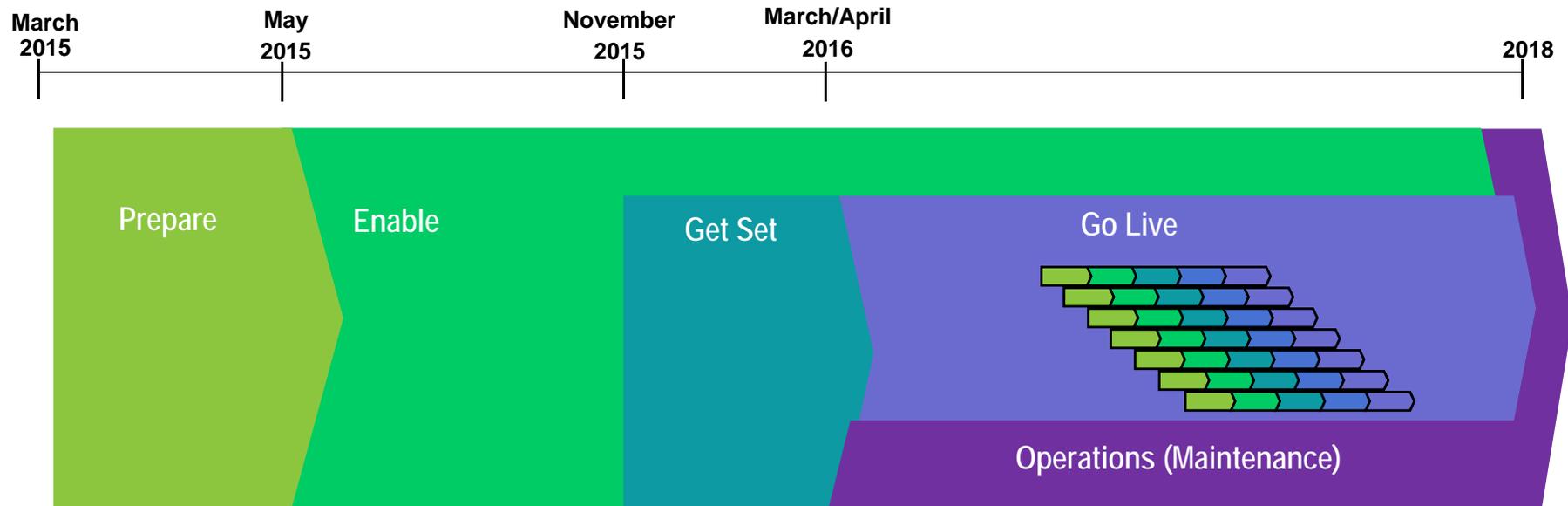
Epic EMR Implementation Program



Program Management Approach: Phases

- Tracking according to plan
- Watch items
- At risk

- **Prepare** – Initiate program, define requirements and structure governance
- **Enable** – Implement all arrangements and build the capacity to deliver
- **Get Set** – Rehearse and validate arrangements for production readiness
- **Go Live** – EMR established and attains steady state



Program Management Approach



Tracking & Reporting

Better Tracking = Improved Reporting = Greater Transparency!

New Program Plan has...

- 23 major milestones (Old plan had 2)
- 90 sub milestones (Old plan had 18)
- 21 Major Dependencies (Old plan had 4)

	PREPARE	ENABLE	GET SET	GO LIVE
MANAGEMENT	ENWM_01 - Program Management Established ENWM_03 - Executive Governance Established ENWM_05 - Staffing and Certification Complete	ENWM_07 - Enterprise Change Management Institutionalized ENWM_14 - Facilities Prepared ENWM_15 - Training Complete	ENWM_20 - Executive Go-Live Sign-Off	
CLINICAL & BUSINESS	ENWM_02 - Business & System Requirements Definition & Agreement Established ENWM_04 - Go-Live Criteria Defined and Signed-Off	ENWM_09 - Clinical Design & Build Complete ENWM_10 - Revenue Cycle Design & Build Complete ENWM_12 - Integration Of Ancillary Systems Complete ENWM_16 - Testing Complete ENWM_17 - EMPI Cleaned UP ENWM_18 - Legacy Data Migration Complete		ENWM_21 - Go Live & Cut Over ENWM_23 - Applications Decommissioned
VENDOR		ENWM_06 - Procurements Complete ENWM_13 - Lab Implementation Complete	ENWM_19 - TDR Successfully Complete	
INFRASTRUCTURE		ENWM_08 - Technical Support Established ENWM_11 - Infrastructure Deployment Complete		ENWM_22 - Production Optimization Achieved

July 2015 Milestone Update



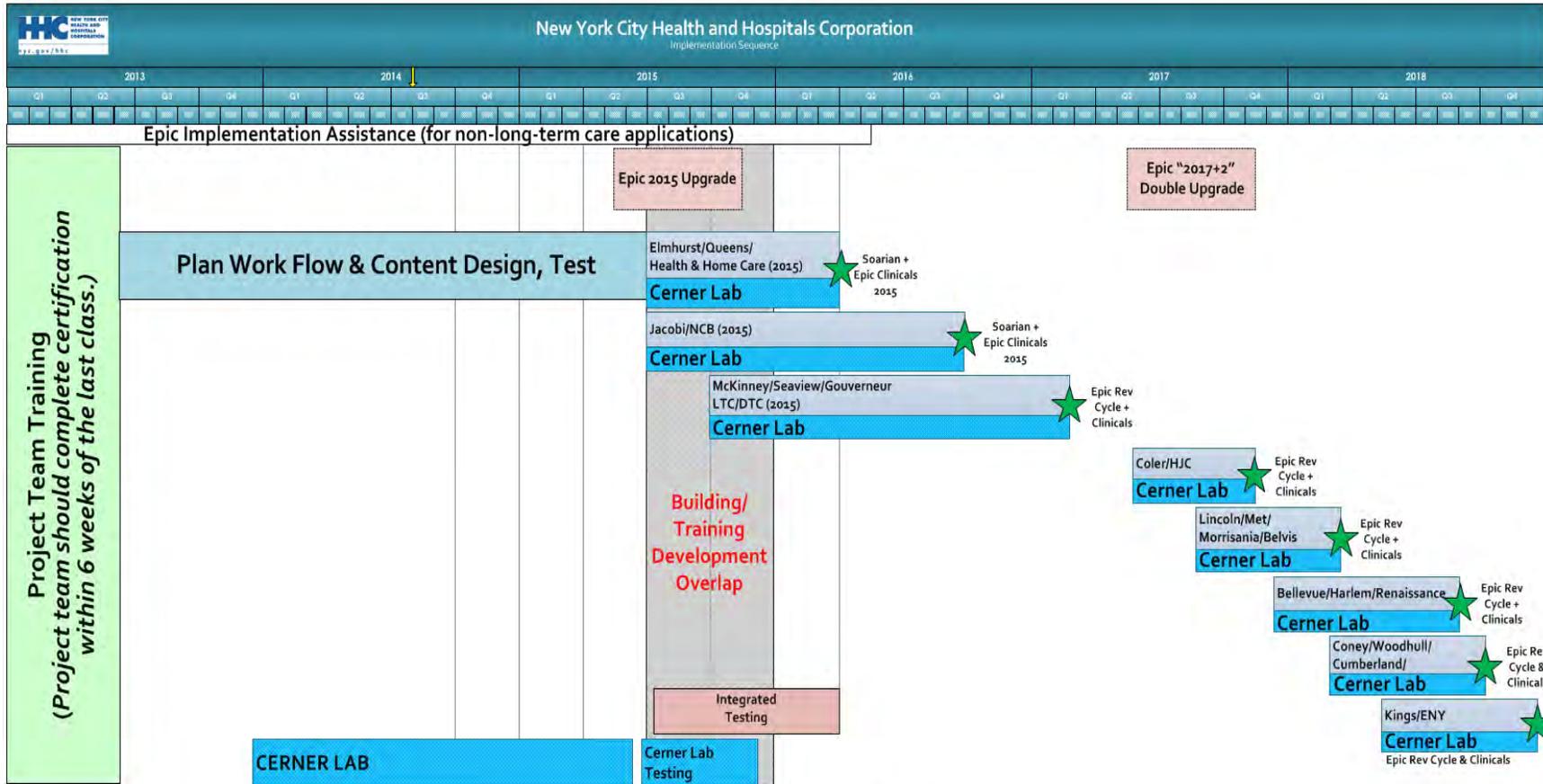
Content Build

- Tracking according to plan
- Watch items
- At risk

Major Milestones	Due Date	Status	Comments / Concerns
WORKFLOW SIGN OFF AND APPLICATION BUILD			
Clinical Application Modules	7/31/15		<ul style="list-style-type: none"> ▪ Clinical content is at 97% build complete. Remaining build scheduled. ▪ Working with Finance and Lab on remaining integration
Revenue Cycle Application Modules	7/31/15		<ul style="list-style-type: none"> ▪ Cadence build complete for QHN Scheduling Go Live. ▪ Home Health Billing - Working with Finance/Select Data on remaining integration
Cerner Lab Build	7/31/15		<ul style="list-style-type: none"> ▪ Build at 85% completed
Interface Build	8/31/15		<ul style="list-style-type: none"> ▪ QHN Ancillary Systems 88% projected ready for integrated testing Round 1. ▪ Five Additional systems for Jacobi/NCB being procured/developed.
TESTING			
Application Testing	8/28/15		<ul style="list-style-type: none"> ▪ Will begin 8/3/15
Integrated Testing	1/1/16		<ul style="list-style-type: none"> ▪ Will begin 8/31/15
TRAINING			
Curriculum Development and Scheduling	9/25/15		<ul style="list-style-type: none"> ▪ Proceeding on schedule, but onboarding of Instructional Designers / Epic Credentialed Trainers lagging.
User Training	3/13/16		<ul style="list-style-type: none"> ▪ Two weeks of personalization to proceed after the end of training



Time Line



★ = Go Live

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

Confidential

Note :

1. 5 year current cost projection for Revenue Cycle was an additional \$125 million. Budget is under review. Further evaluation required.
2. \$150 million has been paid through 6/30/15. An additional \$13 million is in process to be paid for a total of \$163 million.



6 Year Epic Implementation

Budget vs. Expenditures (Paid or In Process)

EMR Project - Six Year Implementation Budget					
[Expenditures include Invoices Paid or In-Process]					
	Item		Total Implementation Dollars (in millions)		
			Total Budget	Expenditures [Paid or in Process] as of 06/30/2015	Balance
1	Epic Contract	Includes Software and Implementation and Training Services.	\$144	\$66	\$78
2	Third Party & Other Software	Includes Endoscopy, Fetal Monitoring Systems, ePrescribing, Patient Education.	\$30	\$4	\$26
3	Hardware	Includes Servers, Storage, Server Licensing, Network Switches.	\$84	\$26	\$58
4	Interfaces	Includes Interface Software/Biomed Middleware.	\$39	\$4	\$35
5	Implementation Support	Third party vendor staff augmentation, go-live support and training (includes costs associated with backfilling non-IT staff and temps).	\$355	\$36	\$319
6	Application Support Team	New HHC FTE staff to be used through the implementation period including fringe benefits. These costs will become on-going after implementation period.	\$113	\$28	\$85
	Clinicals-Only Total	[Without QuadraMed Transition/Existing Application/Existing Staff Costs]	\$764	\$163	\$601

Note: :

1. 5 year current cost projection for Revenue Cycle was an additional \$125 million. Budget is under review. Further evaluation required.
2. \$150 million has been paid through 6/30/15. An additional \$13 million is in process to be paid for a total of \$163 million.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to approve and appoint Citigroup, JP Morgan and Morgan Stanley & Co. to provide investment banking services and serve as senior managing underwriters, and to approve and appoint BNY Mellon Capital Markets, Blaylock Beal Van LLC, Drexel Hamilton LLC, Fidelity Capital Markets, FTN Capital Markets, First Southwest, Janney Montgomery Scott, Jefferies LLC, Loop Capital Markets LLC, Mischler Financial Group, Ramirez & Company, RBC Capital Markets, Rockfleet Financial Services, Roosevelt & Cross Inc., Stern Brothers, TD Securities and Wells Fargo Securities to serve as co-managing underwriters for the Corporation's debt issuances from August 2015 through July 2020 to support its capital finance program. Such authorization in respect to the entities mentioned above shall extend to the successors of any such entities which assume the business of such entities through merger, reorganization, consolidation or acquisition.

Further authorizing the President to negotiate and execute a contract with one of the three senior underwriters in the event of a Board authorized issuance.

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

WHEREAS, the Selection Committee, consisting of representatives from the Corporation, the New York City Office of Management and Budget, and the New York City Office of the Comptroller, has reviewed and determined from proposals submitted in response to a Request for Proposals ("RFP") that the 20 responding firms are qualified to provide the investment banking services that are required for the restructuring, marketing, and underwriting of the Corporation's debt issuances; and

WHEREAS, the Corporation wishes to maintain a team of three firms to act as senior managing underwriter for maximum flexibility, in the event that one or more of the three senior managing firms indicated above is no longer a separate entity or no longer provides municipal underwriting services, the Corporation reserves the right to appoint one or more of the selected co-managing underwriter firms to act as senior manager based on the Selection Committee rankings, and

WHEREAS, the overall management of this contract will be under the direction of the Senior Vice President of Finance/Chief Financial Officer, and the Assistant Vice President of the Debt Finance/Corporate Reimbursement Services division.

NOW THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation be and hereby is authorized to approve and appoint **Citigroup, JP Morgan and Morgan Stanley & Co. to provide investment banking services and serve as senior managing underwriters, and to approve and appoint BNY Mellon Capital Markets, Blaylock Beal Van LLC, Drexel Hamilton LLC, Fidelity Capital Markets, FTN Capital Markets, First Southwest, Janney Montgomery Scott, Jefferies LLC, Loop Capital Markets LLC, Mischler Financial Group, Ramirez & Company, RBC Capital Markets, Rockfleet Financial Services, Roosevelt & Cross Inc., Stern Brothers, TD Securities and Wells Fargo Securities** to serve as co-managing underwriters for the Corporation's debt issuances from August 2015 through July 2020 to support its capital finance program. Such authorization in respect to the entities mentioned above shall extend to the successors of any such entities which assume the business of such entities through merger, reorganization, consolidation or acquisition. Further authorizing the President to negotiate and execute a contract with one of the three senior underwriters in the event of a Board authorized issuance.

EXECUTIVE SUMMARY

Underwriting Services

The Corporation funds the majority of its major capital expenditures with the proceeds of bonds, notes, leases, or other publicly traded securities issued either by the Corporation, the City of New York, or by a third-party (such as Dormitory Authority of the State of New York) on the Corporation's behalf. This activity has become increasingly diverse, encompassing HHC revenue fixed and variable rate bonds, New York City General Obligation Bonds and NYC Transitional Finance Authority Bonds issued on behalf of the Corporation, equipment leases, and lease-leaseback financings. The knowledge, expertise and capital base necessary to structure, price, market, distribute, and underwrite debt can only be provided by investment banking firms whose services the Corporation has procured since 1992.

Major responsibilities for the senior managers include, but are not limited to:

- Identifying financing vehicles that are the most effective and receive the greatest market acceptability;
- Determining financing alternatives that would not restrict the Corporation's ability to implement other programs;
- Reviewing outstanding debt to identify and recommend refunding opportunities for debt service savings;
- Assisting with credit rating agency presentations;
- Initiating discussions with credit enhancement organizations;
- Making available all resources to accommodate the Corporation's inquiries and needs
- Structuring financing plans for the Corporation's capital and cash flow funding requirements; and
- Determining the optimum marketing strategy for debt issuances that have been mutually agreed upon.

The firms listed below were qualified through a Request for Proposal process and the review of proposals by a Selection Committee comprised of representatives from the New York City Office of Management and Budget, the New York City Office of the Comptroller, Bellevue Hospital and the Corporation's Offices of Facilities Development and Finance.

<u>Senior Manager</u>	
1. Citigroup	10. Janney Montgomery Scott
2. J.P. Morgan	11. Jefferies LLC
3. Morgan Stanley	12. Loop Capital Markets LLC
	13. Mischler Financial Group
<u>Co-Manager</u>	
4. BNY Capital Markets	14. Ramirez & Co.
5. Blaylock Beal Van LLC	15. RBC Capital Markets
6. Drexel Hamilton LLC	16. Rockfleet Financial Services
7. Fidelity Capital Markets	17. Roosevelt & Cross
8. FTN Capital Markets	18. Stern Brothers
9. First Southwest	19. TD Securities
	20. Wells Fargo Securities

Qualification criteria included: overall quality of written proposals and oral presentations; financing and marketing strategies and recommendations, capital strength and breadth of technical, marketing and distribution capabilities.

The Corporation has not yet entered into a contract with the underwriting team. The Bond Purchase Agreement and other bond related documents will be presented to the Board before a bond issuance date - after general terms, bond size and structure have been negotiated and mutually agreed upon.

CONTRACT FACT SHEET

New York City Health and Hospitals Corporation

Contract Title: Underwriting Services

Project Title & Number: not applicable

Project Location: not applicable

Successful Respondents: 20 firms (see Attachment A)

Contract Amount: To be determined (based on size and structure of bonds)

Contract Term: Five (5) years, commencing August 2015

Requesting Dept.: Debt Finance/Corporate Reimbursement Services

Number of Respondents: 20 firms
(If sole source, explain in background section)

Range of Proposals: not applicable

Minority Business Enterprise Invited:

Yes

If no, please explain: _____

Funding Source:

General Care Capital

Grant: explain _____

Other: explain Bond proceeds

Method of Payment:

Lump Sum Per Diem Time and Rate

Other: explain Cost of issuance to be paid by bond proceeds

EEO Analysis:

Waived (see attached memo dated 2/25/2015)

In accordance to Article 15A of New York State Law, contractors engaged in corporate finance are exempt from compliance with the EEO requirement.

Compliance with HHC's McBride Principles?

Yes

No

Vendex Clearance

Yes

No

N/A

In accordance with New York City's policy whereby underwriters are not required to complete Vendex, HHC has waived this practice.

(required for contracts in the amount of \$50,000 or more awarded pursuant to an RFP or as a sole source, or \$100,000 or more if awarded pursuant to an RFB.)

CONTRACT FACT SHEET(continued)

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

The Corporation funds its capital projects through the issuance of HHC tax-exempt revenue bonds, notes, and/or leases. In addition, based on discussions with the City of New York, certain major reconstruction projects are funded by tax-exempt bonds issued by the Dormitory Authority of the State of New York ("DASNY") and/or are financed by bonds issued by the City of New York (General Obligation bonds as well as Transitional Finance Authority bonds).

Major responsibilities for the firms chosen as senior managers will be to:

- Identify financing vehicles that are the most cost effective and receive the greatest market acceptability;
- Assist in preparing credit rating agency presentations;
- Initiate discussions with credit enhancement organizations;
- Review outstanding debt to identify and recommend refunding opportunities for debt service savings;
- Make available all resources to accommodate the Corporation's inquiries and needs;
- Structure a plan of finance for the Corporation's capital needs and cash flow funding requirements;
- Determine the optimum marketing strategy for debt issuances that have been agreed upon; and
- Assist in the preparation of the offering statement and all other bond documents as necessary.

The investment banking firms selected as senior managers will work closely with HHC's financial advisor, Public Financial Management, Inc., in assessing the Corporation's overall capital finance programs and appropriate funding mechanisms.

The major responsibility of the co-managers will be to provide distribution networks for the Corporation's debt issuances and primary and secondary market support of the Corporation's bonds.

CONTRACT FACT SHEET(continued)

Contract Review Committee

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

No. HHC's Operating procedure 40-58 indicates that bond underwriting services contracts are exempt from the CRC process.

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

Not applicable

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

The Request for Proposal for Underwriting Services (the "RFP") was released to the public on March 16, 2015 to firms interested in serving as senior and/or co-managing underwriters. The RFP was emailed to all the major underwriting firms with offices in New York City and advertised in the *City Record* (3/16/15 - 4/12/15).

Proposals were due on April 13, 2015. A total of 20 firms responded: 9 firms applied for the senior manager role and 11 firms applied for the co-manager role.

The Selection Committee consisted of representatives from the Corporation, the New York City Office of Management and Budget, and the New York City Office of the Comptroller. Based on the quality of the written proposals, the Selection Committee discussed and agreed to interview the strongest investment bank candidates seeking to serve as senior manager to HHC.

The top six candidates made oral presentations to the Selection Committee on June 4, 2015. Each firm was given a total of 30 minutes to explain their financing recommendations based on current market conditions and their interest/willingness to lend to HHC under the new subordinate security structure. An additional 15 minutes was allotted for the Selection Committee members' questions and concerns.

The Selection Committee members numerically ranked all the proposals based on the following criteria:

1. Proposed approach and methodology
2. Appropriateness and quality of the firm's experience
3. Qualifications of proposed staff/team assigned to HHC
4. Quantitative Capabilities (applies to only to senior manager candidates)
5. Oral Presentation and Interviews (applies to only to senior manager candidates)

CONTRACT FACT SHEET (continued)

Selection Process (continue)

Based on the above described evaluation criteria, the Selection Committee chose Citigroup, JP Morgan and Morgan Stanley as the senior managing underwriters.

The firms chosen as co-managing underwriters to assist in the marketing and distribution of the Corporation's debt are as follows:

1. BNY Capital Markets
2. Blaylock Beal Van LLC
3. Drexel Hamilton LLC
4. Fidelity Capital Markets
5. FTN Capital Markets
6. First Southwest
7. Janney Montgomery Scott
8. Jefferies LLC
9. Loop Capital Markets LLC
10. Mischler Financial Group
11. Ramirez & Co.
12. RBC Capital Markets
13. Rockfleet Financial Services
14. Roosevelt & Cross
15. Stern Brothers
16. TD Securities
17. Wells Fargo Securities

Scope of work and timetable:

Upon approval and appointment of the investment banking underwriting team, the Corporation, the financial advisor and the senior managers will structure and implement the capital finance programs. These financings will include long-term debt issuances for major capital construction projects, ongoing capital renovations, and equipment and information system needs.

Upon the identification of the timing of the plan of finance and the structure of the specific debt issuance, the senior managers will:

- Participate in the development of necessary documentation and provide all financial analysis;
- Prepare the Corporation for presentations to the rating agencies, as necessary;
- Educate prospective investors through information meetings and pre-marketing materials regarding the Corporation's capital finance programs;
- Keep the Corporation abreast of current market conditions, and provide preliminary and final pricing of the Corporation's debt issuances; and
- Provide the Corporation with ongoing information regarding secondary market sales and trading of outstanding Corporation bonds.

Timetable:

- Finance Committee Meeting/Approval July 14, 2015
- Board of Directors Meeting/Approval July 30, 2015

CONTRACT FACT SHEET (continued)

Costs/Benefits:

The costs incurred for the structuring and underwriting of the Corporation's financings will be negotiated with the senior managing firm during the pricing of each financing. The transaction costs of each financing, including fees and expenses of the underwriters are funded from bond proceeds.

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

The required knowledge, expertise and capital base necessary to structure, market, distribute and underwrite debt can only be provided by professionals in investment banking firms that provide such financial services.

Will the contract produce artistic/creative/intellectual property? Who will own it? Will a copyright be obtained? Will it be marketable? Did the presence of such property and ownership thereof enter into contract price negotiations?

Not applicable.

Contract monitoring (include which Vice President is responsible):

Marlene Zurack, Senior Vice President and CFO, Finance and Managed Care
Linda DeHart, Assistant Vice President, Debt Finance/Corporate Reimbursement Services

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

Received By E.E.O. _____
Date

Analysis Completed By E.E.O. _____
Date Name

Attachment A
(List of Successful Respondents)

Senior Managers

1. Citigroup
2. J.P. Morgan
3. Morgan Stanley

Co-Managers

4. BNY Capital Markets
5. Blaylock Beal Van LLC
6. Drexel Hamilton LLC
7. Fidelity Capital Markets
8. FTN Capital Markets
9. First Southwest
10. Janney Montgomery Scott
11. Jefferies LLC
12. Loop Capital Markets LLC
13. Mischler Financial Group
14. Ramirez & Co.
15. RBC Capital Markets
16. Rockfleet Financial Services
17. Roosevelt & Cross
18. Stern Brothers
19. TD Securities
20. Wells Fargo Securities

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the “Corporation”) to enter into multiple contracts to purchase health information related professional services for the Epic Electronic Medical Record program and Epic related Revenue Cycle modules as needed with 20 vendors (the “Contractors”) through requirements contracts for a two year term with three one-year options to renew at the Corporation’s exclusive option for an amount not to exceed \$119,292,988 million for the *initial* two year period.

WHEREAS, the capacity of the Corporation’s current employees is not sufficient to implement and deploy all required features for the Epic Electronic Medical Record; and

WHEREAS, the proposed contracts will allow the Corporation to secure the necessary expertise to complete required milestones and deliverable for the Epic EMR deployment; and

WHEREAS, the Corporation has selected EPIC, a single enterprise-wide EMR to meet the needs of HHC's expansive size, improve patient care, control costs, and overcome gaps in care transitions; and

WHEREAS, the Corporation issued a Health Information Related Services Request for Proposals to which the Contractors responded; and

WHEREAS, the utilization of these contracts will provide the Corporation with health information related professional services on an as-needed basis for implementation, advisory, support and/or training services for a wide array of technology staffing needs for the EMR program; and

WHEREAS, the overall responsibility for managing and monitoring the agreements shall be under the Interim Corporate Chief Information Officer.

NOW, THEREFORE, be it;

RESOLVED THAT the President of the New York City Health and Hospitals Corporation (the “Corporation”) be and hereby is authorized to enter into multiple contracts to purchase health information related professional services for the Epic Electronic Medical Record program and Epic related Revenue Cycle modules as needed with 20 vendors (the “Contractors”) through requirements contracts for a two year term with three one-year options to renew at the Corporation’s exclusive option for an amount not to exceed \$119,292,988 million for the *initial* two year period.

Executive Summary

EITS Professional Services Contracts

The purpose of these requirement contracts is to establish a pool of 20 vendors for HHC to obtain as-needed information technology (IT) consultants with the necessary skillsets at the required times for the Epic Electronic Medical Record (EMR) program. The contract term will be two years with three one-year options to renew. The spending authority under the Resolution will not exceed a total of \$119,292,988 million over the *initial* two-year period which includes both projected clinical EMR and revenue cycle spending. The projected spending amount for the clinical EMR is included in the \$764 million six-year implementation budget for the Epic EMR program. The Revenue Cycle spending amount is included in a separate budget for Epic –related Revenue Cycle modules.

Currently, the Corporation utilizes consulting contracts which will be expiring in December 2015. While the abilities of current employees are being utilized, additional temporary staff are required in order to meet project deadlines.

This set of contracts will allow the Corporation to hire those short-term consultants for the necessary tasks in a timely and efficient manner. The requirement contracts will enable the Corporation to secure a wide array of Epic certified resources necessary to support the structure and processes in place throughout the EMR project life-cycle including implementation, deployment, Go-Live support and trainers.

A Request for Proposals (RFP) was issued and advertised in the City Record and HHC received 58 responses. Respondents were evaluated and scored by a selection committee. The intention of the RFP was to award to a sufficient number of contracts as necessary to meet the IT services needs of our large organization. Based on the evaluation scoring matrix, the 20 highest ranked responsive and responsible proposers with satisfactory or above scores which demonstrated the experience and organizational capacity necessary to provide the services were selected and their proposed pricing was consistent with industry rates for similar personnel. In addition, based on experience with the expiring panel of requirements contracts, it was determined that 20 contracts is a sufficient number of contracts to meet the significant staffing needs for IT services across HHC.

The actual services performed under the contracts will be governed by a written work order identifying the specific project, scope of work, hourly rate, period of performance and the not-to-exceed amount. Each work order for new consultant services will be issued on an as needed basis through a competitive process. Each request for new IT consultant services will be issued to the contractors, HHC will evaluate the responses based on technical qualifications and price and will select the response that offers the Corporation the most favorable combination of quality and price.

Payment is based on actual services performed pursuant to a work order issued by HHC, the contracts do not guarantee a minimum payment to the Contractors.

Contract Title: Information Technology Consulting Services
Project Title & Number: Epic EMR Implementation
Project Location: Enterprise wide
Requesting Dept.: Enterprise IT Services (EITS)

Successful Respondent: 20 Vendors to be awarded (See attachment)

Contract Amount: \$119,292,988 for the initial two year period

Contract Term:

2 Years with 3 one-year options to renew

Number of Respondents: 58
 (If Sole Source, explain in Background section)

Range of Proposals: \$50.00/hour to \$870.00/hour

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

Funding Source: General Care X Capital
 Grant: explain
 X Other: explain Operating funds

Method of Payment: X Time and Rate
 Other: explain

EEO Analysis: Pending.

Compliance with HHC's McBride Principles? Yes No X Pending

Vendex Clearance Yes No N/A X Pending

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

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

HHC's implementation of the Epic EMR system requires considerable human resource effort and skill. While the Corporation is drawing upon the diverse talents of existing staff for a large portion of the work, certain phases of the program plan require a significant number of additional staff.

Currently, the Corporation utilizes a set of HHC consulting requirements contracts as well as Third Party Contract vendors. The HHC consulting contracts will be expiring in December 2015. While the abilities of current employees will be fully utilized, additional temporary staff are required in order to meet project deadlines.

This set of contracts will allow the Corporation to hire those short-term consultants for the necessary tasks in a timely and efficient manner. The requirement contracts will enable the Corporation to secure a wide array of Epic certified resources necessary to support the structure and processes in place throughout the EMR project life-cycle including implementation, deployment, Go-Live support and trainers.

These contracts will also provide IT consultants with the necessary skillsets at the required times to support other projects and systems on an as-needed basis for a wide array of potential technological staffing needs to perform implementation, IT support and/or training for non-EMR related clinical and business applications, infrastructure, and to supplement IT staff throughout HHC and its facilities. The spending authority for these non-EMR consultant needs will be presented to the Board at a separate, later scheduled meeting.

The spending authority includes both projected clinical EMR and Revenue Cycle spending. The projected spending amount for the clinical EMR is included in the \$764 million six-year implementation budget for the Epic EMR program. The Revenue Cycle spending amount is included in a separate budget for Epic-related Revenue Cycle modules.

Contract Review Committee

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

Yes. June 29, 2015.

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

No.

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

All 58 respondents were considered and were scored by the evaluation committee in accordance with the following evaluation criteria specified in the RFP:

- a. *Experience, Resources, Past Performance* 45%
- b. *Organizational Capability* 20%
- c. *Fee Schedule/Proposed Cost* 35%

Responses were evaluated against three main criteria: organizational capability, past experience, and the proposed fees. Organizational capability factored in the expertise of the staff, the company's performance record, and their managerial and performance capability. Past experience was based on professional competence, educational background, prior experience of assigned personnel, and experience in similar work. Costs were compared against other respondents as well as prior market knowledge.

The intention of the RFP was to award to a sufficient number of contracts as necessary to meet the IT services needs of our large organization. Based on the evaluation scoring matrix, the 20 highest ranked responsive and responsible proposers with satisfactory or above scores which demonstrated the experience and organizational capacity necessary to provide the services were selected, subject to Vendex clearance and compliance with HHC's EEO and other contracting policies, and their proposed pricing was consistent with industry rates for similar personnel. In addition, based on experience with the expiring panel of requirements contracts, it was determined that 20 contracts is a sufficient number of contracts to meet the significant staffing needs for IT services across HHC. Attached is the list of selected vendors.

Scope of work and timetable:

This panel of firms will provide expertise in the area of Healthcare Information Systems and other related information technology services and allow the Corporation to secure resources on an as needed basis to support major software implementation, infrastructure, clinical and business applications, training, and maintenance activities. This will include assisting with the implementation of industry recognized electronic health record and associated ancillary and support applications. They will provide specialized and trained expertise for a large number of implementation teams working throughout HHC's eleven hospitals, five long-term care sites, six diagnostic & treatment centers, and 80 plus clinics.

Written work orders identifying the specific project, scope of work, hourly rate, period of performance and the not-to-exceed amount will be issued to the Contractors on an as needed basis for new consultant services through a competitive process. Each request for new IT consultant services will be issued to the appropriate contractors, HHC will evaluate the responses based on technical qualifications and price and will select the response that offers the most favorable combination of quality and price to the Corporation. The hourly rates in the work orders can be less than, but cannot exceed, the hourly rates in the contract.

Payment is based on actual services performed pursuant to a work order issued by HHC, the contracts do not guarantee a minimum payment to the Contractors.

CONTRACT FACT SHEET (continued)

Contract Review Committee Process

CRC Meeting Date..... June 29, 2015

Board of Directors Approval Process

M&PA/IT Board Date..... July 16, 2015

Board of Directors Date..... July 30, 2015

Contract Execution..... October 2015

Contract Start..... January 2016

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

Different models of staffing were considered for the EPIC EMR project. It was determined that the more economical and practical solution was for the Corporation to pursue a combination of consultants and FTE staff. This staffing model allows for rapid staffing of needed skills in the first phase of the project and an efficient workforce recruitment effort when the needs of the project call for a surge in support for go lives to ensure successful adoption of the Epic EMR.

As noted above, the spending authority for non-EMR consultant needs will be presented to the Board at a separate, later scheduled meeting. For the services not related to the EMR project, Health Information-Related Services will be utilized on an as-needed basis, to obtain expertise, experience or knowledge that is either not available in the Corporation or is not required on a long term basis sufficient to hire a full time employee; to satisfy an immediate need that cannot be filled by current staff; to fill a gap during the recruitment of full time employees, or any other circumstances where staff augmentation is determined to be required.

These contracts will help the Corporation achieve the flexibility and agility necessary to quickly align with changing technologies and respond to new business demands in a cost effective manner.

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

EMR Clinical Consultants:

Fiscal Year	Commitments
FY13	\$1 M
FY14	\$12 M
FY15	\$20 M

Revenue Cycle

Fiscal Year	Commitments
FY13	N/A
FY14	N/A
FY15	\$1.5 M

CONTRACT FACT SHEET (continued)

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

Current staff will be involved throughout the implementation process, but certain phases of development and rollout require more manpower than current employees can provide.

Will the contract produce artistic/creative/intellectual property? Who will own it? Will a copyright be obtained? Will it be marketable? Did the presence of such property and ownership thereof enter into contract price negotiations?

These contracts are not expected to produce any type of intellectual property. If they do, HHC will retain ownership.

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

Sal Guido
Interim Chief Information Officer
55 Water Street, 24th Floor
New York, NY 10041

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

PENDING

Received By E.E.O. _____
Date

Analysis Completed By E.E.O. _____
Date

Name

ATTACHMENT A

SELECTED VENDORS
CTG Health Care Solutions
Emergis (Telus)
Mediant
Kforce Inc.
Experis (Manpower)
Tekmark
Teksystems
314e Corporation
HCI Group
CSI Healthcare
NTT Data
Dyntek Services
Soliant Health
Lucca Consulting Group
Intellect Resources
KPMG *
Momentum
Physician Tech Partners
Innovative Consulting Group
ISS

***Note: KPMG submitted a proposal and recently acquired another proposer – Beacon Partners. Award is subject to approval by the Audit Committee.**



EITS Requirements Contracts for IT Consultant Services

BOARD OF DIRECTORS

July 30, 2015

The Request



Award 20 Requirement Contracts

(To provide IT consultants on an as-needed basis for implementation, support/maintenance, and training)

- Contract Term 2 years + 3 one-year renewals
- The contracts will replace and expand upon the existing requirement contracts established in 2010 that are expiring December 2015
- Today's request is for spending authority related to the Epic EMR project and Revenue Cycle modules
- A subsequent request will be submitted for non-Epic EMR-related projects.

Spending Authority up to \$119,292,988 million for initial 2 year term

- Estimate based on historical spending and EMR deployment schedule
 - Go-live Support, Trainers, Ramp Up Consultants
- EPIC EMR estimated spending was projected and budgeted for in the EMR budget
- No guarantee to vendors of a minimum payment
- Payment is based on actual services performed pursuant to a work order signed by HHC and vendor

Business Justification



Requirement Contracts allow HHC to achieve flexibility to quickly align with changing technologies and respond to new business needs in a cost effective manner.

Benefits Associated with the Epic EMR Implementation Program

- Selected vendors have expertise in Healthcare Information Systems and/or enable the Corporation to secure Epic certified resources
- Selected vendors will work jointly with HHC to ensure that a support structure and process is in place for the effective deployment of the EMR
- Provide specialized and trained expertise
- Ability to scale staffing needs to meet changing demands throughout the project life cycle
- Ability to roll off consultants as needed



Procurement Process

Request for Proposals

Solicitation

- Publicly Advertised in City Record
- Over 200 Vendors Downloaded RFP

Evaluation

- 58 proposals were evaluated by evaluation committee

Evaluation Criteria

- Organizational Capability – 20%
- Experience/Resources/Past Performance – 45%
- Fee Schedule – 35%



Contract Selection & Award

Snapshot of Selected Vendors

- 20 contractors
- 15 new vendors/ 5 existing incumbent vendors



6 Year Epic Implementation Budget

EMR Project - Six Year Implementation Budget					
[Expenditures include Invoices Paid or In-Process]					
	Item		Total Implementation Dollars (in millions)		
			Total Budget	Expenditures [Paid or in Process] as of 06/30/2015	Balance
1	Epic Contract	Includes Software and Implementation and Training Services.	\$144	\$66	\$78
2	Third Party & Other Software	Includes Endoscopy, Fetal Monitoring Systems, ePrescribing, Patient Education.	\$30	\$4	\$26
3	Hardware	Includes Servers, Storage, Server Licensing, Network Switches.	\$84	\$26	\$58
4	Interfaces	Includes Interface Software/Biomed Middleware.	\$39	\$4	\$35
5	Implementation Support	Third party vendor staff augmentation, go-live support and training (includes costs associated with backfilling non-IT staff and temps).	\$355	\$36	\$319
6	Application Support Team	New HHC FTE staff to be used through the implementation period including fringe benefits. These costs will become on-going after implementation period.	\$113	\$28	\$85
	Clinicals-Only Total	[Without QuadraMed Transition/Existing Application/Existing Staff Costs]	\$764	\$163	\$601

The Clinical EMR budget included these Clinical EMR IT Consultant Costs



The Epic Revenue Cycle budget included these Revenue Consultant Costs



Note:

1. 5 year current cost projection for Revenue Cycle is an additional \$125 million. Budget is under review. Further evaluation required.
2. \$150 million has been paid through 6/30/15. An additional \$13 million is in process to be paid for a total of \$163 million.



Work Order Assignment Process

- Each assignment will be governed by a written work order identifying the specific project, scope of work, hourly rate, period of performance and the total not-to-exceed amount
- Request for a Statement of Work for new consultant resources will be sent to appropriate Contractors, describing the project, required services, staffing necessary to complete the statement of work, a schedule and completion date for the services
- Contractors will respond to the request with resumes of the staff consultants, a proposed approach, if applicable and an hourly rate
- The proposed hourly rate can be less than the contract rates/cannot exceed contract rates
- Evaluate the responses and select the Contractor whose response provides the combination of quality and price most favorable to the Corporation.



Questions?

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a revocable five year license agreement with Visiting Nurse Service of New York Hospice Care (the "Licensee") for its continued use and occupancy of approximately 12,420 square feet of space on the 7th Floor of the Hospital Building at Bellevue Hospital Center (the "Facility") to operate a hospice program at an annual occupancy fee of \$53.58 per square foot or \$665,436 for year one of the agreement, \$55.12 per square foot or \$684,534 for year two, \$56.70 per square foot or \$704,180 for year three, \$58.59 per square foot or \$727,630 for year four and \$59.90 per square foot or \$744,000 for year five, for a total five year occupancy fee of \$3,525,780.

WHEREAS, in May 2010 the Board of Directors of the Corporation authorized the President to execute a revocable license agreement with the Licensee; and

WHEREAS, in 2010 data indicated that New York City underutilized hospice care relative to the rest of the United States and the pending closure of the Licensee's hospice program at Saint Vincent Hospital created a need for the replacement of services lost; and

WHEREAS, the Licensee's hospice program at the Facility has been successful in providing care to patients and the Facility continues to have space available to accommodate its program requirements.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation") be and hereby is authorized to execute a revocable five year license agreement with Visiting Nurse Service of New York Hospice Care (the "Licensee") for its continued use and occupancy of approximately 12,420 square feet of space on the 7th Floor of the Hospital Building at Bellevue Hospital Center (the "Facility") to operate a hospice program at an annual occupancy fee of \$53.58 per square foot or \$665,436 for year one of the agreement, \$55.12 per square foot or \$684,534 for year two, \$56.70 per square foot or \$704,180 for year three, \$58.59 per square foot or \$727,630 for year four and \$59.90 per square foot or \$744,000 for year five, for a total five year occupancy fee of \$3,525,780.

**EXECUTIVE SUMMARY
VISITING NURSE SERVICE OF NEW YORK HOSPICE CARE
BELLEVUE HOSPITAL CENTER**

The President of the New York City Health and Hospitals Corporation seeks authorization from the Board of Directors of the Corporation to execute a revocable license agreement with the Visiting Nurse Service Hospice Care ("VNS") for its continued use and occupancy of space at Bellevue Hospital Center ("Bellevue") to operate a hospice program.

VNS is the largest hospice provider in the New York City metropolitan area. The needs of many hospice patients can often be more appropriately met in an in-patient hospice unit. The in-patient hospice unit is designed to create an environment that promotes comfort, support for both the patients and their family members. Hospice care provided in a hospital or in other specially designed facilities is an important service in addition to hospice care in the home.

Prior to VNS establishing a hospice care program at Bellevue, VNS had a working relationship with Bellevue. VNS received referrals from Bellevue for hospice care either in the patients' homes or in a VNS facility. VNS was a participant in Bellevue's Palliative Care team which provided care to Bellevue patients within the facility.

The VNS facility within Bellevue contains fifteen double-bedded rooms, two single-rooms and one four-bedded room. The 7th floor space also houses offices, a Family Room, Quiet Room, Kitchen and Staff Room. Referrals of qualifying patients from Bellevue to the VNS program at Bellevue have been expedited, subject to availability.

The prior agreement between the Corporation and VNS provided for a five year term, subject to short term termination without cause, at an occupancy fee that started at \$524,621 per year and increased by approximately 27% to \$665,436 over the five year term.

VNS will have the continued use and occupancy of approximately 12,420 square feet of space on the 7th Floor of the Hospital Building. VNS will pay an occupancy fee of \$53.58 per square foot or \$665,436 for year one of the agreement, \$55.12 per square foot or \$684,534 for year two, \$56.70 per square foot or \$704,180 for year three, \$58.59 per square foot or \$727,630 for year four and \$59.90 per square foot or \$744,000 for year five, for a total five year occupancy fee of \$3,525,780. The occupancy fee shall increase by approximately 12% over the five year term.

Bellevue will provide building security and structural repairs to the licensed space. VNS will provide equipment, interior and non-structural repairs, and housekeeping to the licensed space. By separate agreement, Bellevue provides various services to VNS including blood products, administration of x-rays, access to the Facility's laboratory and disposal of the Licensee's medical waste.

The Licensee shall indemnify and hold harmless the Corporation and the City of New York from any and all claims arising out of the use of the licensed space and shall provide appropriate insurance naming the Corporation and the City of New York as additional insured parties.

The license agreement shall not exceed five years without further authorization from the Board of Directors. The agreement shall be terminable by either party on one hundred and twenty (120) days notice.

SUMMARY OF ECONOMIC TERMS

SITE: Bellevue Hospital Center
Borough of Manhattan

FLOOR AREA: 12,420 square feet

TERM: Five (5) years

OCCUPANCY FEE: See table below for five (5) year occupancy fee schedule.

	Total Sq. Ft	Annual Occupancy Fee	Per Sq. Ft Cost
Year 1	12420	\$ 665,436.00	\$ 53.58
Year 2	12420	\$ 684,534.00	\$ 55.12
Year 3	12420	\$ 704,180.00	\$ 56.70
Year 4	12420	\$ 727,630.00	\$ 58.59
Year 5	12420	\$ 744,000.00	\$ 59.90
TOTAL		\$ 3,525,780.00	

PRIOR OCCUPANCY FEE: See table below for prior years' occupancy fee schedule.

	Total Sq. Ft	Annual Occupancy Fee	Per Sq. Ft Cost
2011	12420	\$ 524,496.60	\$ 42.23
2012	12420	\$ 665,463.60	\$ 53.58
2013	12420	\$ 665,463.60	\$ 53.58
2014	12420	\$ 665,463.60	\$ 53.58
2015	12420	\$ 665,463.60	\$ 53.58
TOTAL		\$ 3,186,351.00	

UTILITIES: Facility provides hot and cold water, electricity, heating, air conditioning

MEDICAL SERVICES: Medical goods and services will be separately contracted for with Bellevue including blood products, administration of x-rays, access to the Facility's laboratory, disposal of the Licensee's medical waste by Bellevue.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation ("the Corporation") to execute a five year revocable license agreement with Sirius XM Radio Inc. (the "Licensee") for its use and occupancy of 90 square feet to house roof-top communications equipment at the Henry J. Carter Specialty Hospital and Nursing Facility (the "Facility") at an occupancy fee of approximately \$23,130 or \$257.00 per square foot for year one; \$23,823 or \$264.71 per square foot for year two; \$24,823.62 or \$272.65 per square foot for year three; \$25,274.78 or \$280.83 per square foot for year four; and, \$26,033.02 or \$289.26 per square foot for year five, for a total five year occupancy fee of \$122,800.31. Annual increased rates are based on 3% escalations per year.

WHEREAS, the Licensee is a U.S. corporation that provides satellite radio content to subscribers; and

WHEREAS, the Licensee operates antenna equipment on the roof of the Long Term Acute Care Hospital building on Facility's campus; and

WHEREAS, the Licensee's equipment was at this location when the building was owned operated by North General Hospital prior to the Corporation's long-term lease of the property; and

WHEREAS, the equipment complies with applicable FCC safety guidelines and therefore poses no health risks.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation") be and is hereby authorized to execute a five year revocable license agreement with Sirius XM Radio Inc. (the "Licensee") for its use and occupancy of 90 square feet to house roof-top communications equipment at the Henry J. Carter Specialty Hospital and Nursing Facility (the "Facility") at an occupancy fee of approximately \$23,130 or \$257.00 per square foot for year one; \$23,823 or \$264.71 per square foot for year two; \$24,823.62 or \$272.65 per square foot for year three; \$25,274.78 or \$280.83 per square foot for year four; and, \$26,033.02 or \$289.26 per square foot for year five, for a total five year occupancy fee of \$122,800.31. Annual increased rates are based on 3% escalations per year.

EXECUTIVE SUMMARY

LICENSE AGREEMENT SIRIUS XM RADIO, INC.

HENRY J. CARTER SPECIALTY HOSPITAL AND NURSING FACILITY

The President seeks the authorization of the Board of Directors of the Corporation to execute a five year revocable license agreement with the Sirius XM Radio Inc. ("Sirius XM") for its use and occupancy of space to house communications equipment at the Henry J. Carter Specialty Hospital and Nursing Facility ("Henry J. Carter").

Sirius XM is a U.S. corporation that provides satellite radio content to subscribers. The company operates antenna equipment on the roof of the Long Term Acute Care Hospital ("LTACH") building on the Henry J. Carter campus. The equipment occupies approximately 90 square feet of space on the roof of the building. The antenna equipment was at this location when the building was under the ownership and management of North General Hospital. The Corporation acquired the LTACH building subject to the Sirius lease. The Corporation has been collecting \$15,870/year on the prior lease reflecting a rate at \$176.33/sq. ft. however the Corporation has no information about the prior rental history. Under the proposed resolution Sirius XM will pay an annual occupancy fee of \$23,130 per year reflecting a rate of \$257/sq. ft. or an increase of 43% over the prior rate for year one of the agreement. The new rate will be escalated by 3% per year, as follows, \$23,823 or \$264.71 per square foot for year two; \$24,823.62 or \$272.65 per square foot for year three; \$25,274.78 or \$280.83 per square foot for year four; and, \$26,033.02 or \$289.26 per square foot for year five, for a total five year occupancy fee of \$122,800.31.

The equipment complies with applicable FCC safety guidelines and therefore poses no health risks.

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

The license agreement shall be revocable by either party on sixty (60) days prior notice, and shall not exceed a term of five years without further authorization by the Board of Directors of the New York City Health and Hospitals Corporation. The license agreement will contain two five year renewal options which will require approval of the Board of Directors prior to the exercise of each option.

SUMMARY OF ECONOMIC TERMS

SITE: Henry J. Carter Specialty Hospital and Nursing Facility
Borough of Manhattan

**FLOOR
AREA:** 90 square feet

TERM: Five (5) years

**OCCUPANCY
FEE:** See table below for five (5) year occupancy fee schedule.

	Total Sq. Ft	Annual Occupancy Fee	Per Sq. Ft Cost
Year 1	90	\$ 23,130.00	\$ 257.00
Year 2	90	\$ 23,823.90	\$ 264.71
Year 3	90	\$ 24,538.62	\$ 272.65
Year 4	90	\$ 25,274.78	\$ 280.83
Year 5	90	\$ 26,033.02	\$ 289.26
TOTAL		\$ 122,800.31	

**PRIOR
OCCUPANCY
FEE:** Prior lease reflected an annual occupancy fee of \$15,870 at a rate of \$176.33 per square foot.

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to approve a Capital Project for an amount not-to-exceed \$8,500,000 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Installation of Permanent Emergency Power Feeders project (the "Project") at Woodhull Medical and Mental Health Center (the "Facility").

WHEREAS, the existing temporary cables feeding the distribution switchboards from outside yard generators at the Facility were installed over eight years ago and were determined through tests to be unreliable for future use; and

WHEREAS, it was determined that replacing these cables with similar temporary cables is not feasible due to high replacement cost, and that the replacement cables would have to be removed to avoid any electrical code violations; and

WHEREAS, removing the temporary cables will leave the Facility without the use of the outside yards generators during emergencies; 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 \$8.5 million; 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 the New York City Health and Hospitals Corporation (the "Corporation") to approve a Capital Project for an amount not-to-exceed \$8,500,000 for the planning, pre-construction, design, construction, procurement, construction management and project management services necessary for the Installation of Permanent Emergency Power Feeders project (the "Project") at Woodhull Medical and Mental Health Center (the "Facility").

EXECUTIVE SUMMARY

INSTALLATION OF PERMANENT EMERGENCY POWER FEEDERS

WOODHULL MEDICAL AND MENTAL HEALTH CENTER

OVERVIEW: The Corporation is seeking to replace the existing temporary cables feeding the distribution switchboards from outside yard generators at Woodhull Medical and Mental Health Center with permanent emergency power feeders. The project has been designed, estimated, and bid in accordance with the Corporation's Operating Procedure 100-5. The project cost is not-to-exceed \$8,500,000.

NEED: The existing temporary cables feeding the distribution switchboards from the outside yard generators at the Facility were installed over eight years ago. These cables were determined through High Potential - Insulation Resistance tests to be unreliable for future use. It was determined that replacing these cables with similar temporary cables is not feasible due to the high cost, and the fact that the temporary replacement cables would have to be removed to avoid any electrical code violations. This would leave the Facility without the use of the outside yard generators during emergencies. As such, it is necessary that the existing temporary cables be replaced with feeders suitable for permanent installation.

SCOPE: The scope of work to execute the temporary cable replacement project includes:

- ❖ Demolition of the existing temporary cables currently located on the ground outside the building and on supports inside the Boiler Room.
- ❖ Demolition of existing generator docking station.
- ❖ Removal of temporary cable support structure within Boiler Room.
- ❖ Removal of select electrical equipment such as existing circuit breakers from inside the vault level electrical room.
- ❖ Installation of a switching scheme consisting of keyed interlocked bolted pressure switches to allow the safe transfer from normal utility power supplied by Con-Edison to emergency power supplied by two (2) existing 480V 3-phase generators rated at 1825 kW each, one (1) 480V 3- phase generator rated at 1000 kW, and a future temporary rollup generator rated at 2000 kW.
- ❖ Installation of a permanent synchronizing switchboard and generator docking stations.
- ❖ Installation of permanent feeders to supply emergency power from outside generators to the existing switchboards. Related structural work includes a concrete foundation for the synchronizing switchboard. Penetrations through the

foundation wall for conduits to enter the building. Steel framing for the support of conduits and conduit supports from the ceiling.

CONSTRUCTION: The project engineering firm of record is Greenman – Pedersen, Inc. (“GPI”). It is anticipated that the services of a construction manager will be engaged to coordinate and supervise contract work.

COSTS: \$8,500,000

FINANCING: General Obligations Bonds.

SCHEDULE: This project is scheduled for completion by June 2016.

**Woodhull Medical & Mental Health Center
Permanent Feeder Installation
Table 1: Total Project Summary**

Line #	Item	Percentage Rates	Costs
1	Construction Cost Estimate ⁽¹⁾		\$5,879,732
2	Allowance ⁽²⁾		\$400,000
3	Subtotal Construction Cost Estimate & Allowance (lines 2 thru 3)		\$6,279,732
4	Architect/Engineering Fees ⁽³⁾		\$400,000
5	Construction Management Fees ⁽⁴⁾		\$759,038
6	Contingency	10.0%	\$743,877
7	Subtotal Construction Costs and Fees (total of lines 4 thru 6)		\$8,182,647
8	Escalation (5)		\$317,353
9	Total Project Cost (total of lines 7 & 8)		\$8,500,000

Notes:

- (1) Construction costs estimates from Greenman-Pedersen, INC.
- (2) Allocated amount for asbestos abatement if required.
- (3) Architect/Engineering fees is 6.4% of construction cost estimate.
- (4) Construction Management fees based on proposal received from Tconstruction Management Firm.
- (5) Escalation based on 12 months at 4%.