AGENDA

FINANCE COMMITTEE

BOARD OF DIRECTORS

CALL TO ORDER

ADOPTION OF THE FEBRUARY 11, 2014 MINUTES

SENIOR VICE PRESIDENT’S REPORT

- HHC CASH FLOW
- ACA/EXCHANGES UPDATE

KEY INDICATORS & CASH RECEIPTS/DISBURSEMENTS REPORTS

INFORMATION ITEMS:

1. Finance Plan Update

2. Acute Inpatient Utilization Trends & Factors

3. Quarterly Statement of Revenue & Expenses

OLD BUSINESS
NEW BUSINESS
ADJOURNMENT

MEETING DATE: MARCH 11, 2014
TIME: 9:00 A.M.
LOCATION: 125 WORTH STREET BOARD ROOM

BERNARD ROSEN

MARLENE ZURACK

FRED COVINO
KRISTA OLSON

FRED COVINO

DONA GREEN
VICTOR KIM
STEVEN FASS

JAY WEINMAN

BERNARD ROSEN
FINANCE
COMMITTEE

BOARD OF
DIRECTORS

The meeting of the Finance Committee of the Board of Directors was held on February 11, 2014 in the 5th floor Board Room with Bernard Rosen presiding as Chairperson.

ATTENDEES

COMMITTEE MEMBERS

Bernard Rosen
Alan D. Aviles, Esq
Rev. Diane Lacey
Josephine Bolus, RN
Emily A. Youssouf
Mark Page
Andrea Cohen, (Representing Deputy Mayor Lilliam Barrios-Paoli)

OTHER MEMBERS

ROBERT F. NOLAN

OTHER ATTENDEES

J. DeGeorge, Analyst, State Comptroller’s Office
M. Dubroski, Unit Head, NYC Office of Management & Budget (OMB)
C. Fiorentini, Analyst, NYC Independent Budget Office (IBO)
J. Wessler

HHC STAFF

B. Ancona, Chief Financial Officer, (CFO), Gouverneur Healthcare Services
V. Bekker, CFO, Corporate Finance
M. Brito, CFO, Coler/Goldwater Specialty Hospital & Nursing Facility
L. Brown, Senior Vice President, Corporate Planning, Community Health & Intergovernmental Rel
E. Casey, Director, Corporate HIV Services
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T. Carlisle, Associate Executive Director, Corporate Planning
D. Cates, Chief of Staff, Board Affairs
A. Cohen, CFO, South Manhattan Health Network
D. Collingon, Director, Coney Island Hospital
F. Covino, Corporate Budget Director, Corporate Budget
J. Cuda, Chief Financial Officer, MetroPlus Health Plan, Inc
D. Frimer, Controller, Coney Island Hospital
M. Genee, Deputy Corporate Comptroller, Corporate Comptroller’s Office
G. Guilford, Assistant Vice President, Office of the Senior Vice President/Finance/Managed Care
L. Guttman, Assistant Vice President, Corporate Intergovernmental Relations
D. Guzman, Deputy CFO, Metropolitan Hospital Center
M. Katz, Senior Assistant Vice President, Corporate Revenue Management
P. Lockhart, Secretary to the Corporation, Office of the Chairman
K. McGrath, Senior Director, Corporate Communications/Marketing
M. Meagher, Director, Corporate Managed Care
M. Mehlman, Associate Executive Director, North Bronx Health Network
I. Michaels, Director, Media Relations, Corporate Communications/Marketing
T. Miles, Executive Director, WTC Healthcare Program
H. Mason, Deputy Executive Director, Kings County Hospital Center
D. Moskos, Director, Facilities Development
K. Olson, Assistant Vice President, Corporate Budget
S. Operowsky, Associate Executive Director, Gouverneur Healthcare Services
K. Park, Associate Executive Director, Queens Health Network
S. Penn, Deputy Director, World Trade Center Program
S. Russo, Senior Vice President, General Counsel, Office of Legal Affairs
W. Saunders, Assistant Vice President, Corporate Intergovernmental Affairs
A. Saul, Senior Associate Director, Kings County Hospital Center
B. Stacey, CFO, Queens HealthCare Network
J. Wale, Senior Assistant Vice President, Corporate Behavioral Health Services
J. Weinman, Corporate Comptroller, Corporate Comptroller’s Office
R. Wilson, Senior Vice President/Corporative Medical Director, Medical & Professional Affairs
M. Zurack, Senior Vice President, Corporate Finance/Managed Care
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CALL TO ORDER

CHAIR’S REPORT

SENIOR VICE PRESIDENT’S REPORT

Ms. Zurack informed the Committee that at next month’s meeting a presentation prepared by LaRay Brown, Senior Vice President, Corporate Planning, Intergovernmental Relations and Community Health and the Corporate Planning staff would be presented in response to the Committee’s request to address some of the issues raised relative to declining utilization and other factors at HHC in comparison to the healthcare industry. As part of the routine reporting, Ms. Zurack reported that HHC’s current cash balance was $432 million or 27 days of cash on hand (COH) which compares favorably to the FY 14 opening balance of $323 million or 20 days of COH. The projected year-end balance is expected to be at the same level as the current status. However, that assumption is contingent upon HHC’s receipt of $800 million in UPL payments by June 2014. The receipt of those funds is pending the approval of the methodology by the State and Federal governments. The payment was originally scheduled for January 2014 but was replaced with a DSH payment that HHC received last month. It is important to note that if the $800 million is not received as planned, HHC will have a major problem. The calculation review by the State and Federal governments is essential in getting this issue resolved. The reporting of this issue to the Committee is an elevation of the urgency of having this matter resolved by those two entities.

Exchanges Update

Ms. Zurack brought to the attention of the Committee the summary page included in the package for the Exchanges. The data included in the summary highlighted the most current information available to HHC. It is important to note that when Ms. Katz does the reports on the Medicaid eligibility applications processing, getting and reporting the data for the new Medicaid system compared to the old will be very complicated given that the data is very limited at this time. As of February 3, 2014 there were 657,000 applications filed through the NYSDOH portal an increase of 111,541 applications or 20% increase from last month. Based on data through 2/10/14, 696,000 applications were submitted compared to the 657,000, of which 381,000 increasing to 412,000 were enrolled compared to 295,000 last month. The enrollment pace is steadily increasing which is the goal. HHC is working to have its hospital care investigators (HCI) and other staff trained as certified application counselors (CAC) of which 300 staff have been trained against the 450 target by February 28, 2014. The goal is to train 700 staff by March 31, 2014. Based on data reported by HHC facilities, as of 1/26/14 HHC has processed 28,642 applications, 18,500 were Medicaid and the remainder 13,000 was for the Exchanges, Qualified Health Plan (QHP).

Ms. Youssouf asked whether MetroPlus would be refunding its members as a result of a “glitch” in the system that had been reported in the news media.
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Mr. Cuda, Chief Financial Officer, MetroPlus was asked to respond to which he stated that the problem had occurred at Empire and that a deal was made with the State to refund those premiums. For NY, MetroPlus has not had a major issue although there have been some but there are no plans to issue any refunds relative to that problem. MetroPlus sent out letters to some of its members when there was a problem with the issuance of their cards informing them that they were MetroPlus members and that their physicians or provider groups could call MetroPlus customer service to verify their coverage.

Ms. Cohen asked whether HHC has an outreach program for its uninsured patients to assist them in getting enrolled in an insurance plan.

Ms. Zurack stated that there are some efforts; however, the first step in the process as it relates to HHC’s revenue is on the inpatient side of applications processing, whereby for those patients who have been admitted an application must be completed immediately. There is a problem in that process in that there have been a number of delays that relate to identity and verification for the homeless and the undocumented. Additionally, the emergency Medicaid process is going through the portal and HHC staff who are required to go through the CAC training have incurred a backlog as a result of having to get that certification. Also there has been a delay by the State in hiring 200 staff to assist with that process. The State has committed to having dedicated staff for HHC when that staff is hired.

Mr. Rosen added that as per Mr. Covino HRA is no longer processing applications for HHC after removing its on-site staff from HHC facilities.

Ms. Zurack explained that HRA had on-site offices at each of HHC’s facilities but has since vacated those offices. However, HRA is still processing applications for the non-MAGI population and also for retroactive coverage for individuals who were admitted in prior months. For example, if an application was done in March for a patient who was discharged in February that application would go to HRA. HRA still has a function and there is a learning curve for HHC’s staff in terms of where the applications should be sent for processing.

Ms. Cohen asked if there is a way for HHC to send letters to uninsured patients on the outpatient side who are in the Options program.

Ms. Zurack stated that HHC has done Breaththrough events and have identified a lot of information on that issue. There are reports such as the daily activity report that the facility reviews prior to the patient visit and phone calls are made to patients who are uninsured. Therefore, those patients who are included in the Options program will be informed about the Exchanges.

Ms. Cohen stated that in addition to those efforts what was being proposed was to have HHC use its list of uninsured patients in NYC for outreach purposes that would provide some type of notification from HHC informing them of their options.

Ms. Zurack stated that HHC has done that on numerous occasions.
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Mr. Rosen asked if those individuals who signed up used the internet. Ms. Zurack stated that the majority were done by individuals on-line which many have found to be an easier way to sign-up.

The discussion was concluded.

KEY INDICATORS/CASH RECEIPTS & DISBURSEMENTS REPORTS

Ms. Olson reported that the total outpatient visits were up by 3.3% or 90,000 visits both the acute and D&TCs are up by the same 3.3%, excluding Coney Island and Bellevue due to the impact of the storm, visits were flat for the acute. The D&TCs, excluding Gouverneur due to the modernization project, visits were down by 2.6%.

Ms. Youssouf asked if there is an explanation for the increase in the visits.

Ms. Olson stated that the increase was due largely to the storm last year. At the D&TCS the increase was due to Gouverneur’s completion of its modernization project which is up by 12% and was offsetting the decline in visits at the other D&TCs.

Ms. Youssouf asked if Gouverneur was 100% completed. Mr. Aviles stated that the lobby is the only area yet to be completed.

Ms. Olson added that in the nursing home at Gouverneur the beds are being re-opened. Returning to the report, discharges were up by .3% excluding Bellevue and Coney Island; discharges were down by 5.7%. Nursing home days were down by 16.3% due to the transition that occurred at Coler/Goldwater. Hank J. Carter and Goldwater have been combined on the report.

Ms. Youssouf asked whether the 56.5% decline at Goldwater/HJ Carter is attributable to the move.

Ms. Olson stated that it is related to the move and the decline in beds. The ALOS, there were three facilities above the corporate expected average LOS; Kings County at 6/10; Queens and Coney Island both at 5/10 of a day. There were two facilities less than the corporate expected average, Lincoln at 7/10 and Metropolitan 6/10.

Mr. Covino, continuing with the reporting stated that FTEs were up by 54 in comparison to the base period of 6/15/13 through December 2013 which is a small increase that would be discussed in more detail later on the agenda as part of the PS quarterly report. Receipts were $138 million worse than budget while disbursements were $29 million over budget for a net total deficit of $167 million. A comparison of the actuals through December 2013 to the same period last year, total receipts were $371 million less than last year due to the timing of DSH payments. Last year HHC received $842 million in DSH payments compared to $346 million this FY 14, $497 million less than last year. However, HHC received $531 million in DSH receipts in January 2014 which will reduce the variance next month. Expenses were $32.5 million better due to the timing of City payments. To-date for FY 14, no payments have been made to the City compared to last year $141 million was paid to the City.
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during the period. PS expenses are down by $16 million compared to last year due to a prior year retroactive collective bargaining payments of $21 million.

Ms. Zurack clarifying that Mr. Covino’s reference to the “to-date” was through December 2013 given that there were payments made to the City in January 2014.

Ms. Youssouf asked for clarification of the assumption that the $33 million is better on a cash basis. Mr. Covino stated that the $32 million to-date is less than the actual expense last year. Ms. Youssouf asked if it was related to non-payments to the City, other categories that were underspent; and fringe benefits, etc.

Mr. Covino stated that it was related to all those factors and that the details of that variance would be discussed as part of the PS reporting later on the agenda. Returning to the reporting, PS expenses were less than the prior year. Fringe benefits were up by $95 million, health insurance was also up by $35 million due to a stabilization payment that HHC made to the City and $26 million in equalization payments. Overall, health insurance was up by $35 million relative to the year over year increase of 5.2%. Additionally pension payments were up by $35 million and FICA was up by $20 million compared to last year; whereby HHC received a FICA credit for residents’ recovery. OTPS expenses were up by $59 million due in part to a delay in payments to vendors as a result of HHC’s cash balance. However, HHC has since released payments as a result of complaints made by vendors for non-payment. Affiliation expenses were $9.6 million less than last year due to the physician UPL payment received which offset the overspending. Bond debt was down $20.8 million due to the debt refinancing. The actuals compared to budget through December 2013, inpatient receipts were down by $106 million due to a decrease in Medicaid fee-for-service that was down by $95 million and a decline in workload, 3,000 paid Medicaid discharges, 15,000 paid psych days and 50,000 skilled nursing facility days. Outpatient receipts were down by $41 million in Medicaid and all other receipts were up by $8 million. PS expenses were up by $9.6 million and OTPS expenses were $27 million worse than budget due to the factors previously stated relative to an increase in payments to vendors. The report was concluded.

PAYOR MIX REPORTS – INPATIENT, ADULT AND PEDIATRICS AS OF 12/2013

KRISTA OLSON

Ms. Olson informed the Committee that in addition to the standard quarterly payor mix reports, historical payor mix reports were included as requested by the Committee. The format of the quarterly report is reflective of the revision that was presented to the Committee for the FY 14 1st quarter report. The primarily change in the inpatient category, Medicaid total decreased from 61.2% to 59.3% with a decline in Medicaid fee-for-service and Medicaid managed care as well. There was an upward shift in the uninsured from 8.3% to 9.3% which Ms. Katz would discuss in more detail as part of the Medicaid eligibility report that may be related to a delay in the Medicaid applications processing that Ms. Zurack noted in the reporting. Commercial and other were relatively flat and Medicare was slight up. In the adult outpatient, the percentage of total visits for each facility Medicaid is trending
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downward with a slight decline in Medicaid fee-for-service and Medicaid managed care. There was a slight increase in Medicare that may be attributable to variation through December 2013. Commercial was also slightly down and the uninsured was slightly up.

Mr. Rosen asked if the data included the emergency room. Ms. Olson replied that the emergency room was excluded.

Mr. Page asked for clarification of the slightly upward or downward trends. Ms. Olson explained that the shift appears to be occurring between the uninsured and Medicaid as opposed to the Medicaid shifting to Medicare or commercial.

Ms. Katz added that on the inpatient side some of the shifting may be related to timing and the fact that Medicaid decisions are down and are remaining in the uninsured category. Some of it is related to the Exchanges and HRA staff moving out of HHC site locations which has delayed the processing of uninsured cases.

Ms. Zurack added that for background purposes, some patients come to HHC facilities uninsured and HHC staff processes the Medicaid application on behalf of those patients. There is a lag in the data on the inpatient side, whereby the data was run nine months after the service was rendered and the self-pay count would be higher than six month later given that the patient accounting staff and the HCIs would have processed those uninsured cases for submission to Medicaid. Therefore, the data that is being presented is reflective of the flow of the Medicaid application process.

Mr. Page commented that the delay should be prevalent year-end and year-out. Therefore, when comparing year to year there should not be major shifts.

Ms. Zurack interjected that this year there were extraordinary circumstances because of the shift in HRA to the State and the removal of the HRA staff on-site offices at each of the facilities which is representative of a massive change for HHC in its Medicaid application processing program. Therefore, the data for two-thirds of the FY 14 probably will not be updated until April 2014.

Mr. Page stated that it would appear that HHC is losing money and cases covered by Medicaid due to those noted particular circumstances.

Ms. Zurack stated that HHC is losing total cases and there are fewer people coming to HHC. The data that is being presented by Ms. Olson is based on the percentage changes in the various payors; however, the Committee should not overreact to the changes on the inpatient side given that it may only be temporary compared to the outpatient side where there are no processing issues.

Ms. Youssouf added that perhaps the Medicaid issue on the outpatient side may be covered in the presentation that will be presented next month.
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Mrs. Bolus asked if Options are half and half. Ms. Katz stated that the Options data is only comprised of uninsured patients who have been fee-scaled by HHC.

Ms. Olson continuing with the reporting stated that the pediatrics outpatient excluding the emergency room, there was a slight upward shift in Medicaid due to an increase in Medicaid managed care; a slight decline in both the commercial and the uninsured. That level of variation may be due to the time period.

Ms. Youssouf asked if the pediatrics data was included in the adult outpatient payor mix.

Ms. Olson stated that the inpatient was combined but pediatrics makes up a small percentage of the overall inpatient. On the outpatient side the adult and pediatrics are separate given that there is a different process for determining eligibility for children compared to the adults.

Ms. Youssouf asked of the two, pediatrics and adult which is the largest.

Ms. Olson stated that the adult visits volume was probably larger but would need to be confirmed. However, the percentage of Medicaid pediatrics is at 80% compared to the adult at 40% due to the difference in the eligibility requirements which is the reason for the separation of the services as opposed to combining the two which would show completely different outcomes.

Ms. Youssouf added that overall the reporting was fine but that the question was to get a better understanding of whether it was more for one than the other and the difference between the two reports.

HISTORICAL PAYOR MIX REPORTS

Ms. Olson moving to the historical payor mix reports stated that corporate-wide the share of discharges that are Medicaid increased slightly but remained relatively flat during the four year period.

Mr. Rosen asked if the reports were reflective of the same period as the quarterly payor mix reports. Ms. Olson responded that the historical data is based on year-end data for all of the FYs by payor mix.

Ms. Zurack added that it is service through June 30th run in August of each year.

Ms. Olson continuing with the reporting stated that the transitioning from Medicaid fee-for-service to Medicaid managed care was approximately 7%. Medicare discharges increased slightly during the period and Medicare fee-for-service declined slightly by .2% compared to an increase of 1% in the Medicare managed care plans. The commercial discharges remained flat and other decreased slightly by .6%. The uninsured decreased slightly by .5% primarily in the non-HHC Options category. Overall within the facilities there were some wider swings and difference between facilities. Bellevue for instance had a lower share of Medicaid primarily due to a higher share of the other categories due to the facility’s prisoners’ population.
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Ms. Youssouf asked if the total data was year to year through 2013. Ms. Olson stated that the data was not re-run but rather the same data that was reported to the Committee for the years indicated. If the data had been rerun as previously mentioned some of the self-pays would have moved to Medicaid.

Ms. Cohen asked if there is a breakout of what portion of those were Medicaid managed care, MetroPlus, HealthFirst, etc. and those that were capitated.

Ms. Zurack stated that the largest plan is HealthFirst for Medicare and MetroPlus is the largest for Medicaid.

Ms. Cohen asked what portion of the plans’ payments in the discharges is from a capitated payment, capitation versus fee-for-service.

Ms. Zurack stated that in order to respond to those questions a review of the data would be required; however, HealthFirst is the predominant plan for Medicare.

Ms. Cohen asked if there was data for the capitation in relation to the plans, fee-for-service versus capitation.

Mrs. Bolus asked if HealthFirst was a good investment for HHC.

Ms. Zurack stated that the value of HHC’s investment was substantial relative to Elmhurst hospital’s original investment but the data can be run to see the actual value of the investment. HHC has received distributions year over year from the HealthFirst investment and HHC has an investment of 7% ownership of that company.

Mr. Rosen as a follow-up asked if Ms. Cohen’s questions were answered.

Mr. Aviles in response stated that Ms. Cohen questions related to the percentage of the revenue that is capitated based on the various managed care plans. On the managed care side HHC is past the 5% mark in terms of capitation per plans; however, there is a significant amount of emergency Medicaid which continues to be fee-for-service. Therefore in total revenue as HHC is approaching 50%, HHC has not yet crossed that threshold in term of capitated compared to fee-for-service.

Ms. Zurack added that in response Ms. Cohen’s request, next month that data will be shared with the Committee the percentages from the various managed care plans for Medicaid and Medicare revenues versus others. However, it is not certain that it would address the question but would be a start in getting to the answer.

Ms. Olson returning to the reporting stated that the adult outpatient payor mix unlike the inpatient, the adult visits shifted downward in Medicaid fee-for-service and manage care due to an increase in
self pay visits. Medicare visits increased slightly which could be attributable to a change in the eligibility requirements and a change in the data base.

Ms. Youssouf stated that the self-pay population was always large but in 2010 there was a significant increase therefore the trend in the data was not clear in that the data appeared to be counterintuitive.

Mr. Rosen added that in confirming with Mr. Aviles the undocumented can get outpatient Medicaid and that when there is a change in the data there is likely to be some major shifts in the data.

Ms. Olson stated that in the outpatient pediatrics there was a slight increase in the Medicaid versus the managed care; a light increase in the uninsured and a slight decline in the Child Health Plus (CHP) percentage.

Mr. Page stated that one of the problems is getting the information and the way in which it is presented so that it is comprehensible. The percentages are a very simplified version of what has taken place; however, the total number of cases were not included.

Ms. Olson stated that this was the first time for that type of report.

Mr. Page added that the data would be available given that the percentages are driven by the data. Ms. Zurack stated that the raw data was reported in the past and was switched to the current format.

Ms. Page stated it was understandable in terms of the change but if possible the raw data should be included, perhaps on the back of each of the reports which would provide what the actual size of the base and the distribution of that base.

Ms. Olson explained that in the past the Key Indicators report did not include the outpatient visits but now that it is included the intent is to focus on the payors specifically the shifts in the various payors.

Mr. Page stated that the issue was not related to that given that the reporting was sufficient in term of the percentage but that the request was simply to have the raw data also included so that it is comprehensible.

Ms. Zurack in response stated that the raw date would be provided. The reporting was concluded.

MEDICAID INPATIENT PROCESSING REPORT

Ms. Katz before getting into the reporting informed the Committee that the report would be changing due to issues reported by Ms. Zurack and Ms. Olson that relate to the implementation of the Exchanges. The reports data was through December 2013; however, as of January 2014 the source of that data that has come from HRA and other systems is no longer available and must now be obtained from HHC facilities’ dashboards. Going forward, the data will be reported to the Committee in a revised format that captures the processing for the Exchanges. The other important point is that last
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year, HRA removed its inpatient staff out of HHC facilities and for a short period of time that action created a backlog in the actual eligibility decisions. HRA has been extremely cooperative with HHC in resolving the backlog. The outcome of those efforts is not reflected in the data that is being reported but will be reflective in the data in the coming months. In terms of data, in comparing 2013 and 2012, there is a decrease in the submissions and decisions from HRA. The largest decrease was in the submissions during the second quarter of FY 14, primarily in November 2013 which was due in part to the holidays during the month and the removal of the HRA staff out of the facilities. The percentage of decisions to the submissions also decreased due in part to the Exchanges and HHC staff getting familiar with the new process.

Mr. Rosen asked if the format would change. Ms. Katz replied that it would and will include the MAGI and non-MAGI and the QHPs.

Ms. Zurack explained that in the old Medicaid processing system with HRA, there was an automated reporting but there were some limitations as reflected in the reporting to the Committee on the data that did not match due to the lag. However, with the new system the data that is going through the Exchanges, to-date HHC does not have an automated reporting to capture and report that data. Therefore, the data must be complied by the facilities from the staff’s reports.

Mrs. Bolus asked how long will it take for that type of system to become available for HHC. Ms. Zurack stated that it could take up a year given that the State has to hire the staff and get the Exchanges working.

Ms. Youssouf asked if there are overall statistics available from the State. Ms. Zurack stated that there are statistics; in fact the source of the data that has been reported to the Committee has come from the State’s website. HHC can download a report for each of its CACs and there is a customer’s support system that is yet to be sufficiently staffed that is available to assist in the process.

Ms. Youssouf asked if HHC’s CACs are required to keep a log of all their processing efforts. Ms. Zurack stated that it is available through the portal by each CAC, but the data has to be aggregated by the facilities and corporate-wide which is a very time consuming process at this time.

Ms. Cohen asked if the basic issues relative to the Medicaid application submissions and decisions through December 2013 and the declines are due primarily to data issues or one-time changes or actual declines.

Ms. Katz stated that some of it may be due to an actual decline in submissions but it is yet to be determined and the impact of that change.

Ms. Zurack stated that the decline is related to a number of issues, the removal of the HRA staff from the facilities; the training of HHC staff on the new system and certification of the staff to CACs which
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has created a backlog. The time that HRA takes to process HHC applications has increased but it is expected that this will be resolved as the process moves forward.

Mr. Page added that it would appear that the question being asked relates primarily to the size of HHC’s overall business in Medicaid, Medicare, Managed Care, etc. The exactness of the information that is being derived makes it somewhat unbalanced in terms of the other factors that causes it to fluctuate and is obscuring the answer to the basic question that relates to the volume of business by facility and corporate-wide. That being said, perhaps consideration should be given to changing the frequency in reporting the data that might alleviate some of the abnormalities in the data so that the trends would be more identifiable and less skeptical as the issues are repeatedly defined. Based on the discussions it would appear that the period is not the problem but rather collecting the data.

Ms. Katz agreed adding that unlike the payor mix reports which at any time the percentage of the overall cases relative to each payor can be determined but the eligibility data is related to productivity. Patients come to HHC facilities as uninsured and the applications are processed by the staff for submission to HRA for processing and approval.

Ms. Zurack added that the Medicaid eligibility reporting is not related to HHC’s revenue as opposed to the budget reports that are more specific to revenues and expenses. The eligibility reports were developed to provide the facilities with an incentive to get individuals to qualify for Medicaid. In prior years there was a target for each of the facilities but was eliminated. Based on the current eligibility processing through the Exchanges there is a need to change the reporting formatting.

Mr. Page stated that the issues that were reiterated throughout the reporting were fully understood as well as the reports that relate to HHC’s cash. However, the payor mix reports are based on the percentage of cases which as previously stated and requested; the raw data is needed so that the reporting is comprehensible.

Ms. Youssouf added that perhaps a portion of a response to some of the questions raised maybe related to the utilization that may get addressed in next month’s presentation to the Committee.

Mr. Page stated that it is a basic question, “how’s business.” Ms. Zurack in response stated that business is down, expenses have not decreased at the level as the decrease in revenue and more patients are uninsured.

Ms. Brown stated that the presentation will not answer all of the questions but will go a long way toward answering some of the things that have been discussed.

Ms. Youssouf added that although the Committee may not get all of the answers to the questions it would be data that HHC can continue to expand to which Ms. Brown added that it will be a foundation.

The discussion was concluded and the final information item was introduced by Mr. Rosen.
Mr. Covino stated PS disbursement actuals against the budget bottom-line, expenses were $9.6 million over budget due to the carrying cost of those employees at Coler/Goldwater who were not transferred out and were not budgeted. There were 232 employees transferred to other facilities and absorbed into the facilities budgets.

Ms. Youssouf asked if HHC absorbed all of the staff. Mr. Covino responded that there were no layoffs.

Mr. Rosen asked if the overspending was due primarily to Coler/Goldwater.

Ms. Youssouf asked if in the budget the assumption was that those employees would not be off the payroll. Mr. Covino stated that the budget did include that assumption.

Ms. Youssouf stated that it did not appear that the budget included those employees remaining on payroll as a result of being transferred to other facilities and if that had been the assumption then the variance would not be as significant as stated.

Mr. Covino stated that the only place there was a deviation was at HJ Carter/Goldwater given that there was no contingency budgeted for those staff to remain on payroll.

Ms. Zurack added that the budget is a plan and as such was reflective of the plan to have those employees off the payroll. Therefore, the budget did not include any provision for having that staff remain on payroll beyond the plan.

Mr. Covino added that it was budgeted that way to show the required reduction.

Ms. Youssouf in an effort to understand what had been reported stated that in actuality there must have been some indication where the staff would go; therefore bottom-line there should not have been an overage if those employees were included in the budget as transfers to other facilities into budgeted vacancies.

Mr. Covino attempting to explain stated that the plan included a reduction over a period of time and the plan was not finalized at the time those employees were still on payroll.

Ms. Youssouf stated that based on what was said the plan/budget assumed that those employees would be off the payroll.

Ms. Covino stated that was not the plan but rather those employees would go into vacancies at other facilities. The plan includes an increase of 250 employees not related to the reassignment of those employees.

Mr. Page added that it appeared that based on the explanations given the vacant slots at other facilities were used to move that staff into and that the $9.5 million is the delay in identifying the
vacant slots or even the slots becoming vacant. Consequently, the vacant positions were not available at the time they were expected when the last patient left Goldwater.

Both Ms. Zurack and Mr. Covino agreed that it was exactly as Mr. Page had stated.

Mr. Aviles added that the reason for the increase in staff is related to funded programs through grants and or State and Federal funded programs for specific initiatives such as the Patient Centered Medical Home (PCMH). In order to comply with the certification of the PCMH initiative, the hours of operations were extended which requires additional staff. Additionally, the implementation of the electronic medical record (EMR) also requires additional IT personnel.

Ms. Youssouf stated that it is somewhat confusing in that it was reported earlier that staffing increased by 54 FTEs that does not appear to be related to the staff that was transferred from Goldwater.

Ms. Zurack stated that the 54 FTEs were not against the budget but rather against the base period of June 15, 2013 which at that time there were some vacancies. The actual reporting is against the actual base. HHC ended last year under its FTE target by 700 and to get back up to budget the plan includes an increase in FTES of 250.

Mr. Covino getting back to finalizing the reporting stated that the increase in staffing was in nursing, managers and residents. Mr. Aviles added that the increase in managers was due to the IT staff hired to meet the competitive market.

Mr. Covino stated that the overtime budget versus actuals was up by $3.3 million against the budget. There were some improvements since the last reporting in September 2013 and in January 2014 the increase has lessened. Overtime compared to year over year increased by $3.8 million of which 3.3% was in nursing; 13.7% in plant maintenance; and 3.4% in all other. The plant maintenance overtime is being addressed by JCI and is expected to decrease in the months ahead. Nurse registry increased due to the timing of payments of $5.8 million of which $4 million was due to payments on behalf of prior months. Allowances were up by 5.8% due to the replacement of temporary employees. The reporting was concluded.

**ADJOURNMENT**

BERNARD ROSEN

There being no further business to discuss the meeting was adjourned at 10:28 a.m.
New York State Health Exchange Enrollment

As of March 5th, the state Exchange enrolled 557,840 people in the Qualified Health plans. In addition 312,755 people submitted insurance application, for a total of 870,595. The statewide target for this year is 1 million residents, thus New York State is well on the way to meet the target. Overall the activity of the State Health Exchange is quite impressive. It is one of the best in the country.

Training of HHC Staff

We have trained approximately 400 staff to become Certified Application Counselors. So far more than 200 have received official certifications form the NYS Department of Health and are enrolling patients on the New York state of health portal. The balance of the certifications is expected by the end of March. There are still more sessions scheduled for March, one is running as we speak.

MetroPlus Enrollment

As of March 3rd MetroPlus enrolled 19,499 members in Qualified Health Plan, (QHP). MetroPlus defines membership as a paid contract. There are additional 7,821 applicants pending finalization of the payments. Medicaid and CHP enrollment totaled 11,710. SHOP, small business insurance, attracted 356 applicants. Thus entire enrollment activity for MetroPlus totaled 39,386 patients.
# Key Indicators

## Fiscal Year 2014 Utilization

<table>
<thead>
<tr>
<th>Networks</th>
<th>Visits FY 14</th>
<th>Visits FY 13</th>
<th>Visits VAR %</th>
<th>Discharges/Days FY 14</th>
<th>Discharges/Days FY 13</th>
<th>Discharges/Days VAR %</th>
<th>Average Length of Stay</th>
<th>All Payor Case Mix Index</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>North Bronx</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jacobi</td>
<td>246,744</td>
<td>258,005</td>
<td>-4.4%</td>
<td>11,752</td>
<td>11,019</td>
<td>6.7%</td>
<td>5.7</td>
<td>0.9936</td>
</tr>
<tr>
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<td>114,243</td>
<td>127,254</td>
<td>-10.2%</td>
<td>2,679</td>
<td>4,395</td>
<td>-41.7%</td>
<td>5.5</td>
<td>0.8694</td>
</tr>
<tr>
<td><strong>Generations +</strong></td>
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<td></td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Harlem</td>
<td>195,594</td>
<td>179,971</td>
<td>8.7%</td>
<td>6,560</td>
<td>6,787</td>
<td>-3.3%</td>
<td>5.4</td>
<td>0.9509</td>
</tr>
<tr>
<td>Lincoln</td>
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<td>323,464</td>
<td>-0.6%</td>
<td>14,100</td>
<td>13,761</td>
<td>2.5%</td>
<td>4.6</td>
<td>0.8245</td>
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<td>33,712</td>
<td>-7.1%</td>
<td></td>
<td></td>
<td></td>
<td>2.8</td>
<td>0.8845</td>
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<td>46,507</td>
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<td></td>
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<td></td>
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<td>0.8472</td>
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<td>Renaissance</td>
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<td>33,257</td>
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<td></td>
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<td></td>
<td>2.6</td>
<td>0.7957</td>
</tr>
<tr>
<td><strong>South Manhattan</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bellevue</td>
<td>332,290</td>
<td>271,736</td>
<td>22.3%</td>
<td>13,575</td>
<td>8,253</td>
<td>64.5%</td>
<td>5.5</td>
<td>1.1044</td>
</tr>
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<td>Metropolitan</td>
<td>228,488</td>
<td>241,627</td>
<td>-5.4%</td>
<td>6,893</td>
<td>7,610</td>
<td>-9.4%</td>
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<td>0.7499</td>
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<td>Coler</td>
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<td></td>
<td>162,845</td>
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<td>19.7%</td>
<td>6.5</td>
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<tr>
<td>Goldwater/H.J. Carter</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>70,240</td>
<td>167,506</td>
<td>-58.1%</td>
<td>5.0</td>
</tr>
<tr>
<td>Gouverneur - NF</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>27,134</td>
<td>30,629</td>
<td>-11.4%</td>
<td>5.4</td>
</tr>
<tr>
<td>Gouverneur - DTC</td>
<td>157,036</td>
<td>143,493</td>
<td>9.4%</td>
<td></td>
<td></td>
<td></td>
<td>5.2</td>
<td>0.7957</td>
</tr>
<tr>
<td><strong>North Central Brooklyn</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kings County</td>
<td>401,765</td>
<td>415,492</td>
<td>-3.3%</td>
<td>13,484</td>
<td>14,788</td>
<td>-8.8%</td>
<td>6.6</td>
<td>0.9771</td>
</tr>
<tr>
<td>Woodhull</td>
<td>284,339</td>
<td>276,163</td>
<td>3.0%</td>
<td>7,571</td>
<td>8,429</td>
<td>-10.2%</td>
<td>5.3</td>
<td>0.9278</td>
</tr>
<tr>
<td>McKinney</td>
<td>49,379</td>
<td>52,291</td>
<td>-5.6%</td>
<td>67,215</td>
<td>66,790</td>
<td>0.6%</td>
<td>6.5</td>
<td>0.9278</td>
</tr>
<tr>
<td>Cumberland DTC</td>
<td>42,317</td>
<td>43,644</td>
<td>-3.0%</td>
<td></td>
<td></td>
<td></td>
<td>6.3</td>
<td>0.9278</td>
</tr>
<tr>
<td>East New York</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Southern Brooklyn / S.I.</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coney Island</td>
<td>197,757</td>
<td>158,976</td>
<td>24.4%</td>
<td>8,172</td>
<td>5,850</td>
<td>39.7%</td>
<td>6.7</td>
<td>1.0039</td>
</tr>
<tr>
<td>Seaview</td>
<td></td>
<td></td>
<td></td>
<td>64,065</td>
<td>63,942</td>
<td>0.2%</td>
<td>6.6</td>
<td>1.0102</td>
</tr>
<tr>
<td><strong>Queens</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elmhurst</td>
<td>363,122</td>
<td>379,772</td>
<td>-4.4%</td>
<td>12,813</td>
<td>14,267</td>
<td>-10.2%</td>
<td>6.7</td>
<td>1.0039</td>
</tr>
<tr>
<td>Queens</td>
<td>239,242</td>
<td>240,618</td>
<td>-0.6%</td>
<td>7,209</td>
<td>7,564</td>
<td>-4.7%</td>
<td>5.5</td>
<td>0.8785</td>
</tr>
<tr>
<td><strong>Discharges/CMI-- All Acutes</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Visits-- All D&amp;TCs &amp; Acutes</td>
<td>3,280,667</td>
<td>3,225,982</td>
<td>1.7%</td>
<td>104,808</td>
<td>102,923</td>
<td>1.8%</td>
<td>5.5</td>
<td>0.9223</td>
</tr>
<tr>
<td>Days-- All SNFs</td>
<td>391,499</td>
<td>464,897</td>
<td>-15.8%</td>
<td></td>
<td></td>
<td></td>
<td>5.3</td>
<td>0.9114</td>
</tr>
</tbody>
</table>

**Notes:**

**Utilization**
- Acute: discharges exclude psych and rehab; reimbursable visits include clinics, emergency department and ambulatory surgery
- D&Tc: reimbursable visits
- LTC: SNF and Acute days

**Average Length of Stay**
- Actual: discharges divided by days; excludes one day stays
- Expected: weighted average of DRG specific corporate average length of stay using APR-DRGs

**All Payor CMI**
- Acute discharges are grouped using the 2013 New York State APR-DRGs for FY 13 and FY 14 beginning December 2013.

FY 13 reflects the impact of the temporary closures and suspension of operations at Bellevue and Coney Island hospitals as a result of Hurricane Sandy (Oct 2012)

As of January 2014, all services at Coney Island have not been fully restored.

Henry J. Carter Specialty Hospital and Nursing Facility (HJC) began receiving patients on November 24, 2013; the Goldwater campus relocated its last patient to HJC on November 25, 2013.
### KEY INDICATORS

**FISCAL YEAR 2014 BUDGET PERFORMANCE** (S$ in 000s)

#### Year to Date

<table>
<thead>
<tr>
<th>NETWORKS</th>
<th>FTE's VS 6/15/13</th>
<th>RECEIPTS actual</th>
<th>better / (worse)</th>
<th>DISBURSEMENTS actual</th>
<th>better / (worse)</th>
<th>BUDGET VARIANCE better / (worse)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>North Bronx</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jacobi</td>
<td>27.5</td>
<td>$335,788</td>
<td>$(7,010)</td>
<td>$330,683</td>
<td>$(2,131)</td>
<td>$(9,140) -1.4%</td>
</tr>
<tr>
<td>North Central Bronx</td>
<td>(9.5)</td>
<td>$114,536</td>
<td>$(12,692)</td>
<td>$104,838</td>
<td>$17,737</td>
<td>5,044 2.0%</td>
</tr>
<tr>
<td></td>
<td>18.0</td>
<td>$450,324</td>
<td>$(19,703)</td>
<td>$435,666</td>
<td>$15,606</td>
<td>$(4,097) -0.4%</td>
</tr>
<tr>
<td><strong>Generations +</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Harlem</td>
<td>4.0</td>
<td>$218,683</td>
<td>$(6,693)</td>
<td>$199,184</td>
<td>$(2,536)</td>
<td>$(9,229) -2.2%</td>
</tr>
<tr>
<td>Lincoln</td>
<td>(3.0)</td>
<td>$318,015</td>
<td>5,334</td>
<td>$287,078</td>
<td>$(2,171)</td>
<td>3,163 0.5%</td>
</tr>
<tr>
<td>Belvis DTC</td>
<td>(2.0)</td>
<td>$11,020</td>
<td>$(529)</td>
<td>$9,413</td>
<td>1,699</td>
<td>1,170 5.2%</td>
</tr>
<tr>
<td>Morrisania DTC</td>
<td>1.5</td>
<td>$15,575</td>
<td>686</td>
<td>$15,346</td>
<td>2,385</td>
<td>3,071 9.4%</td>
</tr>
<tr>
<td>Renaissance</td>
<td>(4.0)</td>
<td>$9,148</td>
<td>$(1,372)</td>
<td>$12,617</td>
<td>188</td>
<td>$(1,183) -5.1%</td>
</tr>
<tr>
<td></td>
<td>(3.5)</td>
<td>$572,441</td>
<td>$(2,573)</td>
<td>$523,637</td>
<td>$(436)</td>
<td>$(3,009) -0.3%</td>
</tr>
<tr>
<td><strong>South Manhattan</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bellevue</td>
<td>19.5</td>
<td>$415,833</td>
<td>$(28,590)</td>
<td>$435,824</td>
<td>$(18,999)</td>
<td>$(47,589) -5.5%</td>
</tr>
<tr>
<td>Metropolitan</td>
<td>(6.0)</td>
<td>$198,694</td>
<td>$(2,582)</td>
<td>$181,582</td>
<td>8,362</td>
<td>5,781 1.5%</td>
</tr>
<tr>
<td>Coler</td>
<td>41.0</td>
<td>$33,642</td>
<td>$(9,098)</td>
<td>$80,452</td>
<td>$(12,328)</td>
<td>$(21,426) -19.3%</td>
</tr>
<tr>
<td>Goldwater/H.J. Carter</td>
<td>(308.5)</td>
<td>$38,092</td>
<td>$(17,636)</td>
<td>$92,614</td>
<td>$(28,682)</td>
<td>$(46,318) -38.7%</td>
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<tr>
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<td>32.0</td>
<td>$42,153</td>
<td>$(3,076)</td>
<td>$52,773</td>
<td>1,624</td>
<td>$(1,452) -1.5%</td>
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<tr>
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<td>(222.0)</td>
<td>$728,413</td>
<td>$(60,982)</td>
<td>$843,245</td>
<td>$(50,023)</td>
<td>$(111,005) -7.0%</td>
</tr>
<tr>
<td><strong>North Central Brooklyn</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kings County</td>
<td>39.5</td>
<td>$458,362</td>
<td>$(12,817)</td>
<td>$411,748</td>
<td>2,156</td>
<td>$(10,662) -1.2%</td>
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<tr>
<td>Woodhull</td>
<td>54.0</td>
<td>$238,442</td>
<td>$(16,347)</td>
<td>$236,609</td>
<td>$(8,475)</td>
<td>$(24,822) -5.1%</td>
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<tr>
<td>McKinney</td>
<td>3.5</td>
<td>$20,678</td>
<td>864</td>
<td>$26,820</td>
<td>$(125)</td>
<td>739 1.6%</td>
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<tr>
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<td>$13,189</td>
<td>$(2,697)</td>
<td>$18,747</td>
<td>2,264</td>
<td>$(433) -1.2%</td>
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<tr>
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<td>4.0</td>
<td>$13,126</td>
<td>$(1,329)</td>
<td>$14,292</td>
<td>363</td>
<td>$(966) -3.3%</td>
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<tr>
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<td>97.0</td>
<td>$743,798</td>
<td>$(32,327)</td>
<td>$708,218</td>
<td>$(3,817)</td>
<td>$(36,144) -2.4%</td>
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<td><strong>Southern Brooklyn/SI</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Coney Island</td>
<td>113.0</td>
<td>$193,490</td>
<td>$(13,751)</td>
<td>$213,286</td>
<td>616</td>
<td>$(13,135) -3.1%</td>
</tr>
<tr>
<td>Seaview</td>
<td>(8.0)</td>
<td>$20,837</td>
<td>1,200</td>
<td>$31,129</td>
<td>146</td>
<td>$1,347 2.6%</td>
</tr>
<tr>
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<td>105.0</td>
<td>$214,327</td>
<td>$(12,551)</td>
<td>$244,415</td>
<td>762</td>
<td>$(11,789) -2.5%</td>
</tr>
<tr>
<td><strong>Queens</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elmhurst</td>
<td>(1.0)</td>
<td>$365,686</td>
<td>$2,400</td>
<td>$328,047</td>
<td>$3,058</td>
<td>$5,459 0.8%</td>
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<td>$(2,343)</td>
<td>$217,115</td>
<td>$(9,093)</td>
<td>$(11,436) -5.2%</td>
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<td>14.0</td>
<td>$602,695</td>
<td>57</td>
<td>$545,162</td>
<td>$(6,034)</td>
<td>$(5,977) -0.5%</td>
</tr>
<tr>
<td><strong>NETWORKS TOTAL</strong></td>
<td>8.5</td>
<td>$3,311,999</td>
<td>$(128,079)</td>
<td>$3,300,342</td>
<td>$(43,942)</td>
<td>$(172,021) -2.6%</td>
</tr>
<tr>
<td>Central Office</td>
<td>64.0</td>
<td>$225,692</td>
<td>3,098</td>
<td>$151,964</td>
<td>$(845)</td>
<td>2,254 0.6%</td>
</tr>
<tr>
<td>HHC Health &amp; Home Care</td>
<td>5.0</td>
<td>7,997</td>
<td>$(9,053)</td>
<td>21,643</td>
<td>$(3,588)</td>
<td>$(12,642) -36.0%</td>
</tr>
<tr>
<td>Enterprise IT</td>
<td>28.5</td>
<td>7,775</td>
<td>1,775</td>
<td>99,514</td>
<td>5,412</td>
<td>7,188 6.5%</td>
</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td>106.0</td>
<td>$3,553,463</td>
<td>$(132,259)</td>
<td>$3,573,462</td>
<td>$(42,962)</td>
<td>$(175,221) -2.4%</td>
</tr>
</tbody>
</table>

Notes:
FY 13 reflects the impact of the temporary closures and suspension of operations at Bellevue and Coney Island hospitals as a result of Hurricane Sandy (Oct 2012)

As of January 2014, all services at Coney Island have not been fully restored.

Henry J. Carter Specialty Hospital and Nursing Facility (HJC) began receiving patients on November 24, 2013; the Goldwater campus relocated its last patient to HJC on November 25, 2013.
### Cash Receipts

<table>
<thead>
<tr>
<th></th>
<th>Month of January 2014</th>
<th>Fiscal Year To Date January 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>actual 2014</td>
<td>actual 2013</td>
</tr>
<tr>
<td><strong>Inpatient</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medicaid Fee for Service</td>
<td>$92,097</td>
<td>$73,310</td>
</tr>
<tr>
<td>Medicaid Managed Care</td>
<td>61,058</td>
<td>45,913</td>
</tr>
<tr>
<td>Medicare</td>
<td>65,867</td>
<td>62,263</td>
</tr>
<tr>
<td>Medicare Managed Care</td>
<td>33,690</td>
<td>15,098</td>
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<tr>
<td>Other</td>
<td>22,205</td>
<td>12,549</td>
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<tr>
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<td>$12,370</td>
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<td>25,507</td>
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<td>4,668</td>
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<td>$62,438</td>
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<tr>
<td>Pools</td>
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<td>(2,048)</td>
<td>24,337</td>
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<tr>
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<td><strong>Total All Other</strong></td>
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<tr>
<td><strong>Total Cash Receipts</strong></td>
<td><strong>$994,419</strong></td>
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</table>

### Cash Disbursements

<table>
<thead>
<tr>
<th></th>
<th>actual 2014</th>
<th>actual 2013</th>
<th>better / worse</th>
<th>actual 2014</th>
<th>actual 2013</th>
<th>better / worse</th>
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<td>$(173,477)</td>
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<td>428,456</td>
<td>(268,900)</td>
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<td>129,464</td>
<td>163,462</td>
<td>33,998</td>
<td>790,981</td>
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<td><strong>$503,638</strong></td>
<td><strong>$(262,253)</strong></td>
<td><strong>$3,573,462</strong></td>
<td><strong>$3,343,674</strong></td>
<td><strong>$(229,788)</strong></td>
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</table>

**Receipts over/(under) Disbursements**

|                  | $228,528     | $(152,361)   | $380,889       | $(19,999)   | $(62,090)   | $42,091        |

**Notes:**
FY 13 reflects the impact of the temporary closures and suspension of operations at Bellevue and Coney Island hospitals as a result of Hurricane Sandy (Oct 2012)

As of January 2014, all services at Coney Island have not been fully restored.

Henry J. Carter Specialty Hospital and Nursing Facility (HJC) began receiving patients on November 24, 2013, the Goldwater campus relocated its last patient to HJC on November 25, 2013.
### New York City Health & Hospitals Corporation
### Actual vs. Budget Report
### Fiscal Year 2014 (in 000's)
### TOTAL CORPORATION

<table>
<thead>
<tr>
<th></th>
<th>Month of January 2014</th>
<th>Fiscal Year To Date January 2014</th>
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<tr>
<td></td>
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<tr>
<td><strong>Cash Receipts</strong></td>
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<tr>
<td><strong>Inpatient</strong></td>
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<tr>
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<td>$12,370</td>
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<td></td>
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<td>Pools</td>
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<td>$95,518</td>
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<tr>
<td>DSH / UPL</td>
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<tr>
<td>Grants, Intracity, Tax Levy</td>
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<td>Appeals &amp; Settlements</td>
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<td>(2,325)</td>
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<tr>
<td>Misc / Capital Reimb</td>
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### Cash Disbursements

<table>
<thead>
<tr>
<th></th>
<th>actual 2014</th>
<th>budget 2014</th>
<th>better / (worse)</th>
<th>actual 2014</th>
<th>budget 2014</th>
<th>better / (worse)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PS</td>
<td>$276,200</td>
<td>$275,811</td>
<td>$(389)</td>
<td>$1,487,437</td>
<td>$1,477,457</td>
<td>$(9,980)</td>
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<tr>
<td>Fringe Benefits</td>
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<td>$19,403</td>
<td>$19,403</td>
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<td>$45,225</td>
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<td><strong>Total Cash Disbursements</strong></td>
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<td>$3,530,500</td>
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### Receipts over/(under) Disbursements

<table>
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<th>budget 2014</th>
<th>better / (worse)</th>
<th>actual 2014</th>
<th>budget 2014</th>
<th>better / (worse)</th>
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</thead>
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<td>$(4,978)</td>
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<td>$155,222</td>
<td>$(175,221)</td>
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</tbody>
</table>

Notes:
FY 13 reflects the impact of the temporary closures and suspension of operations at Bellevue and Coney Island hospitals as a result of Hurricane Sandy (Oct 2012)

As of January 2014, all services at Coney Island have not been fully restored.

Henry J. Carter Specialty Hospital and Nursing Facility (HJC) began receiving patients on November 24, 2013; the Goldwater campus relocated its last patient to HJC on November 25, 2013.
Financial Plan Update

Health & Hospitals Corporation

New York City
<table>
<thead>
<tr>
<th>Month</th>
<th>PAYS 06/18</th>
<th>PAYS 07/18</th>
<th>PAYS 08/18</th>
<th>PAYS 09/18</th>
<th>PAYS 10/18</th>
<th>PAYS 11/18</th>
<th>PAYS 12/18</th>
<th>PAYS 01/19</th>
<th>PAYS 02/19</th>
<th>PAYS 03/19</th>
<th>PAYS 04/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/7/2018</td>
<td>$ 48,156</td>
<td>$ 48,156</td>
<td>$ 48,722</td>
<td>$ 52,006</td>
<td>$ 57,368</td>
<td>$ 62,644</td>
<td>$ 68,428</td>
<td>$ 75,588</td>
<td>$ 83,930</td>
<td>$ 92,546</td>
<td>$ 102,340</td>
</tr>
<tr>
<td>6/10/2018</td>
<td>$ 48,156</td>
<td>$ 48,156</td>
<td>$ 48,722</td>
<td>$ 52,006</td>
<td>$ 57,368</td>
<td>$ 62,644</td>
<td>$ 68,428</td>
<td>$ 75,588</td>
<td>$ 83,930</td>
<td>$ 92,546</td>
<td>$ 102,340</td>
</tr>
<tr>
<td>6/12/2018</td>
<td>$ 48,156</td>
<td>$ 48,156</td>
<td>$ 48,722</td>
<td>$ 52,006</td>
<td>$ 57,368</td>
<td>$ 62,644</td>
<td>$ 68,428</td>
<td>$ 75,588</td>
<td>$ 83,930</td>
<td>$ 92,546</td>
<td>$ 102,340</td>
</tr>
<tr>
<td>6/14/2018</td>
<td>$ 48,156</td>
<td>$ 48,156</td>
<td>$ 48,722</td>
<td>$ 52,006</td>
<td>$ 57,368</td>
<td>$ 62,644</td>
<td>$ 68,428</td>
<td>$ 75,588</td>
<td>$ 83,930</td>
<td>$ 92,546</td>
<td>$ 102,340</td>
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<tr>
<td>6/15/2018</td>
<td>$ 48,156</td>
<td>$ 48,156</td>
<td>$ 48,722</td>
<td>$ 52,006</td>
<td>$ 57,368</td>
<td>$ 62,644</td>
<td>$ 68,428</td>
<td>$ 75,588</td>
<td>$ 83,930</td>
<td>$ 92,546</td>
<td>$ 102,340</td>
</tr>
</tbody>
</table>

**January 15 Plan (in $ millions)**

**Operator Financial Plan – Cash Basis**
### January 15 Plan (in $ millions)

**Operational Financial Plan - Cash Basis**

| Source: The City of New York and HHC (January 15 Cash Plan) |

**Note:** Numbers may not sum due to rounding.

<table>
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<tr>
<th>Line Item</th>
<th>1/18</th>
<th>1/19</th>
<th>1/20</th>
<th>1/21-1/24</th>
<th>Projected</th>
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<td></td>
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<td>7.90</td>
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<tr>
<td></td>
<td>(4.70)</td>
<td>(5.70)</td>
<td></td>
<td></td>
<td>(8.98)</td>
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<td>Capital Receipts over (under) Disbursements</td>
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<td></td>
<td>66.27</td>
<td>35.24</td>
<td>100.12</td>
<td>100.12</td>
<td>96.24</td>
</tr>
<tr>
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<td>51.39</td>
<td>11.17</td>
<td>11.11</td>
<td>11.11</td>
<td>11.01</td>
</tr>
<tr>
<td></td>
<td>3.98</td>
<td>2.54</td>
<td>2.54</td>
<td>2.54</td>
<td>2.54</td>
</tr>
</tbody>
</table>

**Disbursements**
- Total Disbursements
- Total Source Cash
- Other DDG Services and Charges
- Average Collections
- Medicaid Reimbursements
- Other Than Personal Services

**Cash Flows**
- Projected
- Actual

**Additional Financial Actions**
- State and Federal Actions
- Special Revenue
- Additional HHC Actions
- Reserves
- HHC Special Reimbursement

**Sustaining Current Operations**
- Long-term Debt Service
- Other
- Total

**Current Period Cash Balances**
- Non-Cash Balances
- Cash Balances

**Notes:**
- Numbers may not sum due to rounding.
- Source: The City of New York and HHC (January 15 Cash Plan)
A Report to the Finance Committee of the Board, March 2014

CY 2010 to CY 2013

Acute Inpatient Utilization Trends and Factors

New York City Health and Hospitals Corporation
Summary

Service Area Competitors
Utilization by Service and Payer
(NCB, Queens and Woodhull)
Facility Specific Reviews (Bellevue, Connet Island, Elmhurst)
Impact of One Day Stays
HHC and New York City Medicaid Market
HHC Utilization and Payer Trends
New York State and City Utilization Trends
Data Sources and Methodologies

Trends and Factors
A review of HHC Inpatient Utilization
<table>
<thead>
<tr>
<th>Index</th>
<th>Type</th>
<th>Source</th>
<th>Run Date</th>
<th>Period</th>
<th>Notes</th>
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<tbody>
<tr>
<td>6</td>
<td>Patient Satisfaction</td>
<td>HCAHPS</td>
<td>11/6/14</td>
<td>April 2012 - March 2013</td>
<td>Excludes Psych ED Clinic Codes</td>
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<tr>
<td>5</td>
<td>HHC ED Utilization</td>
<td>Siemens Data Warehouse</td>
<td>2/11/14</td>
<td>CY 2010 and CY 2013</td>
<td>Excludes Psych ED Clinic Codes</td>
</tr>
<tr>
<td>4</td>
<td>Medicaid Managed Care Enrolment NYS DOH Website</td>
<td>1/24/14</td>
<td>2010 - 2014 CY - by quarter</td>
<td>Linear Regression-trended from 2010-2013 CY data</td>
<td>Excludes Psych ED Clinic Codes</td>
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<td>3</td>
<td>Non-HHC Utilization</td>
<td>SPARCS - Market Expert</td>
<td>1/14/14</td>
<td>2013 CY</td>
<td>Excludes Psych ED Clinic Codes</td>
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<td>SPARCS - Market Expert</td>
<td>1/14/14</td>
<td>2010 - 2012 CY - by year</td>
<td>Excludes Psych ED Clinic Codes</td>
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<td>1</td>
<td>HHC Inpatient Utilization</td>
<td>Siemens Data Warehouse</td>
<td>2/11/14</td>
<td>2010 - 2013 CY - by month</td>
<td>Services</td>
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</table>
Inpatient Hospital Utilization Trends

New York State and City
Examined at the facility level, Coney Island, North Central Bronx, Woodhull, Queens, Bellevue and Elmhurst were fewer than half of HHC hospitals experienced double digit losses in volume from 2010 to 2013.

<table>
<thead>
<tr>
<th>Calendar Year Discharges</th>
<th>Percent</th>
<th>Volume</th>
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<tbody>
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<td>10-11</td>
<td>11-12</td>
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<tr>
<td>2011</td>
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<tr>
<td>2012</td>
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<td>12-13</td>
</tr>
<tr>
<td>2013</td>
<td>10-11</td>
<td>10-13</td>
</tr>
</tbody>
</table>

HHC experienced a 13.0% decrease in total discharges from 2010 to 2013.
2013 Discharges: 172,182

2010 Discharges: 197,830

From Medicaid Fee-For-Service to Medicaid Managed Care:

Overall from 2010 to 2013, the payer mix for HHC has not changed with the exception of a shift in the payer mix.
than at HHC facilities (17% vs. 3.7%)

Growth in Medicaid Managed Care for all other NVC hospitals is 4.6 times greater

NVC hospitals (-15.3% vs. -5.4%)

HHC is losing Medicaid (FFS + MC) volume at nearly three times the rate as other

<table>
<thead>
<tr>
<th>Year</th>
<th>Market Share</th>
<th>Calendar Year</th>
<th>Volume Percent</th>
<th>All Other NVC</th>
<th>Medicaid FFS</th>
<th>Medicaid MC</th>
<th>Medicaid All Payers</th>
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<tr>
<td>2010</td>
<td>83.5%</td>
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<td>100.0%</td>
<td>3.8%</td>
<td>(4,660)</td>
<td>670,980</td>
<td>905,670</td>
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<tr>
<td>2011</td>
<td>79.1%</td>
<td></td>
<td>100.0%</td>
<td>3.0%</td>
<td>670,980</td>
<td>905,670</td>
<td>1,002,200</td>
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<td>2012</td>
<td>73.2%</td>
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<td>100.0%</td>
<td>3.4%</td>
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<td>2013</td>
<td>74.4%</td>
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<td>100.0%</td>
<td>1.9%</td>
<td>1,105,000</td>
<td>528,986</td>
<td>618,399</td>
</tr>
</tbody>
</table>

(PEP-FS Service and Managed Care)

Trends in Medicaid
From 2010 to 2013, the distribution of Medicaid Managed Care Discharges has shifted between Metropius and Healthfirst.

HHC Distribution of Medicaid Managed Care Discharges [1]
Healthfirst's discharge volume at HHC increased by 38.6%.

Growth in members (+1,436,364).

MedPlus discharge volume at HHC decreased by 6.7%.

Membership increased membership by 14.2% but experienced a slight decline (-8%) in market share.

Medicaid Managed Care volume grew 3.7% while all other NYC facilities grew 1.7%.

HHC Medicaid Managed Care enrollment has been an 19.7% increase in citywide.

### Medicaid Managed Care Enrollment

<table>
<thead>
<tr>
<th>Plan</th>
<th>Calendar Year</th>
<th>Jan-01 to Jun-14</th>
<th>Jan-15 to Jun-14</th>
<th>Jan-14 to Jun-15</th>
<th>Jan-15 to Jun-16</th>
<th>Jan-16 to Jun-17</th>
<th>Jan-17 to Jun-18</th>
<th>Jan-18 to Jun-19</th>
<th>Jan-19 to Jun-20</th>
<th>Jan-20 to Jun-21</th>
<th>Jan-21 to Jun-22</th>
<th>Jan-22 to Jun-23</th>
<th>Jan-23 to Jun-24</th>
<th>Jan-24 to Jun-25</th>
<th>Jan-25 to Jun-26</th>
<th>Jan-26 to Jun-27</th>
<th>Jan-27 to Jun-28</th>
<th>Jan-28 to Jun-29</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicaid MC</td>
<td>2010</td>
<td>1,894,824</td>
<td>2,627,303</td>
<td>3,722,879</td>
<td>4,375,848</td>
<td>4,430,843</td>
<td>4,634,479</td>
<td>4,701,594</td>
<td>4,748,388</td>
<td>4,731,919</td>
<td>4,741,203</td>
<td>4,728,448</td>
<td>4,802,724</td>
<td>4,916,616</td>
<td>5,057,809</td>
<td>5,166,658</td>
<td>5,288,324</td>
<td></td>
</tr>
</tbody>
</table>

### Medicaid Discharges

<table>
<thead>
<tr>
<th>Plan</th>
<th>Calendar Year</th>
<th>Jan-01 to Jun-14</th>
<th>Jan-15 to Jun-14</th>
<th>Jan-14 to Jun-15</th>
<th>Jan-15 to Jun-16</th>
<th>Jan-16 to Jun-17</th>
<th>Jan-17 to Jun-18</th>
<th>Jan-18 to Jun-19</th>
<th>Jan-19 to Jun-20</th>
<th>Jan-20 to Jun-21</th>
<th>Jan-21 to Jun-22</th>
<th>Jan-22 to Jun-23</th>
<th>Jan-23 to Jun-24</th>
<th>Jan-24 to Jun-25</th>
<th>Jan-25 to Jun-26</th>
<th>Jan-26 to Jun-27</th>
<th>Jan-27 to Jun-28</th>
<th>Jan-28 to Jun-29</th>
</tr>
</thead>
</table>
hospital use and partially offset lost revenue

transformation health system to achieve health policy objective of reduced avoidable

Amendment to Delivery System Reform Incentive Payment Program (DSRIP) to

$8 billion over 5 years federal investment into NYS Medicaid 1115 Waiver

business model to outpatient community-based care model

Reduced revenue in delivery system shift from inpatient hospital-centric

Hospital Financial Implications:

- Readmissions by 25% within 5 years
  - New York State target is to reduce avoidable hospital admissions and
  - and 40% in ambulatory care-sensitive admissions

- New York State currently ranks 50th among states in avoidable hospitalizations

- Improve patient care and decrease costs

- Federal and New York State Policy

Federal and New York State focus on reducing medically unnecessary inpatient admissions to

Reducing Avoidable Hospital Admissions/One-Day Stays
Kings County experienced the greatest increase at 59.0% overall decline in volume.
Woodhull experienced the greatest decline at 49.1%, representing 48% of their
system-wide, there was a 13% decrease in One-Day stays, representing 21.4%

At the facility level, there is wide variation in the change of One-Day stays from
2010 to 2013.

Reducing One-Day Stays is Positive
More than half of HHC hospitals continue to experience double digit losses in volume from 2010 to 2013.

All HHC facilities experienced a decline in discharges from 2010 to 2013.

Adjusiting for the Reduction of One-Day Stays:

<table>
<thead>
<tr>
<th>Hospital</th>
<th>Grand Total</th>
<th>Jacobi</th>
<th>Metropolitan</th>
<th>Kings County</th>
<th>Hemein</th>
<th>Elimhurst</th>
<th>Lincoln</th>
<th>Woodhull</th>
<th>Queens</th>
<th>Beliveau</th>
<th>NCB</th>
<th>Convey Island</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume 2010</td>
<td>12,724,182</td>
<td>1,451</td>
<td>1,431</td>
<td>61,017</td>
<td>8,167</td>
<td>1,117</td>
<td>2,204</td>
<td>3,041</td>
<td>1,817</td>
<td>1,817</td>
<td>7,492</td>
<td>2,255,550</td>
</tr>
<tr>
<td>Volume 2013</td>
<td>11,749</td>
<td>1,431</td>
<td>1,431</td>
<td>61,017</td>
<td>8,167</td>
<td>1,117</td>
<td>2,204</td>
<td>3,041</td>
<td>1,817</td>
<td>1,817</td>
<td>7,492</td>
<td>2,255,550</td>
</tr>
<tr>
<td>Volume W/O One-Day Stays 2010</td>
<td>11,720,041</td>
<td>1,451</td>
<td>1,431</td>
<td>61,017</td>
<td>8,167</td>
<td>1,117</td>
<td>2,204</td>
<td>3,041</td>
<td>1,817</td>
<td>1,817</td>
<td>7,492</td>
<td>2,255,550</td>
</tr>
<tr>
<td>Volume W/O One-Day Stays 2013</td>
<td>10,745,550</td>
<td>1,431</td>
<td>1,431</td>
<td>61,017</td>
<td>8,167</td>
<td>1,117</td>
<td>2,204</td>
<td>3,041</td>
<td>1,817</td>
<td>1,817</td>
<td>7,492</td>
<td>2,255,550</td>
</tr>
<tr>
<td>Discharges 2010</td>
<td>1,724,182</td>
<td>1,451</td>
<td>1,431</td>
<td>61,017</td>
<td>8,167</td>
<td>1,117</td>
<td>2,204</td>
<td>3,041</td>
<td>1,817</td>
<td>1,817</td>
<td>7,492</td>
<td>2,255,550</td>
</tr>
<tr>
<td>Discharges 2013</td>
<td>1,749</td>
<td>1,431</td>
<td>1,431</td>
<td>61,017</td>
<td>8,167</td>
<td>1,117</td>
<td>2,204</td>
<td>3,041</td>
<td>1,817</td>
<td>1,817</td>
<td>7,492</td>
<td>2,255,550</td>
</tr>
</tbody>
</table>
Metropolitan Hospital experienced the greatest increase at +14.5%.

Woodhill experienced the greatest reductions at -10.9%.

Total ED admissions:

More than half of HHC facilities have decreased the rate of one day stays as a percent of total ED visits. Facilities other than Kings and NCB have increased their rate of ED visits that were treated and released.

Over all, there has been a slight increase in ED utilization after accounting for the impact of Sandy.

<table>
<thead>
<tr>
<th>Facility</th>
<th>2013</th>
<th>%</th>
<th>2010</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>HHC Total</td>
<td>11,014</td>
<td>0.7%</td>
<td>10,927</td>
<td>0.8%</td>
</tr>
<tr>
<td>Metropolitan</td>
<td>1,118</td>
<td>0.7%</td>
<td>1,110</td>
<td>0.9%</td>
</tr>
<tr>
<td>Kings County</td>
<td>1,355</td>
<td>0.7%</td>
<td>1,365</td>
<td>0.8%</td>
</tr>
<tr>
<td>Harlem</td>
<td>1,114</td>
<td>0.7%</td>
<td>1,221</td>
<td>0.6%</td>
</tr>
<tr>
<td>Beaverton</td>
<td>1,097</td>
<td>0.7%</td>
<td>1,112</td>
<td>0.7%</td>
</tr>
<tr>
<td>Lithoehi</td>
<td>1,112</td>
<td>0.7%</td>
<td>1,069</td>
<td>0.7%</td>
</tr>
<tr>
<td>Conroy Island</td>
<td>1,244</td>
<td>0.5%</td>
<td>1,203</td>
<td>0.6%</td>
</tr>
<tr>
<td>Emmitest</td>
<td>1,376</td>
<td>0.5%</td>
<td>1,497</td>
<td>0.6%</td>
</tr>
<tr>
<td>North Cental BS</td>
<td>573</td>
<td>0.6%</td>
<td>592</td>
<td>0.7%</td>
</tr>
<tr>
<td>Jacobs</td>
<td>1,066</td>
<td>0.5%</td>
<td>1,012</td>
<td>0.6%</td>
</tr>
<tr>
<td>Queens</td>
<td>906</td>
<td>0.5%</td>
<td>947</td>
<td>0.6%</td>
</tr>
<tr>
<td>Woodhill</td>
<td>1,143</td>
<td>1.0%</td>
<td>1,118</td>
<td>1.0%</td>
</tr>
</tbody>
</table>

ED Utilization and One-Day Stays
Due to Sandy, Bellevue suspended all inpatient programming from October 31, 2012 and did not fully resume IP services until March 2013.

- Med/Surg and intensive care services recovered to near pre-Sandy levels.
- Detox (-11%), Obstetrics (-12%) and Neonatal (-12%) services are below pre-Sandy levels.

<table>
<thead>
<tr>
<th>Bellevue</th>
<th>Total Discharges</th>
<th>Change in Volume</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>23,436</td>
<td>19,340</td>
<td>(4,096)</td>
<td>-17.5%</td>
</tr>
</tbody>
</table>

For the 9 months preceding Sandy February 2012 through October 2012, there were an average 1,046 discharges per month. The 9 months following Sandy, April 2013 through December 2013, the monthly discharges were 1,131, a decrease of 8%.

Prepared by Corporate Planning Services 3/5/2014
Due to Sandy, Coney Island

- Resumed December 2013. 11% of total discharges only that historically accounted for Pediatrics and Intensive care, Med/Surge and Intensive care.
- Pre-Sandy levels. Services remain 12% below pre-Sandy levels.
- Many services remained suspended all innings October 2012.

<table>
<thead>
<tr>
<th>Coney Island</th>
<th>18.04.12</th>
<th>10.15.12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Volume</td>
<td>1219.50</td>
<td>1219.50</td>
</tr>
<tr>
<td>Change in</td>
<td>1200 2013</td>
<td>1200 2013</td>
</tr>
</tbody>
</table>
Elmhurst [1]

From CY 2010 to CY 2013:
- All services lines declined in volume from 10% to 17%.

- Med/Surg volume declined by 1,738 discharges or 11.7%.
  - 61% of M/S decline is related to decline in One-Day Stays.
  - Excluding One-Day Stays, M/S volume declined by 6.5% from CY 2010 to CY 2013.

- Overall, excluding One-Day Stays, Medicaid FFS declined by 24% (1,073 discharges) and Medicaid Managed Care declined 8% (678 discharges) from CY 2010 to CY 2013.
New York Queens and Forest Hills hospitals had the greatest increase in market share.

- Elmhurst Hospital: 10.8% increase.
- Forest Hills (0.7%): 7.8% increase.
- Queens: 0.4% increase.
- Total Discharges: 21,000

<table>
<thead>
<tr>
<th>Hospital</th>
<th>Market Share</th>
<th>Volume</th>
<th>W/O One-Day Stays</th>
<th>W/O One-Day Stays</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elmhurst Hospital</td>
<td>10.8%</td>
<td>21,000</td>
<td>19,000</td>
<td>20,000</td>
<td>20,000</td>
</tr>
<tr>
<td>Forest Hills Hospital</td>
<td>7.8%</td>
<td>17,000</td>
<td>15,000</td>
<td>16,000</td>
<td>16,000</td>
</tr>
<tr>
<td>Queens</td>
<td>0.4%</td>
<td>5,000</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
</tr>
</tbody>
</table>

Note: The data represents the increase in market share for a specific time period (2012).
from CY 2010 to CY 2013. Representing 7% of the total decline at NCB, unmanaged care (declined by 146 cases).

One-day stays, medical volume (FP + FS and medical care discharge

Excluding One-Day Stays, Obstetrics and 2013 (excluding OB/NEB). Unmanaged care, total acute care discharges
decreased 3.5%.

The decline in One-Day Stays accounted for

1,300 discharges.

More than 60% of NCB total volume loss
can be attributed to the service suspensions.

In August 2013, these services were

congested at Jacobs, though they are expected to re-open in Summer 2014.

In 2012, obstetric and neonatal services

North Central Bronx [1]
Both hospitals combined, volume declined 6.7% in CY 2011, 7.6% in CY 2012 and 6.0% in CY 2013.

Obstetrical and Neonatal Services at North Bronx Health Network

- Obstetrical and Neonatal Services volume declined at both Jacobi and NCB from 2010 to 2013. This downward trend continued after the consolidation of services at Jacobi in Aug. 2013.
For all three HHC hospitals combined, Medicaid managed care volume increased 13% and 18%, respectively.

Medicaid Managed Care volume at NCB, Jacobi, and Lincoln increased by 18%, 7%, and 12%, respectively.

Service area increased 30.7% from 2010 to 2012.

<table>
<thead>
<tr>
<th>Hospital</th>
<th>Total Discharges</th>
<th>0%</th>
<th>100%</th>
<th>30.7%</th>
<th>18.4%</th>
<th>60%</th>
<th>20.1%</th>
<th>53%</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Central Bronx [1]</td>
<td>3.9%</td>
<td>1.3%</td>
<td>6.7%</td>
<td>4.9%</td>
<td>4.9%</td>
<td>2.5%</td>
<td>1.1%</td>
<td>1.3%</td>
</tr>
<tr>
<td>Jacobi Medical Center</td>
<td>4.9%</td>
<td>4.9%</td>
<td>6.4%</td>
<td>2.6%</td>
<td>4.6%</td>
<td>2.1%</td>
<td>1.1%</td>
<td>1.2%</td>
</tr>
<tr>
<td>Montefiore -- Moses</td>
<td>25.6%</td>
<td>25.6%</td>
<td>22.8%</td>
<td>0.3%</td>
<td>0.3%</td>
<td>0.3%</td>
<td>0.3%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Montefiore -- Einstein</td>
<td>5.9%</td>
<td>5.9%</td>
<td>0.0%</td>
<td>6.3%</td>
<td>0.2%</td>
<td>0.2%</td>
<td>0.2%</td>
<td>0.2%</td>
</tr>
<tr>
<td>St. Barnabas Hospital</td>
<td>12.9%</td>
<td>5.5%</td>
<td>0.5%</td>
<td>1.2%</td>
<td>0.2%</td>
<td>0.2%</td>
<td>0.2%</td>
<td>0.2%</td>
</tr>
</tbody>
</table>

Narrow Service Area Market Share (ex. OBS, NEB, PED, PSY, RHE)
of the total decline of CY 2013, representing 19% of the total cases from CY 2010 to CY 2011. Managed care declined by 15% overall and Medicaid/PFS and one day stays.

After adjusting for detox (3,092 cases), the overall decline (3,184 cases in CY 2010) declined 40% (1,150 detox cases and one day stays). The decline in detox services alone accounts for 39% of the overall loss in volume. The table below shows the details:

<table>
<thead>
<tr>
<th>Queens</th>
<th>Queens</th>
<th>Volume Difference (%)</th>
<th>Volume Percent Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>2013</td>
<td>15.49%</td>
<td>20.3%</td>
</tr>
</tbody>
</table>

Note: The table is not fully visible in the image provided.
had the greatest gains in Medicaid Managed Care market share.
Patient Satisfaction scores were highest at LII, NY Queens and North Shore LII, which also
Hospital service area increased 18.3%, with the highest growth rates at LII and NY Queens.
Overall Medicaid Managed Care volume (excluding One-Day Stays) within Queens
had the highest increase in market share after accounting for One-Day Stays.
Lone Island Jewish (+1.9%), NY Hospital of Queens (+1.0%) and North Shore LII (+0.6%)

<table>
<thead>
<tr>
<th></th>
<th>%</th>
<th>0%</th>
<th>100%</th>
<th>18.3%</th>
<th>19.4%</th>
<th>%</th>
<th>0%</th>
<th>100%</th>
<th>18.3%</th>
<th>19.4%</th>
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<tbody>
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<td></td>
</tr>
<tr>
<td>Queens Hospital</td>
<td>12.6%</td>
<td>-1.1%</td>
<td>12.6%</td>
<td>12.6%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Forest Hills</td>
<td>5.0%</td>
<td></td>
<td>-1.0%</td>
<td>5.0%</td>
<td></td>
<td></td>
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<tr>
<td>Forest Hills</td>
<td>5.0%</td>
<td></td>
<td>-1.0%</td>
<td>5.0%</td>
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<td></td>
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<tr>
<td>Forest Hills</td>
<td>4.7%</td>
<td></td>
<td>0.2%</td>
<td>5.0%</td>
<td></td>
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</tr>
<tr>
<td>North Shore LII</td>
<td>7.3%</td>
<td>0.5%</td>
<td>7.6%</td>
<td>7.6%</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>New York Queens</td>
<td>14.2%</td>
<td>0.7%</td>
<td>14.9%</td>
<td>14.9%</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Long Island Jewish</td>
<td>13.9%</td>
<td>1.4%</td>
<td>14.4%</td>
<td>14.4%</td>
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</table>

Queens Service Area Market Share

<table>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Discharges</td>
<td>All Other Hospitals</td>
<td>Jamaica Hospital</td>
<td>Queens Hospital [1]</td>
<td>Forest Hills Hospital</td>
<td>Flushing Hospital</td>
<td>North Shore LII</td>
<td>New York Queens</td>
<td>Long Island Jewish</td>
<td>[6]</td>
<td>[7]</td>
</tr>
<tr>
<td></td>
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</tr>
</tbody>
</table>

Queens Service Area Market Share
from CY 2010 to CY 2013, declined 13% or 1,195 cases excluding one day stays, and Managed Care combined (Med/Surg volume (excluding Med/Surg volume (excluding one day stays) (3,228 cases), representing 43% (1,388 cases) of the overall decline.

One day stays declined 23%, (1,753 cases) from CY 2010 to CY 2013, accounting for 48% One day stays declined 49%.

<table>
<thead>
<tr>
<th>Woodhull</th>
<th>15.43%</th>
<th>12.77%</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volume</td>
<td>Percent Change</td>
<td>in</td>
<td>2013</td>
</tr>
<tr>
<td>Woodhull</td>
<td>700</td>
<td>800</td>
<td>900</td>
</tr>
</tbody>
</table>
Patient satisfaction scores were highest at NY Methodist and Beth Israel, who also had
Service area increased 14.8%; while at Woodhull Hospital it increased 8.2%.
Total Medicaid Managed Care volume (excluding One-Day stays) within Woodhull
Greatest increase in market share from 2010 to 2012, after accounting for One-Day stays.
NY Methodist (+0.7%), Beth Israel (+0.5%) and Brooklyn Hospital (+0.5%) had the

<table>
<thead>
<tr>
<th></th>
<th>0%</th>
<th>100%</th>
<th>14.8%</th>
<th>32.349</th>
<th>14.4%</th>
<th>12.056</th>
<th>14.3%</th>
<th>4.5%</th>
<th>1.0%</th>
<th>1.1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Other Hospitals</td>
<td>44.8%</td>
<td>-1.7%</td>
<td>9.9%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Woodhull Medical [1]</td>
<td>4.9%</td>
<td>-1.7%</td>
<td>10.3%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brooklyn Hospital</td>
<td>5.7%</td>
<td>-0.5%</td>
<td>5.5%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kings County [1]</td>
<td>5.2%</td>
<td>-0.5%</td>
<td>4.9%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wyckoff Heights</td>
<td>14.9%</td>
<td>-0.6%</td>
<td>0.4%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brooklyn Hospital</td>
<td>8.1%</td>
<td>0.5%</td>
<td>8.3%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Beth Israel – Petrie</td>
<td>6.2%</td>
<td>0.2%</td>
<td>0.4%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New York Methodist</td>
<td>5.1%</td>
<td>0.6%</td>
<td>5.9%</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

|-----------------------------|-------------------------------------------|-------------------------------------------|-------------------------------------------|-------------------------------------------|
summary
QUARTERLY STATEMENT OF REVENUE & EXPENSES

AS OF DECEMBER 31, 2013 AND 2012
For the six months ended December 31, 2013 and 2012

Schedule of Revenue and Expenses

(2) Represents health benefits paid to Members for NYC employees. Revenue and expenses are eliminated for consolidation purposes.

(3) Represents payments by Members to HC for medical services. Revenue and expenses are eliminated for consolidation purposes.

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Expenses</th>
<th>Income (loss)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$3,148,000</td>
<td>$699,000</td>
<td>$6,072,000</td>
</tr>
<tr>
<td>4%</td>
<td>5%</td>
<td>3%</td>
</tr>
<tr>
<td>(232)</td>
<td>(232)</td>
<td>(232)</td>
</tr>
<tr>
<td>$3,148,000</td>
<td>$699,000</td>
<td>$6,072,000</td>
</tr>
</tbody>
</table>

Total non-operating revenues (expenses):
- Total non-operating revenues (expenses):
  - Non-operating contributions
    - Interest expense
  - Investment income

Total operating revenues:
- Total operating expenses:
  - Depreciation
  - Federal/contracted services
  - Postretirement benefits, other than pension
  - fringe benefits and employee payroll taxes
  - Other than personnel services

Opening balance:
- Revenue:
  - General revenue
  - Federal revenue
  - Contributions from external to the city,

Opening balance:
- Expenses:
  - General expenses
  - Federal expenses
  - Contributions from external to the city,

Variance
- Variance

2012

2013

<table>
<thead>
<tr>
<th>Variance</th>
<th>Totals</th>
<th>Elimination</th>
<th>Intercompany</th>
</tr>
</thead>
<tbody>
<tr>
<td>$3,148,000</td>
<td>$699,000</td>
<td>$6,072,000</td>
<td>$6,072,000</td>
</tr>
</tbody>
</table>

HHC
New York City Health and Hospitals Corporation