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**Report on the Fiscal 2024 Preliminary Plan
and the Fiscal 2023 Mayor's Management
Report for the**

New York City

Health + Hospitals

March 21, 2023

Prepared by Crilhien R. Francisco, Assistant Director

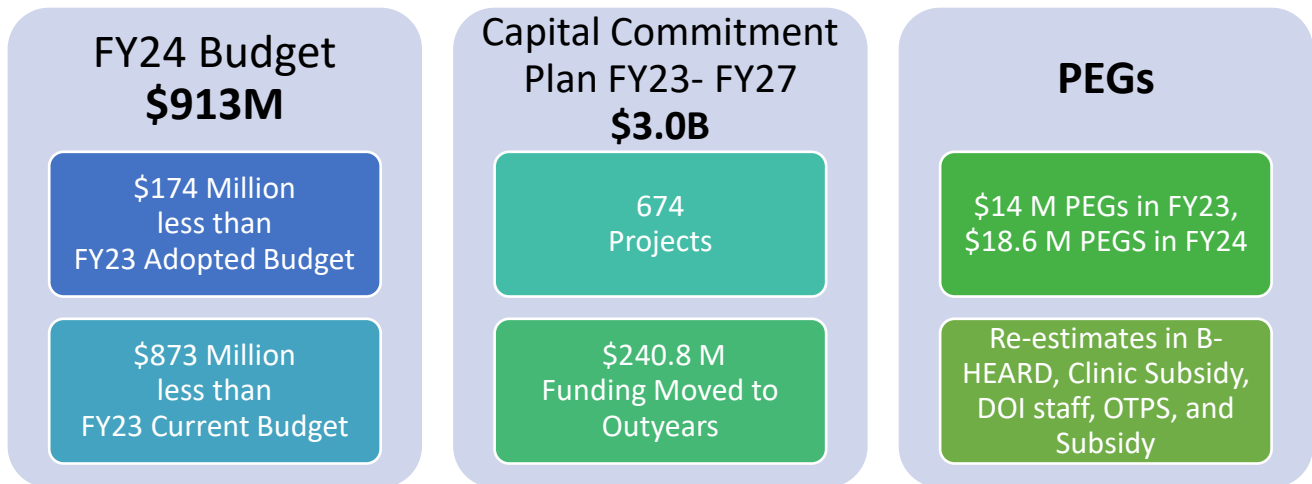


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NYC Health + Hospitals Fiscal 2024 Budget Snapshot

New York City Health and Hospitals (H+H or the system) is the largest municipal hospital and healthcare system in the United States. The H+H system, comprised of 11 hospital centers with nearly 5,000 beds; five post-acute/long-term care facilities with nearly 3,000 beds; 6 diagnostic and treatment centers, and more than 70 community-based healthcare centers and extension clinics, employs more 40,000 people and serves more than 1.2 million New Yorkers annually. H+H also operates a certified home health agency, NYC Health + Hospitals/Community Care and a managed care plan, MetroPlus. In addition, OneCity Health is H+H’s sponsored Performing Provider System (PPS) to reduce avoidable and unnecessary hospital stays.



H+H Financial Plan Overview

A financial agreement reached with the City in 1992 authorizes H+H to develop a consolidated annual expense and revenue budget with the approval of the H+H Board of Directors and the City. Per the agreement, H+H may develop non-City funding sources for new programs and retain any surpluses during a fiscal year. The agreement also provides for a lump sum payment of City Tax Levy (CTL) to H+H, indemnifying the system against changes to the City’s budget during the course of a fiscal year. The City’s \$102.7 billion Fiscal 2024 Preliminary Budget does not include H+H’s annual expense and revenue budget, but the City’s Capital Budget and Capital Commitment Plan include all of H+H’s capital projects. This report presents the expense budget, relevant New York State budget actions and the Council priorities and reviews relevant sections of the Fiscal 2023 Preliminary Mayor’s Management Report. Finally, Appendix A outlines the Budget Actions in the November and Preliminary Plans and Appendix B breaks down the City – funded programs.

Asylum Seeker Influx

Since last spring, New York City has seen the arrival of more than 50,000 people seeking asylum, many of whom had recently crossed the United States-Mexico border before arriving in the City. The November 2022 Financial Plan (November Plan) included \$1 billion in federal funding in Fiscal 2023, allocated across several agencies, for costs relating to the City’s response to the asylum seeker crisis. Of the \$1 billion, \$310 million was added to H+H’s budget to manage the seven Humanitarian Emergency Referral and Response Centers (HERRCs) that are providing temporary housing and services. Since the release of the Fiscal 2024 Preliminary Financial Plan (Preliminary Plan), the Administration revised its estimate for the costs related to asylum seekers from the \$1 billion added in the November Plan to \$1.4 billion for Fiscal 2023 and \$2.8 billion for Fiscal 2024. However, no

adjustments were included in the Preliminary Plan for the revised estimate, and there is currently no funding for the asylum seeker response in the budget for Fiscal 2024.

Fiscal 2024 Preliminary Budget Changes

The Fiscal 2024 Preliminary Plan includes no new needs and no savings from Program to Eliminate the Gap (PEG) in Fiscal 2023 and Fiscal 2024 for H+H. Other Adjustments in the November and Preliminary Plan total \$712 million in Fiscal 2023 and \$14.3 million in Fiscal 2024. In the Preliminary Plan, Other Adjustments increase H+H's budget by \$216 million in Fiscal 2023 and reduces it by nearly \$700,000 in Fiscal 2023. As H+H is not a City agency, the system was not part of the vacancy reduction program that affected most agencies in the Preliminary Plan. PEG savings for H+H in the November Plan total \$14.4 million in Fiscal 2023 and \$18.6 million in Fiscal 2024.

Other Adjustments

- **Federal Funding Adjustment.** The Preliminary Plan includes an additional \$190 million in federal funds from the American Rescue Plan State and Local Fiscal Recovery Funds (ARP-SLFRF) in Fiscal 2023.
- **Asylum Seeker Funding Shift.** The Plan includes a shift of \$7.4 million in federal funding earmarked for efforts related to the asylum seeker crisis from H+H to the Department of Health and Mental Hygiene (DOHMH) and the Housing Preservation and Development (HPD). Of this total, HPD received \$6.6 million, while DOHMH received \$700,000.
- **Federal funding - - Federal Emergency Management Agency (FEMA).** The Plan includes an additional \$30.8 million in federal funding received from FEMA in Fiscal 2023.
- **Collective Bargaining – Steamfitters.** The Plan includes an additional \$283,000 in City funds for collective bargaining related to steamfitters.

Financial Summary

H+H operates on a cash basis, recognizing revenues and reporting expenses as they occur, rather than employing the financial projections common to other City agencies. H+H generally prefers the cash-basis accounting method because it allows the health system to recognize income when H+H actually receives the money. H+H, therefore, does not recognize invoiced income as an asset until the payment is in hand. H+H applies the same approach to debts, only recognizing incurred expenses once they are paid. This accounting method provides a real-time assessment of the agency's current cash flow.

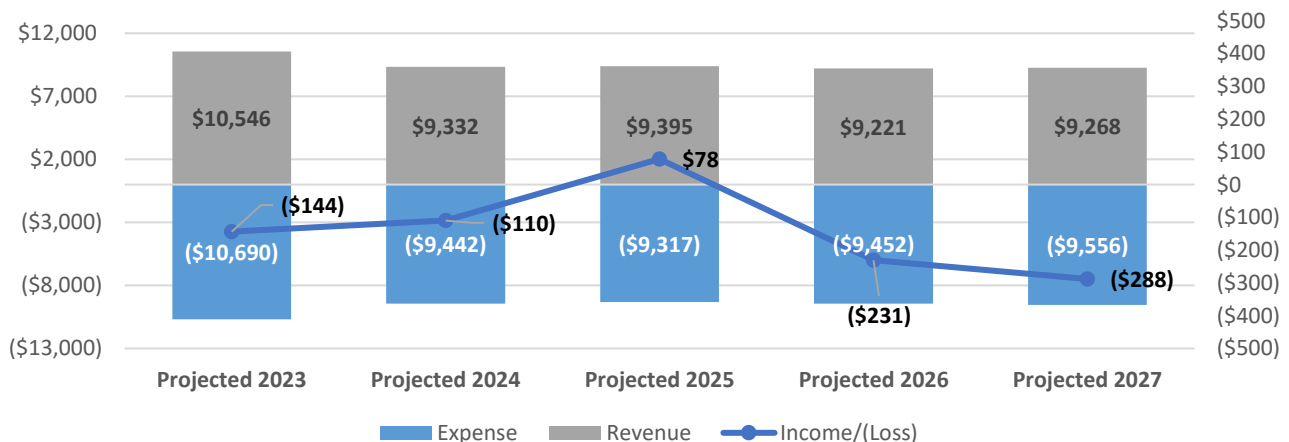
<i>\$ in Millions</i>	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
OPERATING REVENUES					
Third Party Revenue					
Medicaid	\$2,604	\$2,597	\$2,641	\$2,666	\$2,693
Medicare	1,513	1,482	1,496	1,481	1,496
Other Managed Care	591	498	515	519.4	525
Supplemental Medicaid	2,663	1,297	1,297	1,297	1,297
<i>Disproportionate Share Hospital (DSH)</i>	1,228	816	816	815.5	816
<i>Other Supplemental Payments</i>	1,435	482	482	481.6	482
Subtotal: Third Party Revenue	\$7,371	\$5,873	\$5,949	\$5,963	\$6,010
Other Revenue					
City Services	\$1,588	\$913	\$910	\$874	\$874
Grants and Other	544	832	837	837	837

Table 1: NYC Health + Hospitals Prelim Financial Plan, Cash Basis					
<i>\$ in Millions</i>	Projected 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027
Subtotal: Other Revenue	\$2,132	\$1,745	\$1,747	\$1,711	\$1,711
Strategic Initiatives					
Supplemental Medicaid Programs	\$408	\$967	\$953	\$800	\$800
Federal & State Charity Care	0	62	62	62	62
Revenue Cycle and Managed Care	338	338	338	338	338
Service Line Improvements	62	62	62	62	62
Value-Based Payments	51	51	51	51.3	51
Growth	184	234	234	234	234
Subtotal: Strategic Initiatives	\$1,043	\$1,714	\$1,699	\$1,547	\$1,547
TOTAL OPERATING REVENUES	\$10,546	\$9,332	\$9,395	\$9,221	\$9,268
EXPENSES					
Personal Services	\$3,309	\$3,382	\$3,399	\$3,441	\$3,476
Fringe Benefits	1,815	1,816	1,864	1,915	1,965
Affiliations	1,540	1,575	1,630	1,679	1,695
Other Than Personal Services	4,066	2,924	2,754	2,822	2,850
Subtotal: Expense	\$10,730	\$9,697	\$9,647	\$9,857	\$9,986
Strategic Initiatives					
System Efficiencies	\$20	\$20	\$20	\$20	\$20
Restructuring and Personnel	20	235	310	385	410
Subtotal: Strategic Initiatives	\$40	\$255	\$330	\$405	\$430
TOTAL OPERATING EXPENSES	\$10,690	\$9,442	\$9,317	\$9,452	\$9,556
TOTAL OPERATING INCOME/(LOSS)	(\$144)	(\$110)	\$78	(\$231)	(\$288)
OPENING CASH BALANCE	\$707	\$563	\$453	\$531	\$300
CLOSING CASH BALANCE	\$563	\$453	\$531	\$300	\$12

Projected Operating Deficit

H+H’s Fiscal 2024 Preliminary Plan anticipates operating losses of \$144 million in Fiscal 2023 and \$110 million in Fiscal 2024. The Fiscal 2023 Plan includes the strategic initiatives to decrease expenses and increase revenue. However, H+H anticipates an operating loss for the year because of increased costs associated with temporary staffing and the delay in the receipt of federal revenues. In Fiscal 2025, the system projects a positive operating margin of \$78 million as they anticipate timeliness in federal revenues being received. Over each of the first three years of the Plan, the system anticipates closing cash balances between \$453 million and \$563 million (this is equal to approximately 20-24 days of cash on hand to cover operating expenses). Chart 1 shows the projected expenses, revenue and the operating income or loss per year.

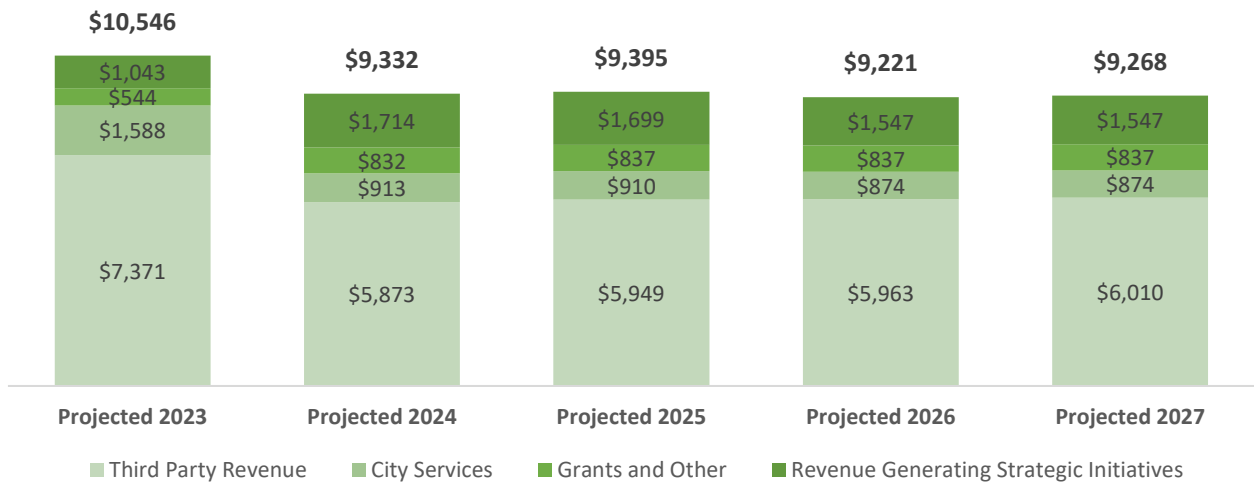
Chart 1: Projected Operating Expense vs Revenue with Income/Loss (\$ in Millions)



Projected Operating Revenues

In the Fiscal 2024 Preliminary Budget, H+H expects \$9.3 billion in operating revenues in Fiscal 2024, a decrease of \$1.2 billion, or 12 percent, when compared to the Fiscal 2023 revenues of \$10.5 billion. Third party receipts, which comprise 63 percent of H+H’s total Fiscal 2024 operating revenues, decreases by \$1.5 billion or 20 percent, when compared to Fiscal 2023. In addition, City Services funding decreases by \$675 million between Fiscal 2023 and Fiscal 2024. Chart 2 presents the projected operating revenue by source.

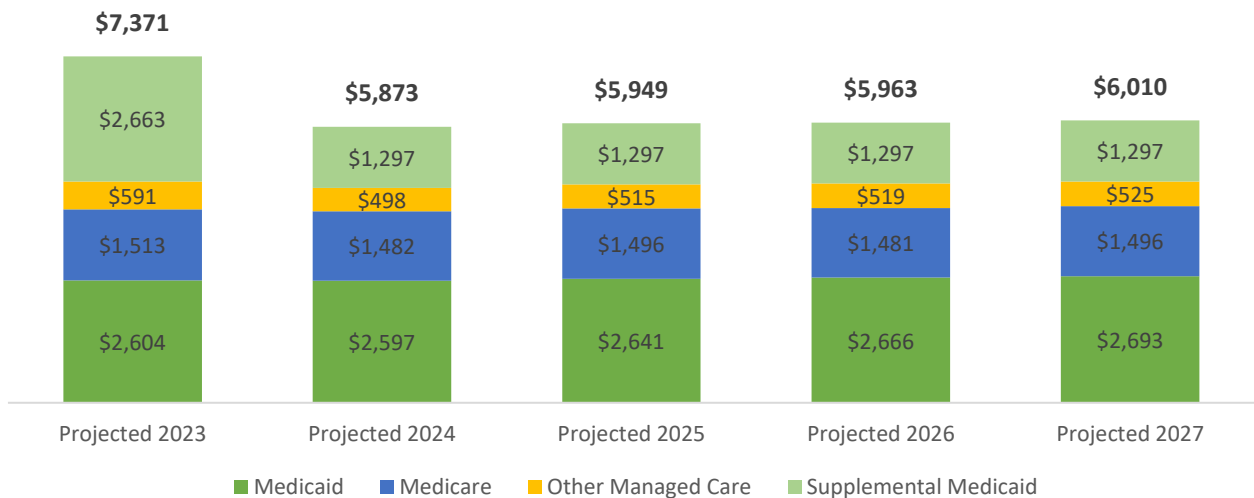
Chart 2: Projected Operating Revenue by Funding Source (\$ in Millions)



Third Party Revenue

Third party revenue includes reimbursements from Medicaid, Medicare, and other Managed Care, as well as Supplemental Medicaid payments. The chart below shows the breakdown of the third-party revenue by source.

Chart 3: Third Party Receipts by Funding Source (\$ in Millions)



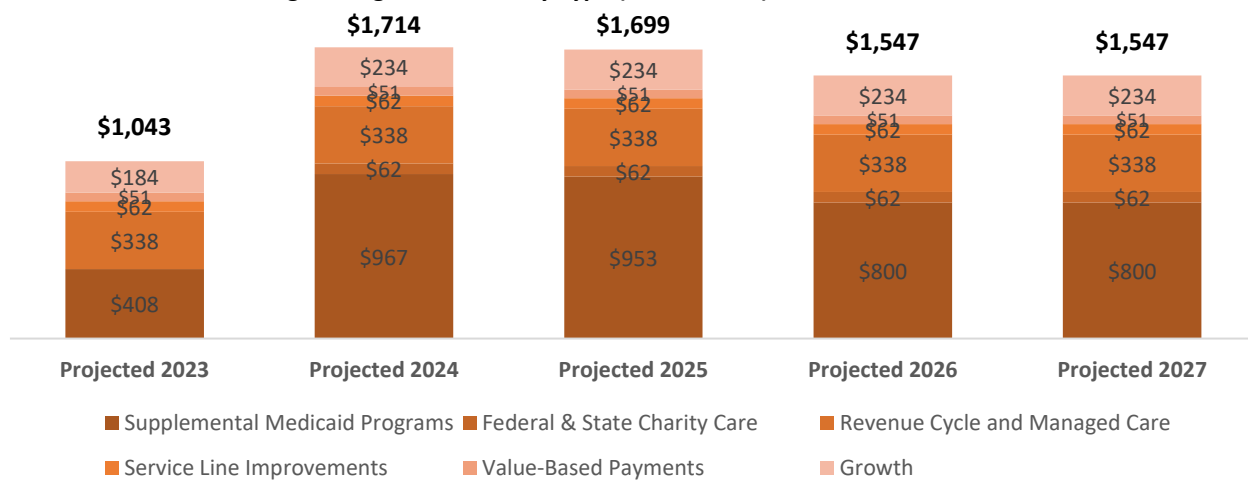
H+ H projects an \$8 million, less than half of one percent decrease in Medicaid revenue between Fiscal 2023 and Fiscal 2024 and a \$31 million, or two percent decrease in Medicare revenue. H+H expects other Managed Care revenue to decrease by 16 percent, or \$93 million, between Fiscal 2023 and Fiscal 2024. H+H projects that Supplemental Medicaid funding, will decrease by \$1.4 billion, or 51 percent between Fiscal 2023 and Fiscal 2024. Supplemental Medicaid has two components - the

Disproportionate Share Hospital (DSH) funding and Other Supplemental Payments, both are projected to decrease substantially because of State budget changes. The Disproportionate Share Hospital (DSH) funding is projected to decrease by \$412 million, or 34 percent, and Other Supplemental Payments is projected to decrease by \$953 million, or 66 percent.

Revenue-Generating Initiatives

Revenue-generating initiatives make up the bulk (96 percent) of the system’s Transformation Plan efforts and include Supplemental Medicaid Programs, federal and State charity care, Revenue Cycle and Managed Care, Service Line Improvements, Value-Based Payments, and Growth. These revenue-generating initiatives provide \$1 billion in Fiscal 2023, \$1.7 billion in Fiscal 2024 and approximately \$1.6 billion in each subsequent fiscal year. Notably, one revenue-generating initiative –federal and State charity care – requires State and federal action. The chart below shows the Revenue Strategic Initiatives by initiative.

Chart 4: Revenue Generating Strategic Initiatives by Type (\$ in Millions)

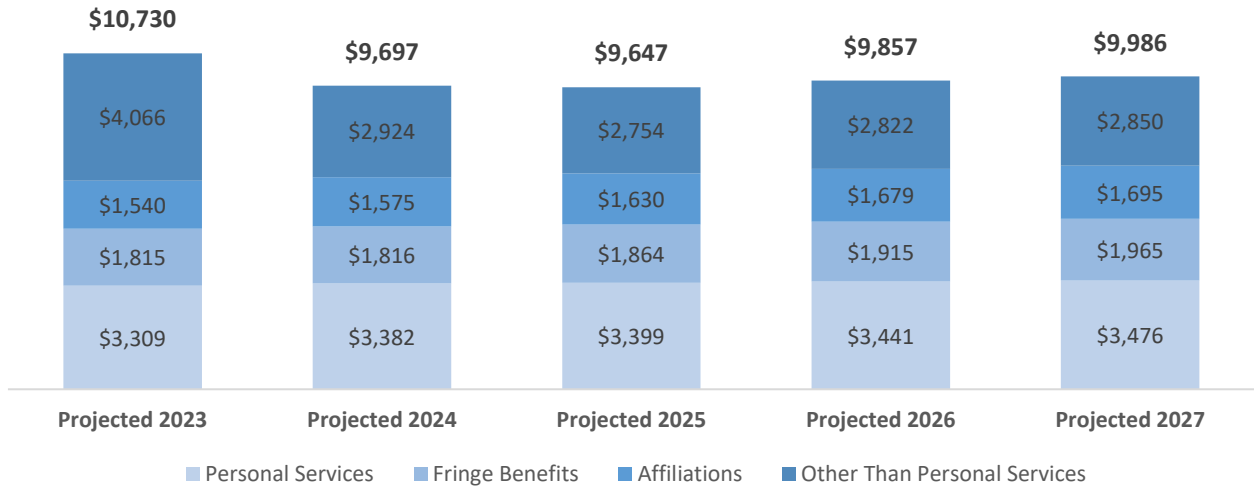


H+H’s Fiscal 2024’s Revenue Strategic Initiatives are projected to be \$671 million, or 64 percent, more than in Fiscal 2023. The majority of the increase is due to a \$559 million increase in projected revenue from Supplemental Medicaid Programs. H+H estimates that Fiscal 2024 revenue from Supplemental Medicaid Programs will total \$967 million which is more than double the Fiscal 2023 amount of \$408 million. Additional increases between Fiscal 2023 and 2024 include in Growth initiative which grew to \$234 million in Fiscal 2023 from \$184 million in Fiscal 2022, a 27 percent increase, and \$62 million in Federal & State Charity Care in Fiscal 2024.

Operating Expense Projections

In the Fiscal 2024 Preliminary Budget, H+H expects \$9.7 billion in operating expenses in Fiscal 2024, a decrease of \$1 billion, or 10 percent, when compared to Fiscal 2023 expenses. Personal Services (PS) total \$3.4 billion in Fiscal 2024, a 2.2 percent, or \$73 million increase; fringe benefits total \$1.8 billion, unchanged, affiliation costs total \$1.6 billion, a nearly two and a half percent increase, or \$35 million, and the most significant change is to Other Than Personal Services (OTPS) which totals \$2.9 billion, a 28 percent decrease, or \$1.1 billion. Chart 5 shows the operating expenses for H+H by spending area.

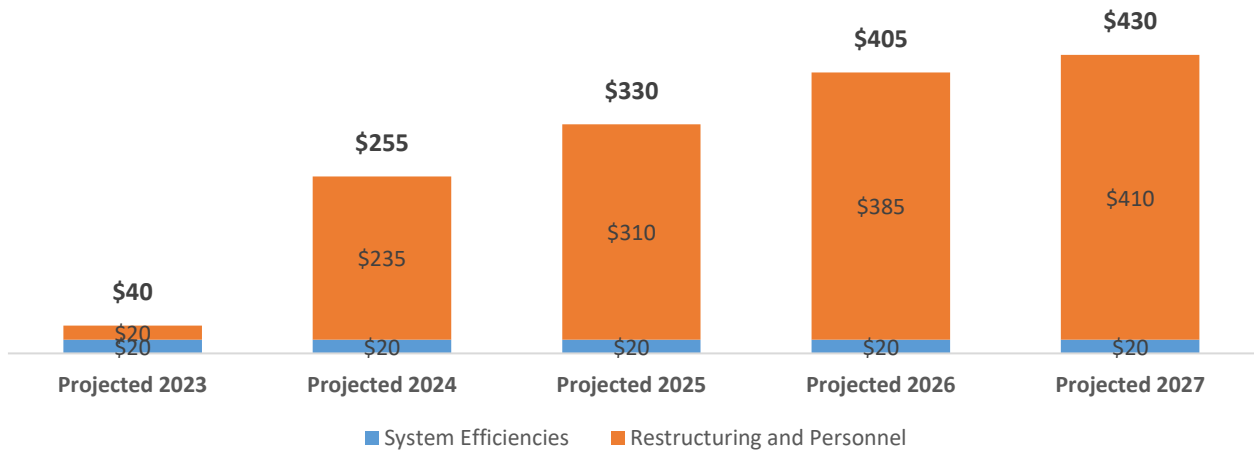
Chart 5: Projected Operating Expenses (\$ in Millions)



Expense Reducing Initiatives

Expense-reducing initiatives comprise approximately four percent of the Transformation Plan and include System Efficiencies and Restructuring and Personnel initiatives. Expense-reducing initiatives are anticipated to provide \$40 million in savings in Fiscal 2023 and \$255 million in Fiscal 2024. Systems Efficiencies and Restructuring and Personnel Initiatives both save \$20 million each in Fiscal 2023, with savings from Restructuring and Personnel anticipated to increase to \$235 million in Fiscal 2024.

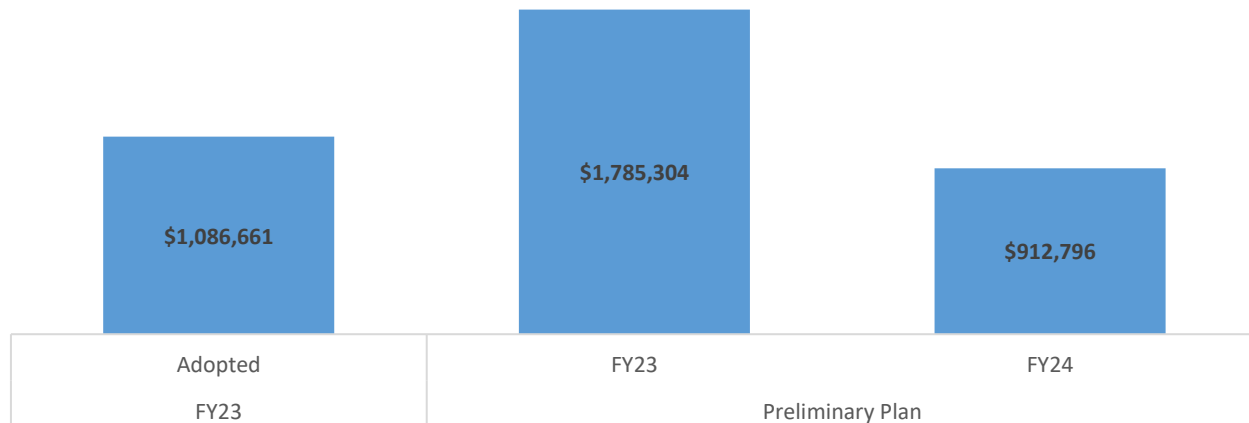
Chart 6: Expense Reducing Initiatives, (\$ in Millions)



City Services

Health + Hospital’s Plan includes \$912.8 million of direct City funding in Fiscal 2024, a decrease of \$173.9 million or 16 percent from the Fiscal 2023 Adopted Budget. This is an \$872 million decrease from the Fiscal 2023 budget as of the Fiscal 2024 Preliminary Plan. The difference is primarily due to the absence of the following funding in Fiscal 2024 - \$302 million for costs related to the asylum seekers, \$354 million of federal COVID-19-related funding, and \$190 million of American Rescue Plan – State and Local Fiscal Recovery funding (ARP-SLRF)

Chart 7: H+H City Funded Programs (\$ in Thousands)



Asylum Seeker

Of the \$1.0 billion in the Preliminary Plan for asylum seeker efforts, \$310 million was added to H+H’s budget to manage the seven Humanitarian Emergency Referral and Response Centers (HERRCs) that are providing temporary housing and services. In January, H+H reported to their Board that \$92.4 million had been committed as of early January to support the first four HERRCs.¹ As of the end of February, the City has committed a total of \$328 million of the \$1 billion authorized in the November Plan across several agencies. Of this total, \$140 million was paid to H+H and \$61.7 million has been paid out to vendors. In the Fiscal 2024 Preliminary Plan, the City adjusted the funding in H+H’s budget by shifting \$7.4 million to other agencies, reducing the projected spending to \$302.6 million in Fiscal 2023. As of the Preliminary Plan, H+H has no funding in Fiscal 2024 for asylum seeker efforts.

B -HEARD

The Behavioral Health Emergency Assistance Response Division, or B-HEARD, is a response team created to handle 911 mental health calls. The de Blasio administration launched a pilot program that would dispatch teams of EMS workers and social workers to non-violent mental health emergencies in two high-need communities. The program was expanded to four precincts in November 2021, covering from East Harlem to the Hudson River. In March 2022, the B-HEARD pilot expanded to Washington Heights, Inwood, and parts of the South Bronx. In June 2022, B-HEARD expanded to two additional police precincts in the South Bronx. In October 2022, B-HEARD expanded to the remainder of the South Bronx and to East New York and Brownsville. The Fiscal 2024 Preliminary Plan includes \$14.6 million in Fiscal 2023 and \$18.3 million in Fiscal 2024 for Health and Hospitals to hire social workers for the program and to assist in training EMS workers who are a part of these teams.

Correctional Health Services (CHS)

In July 2015, the de Blasio Administration transitioned Correctional Health Services in the City’s jail system from Corizon Health, a for-profit company that contracted with the NYC Department of Health and Mental Hygiene to H+H. H+H has expanded services to include Point of Re-entry and Transition (PORT) program to help support and sustain successful re-entry into the community following incarceration. The Plan includes \$277 million in Fiscal 2024 for CHS. In addition, \$1.1 million is budgeted for CHS Just Home.

¹ <https://hhinternet.blob.core.windows.net/uploads/2023/03/202303-finance.pdf>

Mental Health Service Corps (MHSC)

MHSC is a workforce development program for early-career clinicians who work in substance use or behavioral health services. Through MHSC, clinicians receive intensive training in evidence-based practices and then are placed in communities in need of more behavioral health services. In January 2020, leadership of MHSC was transferred to Health + Hospitals. The Plan includes \$11.9 million in for MHSC, unchanged from Fiscal 2023 Adopted.

NYC Care

In 2019, H+H launched NYC Care, a health access program that guarantees low-cost and no-cost services through H+H to New Yorkers who do not qualify for or cannot afford health insurance based on federal guidelines. NYC Care members receive a unique membership card that allows for access to health care at any H+H patient care locations. A NYC Care member is automatically assigned a primary care provider and provided a first appointment within two weeks or less of becoming a member. In August 2019, NYC Care launched in the Bronx and included a 24/7 customer service center that assisted uninsured people in either signing up for insurance they qualified for or registering to be a part of NYC Care. In January 2020, NYC Care expanded to Brooklyn and Staten Island and expanded to Manhattan and Queens in September 2020. By February 2022, NYC Care had enrolled 100,000 members. The Fiscal 2024 budget includes \$100 million for NYC Care.

Public Health Corps

The Public Health Corps is a citywide effort to expand the public health workforce by partnering with community groups and community health workers to eliminate COVID-19 inequities through outreach and education. It is active in over 75 ZIP codes throughout the City and includes about 35 community groups. The Plan includes \$9.3 million in Fiscal 2023 and \$36.3 million in Fiscal 2024 for the Public Health Corps.

Funding Sources

In the Fiscal 2024 Preliminary Plan, the majority of H+H's \$913 million Fiscal 2024 budget is City funded and intra city funding. This is in contrast to the current Fiscal 2023 Budget, which includes millions of dollars of funding from the federal and State governments to combat the Covid-19 pandemic.

Fiscal 2024 Preliminary Mayor's Management Report

The Preliminary Mayor's Management Report (PMMR) for Fiscal 2023 was released in February 2023, and contains information regarding City agencies/offices that allow the public to better understand how NYC Programs are performing. The H+H's PMMR includes the service goals to provide medical, mental health and substance use disorder services to City residents regardless of their ability to pay by expanding access to care, enhancing the sustainability of H+H's system and maximize quality of care and patient satisfaction. Some notable metrics provided by H+H in the Fiscal 2023 PMMR include:

- **NYC Care Enrollment.** In the first four months of Fiscal 2023, there was a slight increase in NYC Care Program enrollment, from 100,000 patients in the previous reporting period to 105,070 as of October 2022. The program, which connects New Yorkers who otherwise would not be eligible for or cannot afford health insurance to affordable, high-quality primary care, has continued to surpass the milestone of enrolling 100,000 New Yorkers. The slight increase is due to a perennial multi-lingual public awareness campaign that includes ethnic media, advertising, and community-based outreach. NYC Care partners with 22 community-based organizations that conduct culturally sensitive and ethnically inclusive outreach to prospective

NYC Care members across all five boroughs, building trust with communities and educating them about the available benefits of the program. The System will continue to work collaboratively with the community to continue the critical work in achieving health equity for all New Yorkers. The System has also implemented re-enrollment reminders for NYC Care members and is investing in direct enrollment pathways through community partners to increase enrollment of new members and re-enrollment rates of existing ones.

- **Correctional Health Service Encounters.** The number of correctional health clinical encounters per 100 average daily population increased slightly in the first four months of Fiscal 2023 to 4,266 from 4,140 in the first four months of Fiscal 2022. The delivery of health services requires the NYC Department of Correction to escort patients to clinic visits and to maintain safe and secure conditions in all clinical areas for the provision of health care.
- **Emergency Departments (EDs).** During the first four months of Fiscal 2023, the percentage of patients who left EDs without being seen increased to 4.4 percent from 4.0 percent in the same period of Fiscal 2022. During the pandemic, there was a decrease in overall ED utilization, with associated declines in the percentage of patients who left the EDs without being seen. At this point in the pandemic, overall ED utilization has continued to increase back to pre-pandemic levels. With this progressive rise, there has been an associated increase in the percentage of patients who left the EDs without being seen. NYC Health + Hospitals is exploring additional efforts to decompress patient volume in the System's EDs through telemedicine to mitigate this.
- **Patient Care Revenue.** The ratio of patient care revenue remained consistent during the first four months of Fiscal 2023 at 73.0, compared to 74.0 percent in the same period of Fiscal 2022. Net days of revenue for accounts receivable decreased to 50 for this reporting period from 59 in the same period of Fiscal 2022.
- **MetroPlus Membership.** MetroPlus membership continues to increase, to 692,681 during the reporting period of Fiscal 2023, from 631,428 as of the same period of Fiscal 2022. This increase is a result of the ongoing commitment to identify and connect Medicaid eligible people in the communities H+H serves to MetroPlus, including a larger proportion of City workers, encouraging them to obtain necessary coverage.
- **MyChart Activation.** All of H+H's facilities have made a push to increase the number of patients who have active MyChart accounts. In the first four months of Fiscal 2023, the number of MyChart activations decreased to 65 percent in this reporting period, from 73 percent in the same period of Fiscal 2022. The 73 percent metric through the first four months of Fiscal 2022 was the peak of activation rate since launching MyChart and reflected significant COVID-19 testing volume and patients' ability to easily access their COVID-19 test results.
- **Diabetes.** The percentage of patients diagnosed with diabetes who have controlled blood sugar increased to 68.0 percent in the first four months of Fiscal 2023 from 65.8 percent during the same period in Fiscal 2022. This improvement is a direct result of having patients come back to their in-person primary care visits more regularly. Throughout the pandemic, there was a decline in A1c control due to less face-to-face visits, with this metric reaching a low of 59.9 percent in February 2021. Since then, there has been more steady improvement, and NYC Health + Hospitals has achieved a higher rate than pre-pandemic levels.

- **Follow-up Appointments after Behavioral Health Treatment.** In the first four months of Fiscal 2023, the percent of follow-up appointments kept within 30 days of behavioral health treatment increased to 50.2 percent from 42.0 percent in the first four months of Fiscal 2022.. Over one-third of H+H facilities have achieved 60 percent, the pre-pandemic average citywide. The Office of Behavioral Health continues to work with all facilities, with a focus on ongoing training for new and existing staff about the appropriate workflow to fully document these follow-up appointments in the Electronic Medical Record (EMR). As with so many efforts involving documentation, training is essential, and H+H continues to grapple with staffing turnover and vacancies that have also been occurring nationwide in healthcare. This challenge impacts the full documentation in the chart and also contributes to more limited access to some of the clinics.

Capital Plan Overview

On January 12, 2023, the Administration released the Preliminary Ten-Year Capital Strategy for Fiscal Years 2024-2033 (Ten-Year Strategy), the Capital Commitment Plan for Fiscal 2023-2027 (Commitment Plan) and the Fiscal 2024 Preliminary Capital Budget (Capital Budget)

This section will provide an overview of the Preliminary Ten-Year Strategy and Commitment Plan for H+H.

Preliminary Ten-Year Capital Strategy Fiscal 2024-2033

The Ten-Year Capital Strategy is the City's long-term capital planning document which provides a framework for capital spending by agency. The Strategy is released every two years as mandated by the City Charter.

Strategy Guiding Principles

As stated in the document, the Ten Year Capital Strategy "provides a venue for the City to demonstrate the comprehensive infrastructure planning that the City undertakes as part of its responsibility to all New Yorkers, across all neighborhoods, and explain the connections between capital investment and strategic priorities." It strives to do this through four guiding principles:

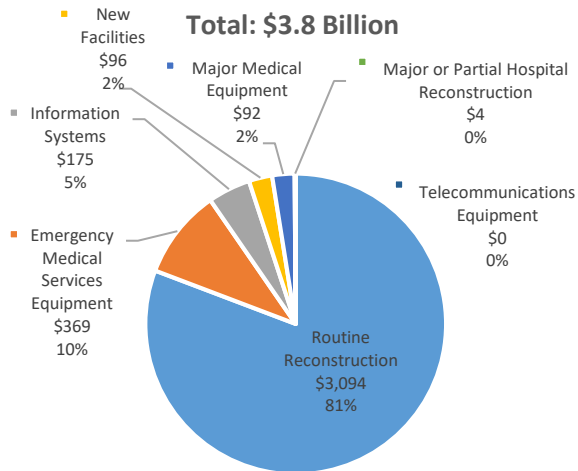
- Maintain New York City's financial responsibility
- Promote forward-looking, holistic capital planning that anticipates neighborhood needs of tomorrow
- Advance a more equitable New York City through capital investment
- Consider community perspectives in capital planning and decision-making

Below is a summary of H+H's Strategy and Capital Commitment Plan.

The City's Preliminary Ten-Year Strategy totals \$159.3 billion (all funds), which is \$40.5 billion larger than the \$118.8 billion Fiscal 2022-2031 Preliminary Ten-Year Capital Strategy. H+H's Ten-Year Capital Strategy totals \$3.8 billion, or nearly three percent of the City's total Strategy.

Each agency's Ten-Year Capital Strategy is broken down into Ten-Year Plan Categories, which summarize the types of capital work that make up the agency's capital program. The chart below presents H+H's Ten-Year Strategy distributed among these categories.

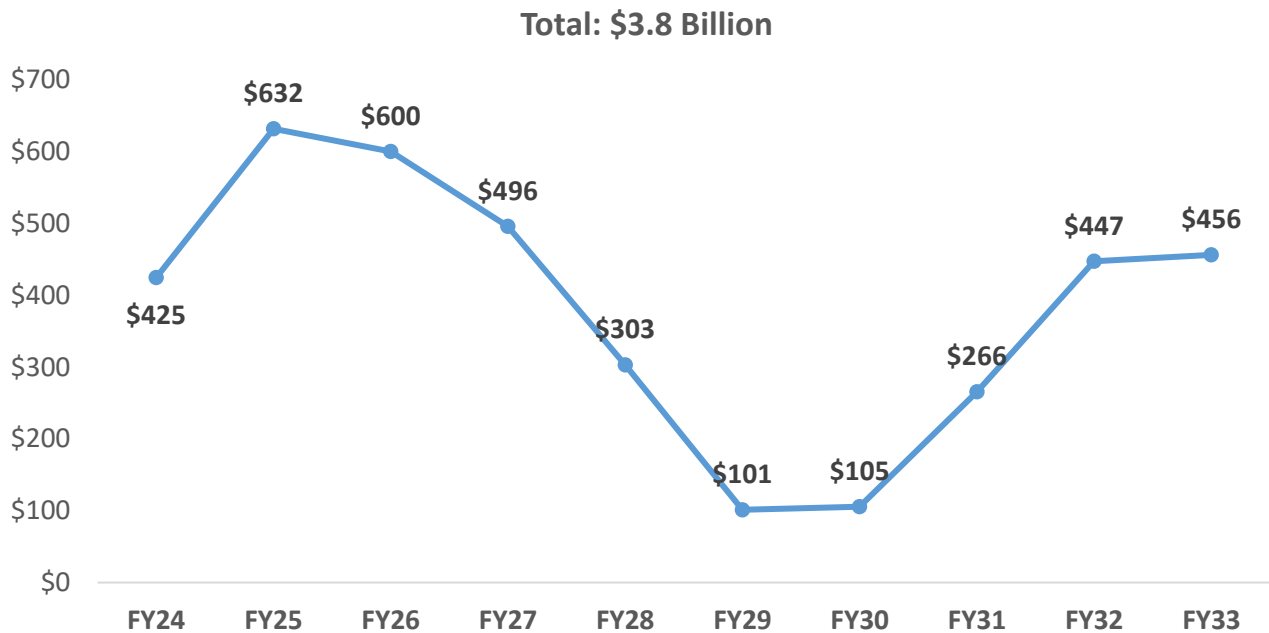
Chart 8: H+H Ten-Year Strategy by Category (\$ in Millions)



H+H’s Capital Strategy is not realistic as it frontloads spending with very little additional spending in the final three years of the Ten-Year Strategy as shown in Chart 8. H+H should revisit its strategy to plan more accurately for capital costs over the period of the strategy.

H+H’s Ten-Year Strategy includes seven categories of projects, Routine Reconstruction, Emergency Medical Services Equipment, Information Technology Systems, New Facilities, Major Medical Equipment, Major of Partial Hospital Reconstruction and Telecommunications Equipment.

Chart 9: H+H Ten Year Capital Strategy by Fiscal Year (\$ in Millions)



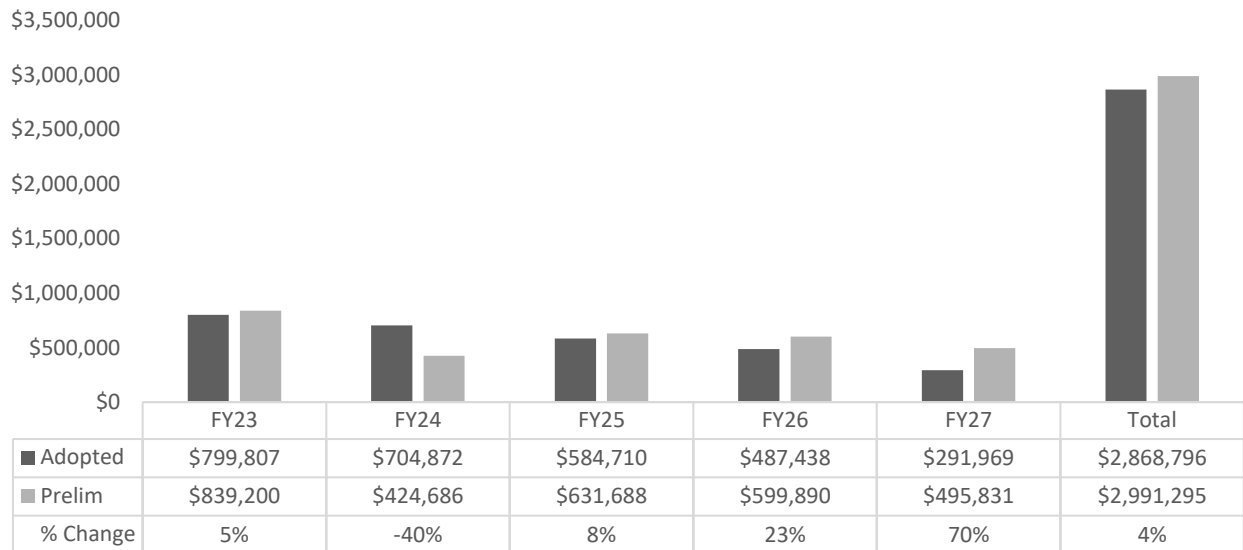
Preliminary Capital Commitment Plan for Fiscal 2023 to Fiscal 2027

The City’s Capital Commitment Plan details the Administration’s plan to spend the appropriations voted on by the City Council at Adoption. The Commitment Plan provides project-level funding detail as well as estimate of expenditure dates. The Commitment Plan provides information on projects’ estimated costs, start dates, and time to completion.

H+H’s Fiscal 2024 Preliminary Capital Commitment Plan includes \$2.9 billion in Fiscal 2023-2027 (including City and Non-City funds) spread out over 17 budget lines and 674 project IDs. This represents three percent of the City’s total \$96.5 billion Preliminary Capital Commitment Plan for Fiscal 2023-2027. The agency’s Preliminary Commitment Plan for Fiscal 2023-2027 is four percent more than the \$2.8 billion budgeted in the Adopted Capital Commitment Plan, an increase of \$122 million.

Since the majority of capital projects span multiple fiscal years, it is common practice for an agency to roll unspent capital funds into future fiscal years.

Chart 10: H+H Fiscal 2023-2027 Commitment Plan (\$ in '000s)



Budget Issues and Concerns

- Asylum Seeker Efforts.** The Plan projects H+H to receive \$302.6 million in federal funding in Fiscal 2023 for asylum relief efforts related to the management of the HERRCs. However, there is no funding included in Fiscal 2024 for H+H to continue operating these sites. Additionally, the City has yet to receive confirmations that the federal funding budgeted will actually materialize.
- Asthma/COPD Community Healthcare Worker (CHW) Program.** In March 2023, H+H informed community-based organizations (CBO) working on the Asthma Community Healthcare Worker (CHW) Program that H+H would not renew their contracts in the Fiscal 2024 budget. H+H instead plans to use its in-house generalist Community Health Workers to take over the CBO work.

The Asthma/COPD CHW program was originally funded by New York State 1115 Medicaid Waiver Redesign through OneCity Health, the former Provider Performing System (PPS) and subsidiary of H+H from 2014 through 2021, totaling over \$ 5 million in investment to support this program with H+H.

- Street Health Outreach and Wellness (SHOW) Program.** The Street Health Outreach & Wellness (SHOW) is a new model for the provision of COVID-19 tests and vaccinations, wound care, basic material necessities, and harm reduction services to New Yorkers who are unsheltered out of mobile units. H+H is budgeted \$1.3 million in the current fiscal year for SHOW, but the Preliminary Plan does not include funding for this program in Fiscal 2024.

Appendices

A. Budget Actions in the November and Preliminary Plans

<i>Dollars in Thousands</i>	FY23			FY24		
	City	Non-City	Total	CITY	Non-City	Total
Fiscal 2023 Adopted Plan	\$996,678	\$89,982	\$1,086,660	\$826,566	\$90,440	\$917,006
Other Adjustments						
Aid for Asylum Seekers	\$0	\$310,000	\$310,000	\$0	\$0	\$0
ARP-SLFRF Adjustment	0	190,000	190,000	0	0	0
Asylum Seeker Funding Shift	0	(7,350)	(7,350)	0	0	0
Com Safety and Victim Services	25	0	25	0	0	0
Crisis Management System Stand Up To Violence	1,715	0	1,715	0	0	0
Energy personnel	0	817	817	0	0	\$0
ExCEL Projects	0	913	913	0	0	0
FY23 Pre-Placement Services	0	332	332	0	0	0
FY23_HHC_Q1	0	839	839	0	0	0
FY23HHNurses	0	1,040	1,040	0	0	0
H+H Collective Bargaining - Plumbers	555	0	555	555	0	555
H+H Collective Bargaining - Steamfitters	283	0	283	283	0	283
H+H Opioid Settlement Funds	0	14,600	14,600	0	14,600	14,600
HHC Music for the Soul-MOME	0	51	51	0	0	0
IC W/ H+H - Right Source	0	2	2	0	0	0
IC W/H+H - 1% State COLA	0	126	126	0	126	126
IC W/H+H - Asthma Counselors	0	313	313	0	0	0
IC W/H+H - Cerner	0	1,318	1,318	0	0	0
IC W/H+H - CHS Program	0	1,000	1,000	0	0	0
IC W/H+H - Colorectal Cancer	0	100	100	0	0	0
IC W/H+H - Pharmaceuticals	0	566	566	0	0	0
IC W/H+H - Public Health Corps	0	20	20	0	0	0
IC W/H+H -Consultation Svcs	0	28	28	0	0	0
IC W/H+H- Continuing Education	0	10	10	0	0	0
IC W/H+H -ELC Traveler's Grant	0	692	692	0	0	0
IC W/H+H -InquisitHealth	0	200	200	0	0	0
IC W/H+H- MQHIN	0	360	360	0	0	0
IC W/H+H- Pharmaceuticals	0	10,025	10,025	0	0	0
IC W/H+H- Right Source	0	68	68	0	0	0
IC W/H+H-Pharmaceutical	0	368	368	0	0	0
IC W/H+H-Pharmaceutical	0	62	62	0	0	0
IC W/H+H-Pharmaceuticals	0	3,045	3,045	0	0	0
IC WH+H-Pharmaceuticals	0	113	113	0	0	0
IC WH+H-Psychosocial Club	0	108	108	0	0	0
IC WH+H-Right Source	0	12	12	0	0	0
Office of Economic Opportunity Funding Adjustment	86	0	86	0	0	0
Reduce I/C with HHC	0	(1,179)	(1,179)	0	(1,179)	(1,179)
T/- Tech Adj	0	(160,291)	(160,291)	0	0	0
T/- Tech Adj ARP	0	160,291	160,291	0	0	0
T/- ELC	0	8,976	8,976	0	0	0
T/- FEMA	0	103,899	103,899	0	0	0
T/- FEMA	0	30,755	30,755	0	0	0
T/- FEMA CIEI - Coler	0	66	66	0	0	0
T/- FEMA Coney 404	0	10	10	0	0	0
T/- FEMA Met 404	0	97	97	0	0	0
T/- FEMA Vax	0	37,670	37,670	0	0	0
Total Other Adjustment	\$2,664	\$710,073	\$712,737	\$838	\$13,547	\$14,384

<i>Dollars in Thousands</i>	FY23			FY24		
	City	Non-City	Total	CITY	Non-City	Total
PEGS						
B-HEARD Re-estimate	(\$3,675)	\$0	(\$3,675)	\$0	\$0	\$0
Clinic Subsidy Re-estimate	(2,900)	0	(2,900)	0	0	0
DOI Staffing Re-estimate	(3,200)	0	(3,200)	(2,900)	0	(2,900)
OTPS Re-estimate	(4,319)	0	(4,319)	(3,200)	0	(3,200)
Subsidy Adjustment	0	0	0	(3,269)	0	(3,269)
Telecommunication Savings	0	0	0	(9,226)	0	(9,226)
Total PEGS	(\$14,094)	\$0	(\$14,094)	(\$18,595)	\$0	(\$18,595)
Grand Total	(\$11,430)	\$710,073	\$698,643	(\$17,757)	\$13,547	(\$4,211)
Fiscal 2024 Prelim Plan	\$985,248	\$800,055	\$1,785,303	\$808,809	\$103,987	\$912,795

B. City Funded Programs

H+H Financial Summary – City Services				
<i>Dollars in Thousands</i>				
	FY23	Preliminary Plan		*Difference
	Adopted	FY23	FY24	FY23-FY24
Spending	\$1,086,661	\$1,785,304	\$912,796	(\$173,865)
ACS INTRA-CITY	6,795	7,966	6,795	0
ARP: COVID-19	0	190,000	\$0	0
Asylum Seeker	0	302,650	0	0
B-HEARD	0	14,583	18,258	18,258
CHS Just Home	1,050	0	1,050	0
Correctional Health Services	277,026	278,026	277,241	215
COVID: Test & Trace	200,000	316,191	0	(200,000)
COVID-19: Vaccines	0	37,670	0	0
DCAS INTRA-CITY	250	2,428	0	(250)
DCAS Rental Subsidy	3,056	0	0	(3,056)
Department of Investigation	9,497	6,297	6,297	(3,200)
DEPT. OF MENTAL HLTH-INTRACITY	36,919	47,145	37,045	126
DGS INTRA CITY	230	230	230	0
DOH-HHC AIDS	4,099	11,410	4,099	0
DOITT	0	51	0	0
DOT Vehicles	4,893	4,893	4,893	0
FY20 COVID - Non-Congregate Shelter	0	30,755	0	0
GENERAL CHARGES	1,244	1,120	1,185	(59)
HHC Collective Bargaining	229,924	230,761	243,040	13,116
HHC SUBSIDY	169,117	128,838	111,050	(58,068)
HHC/SART GRANT	1,272	1,272	1,272	0
HRA INTRA CITY - CHAT	12,104	11,964	11,632	(471)
HURRICANE SANDY	0	180	0	0
INTRA CITY RENT	40	40	40	0
Lifestyle Medicine	0	3,971	5,583	5,583
Maternal Medical Home & OB Sim	0	3,004	3,004	3,004
Med Mal Transfer to HHC	17,277	16,830	17,277	0
Mental Health Service Corps	11,868	11,868	11,868	0
NYC Care	100,000	100,000	100,000	0
Opioid Settlement Funds	0	14,600	14,600	14,600
Public Health Corps	0	9,256	36,336	36,336
Street Health Outreach & Wellness	0	1,303	0	0
TOTAL	\$1,086,661	\$1,785,304	\$912,796	(\$173,865)
Funding				
City Funds	\$996,678	\$985,247	\$808,808	(\$187,869)
Other Categorical	0	14,600	14,600	14,600
State	1,380	1,380	1,380	0
Federal - Other	1,380	675,504	1,380	0
Intra City	87,222	108,572	86,627	(595)
TOTAL	\$1,086,661	\$1,785,304	\$912,796	(\$173,865)