



**New York City Council**  
**Hon. Julie Menin, Speaker of the Council**  
**Hon. Linda Lee, Chair Finance Committee**  
**Hon. Mercedes Narcisse, Chair, Hospitals Committee**

**Report on the Fiscal 2027 Executive Plan and  
the Fiscal 2027 Executive Capital Commitment Plan for  
Committee on Finance and the Committee on Hospitals**

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**Fiscal 2027 Executive Plan**

*Health and Hospitals Corporation Budget Overview*

The Health and Hospitals Corporation (H+H or the System) is the largest municipal health system in America. The System provides medical, mental health and substance use services to New York City residents regardless of their ability to pay or immigration status. Services are provided across 11 acute care locations, five post-acute care or skilled nursing facilities, and over 30 community health centers.

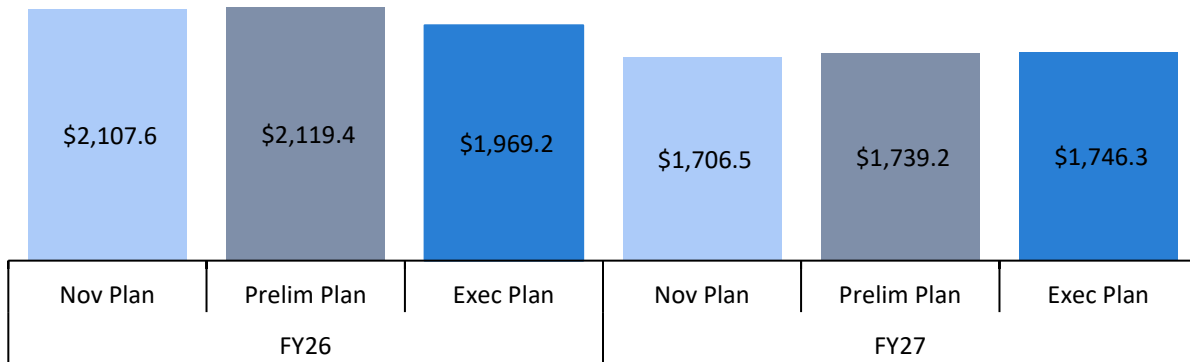
The most significant changes to H+H’s budget since the release of the Fiscal 2027 Preliminary Plan in February include a Medicaid initiative adjustment to support the system’s cash flow, federal reimbursement funding for costs incurred during the COVID-19 pandemic, increased Correctional Health Services expenses, and an array of new savings measures.

The Executive Financial Plan for Fiscal 2026-2030 (Executive Plan) includes a proposed Fiscal 2027 budget of \$1.75 billion for H+H, \$7.1 million (0.4 percent) more than its \$1.74 billion Fiscal 2027 budget in the Preliminary Plan. The System’s projected Fiscal 2027 budget represents 1.4 percent of the City’s proposed Fiscal 2027 budget of \$126.90 billion in the Executive Plan. H+H’s Fiscal 2026 budget in the Executive Plan is \$150.2 million (7.1 percent) less than its \$2.12 billion Fiscal 2026 budget in the Preliminary Plan. The current Fiscal 2027 budget is \$73.4 million more than the \$1.67 billion Fiscal 2026 budget at adoption.

H+H’s current Fiscal 2027 City budget makes up 13.3 percent of H+H’s overall Fiscal 2027 budget of \$13.13 billion. For additional information on H+H’s Preliminary Budget, please refer to the Fiscal 2027 Preliminary Budget report.<sup>1</sup>

<sup>1</sup> New York City Council, [“Report on the Fiscal 2027 Preliminary Plan and the Fiscal 2026 Preliminary Mayor’s Management Report for the Health and Hospitals Corporation”](#), as of March 2026.

### Comparison of the Last Three Financial Plans



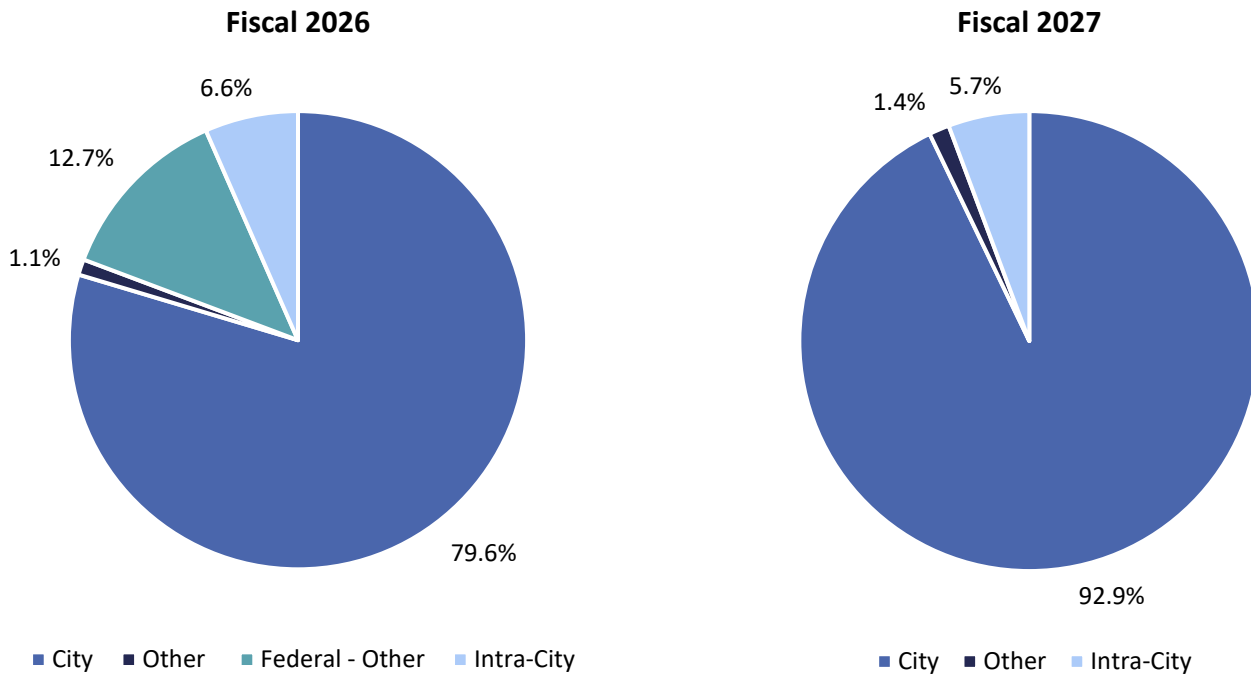
Dollars in Millions

Source: New York City Office of Management and Budget

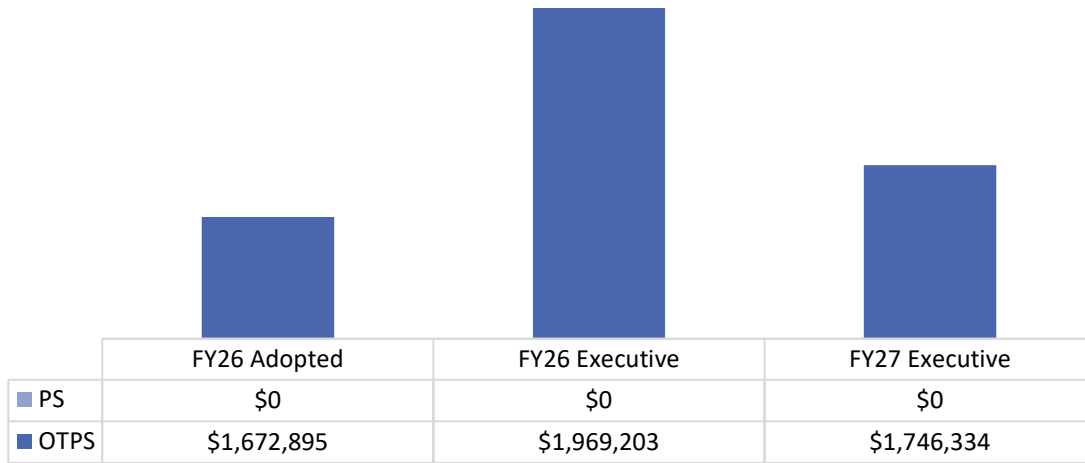
Source: New York City Office of Management and Budget

### Budget by Funding Source

Fiscal 2027 City Funds: 93 percent



## Personal Services (PS) and Other Than Personal Services (OTPS)



■ OTPS ■ PS

*Dollars in Thousands*

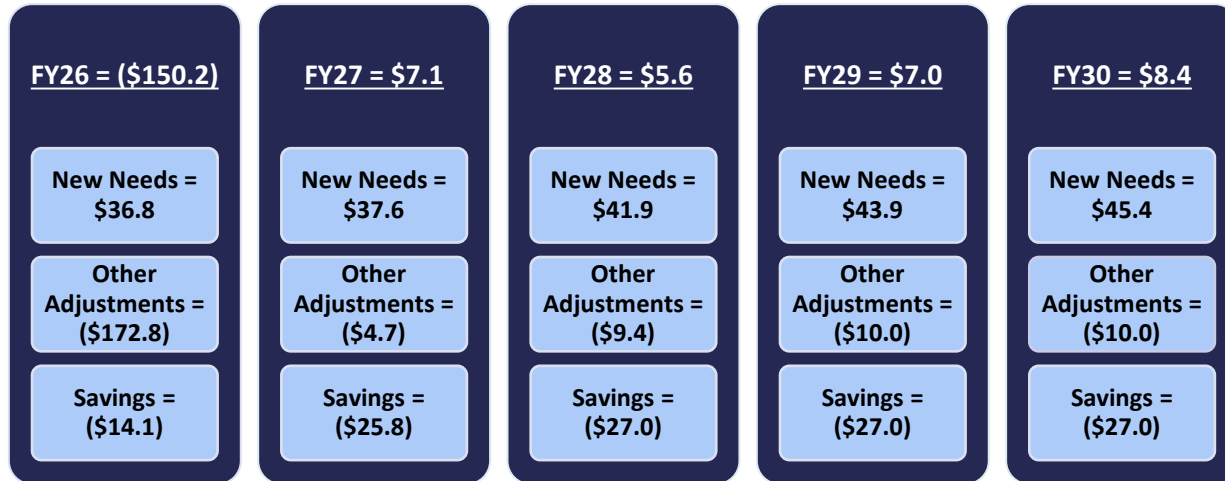
*Source: New York City Office of Management and Budget*

## FY24 through FY26 Headcount

*H+H discloses its quarterly actual headcount through a Term and Condition with the City Council.  
There were **43,580** Full-Time Positions at the close of FY26 Q3*

Category	FY24 Q4	FY25 Q1	FY25 Q2	FY25 Q3	FY25 Q4	FY26 Q1	FY26 Q2	FY26 Q3
Aides/Order	5,117	5,194	5,256	5,307	5,344	5,371	5,405	5,322
Clerical	5,643	5,733	5,818	5,897	5,951	5,932	5,900	5,944
Environmental/Hotel	4,632	4,605	4,735	4,810	4,897	4,931	4,932	4,903
Licensed Private Nurses	357	353	357	356	349	341	335	336
Manager/Supervisor	2,824	2,867	2,930	3,014	3,031	3,051	3,079	3,064
Physicians	207	203	201	198	199	188	186	178
Registered Nurses	9,775	9,982	10,234	10,384	10,533	10,643	10,719	10,756
Residents	2,392	2,529	2,529	2,524	2,528	2,670	2,666	2,661
Technology/Specialists	9,428	9,590	9,808	10,013	10,109	10,277	10,344	10,416
<b>Totals</b>	<b>40,375</b>	<b>41,056</b>	<b>41,868</b>	<b>42,503</b>	<b>42,941</b>	<b>43,404</b>	<b>43,566</b>	<b>43,580</b>

## Executive Plan Changes



Dollars in Millions

Savings in this chart are the sum of all expense savings, from all revenue sources, including but not limited to, City, State, and federal savings.

### Significant Executive Plan Changes

#### New Needs

- Correctional Health Services Affiliate Base Adjustment.** The Executive Plan includes additional baselined City funding of \$20.7 million in Fiscal 2026, \$20.2 million in Fiscal 2027, \$23.4 million in Fiscal 2028, \$24.3 million in Fiscal 2029 and \$24.5 million in Fiscal 2030 to cover higher affiliate, or contracted provider, costs for all Correctional Health Services operations.
- Correctional Health Services Pharmaceutical Expenses.** The Executive Plan includes additional baselined City funding of \$11.5 million starting in Fiscal 2026, and increasing to \$12.4 million in Fiscal 2027, \$13.4 million in Fiscal 2028, \$14.3 million in Fiscal 2029 and \$15.3 million in Fiscal 2030 to cover ongoing pharmaceutical costs, mainly for HIV and psychiatric drugs, across all Correctional Health Services.
- Medical Malpractice Contract Adjustment.** The Executive Plan includes additional baselined City funding of \$4.3 million in Fiscal 2026, increasing to \$4.4 million in Fiscal 2027, \$4.6 million in Fiscal 2028, \$4.8 million in Fiscal 2029 and \$5.0 million in Fiscal 2030 for expenses associated with medical malpractice defense contracts.
- Expansion of the Maternal Morbidity and Mortality Reduction Program.** The Executive Plan includes additional baselined City funding of \$258,779 in Fiscal 2026, increasing to \$513,574 in Fiscal 2027, \$528,981 in Fiscal 2028, \$544,850 in Fiscal 2029, and \$561,196 in Fiscal 2030.

in Fiscal 2030 to support the hiring of two new social workers and associated fetal monitor training.

### Other Adjustments

- **Medicaid Initiative Adjustment.** The Executive Plan includes a one-time reduction of \$325 million in City funding in Fiscal 2026 as an adjustment for the non-federal share of Medicaid payments.
- **FEMA COVID Revenue.** The Executive Plan includes one-time additional federal funding of \$176.3 million in Fiscal 2026 as federal reimbursement for costs incurred during COVID-19.
- **B-HEARD Transfer.** The Executive Plan includes reductions of \$2 million in City funding in Fiscal 2026, \$4.8 million in Fiscal 2027, \$6.1 million in Fiscal 2028, and \$6.7 million in Fiscals 2029-2030. This funding is being transferred to the New York City Fire Department to support the creation of 10 additional B-HEARD teams by Fiscal 2029. The Administration’s current plan is for H+H and FDNY to continue to jointly operate B-HEARD. H+H’s B-HEARD budget is now \$22.5 million in Fiscal 2026 and \$30.5 million in Fiscal 2027.
- **ENDGBV Office of Community Safety Transfer.** The Executive Plan includes a baselined intra-city transfer of \$3.3 million starting in Fiscal 2028 as a shift of ENDGBV to the Office of Community Safety. The entire budget for ENDGBV across all agencies, which is \$75.5 million in Fiscal 2026 and \$74.7 million in Fiscal 2027, is being transferred to the Office of Community Safety.

### Savings

- **Reduction to H+H Subsidy.** The Executive Plan includes a baselined reduction of \$14.1 million in City funding in Fiscal 2026, \$25.8 million in Fiscal 2027, and \$27 million starting in Fiscal 2028. These savings will be achieved by reducing reliance on temporary staffing, reducing overtime, improving revenue collections, and contract rebates.

## Budget Response

*Expense Priorities included in the Fiscal 2027 Executive Budget: \$0.0*

In the City Council’s Fiscal 2027 Preliminary Budget Response (Budget Response),<sup>2</sup> the Council identified priorities that were funded in Fiscal 2026 but were not included in the Fiscal 2027 Preliminary Budget. In the Budget Response, the Council called on the Administration to restore and baseline \$3.6 million in one-time funding for H+H to support those priorities.

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<sup>2</sup> New York City Council, “[Response to the Fiscal 2027 Preliminary Budget and Fiscal 2026 Preliminary Mayor’s Management Report](#)”, as of April 2026.

The Executive Plan does not include the following, as shown in the table.

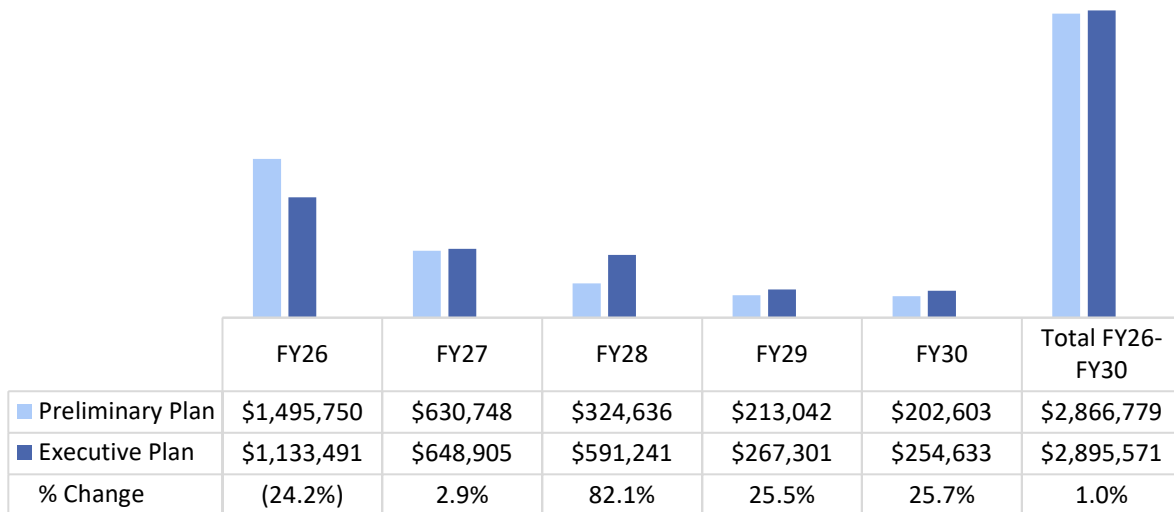
Fiscal 2027 Budget Response Expense Priorities			
#	Priorities	Amount for FY27	Amount Added in the Executive Budget for FY27
1	Mental Health Continuum	\$3.6	\$0.0

*Dollars in Millions*

## Capital Commitment Plan

- H+H’s commitments, as presented in the Executive Capital Commitment Plan for Fiscal 2026-2030 (the Executive Commitment Plan), total \$2.90 billion, 1.0 percent more than the total for the same period presented in the Preliminary Capital Commitment Plan released in January.
- The Department’s planned commitments comprise 2.5 percent of the City’s total \$117.14 billion Fiscal 2026-2030 Capital Commitment Plan.

### Fiscal 2026-2030 Capital Commitment Plan



*Dollars in Thousands*

*Source: New York City Office of Management and Budget*

- **Fire Pump Replacement at Bellevue Hospital.** The Executive Commitment Plan includes an additional \$4.8 million bringing the planned commitments for the project to \$13.3 million in Fiscal 2026 to move the fire pump room at Bellevue Hospital from the cellar to

the mezzanine level. This funding supports construction and design work. This project will be completed by May 2028.

- **DDoS Mitigation, Routers, & Firewall Hardware Upgrade.** The Executive Commitment Plan includes an additional \$5.8 million in Fiscal 2026 for these upgrades across the whole System. Implementation will take about a month after the equipment is delivered. This funding supports equipment and furniture expenses. There is no additional funding allocated in Fiscal 2027.
- **Epic Servers Refresh.** The Executive Commitment Plan includes an additional \$4.5 million in Fiscal 2026 to purchase new Epic servers for H+H's data centers. This funding supports equipment and furniture expenses.

## Budget Actions in Executive Plan

<i>Dollars in Thousands</i>	FY26			FY27		
	City	Non-City	Total	City	Non-City	Total
<b>H+H Budget as of the FY27 Preliminary Plan</b>	\$1,860,429	\$258,946	\$2,119,375	\$1,614,566	\$124,672	\$1,739,238
<b>Changes Introduced in the FY27 Executive Plan</b>						
<b>New Needs</b>						
Correctional Health Services Affiliate PS Base Adjustment	\$20,686	\$0	\$20,686	\$20,201	\$0	\$20,201
Correctional Health Services Pharmaceutical Expenses	11,543	0	11,543	12,445	0	12,445
Expansion of the Maternal Morbidity and Mortality Reduction Program	259	0	259	514	0	514
Medical Malpractice Contract Adjustment	4,300	0	4,300	4,400	0	4,400
<b>Subtotal, New Needs</b>	<b>\$36,787</b>	<b>\$0</b>	<b>\$36,787</b>	<b>\$37,559</b>	<b>\$0</b>	<b>\$37,559</b>
<b>Other Adjustments</b>						
Asylum Seeker Federal Revenue Re-estimate	\$30,065	\$0	\$30,065	\$0	\$0	\$0
Asylum Seeker Federal Revenue Re-estimate	0	(30,065)	(30,065)	0	0	0
Asylum Seeker Forecast Re-estimate	0	(7,333)	(7,333)	0	0	0
Asylum Seeker Reallocation	(19,187)	0	(19,187)	0	0	0
B-HEARD Transfer	(1,976)	0	(1,976)	(4,819)	0	(4,819)
CPSD Transfer to Health	(100)	0	(100)	100	0	100
DC37 Equity	0	0	0	15	0	15
ENDGBV OCS - Transfer - H&H IC	0	0	0	0	0	0
FEMA COVID Revenue for PW 0001	0	176,251	176,251	0	0	0
FROM 1705/643 TO 1705/40X	0	433	433	0	0	0
FY26_HHC_Py_Q2	0	1,552	1,552	0	0	0
IC w/ H+H: Harlem Asthma	0	(78)	(78)	0	0	0
IC w/ H+H: Lab Supplies	0	804	804	0	0	0
IC w/ H+H: LIS	0	218	218	0	0	0
IC w/H+H: ED STI Screening	0	100	100	0	0	0
IC w/H+H: CHS Post-Jail HIV	0	296	296	0	0	0
IC w/H+H: HIV PrEP	0	132	132	0	0	0
IC w/H+H: Lab Supplies	0	348	348	0	0	0
IC w/H+H: CHS-Drugs & Med Supp	0	49	49	0	0	0
IC W/H+H-CPEP & Mobile Crisis	0	164	164	0	0	0
ICE26PM233	0	(522)	(522)	0	0	0
ICE26PM243	0	(112)	(112)	0	0	0
ICw/H+H: Adult Tobacco Treatment	0	22	22	0	0	0
Local Initiatives	100	0	100	0	0	0
Medicaid Initiative Adjustment	(325,000)	0	(325,000)	0	0	0
Programmatic Adjustment	1,000	0	1,000	0	0	0
<b>Subtotal, Other Adjustments</b>	<b>(\$315,097)</b>	<b>\$142,258</b>	<b>(\$172,840)</b>	<b>(\$4,704)</b>	<b>\$0</b>	<b>(\$4,704)</b>
<b>Savings</b>						
Reduction to H+H Subsidy	(\$14,120)	\$0	(\$14,120)	(\$25,760)	\$0	(\$25,760)
<b>Subtotal, Savings</b>	<b>(\$14,120)</b>	<b>\$0</b>	<b>(\$14,120)</b>	<b>(\$25,760)</b>	<b>\$0</b>	<b>(\$25,760)</b>
<b>TOTAL, All Changes in the FY27 Executive Plan</b>	<b>(\$292,431)</b>	<b>\$142,258</b>	<b>(\$150,173)</b>	<b>\$7,096</b>	<b>\$0</b>	<b>\$7,096</b>
<b>H+H Budget as of the Executive Plan</b>	<b>\$1,567,998</b>	<b>\$401,204</b>	<b>\$1,969,202</b>	<b>\$1,621,662</b>	<b>\$124,672</b>	<b>\$1,746,334</b>

Source: New York City Office of Management and Budget

## H+H Financial Summary

Administration OTPS <i>Dollars in Thousands</i>	FY24	FY25	FY26	Executive Plan		*Difference
	Actual	Actual	Adopted	FY26	FY27	FY27 - FY26
<b>Budget by Unit of Appropriation</b>						
<b>Spending</b>						
<b>Personal Services</b>						
N/A	\$0	\$0	\$0	\$0	\$0	\$0
<b>Other Than Personal Services</b>						
Fixed & Misc. Charges	\$3,129,093	\$3,349,168	\$1,670,551	\$1,966,859	\$1,743,981	\$73,430
Other Services & Charges	2,002	1,962	2,344	2,344	2,354	10
<b>TOTAL</b>	<b>\$3,131,094</b>	<b>\$3,351,129</b>	<b>\$1,672,895</b>	<b>\$1,969,203</b>	<b>\$1,746,334</b>	<b>\$73,440</b>
<b>Funding</b>						
City Funds			\$1,525,806	\$1,567,998	\$1,621,662	\$95,856
Other Categorical			20,300	20,300	22,300	2,000
State			1,380	1,380	1,380	0
Federal - Other			38,778	249,803	1,380	(37,398)
Intra-City			86,630	129,721	99,612	12,982
<b>TOTAL</b>	<b>\$3,131,094</b>	<b>\$3,351,129</b>	<b>\$1,672,895</b>	<b>\$1,969,203</b>	<b>\$1,746,334</b>	<b>\$73,440</b>

\*The difference of Fiscal 2027 Executive Budget compared to Fiscal 2026 Adopted Budget.

Source: New York City Office of Management and Budget