



**New York City Council Hearing**

**Fiscal Year 2023 Executive Budget**

**Committee on Finance and Committee on Hospitals**

**Mitchell Katz, M.D.**

**President and Chief Executive Officer**

**New York City Health + Hospitals**

**May 18, 2022**

Good morning Chairpersons Brannan, Narcisse, Moya, and members of the Committees on Finance and Hospitals. I am Mitch Katz, M.D., President and Chief Executive Officer of the New York City Health + Hospitals (“Health + Hospitals”). I am joined today by John Ulberg, Health + Hospitals’ Senior Vice President and Chief Financial Officer; Patsy Yang, Senior Vice President at NYC Health + Hospitals for Correctional Health Services (CHS). Thank you for the opportunity to testify on the FY2023 Executive Budget for Health + Hospitals.

NYC Health + Hospitals has had a great deal to overcome in the last two years contending with COVID-19 in New York City. Today, we are rightfully proud of the exceptional work our extraordinary team has done to fight this virus. As we mentioned during our preliminary budget hearing in March, we are just beginning to turn the page towards a new chapter, to a future in which we can continue to expand access to quality health care for all New Yorkers, without exception.

Health + Hospitals’ Executive Plan remains consistent with the January Plan as the system continues to be stable despite the ongoing challenges, and uncertainty of the COVID-19 pandemic. We project that we will close FY22 with a closing cash balance of approximately \$732 million, or 30 days cash-on-hand. Specifically, I am happy to report the following financial successes to date:

- We have achieved a positive Net Variance Budget of nearly \$150 million with our revenue performance continuing to exceed target
- Our direct patient care revenue through February was over \$270 million higher than the same period in FY21 continuing the pace of positive performance that we experienced during FY21, and

- Finally, despite the challenges of COVID-19, our Strategic Financial Initiatives remain on track with our post-COVID strategies, generating nearly \$600 million through February with a line of sight of approximately \$680 million for the fiscal year.

In addition, Health + Hospitals has also completed many of the goals and strategies we set forth for FY22. Our primary care patient size panels have continued to grow, with membership up over 110,000 since January 2020. We've also had great success in engaging patients through our online patient portal, which has an activation rate of over 80%, one of the highest rates in the nation. We have improved the accessibility of our patient portal by making it available in Simplified Chinese, in addition to Arabic, French, and Spanish. Health + Hospitals has also helped make MetroPlus the highest-rated quality Medicaid plan in the state, as we continue to negotiate aggressively with health insurers to get fair rates for our public hospital system. I am also proud to share that we have enrolled over 600 new patients in specialized behavioral health and HIV health plans in FY22 to-date, providing enhanced benefits and care management while generating over \$5 million for the system.

Over the past year, the system has continued to play a critical role in battling the pandemic, thanks to the dedication and heroism of our staff. Our COVID-19 response work has involved administering millions of tests and vaccines, and greatly expanding access to life-saving COVID treatments through programs like the CATCH (COVID Treatment Outreach) initiative. As the city dealt with the Omicron wave, Test & Trace was able to distribute hundreds of thousands of at-home test kits through partnerships with houses of worship, cultural sites, and public libraries.

Recognizing the debilitating effects of long COVID on the city's most vulnerable communities, the System also opened three COVID Centers of Excellence in the Tremont section of the Bronx, Jackson Heights, Queens, and Bushwick, Brooklyn to meet the unique needs of patients recovering from COVID.

As we begin to turn the page to continue expanding health care access to all New Yorkers, we have made more investments into various parts of our System, particularly maternal health. Last week, we announced the launch of the HoPE Doula program at NYC Health + Hospitals/ Queens and Elmhurst. Through the HoPE Doula Program, any pregnant person seeking care at either Elmhurst or Queens Hospitals will be provided community-based doula support, free of charge. Doulas will remain engaged with their clients through prenatal, birthing, and postpartum care. Additionally, as part of the FY23 executive budget, several of our programs have received funding for expansion including our SHOW vans, B-HEARD teams and the H+H Plant Lifestyle Medicine Program. Our Correctional Health Services (CHS) also continues to advance its pioneering Outposted Therapeutic Housing Unit (OTxHU) initiative, which will bridge the gap between the care provided in the jails and inpatient hospitalization.

Nonetheless, as we said last year, there remains major external uncertainty as we emerge from COVID. We have paid out over \$2.7 billion to-date on our COVID response. We have continued to work closely with FEMA to receive reimbursement for our eligible costs associated with our pandemic response. Thus far, we have received \$620 million in FEMA reimbursement, and expect to continue to receive

additional funds through subsequent submissions. We have also received \$1.2 billion to-date in federal Provider Relief Funds.

While the last couple of years have been taxing for us all, every day I continue to be grateful to everyone at NYC Health + Hospitals for their dedication. Over the next fiscal year, NYC Health + Hospitals will continue to go further in its works to serve its staff, patients and take care of the health of New Yorkers as it has always done. Thank you to these Committees for your tremendous support of NYC Health + Hospitals. I will now take any questions you may have.