

**STRATEGIC PLANNING COMMITTEE MEETING  
OF THE BOARD OF DIRECTORS**

**OCTOBER 15, 2013  
10:00 A.M.  
HHC BOARD ROOM  
125 WORTH STREET**

**AGENDA**

**I. CALL TO ORDER** **JOSEPHINE BOLUS, RN**

**II. ADOPTION OF JULY 9, 2013  
STRATEGIC PLANNING COMMITTEE MEETING MINUTES** **JOSEPHINE BOLUS, RN**

**III. SENIOR VICE PRESIDENT'S REPORT** **LARAY BROWN**

**IV. INFORMATION ITEM:**

**i. COLER-GOLDWATER: PLACEMENT OF SKILLED NURSING FACILITY RESIDENTS**

**DONA GREEN**  
SENIOR ASSISTANT VICE PRESIDENT, CORPORATE PLANNING SERVICES

**V. ACTION ITEM:**

**i. SIMPLER CONTRACT RENEWAL**

AUTHORIZING THE PRESIDENT OF THE NEW YORK CITY HEALTH AND HOSPITALS CORPORATION (THE "CORPORATION") TO NEGOTIATE AND EXECUTE A CONTRACT WITH SIMPLER NORTH AMERICA, LP ("SIMPLER") ON A SOLE SOURCE BASIS IN ORDER TO CONTINUE AND EXPAND THE IMPLEMENTATION OF *BREAKTHROUGH* THROUGHOUT THE CORPORATION. FUNDING FOR THIS CONTRACT SHALL NOT EXCEED \$4,416,500 FOR THE PERIOD FROM NOVEMBER 1, 2013 THROUGH OCTOBER 31, 2014. (EEO APPROVAL RECEIVED; VENDEX APPROVAL PENDING).

**JOANNA OMI**  
SENIOR VICE PRESIDENT, ORGANIZATIONAL INNOVATION AND EFFECTIVENESS

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**NEW YORK CITY HEALTH AND HOSPITALS CORPORATION**

**VI. OLD BUSINESS**

**VII. NEW BUSINESS**

**VIII. ADJOURNMENT**

**JOSEPHINE BOLUS, RN**

# **MINUTES**

## **STRATEGIC PLANNING COMMITTEE MEETING OF THE BOARD OF DIRECTORS**

**JULY 9, 2013**

The meeting of the Strategic Planning Committee of the Board of Directors was held on July 9, 2013, in HHC's Board Room located at 125 Worth Street with Josephine Bolus presiding as Chairperson.

### **ATTENDEES**

#### **COMMITTEE MEMBERS**

Josephine Bolus, NP-BC, Chairperson of the Committee  
Alan Aviles  
Robert F. Nolan  
Bernard Rosen  
Michael A. Stocker, M.D., Chairman of the Board  
Ian Hartman-O'Connell, representing Deputy Mayor Linda Gibbs in a voting capacity

#### **OTHER ATTENDEES**

C. Fiorentini, Analyst, New York City Independent Budget Office  
M. Meagher, Budget Analyst, Office of Management and Budget  
K. Raffaele, Analyst, Office of Management and Budget

#### **HHC STAFF**

M. Belizaire, Assistant Director of Community Affairs, Intergovernmental Relations  
L. Brown, Senior Vice President, Corporate Planning, Community Health and Intergovernmental Relations  
D. Cates, Chief of Staff, Office of the Chairman  
B. DeIorio, Senior Director, President's Office  
N. Dunlap, Associate Director of Communications & Development, Gouverneur Healthcare Services  
L. Guttman, Assistant Vice President, Office of Intergovernmental Relations  
T. Hamilton, Assistant Vice President, HIV Services, Corporate Planning Services  
L. Haynes, Intern, President's Office  
C. Jacobs, Senior Vice President, Patient Safety, Accreditation and Regulatory Services  
S. Kleinbart, Director of Planning, Coney Island Hospital

- Z. Liu, Senior Management Consultant, Corporate Planning Services
- P. Lockhart, Secretary to the Corporation, Office of the Chairman
- T. Mammo, Chief of Staff, President's Office
- A. Martin, Executive Vice President and Chief Operating Officer, President's Office
- H. Mason, Deputy Executive Director, Kings County Hospital Center
- K. McGrath, Senior Director, Communications and Marketing
- T. Miles, Executive Director, World Trade Center Environmental Health Center
- K. Park, Associate Executive Director, Finance, Queens Health Network
- S. Russo, Senior Vice President and General Counsel, Office of Legal Affairs
- W. Saunders, Assistant Vice President, Intergovernmental Relations
- D. Thornhill, Associate Executive Director, Harlem Hospital Center
- J. Wale, Senior Assistant Vice President, Behavioral Health
- R. Wilson, M.D., Senior Vice President, Corporate Chief Medical Officer, Office of Medical and Professional Affairs
- K. Whyte, Senior Director, Corporate Planning, Community Health and Intergovernmental Relations

**CALL TO ORDER**

The meeting of the Strategic Planning Committee was called to order at 10:25 a.m. by the Strategic Planning Committee Chairperson, Josephine Bolus, NP-BC. The minutes of the June 11, 2013, meeting of the Strategic Planning Committee were adopted.

**SENIOR VICE PRESIDENT REMARKS**

Ms. Brown greeted and informed the Committee that, in the interest of time, she would defer her remarks to allow time for the information item presentation. She added that her remarks would be included in the minutes.

Ms. Brown's written remarks are provided below.

**Federal Update**NAPH Name Change

The National Association of Public Hospitals has recently changed its name to America's Essential Hospitals (AEH). HHC is a member institution of AEH. Notwithstanding the name change, AEH will remain a leading trade association and champion for hospitals and health systems dedicated to high quality care for all, including the most vulnerable. America's Essential Hospitals supports members with advocacy, policy development, research, and education.

Immigration Reform

On July 27, 2013, the Senate by a vote of 68 to 32 passed the immigration reform bill - The Border Security, Economic Opportunity, and Immigration Modernization Act. This comprehensive immigration legislation would allow undocumented immigrants who are present in the United States to enter a path to citizenship. Immigrants seeking a path to citizenship would receive a new classification, termed Registered Provisional Immigrant (RPI), for a period of ten years before being eligible to receive Legal Permanent Residency (LPR) status and a green card. After achieving LPR status, they would not be eligible for Medicaid and other federal benefits for another five years, equaling a total of 15 years that these immigrants would need to wait for benefit eligibility. The current legislation does change eligibility for Emergency Medicaid.

Upon enactment, the bill would raise the cap on temporary H1B visas from 65,000 to 110,000, which could increase by 10,000 annually to 180,000 under certain conditions. The bill requires an employer to demonstrate that they have recruited American workers before an H1B visa is granted. However, this would only apply to employers with 15 percent or more of their workforce in H-1B status. All other employers would only need to document "good faith recruitment efforts." HHC is currently using 630 H-1 visas.

The legislation would also create a merit-based program to award visas for Legal Permanent Residency based on a point system. When the merit system takes effect, five years after the bill is passed, a minimum of 120,000 immigrants are expected to receive merit based visas. Over a period of ten years, it is estimated that the balance of visa applications in the immigration

system would gradually shift from 75% to 50% of visas going to family members of immigrants already in the U.S. and the remaining 50% of visas going through the merit program to foreigners based on job skills. Forty percent (40%) of the employment-based visas will be assigned to certain categories, including those with foreign medical school degrees.

In the House, where no comprehensive immigration bill has been introduced, it is unclear how passage would be attained. Speaker Boehner so far has taken the position that he will only allow floor consideration of immigration legislation if it is supported by the majority of Republican Members. If this position holds, the Democratic Members and a minority of Republicans would not be able to form a winning coalition.

#### HHC's Comments Relating to Medicaid Disproportionate Share Hospital (DSH) Funding

As reported last month, on May 13, 2013, the Centers for Medicaid and Medicare Services (CMS) released a proposed rule to implement the Medicaid Disproportionate Share Hospital (DSH) funding cuts mandated by the Affordable Care Act (ACA). CMS' proposed formula for calculating cuts to Medicaid DSH payments is designed to provide incentives to states in order to target DSH payments to those hospitals serving the most low-income patients. This proposed rule relates only to the first two years of Medicaid DSH reductions, which are FY 2014 (\$500 million) and FY 2015 (\$600 million). A new rule would be issued in two years when ACA implementation data is available. It should be noted that CMS has not yet decided how a state's decision not to participate in the ACA-mandated expansion of Medicaid to 133% of the federal poverty level (FPL) will be factored in this process. HHC, in its comment letter to CMS, will advocate that states that do not participate in the ACA-mandated Medicaid expansion should not be rewarded with a lesser reduction to their DSH programs. The preliminary estimates for the Medicaid DSH cuts in 2014 and 2015, when the national program will be reduced by only 5%, show that New York State and HHC will be cut less than originally assumed. Comments are due to CMS on July 12, 2013.

#### HHC's Medicare DSH Comments

On July 25, 2013, HHC submitted comments to CMS on its Hospital Inpatient Prospective Payment Systems for Acute Care Hospitals and the Long-Term Care Hospital Prospective Payment Systems (IPPS) proposed rule for fiscal year (FY) 2014, which included CMS' proposal for implementing the ACA-mandated redistribution of Medicare DSH payments. Under this proposed rule, it is unlikely that HHC would gain additional funding from the uncompensated pool that would encompass 75% of the Medicare DSH funds.

HHC's recommendations/comments are following:

1. CMS has proposed to distribute the DSH pool dollars on a periodic interim basis. The result would benefit Medicare Advantage Plans. The American Hospital Association (AHA) has calculated that \$3 billion nationally would flow to these plans instead of the hospitals. HHC would lose \$64 million, negating a gain of \$59 million that HHC estimates that it would gain from the new uninsured pool under the CMS proposed methodology. HHC, along with AHA, the Greater New York Hospital Association (GNYHA), and the Hospital Association of New York State (HANYs) have suggested that CMS fix this problem by having the pool payments be made on a per-discharge basis.
2. CMS' proposed formula would use inpatient days of Medicaid beneficiaries plus inpatient days of Medicare Supplemental Security Income (SSI) beneficiaries as a proxy

for measuring the amount of uncompensated care each hospital provides. CMS will use this calculation to allocate the 75% of Medicare DSH funds that would comprise the uncompensated care pool for hospitals. Each hospital would receive a payment based on their proportion of uncompensated care relative to the national total. CMS has considered using charity care, bad debt and other data contained on the "S-10" Hospital Cost Report Worksheet as the uncompensated care proxy, which would have been beneficial to HHC. However, CMS decided not to use the "S-10" worksheet" because it is relatively new, the instructions are confusing and many hospitals have had difficulties submitting accurate and consistent data using this form.

HHC, along with GNYHA, recommended that including exempt unit days (psychiatric and rehabilitation) in the formula would be helpful to Safety Net hospitals. For HHC, the benefit is an additional \$52 million. HHC also suggested applying a locality adjustment (i.e., a weighted wage index) to the total low-income days. This change would generate \$31 million for HHC. The AHA is supportive of CMS' suggested methodology, but AHA also advocates for the eventual use of the S-10 worksheet.

### **World Trade Center (WTC) Environmental Health Center Update**

The National Institute of Occupational Safety and Health (NIOSH) has renewed HHC's two World Trade Center (WTC) Health Program contracts that support HHC's World Trade Center Environmental Health Center (WTC EHC) effectively on July 1, 2013. As background, the WTC Health Program (WTC HP) was established as part of the Zadroga Health and Compensation Act that took effect on July 1, 2011. HHC's two WTC HP contracts include the WTC Clinical Centers of Excellence (CCE) contract to provide care for WTC survivors who reside in the New York City area and the WTC Data Center contract. HHC's WTC EHC's program enrollment, as of June 30, 2013, was 6,668 patients. They are distributed among the three HHC sites as the following:

- Bellevue Hospital Center: 71%
- Gouverneur Healthcare Services: 23%
- Elmhurst Hospital Center: 6%

On July 1, 2013, NIOSH proposed adding prostate cancer to the list of over 50 other cancers that have already been approved for certification. It is anticipated that this proposal will become effective after a public comment period, which will end on August 1, 2013. There are currently 40 patients with prostate cancer in HHC's program. NIOSH also recently announced new expanded criteria for breast cancer coverage, which may also increase enrollment into the program. There are slightly more than 60 patients already in care who will now likely be eligible for breast cancer certification.

### **City Update**

#### HHC Expense and Capital Appropriations

On June 27, 2013, the Mayor and the City Council passed a \$70 billion spending plan for Fiscal Year 2014. The Council restored \$14.5 million in expense funding for HHC which included:

- \$6 million for Unrestricted Subsidy,
- \$5 million for Child Health Clinics,
- \$2 million for Expanded HIV Testing, and
- \$1.46 million for Behavioral Health.

HHC facilities also received \$20.5 million in Capital funding from their respective Council Members and borough delegations for new equipment and facility upgrades. These appropriations include:

- \$ 2 million for Bellevue Hospital for a Nurse Call System,
- \$ 2.8 million for Coney Island Hospital for equipment and renovations ,
- \$2 million for Elmhurst Hospital for the Emergency Department,
- \$450,000 for Gouverneur Healthcare Services for Digital Mammography equipment,
- \$2.7 million for Harlem Hospital for its Geriatrics Center,
- \$534,000 for Kings County Hospital for four Ultrasound Units,
- \$910,000 for Lincoln Medical and Mental Health Center for its Adolescent and Pediatric Clinic Renovations,
- \$900,000 for Metropolitan Hospital Center for Perimeter Gate and Landscaping,
- \$885,000 for Queens Hospital Center for CT Simulator and Urology Equipment,
- \$4.5 million for the 155 Vanderbilt Avenue Diagnostic and Treatment Center that is being constructed on Staten Island, and
- \$2.5 million (and another \$2.5 million allocated for FY15) for HHC Disability Access Renovations.

## **INFORMATION ITEM**

### **State Legislative Update**

Wendy Saunders, Assistant Vice President, Office of Intergovernmental Relations

Ms. Brown invited Ms. Wendy Saunders, Assistant Vice President of the Office of Intergovernmental Relations to provide her update on the 2013 New York State Legislative Session. Ms. Saunders began her presentation by providing a summary of the 2013 New York State Legislative session. She summarized the session as the following:

- 13,994 bills introduced
- 758 bills passed Senate only
- 421 bills passed Assembly only
- 349 bills passed both Houses
- HHC actively tracked 924 bills

Ms. Saunders reported on the following bills:

### **Staffing Ratios Legislation**

#### **S.3691-A (Hannon)/A.6571 (Gottfried)**

This bill imposes mandatory nurse staffing ratios for hospitals and nursing homes. Ms. Saunders explained that this legislation was top priority for the New York State Nurses Association, which would continue to push hard for it next year. She added that this would be the most costly health care mandate in memory, with a statewide cost for hospitals at more than \$3 billion. The bill would require HHC to hire 3,200 new nurses which would cost more than \$388 million. HHC opposed the bill. This bill did not pass either House.



**Safe Patient Handling Legislation****S.1123-A (Maziarz)/A.2180-A (Gunther)**

The bill requires hospitals and nursing homes to implement new policies with specific staffing, technology and equipment requirements. Ms. Saunders explained that the requirements would be based on the recommendations of a new State Department of Health Safe Patient Handling Workgroup. Each facility must have its own committee to develop facility-specific recommendations. She noted that, while the bill didn't pass this year, it is anticipated that it would be enacted next year. HHC will continue to work with the hospital and nursing home associations in addition to bill sponsors to make improvements to the legislation. The bill allows nurses to refuse to handle patients if they believe it inconsistent with new policy. HHC opposed the bill. The bill only passed the Assembly.

**Medical Malpractice Legislation****S.744 (Fuschillo)/A.3564 (Weinstein)**

This bill extends New York State's statute of limitations from 30 months from the date of the alleged malpractice to 30 months from whenever the alleged malpractice is discovered. Ms. Saunders explained that the discovery would include both any injury and knowledge that the event had been caused by a negligent act. As a result, this could have the effect of extending the deadline for filing claims almost indefinitely. Ms. Saunders added that the hospital trade associations had estimated that this would increase malpractice costs by 15-25%. She noted that, although the Trial Bar had pushed a number of measures, this bill was their focus this year. Ms. Saunders informed the Committee that the bill had moved to the floor of the Assembly but didn't move in the Senate. She noted that HHC would have to remain vigilant on this bill – as well others – next year, which is an election year for all state officials. HHC opposed the bill. The bill did not pass either House.

**SUNY Downstate Legislation****S. 5902 (Rules) and A.8066 (Perry)**

Ms. Saunders reported that the Governor had proposed this bill to create the Brooklyn Health Improvement Corporation, which would receive Delivery System Reform Incentive Payment (DSRIP) funding. She explained that the Governor's bill was based on the recommendations contained in the Sustainability Plan that SUNY had submitted as required by the State Budget. She stated that the DSRIP funds were part of the State's pending Medicaid 1115 Waiver. HHC could receive significant funding as part of the Waiver. HHC has been working closely with the State and other public hospitals on the Waiver. After several days of negotiation that concluded with an impasse, the Senate put in a bill that reflected the Legislature's position that there needed to be more transparency and oversight on how the DSRIP funds would be spent, including the need to preserve the medical school and Downstate Hospital. It is to be noted that the Assembly bill would require the monetization of LICH and the creation of at least four new primary care centers. Consequently, the legislative session concluded without any new legislation or funding for Downstate. HHC will continue to closely monitor the Brooklyn situation. The Senate introduced a revised version of the Governor's bill. The Assembly introduced the bill based on organized Labor's recommendations. HHC advocated for the preservation of the affiliation agreement and DSH funding. The bill did not pass either House.

### **Job Order Contracts Legislation S.3564-A (Bonacic) / A.4810-A (Abbate)**

This bill would limit the use of job order contracts (JOCs). HHC uses these contracts for renovation, repair, and maintenance projects where traditional contracting is impractical. These contracts are completed more quickly and with fewer administrative costs than using traditional contracting processes. Projects using JOCs are still required to be competitively bid and contractors are still required to pay prevailing wages and comply with Wick's Law requirements. JOCs allow for greater efficiency because they streamline the designing, engineering, and the contracting of multiple projects processes. In addition, projects using JOCs save 8-15% compared to traditional contracting methods. Ms. Saunders explained that HHC is working closely with the Mayor's Office, other municipalities, and groups supporting MWBEs to oppose the bill. She added that HHC is requesting that it be vetoed. This bill passed both Houses. The bill has not yet been delivered to the Governor. Ms. Saunders informed the Committee that the bill also allows for exceptions that include emergency work that result from natural disasters and emergencies such as Hurricane Sandy etc.

### **New Screening Requirements for Patients Legislation**

Ms. Saunders reported on three bills that would mandate new screening exams for hospital patients including:

- Hepatitis-C screening (Hannon/Zebrowski) legislation would require hospitals to offer a screening test to anyone born between 1945 and 1965 that is an inpatient or receiving primary care services either in an outpatient setting/clinic or through primary care providers. Originally, the bill also included Emergency Departments. Patients who test positive would receive a confirmatory test and would be provided with follow-up care. The bill was also amended to expire on 1/1/2020 and to require SDOH to report on its effectiveness. It will take effect on January 1, 2014.
- Pulse-oximetry for newborns (Hannon/Gunther) legislation would require pulse-oximetry testing which is designed to catch congenital heart defects in newborns. It will take effect six months after it is signed into law.
- Maternal Depression (Krueger/Gottfried) legislation would require maternity providers to include screening and referral of patients for post-partum depression based on recommendations that the state will develop. Providers will also have to distribute materials the state will develop. Health insurers will have to pay for the screenings. This requirement will take effect six months after it is signed into law.
- Ms. Saunders reported that another bill would require that patients be provided notice when they have been assigned to an Observation Unit (Hannon/Peoples-Stokes). This bill would require hospitals to notify any patient (both orally and in writing) who has been placed in an Observation Unit that they have not been admitted to the hospital. The notice must explain that this placement could affect their insurance coverage. This notice must be provided within 24 hours. The State Department of Health will develop guidance for the preparation of the written notice.

Ms. Saunders reported that these bills passed both Houses. None of these bills have yet been delivered to the Governor. However, it is unlikely that they would be vetoed. As such, it is expected that they will all become law.

### **Professional Licensing Legislation**

Ms. Saunders reported to the Committee that several bills would impose new licensing requirements and/or expand the role of the following health care professionals:

- Clinical Nurse Specialists (Kreuger/Lifton) - this bill would create a new certification process for RNs with Masters or Doctorate level training in a particular specialty such as geriatrics. It will be administered by the State Education Department and take effect one year after it becomes law.
- Surgical Technologists (Savino/Cahill) - Surgical technologists working in hospitals and ambulatory surgical centers would have to complete a nationally accredited training program and become certified within one year of being hired. Those working for one of the preceding four years before the law takes effect would be grandfathered -- or exempt -- from the requirements. The new requirement would take effect 18 months after it is signed into law.
- Central Service Technicians (Grisanti/Bronson) - Central Service Technicians are responsible for the sterile and non-sterile equipment in hospitals. Similar to the bill for surgical technologists, central service technicians working in hospitals and ambulatory surgical centers would have to complete a nationally accredited training program and become certified, although they would have 18 months after being hired to complete the process. The same grandfathering provision would apply. This new requirement would take effect 18 months after it is signed into law.
- Dental Hygienists (Hannon/Glick) - Dental hygienists working in hospitals will be able to work collaboratively with a dentist rather than under their direct supervision of a dentist. This was a recommendation of the Medicaid Redesign Team. This new requirement will take effect in January.
- Pharmacist meningitis vaccine administration (Hoylman/O'Donnell) - Pharmacists will be able to provide a meningitis vaccine to anyone over the age of 18 as long as they have a standing order from a physician or nurse practitioner. This requirement will take effect 90 days after it is signed.

Ms. Saunders reported that all of these bills passed both Houses.

### **Managed Long Term Care Legislation S.3812 (Hannon)/A.7636 (Gottfried)**

Ms. Saunders explained that this bill would create new requirements for transitioning patients to managed long term care (MTLC). This bill expands upon the provisions that were included as part of this year's State Budget. Lawmakers want to provide more consumer protections as all Medicaid long term care patients are transitioned to mandatory managed care including that:

- Patients must have choice of plans, receive enrollment assistance, be notified of rights and options;
- Plans must provide consumer assistance and a complaint process; and

- SDOH must report on quality including network adequacy.

Ms. Saunders reported that the bill passed both Houses.

Ms. Saunders reported on two HHC specific bills. One bill, **S.2474 (Lanza)/A.130 (Cusick)** would require HHC to spend 10% of its operating budget or \$670 million on Staten Island. This bill only passed the Senate. The second bill, **S.2481 (Lanza)/A.135 (Cusick)**, would require HHC to finance the operation of at least two Emergency Departments on Staten Island. These bills did not pass either House.

Ms. Saunders reported on several issues that had been introduced and considered during the State Budget process:

- Certificate of Need (CON) Review (Gottfried)
- Health Care Facility Access to Capital (Hannon)
- Licensing Limited Services Clinics (Paulin/Hannon)

These bills did not pass either House. It is expected that all of these issues will continue to be part of on-going discussions next year.

Mrs. Bolus thanked Ms. Saunders for her presentation.

## **ADJOURNMENT**

There being no further business, the meeting was adjourned at 10:50 a.m.

# Coler-Goldwater

Placement of Skilled Nursing Facility Residents

Strategic Planning Committee

September 17, 2013



# Background: Modernization Plan to Right-Size Coler-Goldwater

- Replace 70+ year old Goldwater facility
- On the former North General Hospital campus in Harlem
  - Relocate the Long Term Acute Care Hospital (LTACH)
  - Construct a New Skilled Nursing Facility (SNF)
- Right-size LTACH and SNF consistent with federal and state health care delivery policy and budget changes
  - Reduce by 426 LTACH beds
  - Reduce by 410 SNF beds
- By December 2013, the two campuses' (Roosevelt Island and Harlem) combined capacity will be:
  - 979 SNF beds
  - 201 LTACH beds



# Background: Modernization Plan to Right-Size Coler-Goldwater (continued)

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- On track for completion Fall 2013
- Goldwater operations will be relocated before December 2013
- Coler
  - 815 SNF beds
- Goldwater (renamed Henry J. Carter Specialty Hospital and Nursing Facility)
  - 164 SNF beds
  - 201 LTACH beds



# Challenges: Identifying Residents/Patients Appropriate for Alternate Care Level or Community Placement

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- In August 2011, conducted new data assessment which identified 413 prospective candidates
- SNF residents with short term needs or homes to which to return were relatively easily discharged
- Residents who had long stays, tenuous ties to the community, were homeless, lacked documentation, had behavioral health diagnoses or experience with the criminal justice system were more difficult to discharge
- On average only 3 long term/hard to place SNF residents were discharged per month because of actual and perceived obstacles
- If this pattern of discharge had continued, only 80 of the hard to place residents would have been discharged



# Challenges: Residents/Patients Appropriate for Alternate Care or Community Placement (continued)

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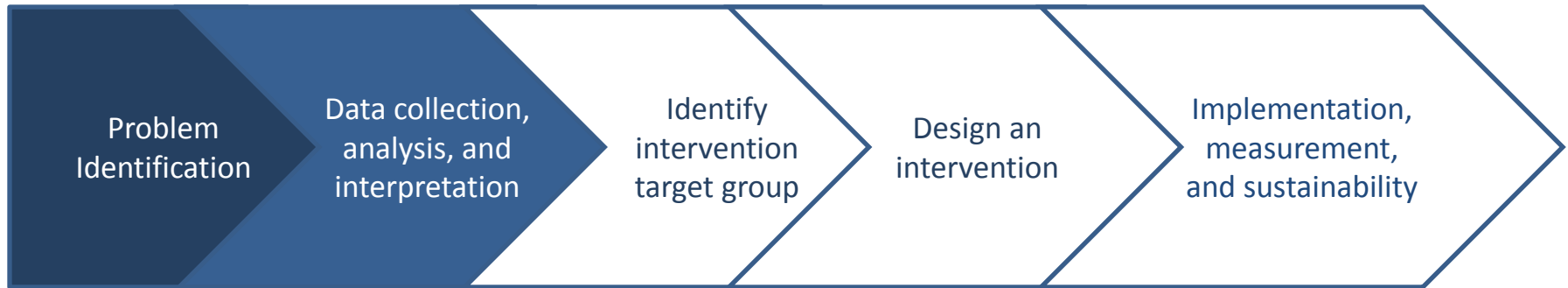
- The hard to place residents generally need less skilled care than shorter stay, higher acuity residents, and concomitant reimbursement is low
- Minimal reduction of hard to place residents results in:
  - A significant hard to place resident census
  - A total reimbursement significantly weighted towards hard to place residents who could be well served in community settings
  - Lower reimbursement which affects overall fiscal viability

# Discharge Planning Committee Responsible for Meeting Goals and Targets

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- Discharge Planning Management Committee Meetings started in November 2011
  - Corporate Planning Services (CPS) designated 1 full-time and 3 part-time staff members to implement and chair weekly meetings
  - Comprised of Coler-Goldwater executives, department heads and management designees from social work and psychiatry, as well as specialists from Coler-Goldwater and intra-HHC departments
- Designed to effectively steer this strategic initiative
- CPS provided additional management and technical support with complex cases and challenges
- Meetings resulted in more effective decision making, metrics-based reporting, assessment reviews, problem solving and corrective action plans

# Work Plan Process



- **Problem Identification**

- Based on the SNF census of 1,331 in August 2011, 352 beds needed to be reduced to achieve target of 979 beds to right-size the facility
- The facility experienced difficulty discharging hard to place residents

- **Data collection, analysis, and interpretation**

- Identified prospective SNF residents for home and community based placement through data assessment
- Conducted focus group interviews with executive administration, social work leadership, and social workers
- Assessed information technology infrastructure and usage
- Performed gap analysis to move from actual to target state

# Work Plan Process



- **Identify intervention target group**

- Focus on discharging medically cleared hard to place residents

- **Design intervention strategies to address gaps in process**

- Enhanced Discharge Process: Utilized industry best practices, benchmarks, right to self-determination and person-centered planning
- Trained staff on housing, Medicaid waiver programs, Social Security benefits, etc.
- Created inter-disciplinary case conferences to screen 413 hard to place residents
- Established self-care training to prepare residents for transition to community
- Provided legal services to SNF residents to support removing discharge barriers
- Facilitated external partnerships with government agencies, community based organizations, and consulting firm with expertise in long term care and persons with disabilities

# Work Plan Process



- **Design intervention strategies to address gaps in process (continued)**
  - Coordinated with IT department and administrators to provide computers, infrastructure and customized software enabling social workers to connect to the intranet and internet and complete supportive housing applications
- **Implementation, measurement, and sustainability**
  - Initiated weekly discharge planning committee meetings to support implementation efforts and troubleshoot challenges
  - Determined progress based on discharge metrics productivity reports and revised approach as needed
  - Facilitated training and began implementation of enhanced discharge process
  - Identified steps to ensure that facility can sustain process: enhanced discharge process
  - Conducted regular focused meetings with external agencies regarding specific residents

# Intervention Strategies

# Intervention Strategy: Overview

|   | Fall 2011 | Winter 2011 | Spring 2012 | Summer 2012 | Fall 2012 | Winter 2012 | Spring 2013 |
|---|-----------|-------------|-------------|-------------|-----------|-------------|-------------|
| Training (housing, waiver programs, Social Security benefits, etc.) | X         | X           | X           | X           | X         |             |             |
| Inter-disciplinary Case Conferences                                 |           | X           | X           | X           | X         | X           | X           |
| Self-Care Program   |           |             | X           | X           | X         | X           | X           |
| Legal Services (NYLAG)  |           |             |             | X           | X         | X           | X           |
| External Partnerships   | X         | X           | X           | X           | X         | X           | X           |

# Intervention Strategy: Staff Training

| Training                       | Facilitator   | Purpose   | Dates   |
|--------------------------------|---|---|---|
| HRA 2010e                      | Human Resources Administration                                    | Overview of how to complete applications for supportive housing for individuals with SPMI   | 09/08/11,<br>09/13/11,<br>04/02/12  |
| NHTD/TBI Waiver Programs       | VNA of Staten Island/<br>NYC Regional Resource Development Center | Overview of Waiver Programs and the referral process  | 10/28/11  |
| Supportive Housing             | Center for Urban Community Services                               | Overview of supportive housing programs for individuals with SPMI   | 11/14/11,<br>07/16/12   |
| Social Security Benefits       | Social Security Administration                                    | Overview of how to complete disability applications   | 01/23/12,<br>01/30/12   |
| Veterans Benefits and Services | Veteran Affairs   | Overview of Veterans benefits and services and how to access them   | 09/24/12  |
| Discharge Planning             | Center for Independence of the Disabled, New York                 | Six distinct training sessions, including: discharge planning overview, housing search process, special populations (ex-offenders, development disability, etc.), housing interview prep, community resources (trusts, long term managed care, meals), and community health benefits. | 06/11/12,<br>06/22/12,<br>07/30/12,<br>08/20/12,<br>09/17/12,<br>10/15/12 |



# Intervention Strategy: Interdisciplinary Case Conferences

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- Purpose: Integrate assessments of residents by multiple disciplines to develop a unified plan of action.
- CG and CPS established a weekly interdisciplinary case conference in November 2011.
  - Attended by Medicine, Nursing, Psychiatry, Social Work, Administration, and CPS
  - Assessed the medical, nursing, activities of daily living, psychiatric, behavioral health, psychosocial needs of 10 to 16 residents on a weekly basis
  - Resulted in work plans and placement options, including independent housing with appropriate supports, supportive housing, assisted living, adult homes, etc.
  - Involved resident participation through preparation for and follow-up activities from the case conferences
- Special areas of focus: remedy members, undocumented residents, and patients on alternate level of care

# Intervention Strategy: Self-Care Program

## PROGRAM GOAL

Design and implement a customized self-care program to provide SNF residents with living skills training that prepares them to successfully transition into community settings

## OVERVIEW

Program started in July 2012 as pilot and launched in October 2012

92 SNF residents successfully completed the program as of August 30, 2013

- CPS arranged “field trips” with social work leadership to the city’s only shelter for disabled individuals and supportive housing developer, both of which have successful transitional living programs.
- The Social Work Assistant Director and the Occupational Therapy Director jointly designed a sustainable program model
- The 20-day program is tailored to each individual’s needs, based on a functional assessment and anticipated community placement, e.g. apartment living
- Workshops are provided by Social Work, Nursing, Nursing Rehab, Occupational Therapy, Dietary, Therapeutic Recreation, Dental and Psychiatry
- Modules include Medication Management, Oral Health, Food and Nutrition, Meal Budget and Prep, Social and Interpersonal Skills
- Program received funding from UHF in 2012

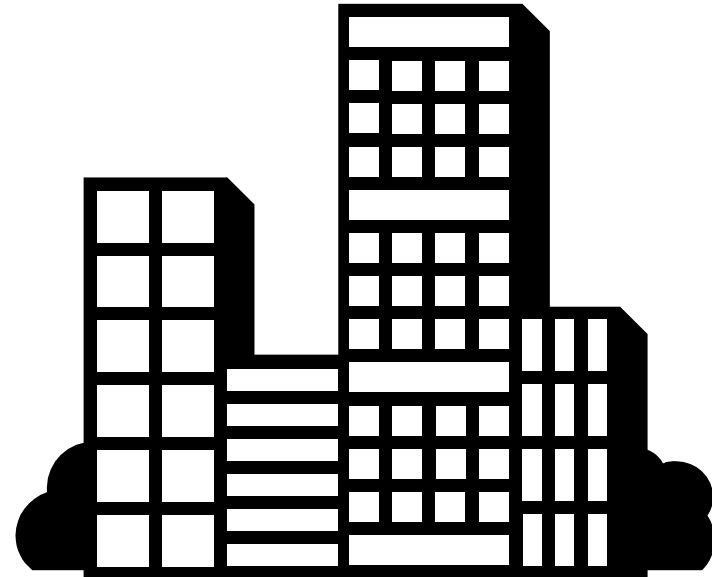
# Intervention Strategy: Engaging Consultant to Support Further Acceleration of Discharge Planning

- The prior discharge planning process produced variable results and did not result in an optimal number of hard to place discharges
- To resolve, CPS engaged a consulting firm to assess and design an enhanced discharge process working with all relevant staff
- CG used a pilot model on one interdisciplinary SNF unit team to test the new discharge process and make modifications
  - Outcomes included standard work for determining appropriate placements, navigating complex discharges and contacting residents post-discharge
  - The resulting model relies on interdisciplinary team meetings rather than individual multi-discipline points of contact
- Standard work integrated into existing Breakthrough processes

# **External Partnerships Negotiated by HHC**

# New York City Housing Authority

- NYCHA provides CG residents with highest need-based priority for housing
- CPS instituted conference calls with NYCHA every two weeks to review status and facilitate the application process for CG residents
  - CPS, CG managers and NYCHA work together to resolve barriers to discharge and respond to NYCHA requests for information
- From January 2012 to present, 57 SNF residents have been placed in NYCHA housing
- 32 additional residents are in the process of renting apartments



# Nursing Home Transition and Diversion (NHTD) Waiver Program



- A Medicaid waiver program for individuals who need SNF level of care but want to live in the community
- Promotes community placement and provides supports that include:
  - Service coordination, assistive technology, community transition services, and environmental modifications
- Central Office initiated monthly conference calls between CG, NYS Department of Health, and the NHTD Regional Resource Development Center for NYC
  - Review and resolve the status of each SNF resident applying for NHTD.

# Center for Independence of the Disabled (CIDNY)

- Mission: to ensure full integration, independence and equal opportunity for all people with disabilities by removing barriers to the social, economic, cultural and civic life of the community.



- Recognizing that many of our SNF residents are persons with disabilities, CPS contracted with CIDNY to provide 6 training sessions for the Social Work Staff and 24 informational sessions for SNF residents.
- Provided in-service training that emphasized self-determination and person-centered planning by focusing on transition to the community, independent living, government and community resources and benefits, legal rights, managed healthcare plan options, and advocacy.

# 99<sup>th</sup> Street Housing Development



- A partnership between
  - SKA Marin, the developer
  - HHC
  - New York City Department of Housing Preservation and Development
  - Housing Development Corporation
  - New York City Housing Authority
  - New York State Homes and Community Renewal
  - Citibank, and Raymond James Financial Inc.

- First development in the state to receive Medicaid Redesign Team funding for projects focused on high-cost Medicaid populations. Estimated savings: \$10 million annually in state and federal Medicaid expenditures.
- SKA Marin began construction of 175 accessible apartments (studios and one bedrooms) for low income, disabled and/or elderly individuals currently at CG SNF and other HHC facilities. Occupancy in summer/fall 2014.
- Location: East 99<sup>th</sup> Street between First and Second Avenues, on the Metropolitan Hospital Campus



# Preparing for the 99<sup>th</sup> Street Housing Development

- CPS and CG developed a pre-screening process to identify prospective candidates suited for the development
- CG is preparing medically cleared SNF residents for the development:
  - Assessing the medical readiness, finances, and supports necessary for independent living
  - Referring residents to the self-care program to prepare individuals for community placement
  - Assisting residents to obtain documentation necessary for the rental process: birth certificates, social security cards, proof of income award letters, state issued identification, proof of citizenship, etc.



# New York Legal Assistance Group (NYLAG)

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- Mission: Uniting legal and medical professionals by providing legal services to patients in the medical setting. Educating healthcare professionals on the legal issues affecting patients.
- Assist CG residents and patients with non-criminal matters that serve as barriers to discharge. Legal services are free to the residents/patients.
- Since July 2012 NYLAG has worked with residents on:
  - Immigration/Naturalization
  - Missing birth certificates
  - Guardianships
  - Government benefits
- Renewed the Medicaid-eligible immigration status of 8 residents and identified 9 new residents for this status, facilitating an average daily reimbursement to the facility of \$300 a day

# Case Studies

# CASE STUDY 1





## Resident A

- Quadriplegic
- Mother of Minors
- Undocumented
- Victim of a major crime

## Resident B

- Paraplegic
- Left Hemiparesis
- Criminal background
- U.S. Citizen






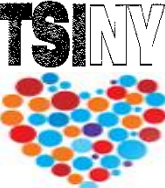
| Resource Issues  | Efforts Toward Discharge   |   |
|--|--|---|
| <ul style="list-style-type: none"> <li>• Verification of Medicaid Eligibility</li> </ul>         | For Resident A: <ul style="list-style-type: none"> <li>• Verified Medicaid coverage with NYS Victim Services</li> <li>• Mitigated concerns about minor child</li> </ul>  |    |
| <ul style="list-style-type: none"> <li>• Identification of community-based care needs</li> </ul> | For both residents, HHC Health & Home Care & NHTD Office: <ul style="list-style-type: none"> <li>• Determined needs were a minimum 12 hour day / 7 days /week: assistance with ADLs</li> <li>• NHTD contractor prepared individual service plan</li> <li>• HHC H&amp;HC assessed care needs /hours</li> </ul>  |    |
| <ul style="list-style-type: none"> <li>• Eligibility for public housing</li> </ul>               | For Resident B: <ul style="list-style-type: none"> <li>• Determined that post- incarceration time was less than the required NYCHA wait time (5 years) for housing</li> <li>• Submitted successful appeal to address mitigating circumstances</li> <li>• Assisted with securing additional rooms for home health aide and for minor child</li> </ul> |   |
| <ul style="list-style-type: none"> <li>• Ensuring eligibility for public housing</li> </ul>      | For both residents: <ul style="list-style-type: none"> <li>• Coordinated submission of documents to the NY State Department of Corrections for a “good conduct” certificate.</li> </ul>  |  |
| <ul style="list-style-type: none"> <li>• Managing community transition expectations</li> </ul>   | For both residents: <ul style="list-style-type: none"> <li>• Facilitated their enrollment in 20-day Self Care Program</li> <li>• Requested Psychiatry Department to design and provide a 12-topic parent training program</li> </ul>   |   |

# CASE STUDY 2

## Resident C

- Amputee / Wheelchair dependent / independent of ADLs
- “Remedy Member” (dx: serious mental illness)
- History of homelessness
- Admission 2009






| Resource Issues  | Efforts toward discharge  |  |
|--|---|--|
| <ul style="list-style-type: none"> <li>• Identify Housing</li> </ul>                       | <ul style="list-style-type: none"> <li>• Provided psycho/social assessment</li> <li>• Completed and submitted HRA 2010e application</li> <li>• Followed-up on SPOA OMH housing options</li> <li>• Conducted HRA / CUCS training on 2010e application submission and supportive housing options.</li> </ul>  | <br> |
| <ul style="list-style-type: none"> <li>• Housing Interview Preparedness</li> </ul>         | <ul style="list-style-type: none"> <li>• Provided social work staff with a Center for Urban Community Service Interview Guide to counsel residents</li> <li>• Facilitated intervention by specialty services (i.e. occupational therapy, nursing, etc.)</li> </ul>  |    |
| <ul style="list-style-type: none"> <li>• Facilitate Housing NYS DOH Connections</li> </ul> | <ul style="list-style-type: none"> <li>• Verified SMI diagnosis &amp; Remedy Member status</li> <li>• Engaged NYS DOH contractor Transitional Services for NY Inc. (TSINY) and supportive housing provider Comunilife</li> <li>• TSI monitored / facilitated OMH housing connection</li> <li>• Connected with existing HHC housing partners with available OMH Housing</li> </ul> |   |

# CASE STUDY 3

## Resident D

- Paraplegic / wheelchair bound
- Moderate dependent on ADLs
- Cognitively intact / no behavior issues
- Admission 2007








| Resource issues   | Efforts toward discharge   |  |
|---|--|--|
| <ul style="list-style-type: none"> <li>• Identify community based care needs</li> </ul>   | <ul style="list-style-type: none"> <li>• Review at interdisciplinary case conference</li> <li>• Identify NHTD eligibility and complete application</li> <li>• Arrange VNA/SI interview screening for NHTD program eligibility</li> <li>• Initial Service Plan prepared by NHTD service coordinator</li> <li>• Assessment of care needs 12 hours/ 7 days a week</li> </ul>  |   |
| <ul style="list-style-type: none"> <li>• Identify and secure community housing</li> </ul>  | <ul style="list-style-type: none"> <li>• Co-developed initial resident forum talking points regarding 99<sup>th</sup> street development</li> <li>• Communicated with social workers to educate residents regarding 99<sup>th</sup> street</li> <li>• Developed pre-screening tool for residents to complete if interested in 99<sup>th</sup> Street development.</li> <li>• Resident screened and found eligible</li> </ul> |  |

# CASE STUDY 4

## Resident E

- Osteoarthritis
- Disabled and in motorized wheelchair
- Crime victim



| Resource issues   | Efforts toward discharge   |   |
|---|--|---|
| <ul style="list-style-type: none"> <li>• Identification of community based needs</li> </ul> | <ul style="list-style-type: none"> <li>• NHTD contractor prepared individual service plan</li> </ul>   |    |
| <ul style="list-style-type: none"> <li>• Housing</li> </ul>                                 | <ul style="list-style-type: none"> <li>• Assisted resident in completing NYCHA application and submitting facility documentation that establishes NYCHA priority admission status</li> </ul>   |    |
| <ul style="list-style-type: none"> <li>• Barrier to housing: Criminal History</li> </ul>    | <ul style="list-style-type: none"> <li>• Advised resident to obtain documentation from court indicating that issue found on NYCHA criminal background check was resolved</li> </ul>  |    |
| <ul style="list-style-type: none"> <li>• Barrier to housing: rentals arrears</li> </ul>     | Engaged HRA by: <ul style="list-style-type: none"> <li>• Providing additional context on circumstances that caused resident to leave apartment (victim of violent crime)</li> <li>• Detailing NYCHA's rules barring consideration of residents with rental arrears</li> <li>• Facilitated dialogue between NYCHA and HRA resulting in financial assistance that satisfied outstanding balance and issuance of a new apartment</li> </ul> |   |
| <ul style="list-style-type: none"> <li>• Financial obligations for new apartment</li> </ul> | <ul style="list-style-type: none"> <li>• Provided expedited assistance with security deposit, first month's rent, and monies for furnishings</li> </ul>  |  |

# Coler-Goldwater SNF Census Reduction



# Coler-Goldwater SNF Census Reduction

| Hard to Place Priority Discharge Disposition as of September 3, 2013 | #          |
|--|------------|
| Independent (NYCHA)  | 59         |
| Independent (Home, Senior Housing, etc.)                             | 42         |
| Nursing Home – Non HHC   | 53         |
| Supportive (Assisted Living, Adult Home, TBI/NHTD Waiver, etc.)      | 23         |
| Other Discharges (AMA, AWOL, Arrests, Expired)                       | 35         |
| <b>TOTAL LIST</b>  | <b>212</b> |

| Total Census of All SNF Residents        | Project Start (08/2011) | Current (09/11/2013) | Variance (Census Reduction) | Target Census for 10/2013 |
|--|-------------------------|----------------------|-----------------------------|---------------------------|
| Coler-Goldwater Skilled Nursing Facility | 1,331                   | 861                  | 470                         | 979                       |



## RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to negotiate and execute a contract with Simpler North America, LP ("Simpler") on a sole source basis in order to continue and expand the implementation of *Breakthrough* throughout the Corporation. Funding for this contract shall not exceed \$4,416,500 for the period from November 1, 2013 through October 31, 2014.

**WHEREAS**, in recognition of the breakthrough nature of improvements made using Lean techniques, in November, 2007, the Board authorized the Corporation to enter into a contract with Simpler for Lean consultation and training to launch *Breakthrough*, which contract was later amended with Board approval in October, 2010, for a total term of six years; and

**WHEREAS**, said contract with Simpler will expire on October 31, 2013; and

**WHEREAS**, Simpler has provided Lean consultation and training effectively and satisfactorily to staff at nineteen Corporation sites including Central Office, and the Corporation desires to strengthen the infrastructure toward increasing capacity to manage without Simpler and align with strategic goals including selected value streams and implement the Daily Management System at more HHC facilities and services; and

**WHEREAS**, the Corporation has realized \$28.47 million in cost savings and \$348.93 million in new revenues through over 1,300 Breakthrough improvement events, reaching 8,339 employees; and

**WHEREAS**, given the significant financial, efficiency and staff engagement benefits generated through Breakthrough activities, including an accumulated return on the value of the Simpler contract of greater than \$18.46 per dollar invested, and given the widespread support among clinical, financial and operational leadership across the Corporation toward a more deep and broad application of Breakthrough, the Corporation seeks to develop significant site-based and central expertise to maintain and continue to grow its Breakthrough capacity through training and consultation; and

**WHEREAS**, because the unique systems, tools and structure that Simpler has used to assist the Corporation in developing and implementing Breakthrough cannot be replicated by any other vendor, the Corporation wishes to contract with Simpler on a sole source basis for these services; and

**WHEREAS**, the overall management of this contract will be under the direction of the Senior Vice President for Organizational Innovation and Effectiveness.

### **NOW THEREFORE, BE IT**

**RESOLVED**, that the President of the New York City Health and Hospitals Corporation be and hereby is authorized to negotiate and execute a contract with Simpler North America, LP on a sole source basis in order to continue and expand the implementation of *Breakthrough* throughout the Corporation. Funding for this contract shall not exceed \$4,416,500 for the period from November 1, 2013 through October 31, 2014.



## **EXECUTIVE SUMMARY**

### **PURPOSE**

HHC's current 6 year contract with Simpler, NA is ending as of October 31, 2013. Over these years Simpler has provided system development, coaching, training, strategic planning and sensei/consultative services to HHC leadership and employees to implement Breakthrough. HHC has been pleased with Simpler's performance. For several years, HHC has worked to develop internal capacity to grow and sustain Breakthrough. Although HHC expects to require external support at diminishing levels over a period of years, we will begin to reduce Simpler support this next year – November 2013 through October 2014.

In order to ensure a smooth initial transition, we propose a one-year, sole source contract with Simpler in the amount of \$4,416,500, or 20% less than the amount of current 12-month contract (\$5.5 million). HHC staff will take over significant responsibilities for services previously provided by Simpler, including support for all new site launches, provision of all five levels of certification classes, and ongoing event and ad hoc support of select sites. Simpler will continue to help us develop our internal capacity for self-reliance, including accelerated deployment of the daily management system, support of select sites, teaching advance tools, supporting the cascading of hoshin kanri initiatives and management, and leadership coaching and standard work.

Seven years ago, few hospitals were using lean, few consulting firms were experienced in bringing lean to health care and HHC knew little about the approach that would best fit our culture. We chose to work with a firm that was almost exclusively focused on lean versus the many other improvement methods available. As a result, Breakthrough is closely aligned to the Toyota production system (TPS). Toyota draws upon the work of Deming, Ford, TQM, quality circles and many other well accepted performance and quality tools and innovators to create a set of tools it embeds in a culture of respect, accountability and continuous improvement. More than 45 years in the making, TPS provides a solid system of layered and broadly applicable tools that Simpler has adopted with little adaptation. By working with simpler, HHC has been able to align breakthrough to the most time-tested process improvement and culturally attuned improvement system that has proven reliability and sustainability. The system has proven to be well suited for HHC's culture.

A review of consultant firms that offer 'lean' services demonstrates that only a handful of firms offer pure TPS-based lean, vs. Lean Six Sigma and who also have any significant experience in health care. None of these firms has the breadth and depth of experience in health care that simpler holds. Moving away from simpler at this time will not only slow the momentum HHC has built but will introduce confusion and wasteful variation. HHC has struggled to ensure consistency of approach and spreadability across the corporation over the last six years. However, today, any facilitator can work in any site, any steering team member uses the same language, and any a3 workshop will

teach the same problem solving method. HHC is poised to use this consistency of approach to spread process improvements in areas of priority across sites. Over the years, Simpler has also learned from HHC and has customized its approach and training to correspond with HHC unique culture and environment. There are not any consultant resources familiar with Lean who would be able to duplicate Simpler's experience and customization without undergoing a long and expensive 'learning curve' to HHC's detriment.

Therefore, it is requested that the proposed contract be considered as a Sole Source with Simpler NA, LP as there are not any other resources available which can duplicate the approaches brought to HHC by Simpler at this crucial junctures. The credibility and expertise which Simpler has demonstrated to the HHC leadership and staff and the customization of approach to be effective in HHC's culture and environment would be undermined. Trying to introduce another source for Lean services will result in losses to the Breakthrough effort instead of the gains planned with Simpler over the next year. The division of OI&E will also embark on a competitive bid process to secure ongoing, albeit reduced, lean consulting services for a multi-year period to commence at the end of the proposed simpler contract period.

## **BACKGROUND**

In November 2007, the New York City Health and Hospitals Corporation (HHC) executed a contract with Simpler Consulting, Incorporated (now Simpler North America, LP) for a three year period ending October 31, 2010. This contract for Lean training and consultation was procured through a competitive Request for Proposals process. From five qualified respondents, Simpler was selected based on experience, approach and cost.

### **CONTRACT HISTORY**

| <b>Process and Date</b>                       | <b>Period/Purpose</b>  | <b>Amount</b>                | <b>Cumulative Total</b> |
|---|--|------------------------------|-------------------------|
| Approval of original contract (November 2007) | Years 1-3 (11/1/07 - 10/31/10) with 2, 1-year optional renewal years   | \$5,000,000 for Years 1-3    | \$5,000,000             |
| First Amendment (January 2010)                | Increase budget authority for the original period (Years 1 – 3) to add depth and breadth to contractor scope*  | Add \$2,000,000 to Years 1-3 | \$7,000,000             |
| Renewal and Second Amendment (October 2010)   | Execute the first of 2 optional renewal years (Year 4: 11/1/10-10/31/11) and add a third optional renewal year to ensure development of all sites and build self-sustaining infrastructure | Add \$3,112,700 for Year 4   | \$10,112,700            |
| 2 <sup>nd</sup> Renewal and Third Amendment   | Executed 2 <sup>nd</sup> of 3 optional renewal years (Year 5: 11/1/11-10/31/12)  | Add \$4,879,650 for Year 5   | \$14,992,350            |
| 3 <sup>rd</sup> Renewal and Fourth Amendment  | Executed 3 <sup>rd</sup> of 3 optional renewal years (Year 6: 11/1/12-10/31/13)  | Add \$5,500,000 for Year 5   | \$20,492,350            |

Simpler has performed well, providing onsite training and consultation that enabled HHC to generate site-specific and enterprise-wide improvements.

## **OUTCOMES TO DATE**

In the almost six years that HHC has implemented Breakthrough with Simpler's support, HHC has realized \$348.93 million in new revenues and \$28.47 in cost savings. In addition, 8,339 staff has been engaged in Breakthrough events and over 1,300 Rapid Improvement Events have been completed. The cumulative return on direct investment for the first six years of this contract is \$377.4 million on a contract budgeted expense of \$20,492,350. Breakthrough has now been implemented at 19 of HHC's major sites<sup>1</sup> resulting in improvements in areas such as peri-operative services, emergency departments, inpatient units, ambulatory care, revenue cycle, imaging and behavioral health. Not only has this effort resulted in increased revenue and cost savings but it has also improved safety, efficiency and capacity, and decreased patient waits, unnecessary staff and patient movement and un-needed steps in numerous processes. ROI continues to grow at an increased rate: the cumulative ROI over these 6 years is \$18.41 financial contribution for each \$1 spent on the contract.

## **CONTRACT SCOPE**

During the proposed one-year period, Simpler will focus on four strategic areas that have been identified as critical to Breakthrough and HHC's success:

### 1. Visioning and Strategy

Providing Executive coaching and mentoring supporting the deployment of Hoshin Kanri and chartered strategic A3s to ensure alignment of goals across the corporation and accelerate spread of business improvements across strategic service areas. More extensive mentoring and coaching will be provided to the leadership on transforming into a Lean Leader and using these skills to transform their areas of responsibilities.

### 2. Value Stream Improvement

Providing sensei mentoring to particularly newer sites and staff on the development and implementation of new and existing Value Streams and resultant RIEs to both train staff to conduct these events as well as ensure their improvement's effectiveness and alignment with HHC strategic goals.

### 3. Daily Management System (DMS)

Providing expert lean coaching and mentoring for Takt Time attainment through onsite coaching including visual management, problem solving and corrective action, event preparation and follow up, benefits tracking, and developing a rigorous discipline in adherence to standard work. In this contract year, HHC will experience a very rapid deployment of DMS throughout the

organization. One of the outcomes of DMS deployment will be the enhanced sustainment of gains achieved through Breakthrough.

#### 4. Business System Architecture and Infrastructure

Provide transformation program management, core team development, developing transformation policies, data collection and analytics, organization design, lean capability assessments and assistance in building the HHC Improvement System. Even though most of the training is being taken over by HHC staff, the highest level of certification training: Platinum, will still be conducted by Simpler staff for part of this year and Simpler will assist HHC in the development of a leadership training curriculum.

Simpler will support the following activities this budget period:

- Provide onsite, regular consultation: Almost half of the Simpler staff time will be assigned to work directly at the facilities according to the sites' competency and plans. Sensei will support improvement activities in increments of 4.5 days ('weeks'). Training and support at existing sites will concentrate on coaching of leaders and managers, and specialized event activities like VSAs, VVSMs, 2p and Mission A3s. Training and support at newer sites will be to help build the skill level of staff and the infrastructure needed to implement and sustain Breakthrough improvements.
- Provide focused support for the implementation of the Daily Management System: Simpler will allocate .5 FTE (equivalent to 2 weeks per month) to support of specific value streams that are active across the enterprise, e.g., peri-operative, inpatient, emergency, ambulatory care or mental health services. Simpler will work with the enterprise Breakthrough office and individual sites to identify effective Breakthrough practices that have relevance to other sites, and to spread these across and within sites. This activity will provide a showcase of best practices as well as engage sites for more rapid, systemic spread.
- Provide Value Stream sensei on-site one week per month to continue the development and spread of the Peri-Operative model value stream initiated at Jacobi Medical Center and one more site to be determined.
- Provide Gemba coaches to work directly with sites to provide ongoing coaching and support for those directly responsible for doing the work. The Gemba coaches will work to ensure that improvements gained through RIEs and DMS activities are sustained.
- Provide Transformational Plan of Care (TPOC) assessments on an ongoing basis to the HHC facilities to ensure their alignment with HHC goals and assess their current capabilities and help develop improvements to their transformational plans and approaches.
- Development and project management: Simpler will allocate .5 FTE sensei (equivalent to 2 weeks per month) to planning and continued development of Breakthrough, the HHC Improvement System in collaboration with and under the management of the Senior Vice



President, Organizational Innovation and Effectiveness. This work will include expansion of prior Hoshin Kanri/Strategy Deployment activity, identification and deployment of advanced tools and strategies at the enterprise and site level, leadership development and training, and facilitation and alignment of all communications between site and other sensei assigned to HHC.

- Training: Simpler will be responsible for only a limited engagement in Platinum Certification and support for the development of a leadership training series. All other classes are now the responsibility of HHC Breakthrough staff.

Contract Benefit to HHC:

This contract will ease the transition of HHC toward a more self-reliant future. In addition, results of the most recent year include:

- New Revenue: \$90 million, Cost Savings: \$10 million
- Number of Rapid Improvement Events: 300
- Number of additional employees participating in Breakthrough activities: 5,700
- Rapidly expanded number of sites will be trained in the Daily Management System and thereby being able to continuously improve and sustain these improvements (up to 75 areas)
- Leadership will be more skilled and knowledgeable about the application of tools to plan, implement and sustain Breakthrough activities.
- Sites will have increased capability to manage projects, increase the effectiveness of their Breakthrough events and the ability to use more advanced tools to achieve greater success. Employees will be empowered to problem solve and improve the processes in their own areas.
- Patient and employee satisfaction will be increased due to the elimination of wasteful, unneeded processes, wait times and unnecessary movements.

## **CONTRACT MANAGEMENT**

The contract will continue to be monitored by Joanna Omi, Senior Vice President, Division of Organizational Innovation and Effectiveness.

<sup>1</sup> Breakthrough had been adopted at Central Office, Queens Hospital Center, Metropolitan Hospital Center, Jacobi Medical Center, Gouverneur Healthcare Services (D&TC and SNF), Renaissance, S.R. Belvis, Morrisania and Cumberland Diagnostic and Treatment Centers, Coney Island Hospital, Bellevue Hospital Center, North Central Bronx Hospital, Woodhull Medical and Mental Health Center, Kings County Hospital Center, Lincoln Medical and Mental Health Center, Elmhurst Hospital Center, Harlem Hospital Center, Coler Goldwater Specialty Hospital, and Health and Home Care.



# CONTRACT FACT SHEET

New York City Health and Hospitals Corporation

**Contract Title:** Simpler North America, L.P.  
**Project Title & Number:** Simpler NA Contract  
**Successful Respondent:** Simpler, North America, L.P.  
**Project Location:** Enterprise Wide

**Contract Amount:** **\$4,416,500.00**

**Contract Term:** November 1, 2013 through October 31, 2014

**Requesting Dept.:** Organizational Innovation and Effectiveness  
**Number of Respondents:** Sole Source  
(If sole source, explain in Background section)

**Range of Proposals:** \$ N/A to \$

**Minority Business Enterprise Invited:**  N/A If no, please explain:

**Funding Source:**  General Care  Capital  
 Grant: explain  
 Other: explain

**Method of Payment:**  Lump Sum  Per Diem  Time and Rate  
 Other: explain Deliverable-based

**EEO Analysis:** Approved: August 28, 2013

**Compliance with HHC's McBride Principles?**  Yes  No

**Vendex Clearance**  Yes  No (pending approval)

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

## CONTRACT FACT SHEET (continued)

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

In November 2007, the New York City Health and Hospitals Corporation (HHC) executed a contract with Simpler Consulting, Incorporated (now Simpler North America, LP) for a three year period ending October 31, 2010. This contract for Lean training and consultation was procured through a competitive Request for Proposals process. From five qualified respondents, Simpler was selected based on experience, approach and cost. The contract was amended in January 2010 to increase the contract amount by \$2,000,000 for a total of \$7,000,000 in order to develop a larger cadre of internal Breakthrough experts and to increase the length of the Contractor's consultants (sensei) engagement at each site in order to make deep, substantive improvements within critical value streams. The contract was renewed and amended in October, 2010 extending the period of the contract through October 31, 2011 and increasing the contract to an amount not to exceed \$10,112,700. The contract also contained two options to renew the contract at HHC's discretion. The contract was renewed and amended for a second time in October, 2011 extending the period of contract through October 31, 2012 and increasing the contract to an amount not to exceed \$14,992,350. A third option to renew the contract was added at this time. This original contract was renewed and extended for a third time in October, 2012 for an amount not to exceed \$5.5 million (total contract amount of \$20,492,350) to end on October 31, 2013. The contract is managed by Joanna Omi, Senior Vice President in the Division of Organizational Innovation and Effectiveness.

HHC proposes to execute a new contract with Simpler NA for the period of November 1, 2013 through October 31, 2014. As had been planned, the amount of the proposed contract has been reduced by 20% from the current year's amount of \$5.5 million to a total of \$4,416,500. This is in keeping with HHC's plan to steadily decrease reliance upon the Simpler consultants with the ultimate goal of implementing essentially all ongoing operational aspects of Breakthrough without reliance on outside sources.

HHC has used Simpler's expertise, materials, approaches and development tools to create and deploy, not institute Institute HHC's organizational transformation toward becoming a community of engaged problem solvers. Simpler's staff has been engaged at all levels of the organization from the executive leadership for strategic planning (Hoshin Kanri), mentoring and development to conducting classes for all levels of staff and being 'sensei' To the Corporate Office And Sites in the implementation of the Breakthrough Improvement System.

It is critical that HHC maintain continuity of approach in implementing Breakthrough (Lean) at HHC. There are many different approaches and structures used by other consultants which could move HHC backward rather

than forward trying to understand the differences and the confusion this will cause. Seven years ago, few hospitals were using lean, few consulting firms were experienced in bringing lean to health care and HHC knew little about the approach that would best fit our culture. We chose to work with a firm that was almost exclusively focused on lean versus the many other improvement methods available. As a result, breakthrough is closely aligned to the Toyota production system (TPS). Toyota draws upon the work of Deming, Ford, TQM, quality circles and many other well accepted performance and quality tools and innovators to create a set of tools it embeds in a culture of respect, accountability and continuous improvement. More than 45 years in the making, TPS provides a solid system of layered and broadly applicable tools that simpler has adopted with little adaptation. By working with simpler, HHC has been able to align breakthrough to the most time-tested process improvement and culturally attuned improvement system that has proven reliability and sustainability. The system has proven to be well suited for HHC's culture.

A review of consultant firms that offer 'lean' services demonstrates that only a handful of firms offer pure TPS-based lean vs. Lean Six Sigma, and who also have any significant experience in health care. None of these firms has the breadth and depth of experience in health care that Simpler holds. Moving away from Simpler at this time will not only slow the momentum HHC has built but will introduce confusion and wasteful variation. HHC has struggled to ensure consistency of approach and spreadability across the corporation over the last six years. However, today, any facilitator can work in any site, any steering team member uses the same language, and any A3 workshop will teach the same problem solving method. HHC is poised to use this consistency of approach to spread process improvements in areas of priority across sites. Over the years, Simpler has also learned from HHC and has customized its approach and training to correspond with HHC unique culture and environment. There are not any consultant resources familiar with Lean who would be able to duplicate Simpler's experience and customization without undergoing a long and expensive 'learning curve' to HHC's detriment.

Therefore, it is requested that the proposed contract be considered as a Sole Source with Simpler NA, LP as there are not any other resources available which can duplicate the approaches brought to HHC by Simpler at this crucial junctures. The credibility and expertise which Simpler has demonstrated to the HHC leadership and staff and the customization of approach to be effective in HHC's culture and environment would be undermined. Trying to introduce another source for Lean services will result in losses to the Breakthrough effort instead of the gains planned with Simpler over the next year. The division of OI&E will also embark on a competitive bid process to secure ongoing, albeit reduced, lean consulting services for a multi-year period to commence at the end of the proposed simpler contract period.

During the proposed one-year period, Simpler will focus on these strategic areas that have been identified as critical to Breakthrough and HHC's success:

### 1. Visioning and Strategy

Providing Executive coaching and mentoring supporting the deployment of Hoshin Kanri and chartered strategic A3s to ensure alignment of goals across the corporation and accelerate spread of business improvements across strategic service areas. More extensive mentoring and coaching will be provided to the leadership on transforming into a Lean Leader and using these skills to transform their areas of responsibilities.

### 2. Value Stream Improvement

Providing sensei mentoring to particularly newer sites and staff on the development and implementation of new and existing Value Streams and resultant RIEs to both train staff to conduct these events as well as ensure their improvement's effectiveness and alignment with HHC strategic goals.

### 3. Daily Management System (DMS)

Providing expert lean coaching and mentoring for Takt Time attainment through onsite coaching including visual management, problem solving and corrective action, event preparation and follow up, benefits tracking, and developing a rigorous discipline in adherence to standard work. In this contract year, HHC will experience a very rapid deployment of DMS throughout the organization. One of the outcomes of DMS deployment will be the enhanced sustainment of gains achieved through Breakthrough.

### 4. Business System Architecture and Infrastructure

Provide transformation program management, core team development, developing transformation policies, data collection and analytics, organization design, lean capability assessments and assistance in building the HHC Improvement System. Even though most of the training is being taken over by HHC staff, the highest level of certification training: Platinum, will still be conducted by Simpler staff for part of this year and simpler will assist HHC in the development of a leadership training curriculum.

## CONTRACT FACT SHEET(continued)

### **Contract Review Committee**

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

The last renewal and amendment to the current contract with Simpler, NA was presented on October 3, 2012. The proposed new contract has not been previously presented to the CRC.

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

No

## CONTRACT FACT SHEET (continued)

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

Since the first Contract was awarded to Simpler, there have been a number of other companies started which offer similar types of services: Some offer Six Sigma only, some a combination of Six Sigma and Lean, some offer a lean derivative but not really applicable to healthcare. Of the few companies which offer lean development and training, Simpler has the most experience with health care organizations; working on the transformation of large, multi-faceted organizations; and adheres closely to the Toyota Production System model. Further, they only employ as consultants sensei's who have been a plant manager in a lean organization so they have the demonstrated skills and experience to lead another organization on its transformational path. However, what makes Simpler truly unique is the knowledge, skills and approaches which Simpler has learned and developed through its soon to be six year contract with HHC. Over the years, Simpler has also learned from HHC and has customized its approach and training to correspond with HHC unique culture and environment. There are not any consultant resources familiar with Lean who would be able to duplicate Simpler's experience and customization without undergoing a long and expensive 'learning curve' to HHC's detriment. Other companies offering different approaches and structures would move HHC backward rather than forward while HHC's staff tries to understand the differences and deal with the resultant confusion. This will definitely slow down the momentum HHC has built up with Simpler's assistance to improve at an increased rate.

Therefore, it is requested that the proposed contract be considered as a Sole Source with Simpler NA, LP as there are not any other resources available who can duplicate the approaches brought to HHC by Simpler, the credibility and expertise which Simpler has demonstrated to the HHC leadership and staff and the customization of approach to be effective in HHC's culture and environment.

*Scope of work and timetable:*

Notational Schedule from Simpler (contractor) is included as attachment.



## CONTRACT FACT SHEET (continued)

### **Costs/Benefits**

#### **Progress to Date:**

Current Contract Period: 11/1/07-10/31/13  
Current Contract Value: \$20,492,350  
Expenditures to date: (7/31/13): \$18,812,337  
Encumbrances to date: (8/12/13): \$253,575  
Anticipated expenditures by: 10/31/13: \$1,426,438

#### **Benefits:**

Under the current contract with Simpler NA during the period of November 1, 2007 through August 31, 2013 Breakthrough Events have generated:  
New Revenue: \$ 348.93 million (sources include improved charge capture, collections, managed care, reduction of denied claims and increased inpatient and ED volume)

Cost Savings: \$ 28.47 million (sources include reduction in volume of med/surg supplies purchased, reduced use of agency/temporary personnel, reduction in pharmacy expenses, reduction in respiratory supply expenses)  
Total: \$ 377.4 million.

This has resulted in a return of \$18.41 in new revenues and savings for each \$1 invested in our contract with Simpler.

Number of Rapid Improvement Events completed: 1,398

Total number of HHC Employees participating in Breakthrough Events:  
12,120

#### **Anticipated (conservative):**

November 1, 2013 through October 31, 2014:

Expense: \$            New Revenue: \$ 90 million            Cost Savings: \$ 10 million

Number of Rapid Improvement Events Completed: 300

Total number of HHC employees participating in Breakthrough Events: 5,700  
Anticipated ROI is over \$22 per each \$1 invested in the proposed contract.

#### *Why can't the work be performed by Corporation staff:*

We have already initiated reducing our dependence on Simpler consultants by reducing the proposed annual contract amount by 20% compared to last year. It is planned by the end of three years we will have eliminated significant reliance on outside sources to provide Breakthrough services. However, there are many aspects of Breakthrough deployment including the highest level of certification training, application of varied and sophisticated planning and diagnostic tools and onsite manager and leader coaching and mentoring that HHC staff is not yet able to provide. Further, while HHC continues to develop in-house expertise, the assistance that simpler provides, especially for leaders

and managers, is not yet sufficiently mirrored by HHC staff. This expertise is developing - HHC will provide all new site launches going forward, as well as teach all five certification levels within the next year and will begin to conduct the highest level of site review. Until then, we continue to need external help to build this internal competence and maintain and grow the improvement work that is ongoing.

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

N/A

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

Joanna Omi  
Senior Vice President  
Organizational Innovation and Effectiveness  
125 Worth Street, Room 405  
New York, N. Y. 10013  
212.788.3604

HHC 590B page 5

## CONTRACT FACT SHEET (continued)

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

Received By E.E.O.: 8/27/13  
Date

Analysis Completed By E.E.O.: 8/28/13 M.C. Williams  
Date Name

**Health and Hospitals Corporation  
Contract Review Committee  
Contract Approval Form**

**Date: 10 October 2013**

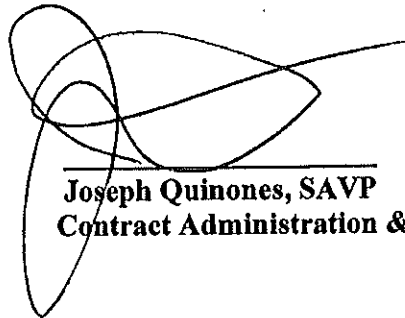
**To: Joanna Omi  
Larry Hansley**

**Document Control Number: 2136**

**Description: Application to enter into contract for Breakthrough with Simpler North America, LP on behalf of the New York City Health and Hospitals Corporation, Division of Organizational Innovation and Effectiveness.**

The Contract Review Committee (CRC) reviewed the referenced submission during its October 9, 2013 meeting. The CRC authorizes proceeding with the Contract with the following provisions:

- A PowerPoint presentation of the accomplishments of Breakthrough, number of value streams, number of rapid improvement events, number of fish bone events, etc., by facility and the mechanisms employed to share information about Breakthrough improvements.



Handwritten signature of Joseph Quinones, SAVP, Contract Administration & Control.

**Joseph Quinones, SAVP  
Contract Administration & Control**

**The Contract Liaison must confirm incorporation of changes; resubmission is not required. A copy of the revised documents must be submitted to the CRC Chairperson.**

cc: File



**Manasses C. Williams**  
Assistant Vice President  
Affirmative Action/EEO

manasses.williams@nychhc.org

**TO:** Larry Hansley  
Director  
Central Office - Office of Organizational Innovation and Effectiveness

**FROM:** Manasses C. Williams

**DATE:** August 28, 2013

**SUBJECT:** EEO CONTRACT COMPLIANCE

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The proposed contractor/consultant, Simpler North America, L.P., has submitted to the Affirmative Action Office a completed Contract Compliance Questionnaire and the appropriate EEO documents.

This company is a:

Minority Business Enterprise  Woman Business Enterprise  Non-M/WBE

Project Location(s): HHC Corporate-Wide.

Contract Number: 14106852 Project: Provide Lean Consulting Services

Submitted by: Office of Organizational Innovation and Effectiveness

EEO STATUS:

1.  Approved
2.  Conditionally approved with follow-up review and monitoring-No EEO Committee Review
3.  Not approved
4.  Conditionally approved subject to EEO Committee Review

COMMENTS:

c:





# Lean Consultation And Training *(Support for Breakthrough)*

Contract with  
**SIMPLER NORTH AMERICA**

Presentation to the Strategic Planning Committee  
October 15, 2013

# For Discussion

- Contract History
- Proposed Contract
- Future Plans



# Contract History

- Breakthrough initiated November 2007
- Simpler procured via competitive RFP
  - **SCOPE:** Lean consultation and support services
  - **TERM:** 3 years (2007—2010 with 2 one-year optional renewals)
  - **ORIGINAL BUDGET:** \$5M
  - **FIRST AMENDMENT:** Increase total to \$7m; no change in term (January 2010)
  - **FIRST OPTION RENEWAL AND AMENDMENT:** (October 2010)
    - Exercise first one-year renewal option (Year 4)
    - Add \$3.1m for Year 4
    - Add a third optional renewal year to the contract (for a total potential of 6 years)
  - **SECOND OPTION RENEWAL AND AMENDMENT:** (October 2011)
    - Exercise second one-year renewal option (Year 5)
    - Added \$4.9 m for year 5
  - **THIRD OPTION RENEWAL AND AMENDMENT:** (October 2012)
    - Exercise third and final one-year renewal option (Year 6)
    - Added \$5.5m for year 6
    - Contract Total: \$20.5 m for 6 years

# Active Breakthrough Sites

## South Manhattan

- Bellevue
- Metropolitan
- Gouverneur
- Coler Goldwater

## Generations+

- Lincoln
- Harlem
- Belvis
- Morrisania
- Renaissance

## North Bronx

- Jacobi
- North Central Bronx

## Queens

- Elmhurst
- Queens

## North Central Brooklyn

- Woodhull
- Cumberland
- Kings County

## South Manhattan

- Coney Island

## Enterprise

- Health & Home Care
- Central

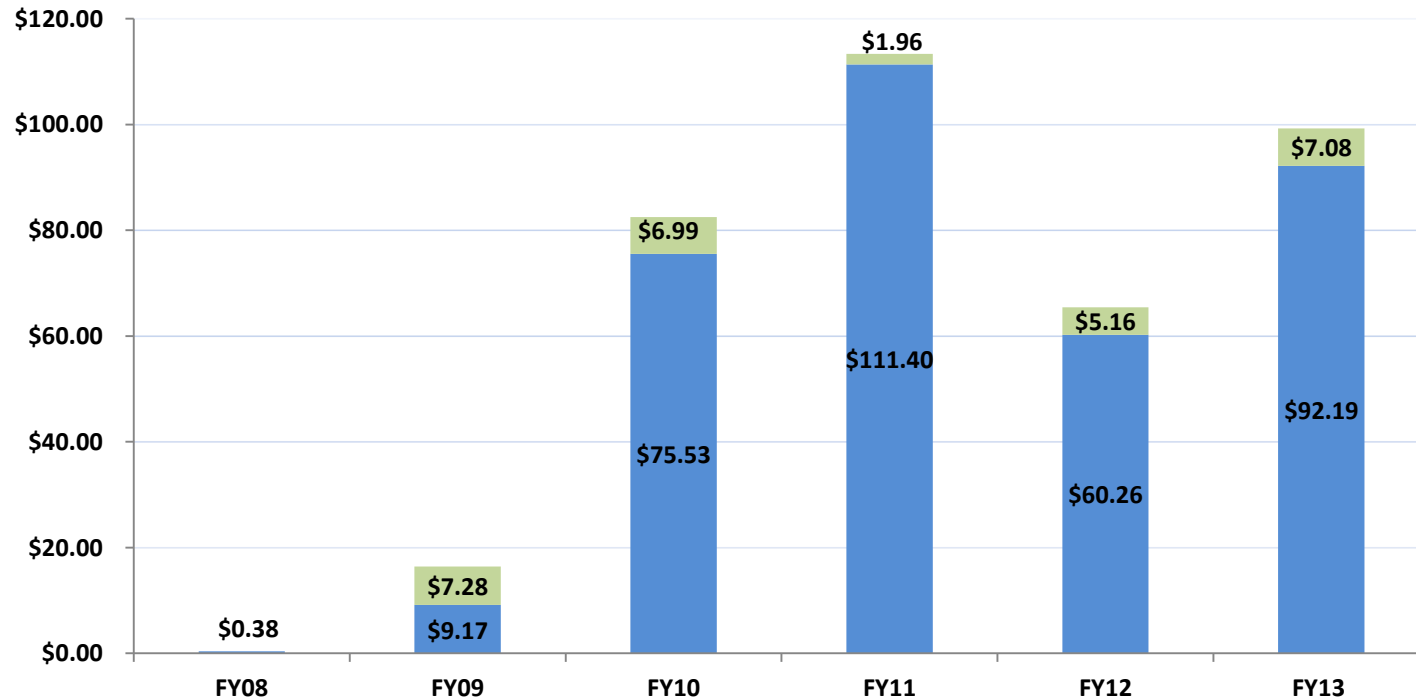
- **19 Active Sites**
- **71 Active Improvement Areas**

# FINANCIAL BENEFITS

New Revenues (\$348.93M) + Cost Savings (\$28.47M)=\$377.4M\*

Inpatient Documentation & Coding Accounts for 57.7% of revenues

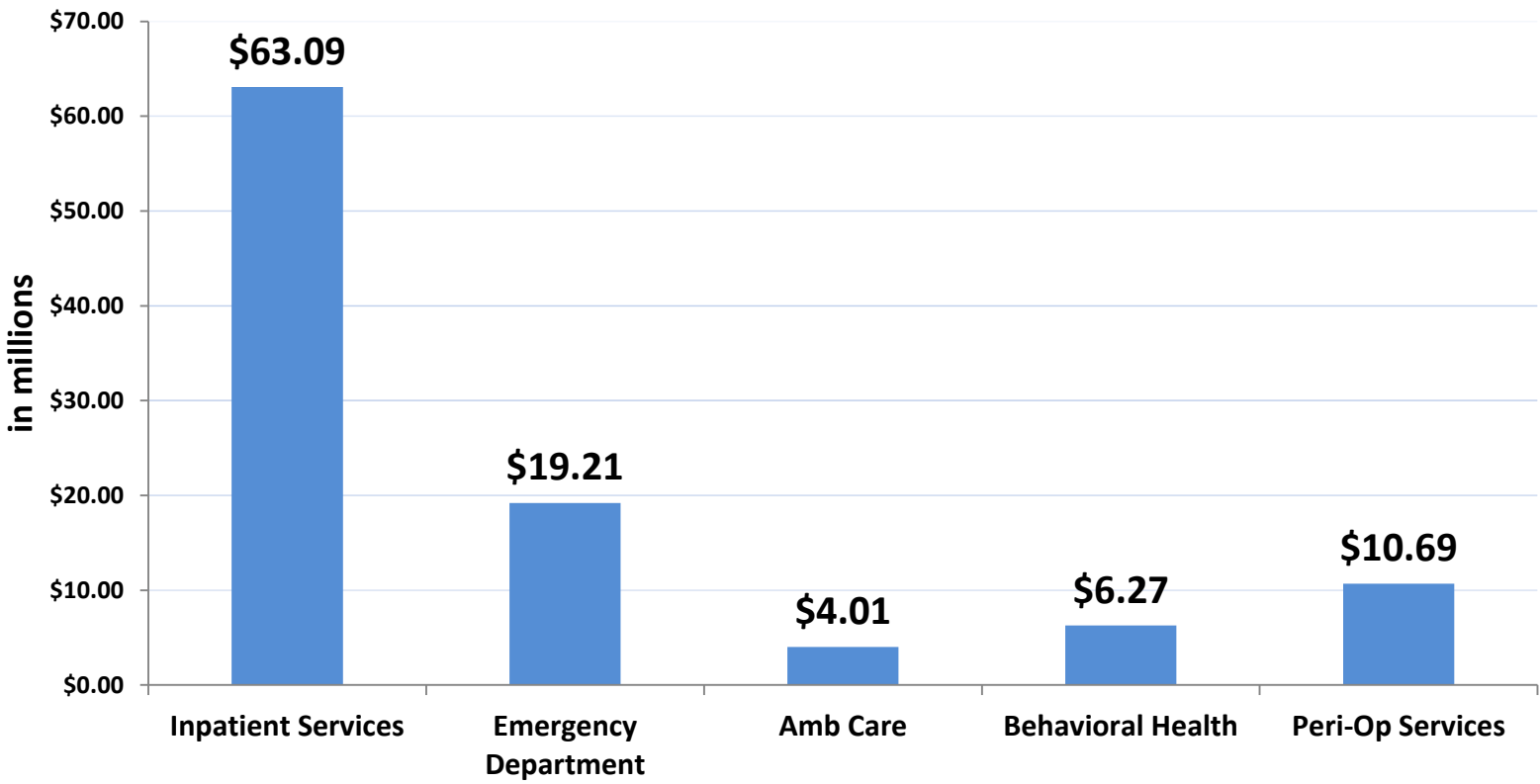
## Cumulative Revenue and Cost Savings November 1, 2007 – August 31, 2013



\* Includes revenue reported for July and August, 2013.

# 90% of Cost Savings and New Revenues are Generated in the 5 Major Value Streams

**Value Streams Total Contribution  
July 1, 2012- August 31, 2013**



# Strong Return on Investment

Financial Benefit per \$ Consultant Cost

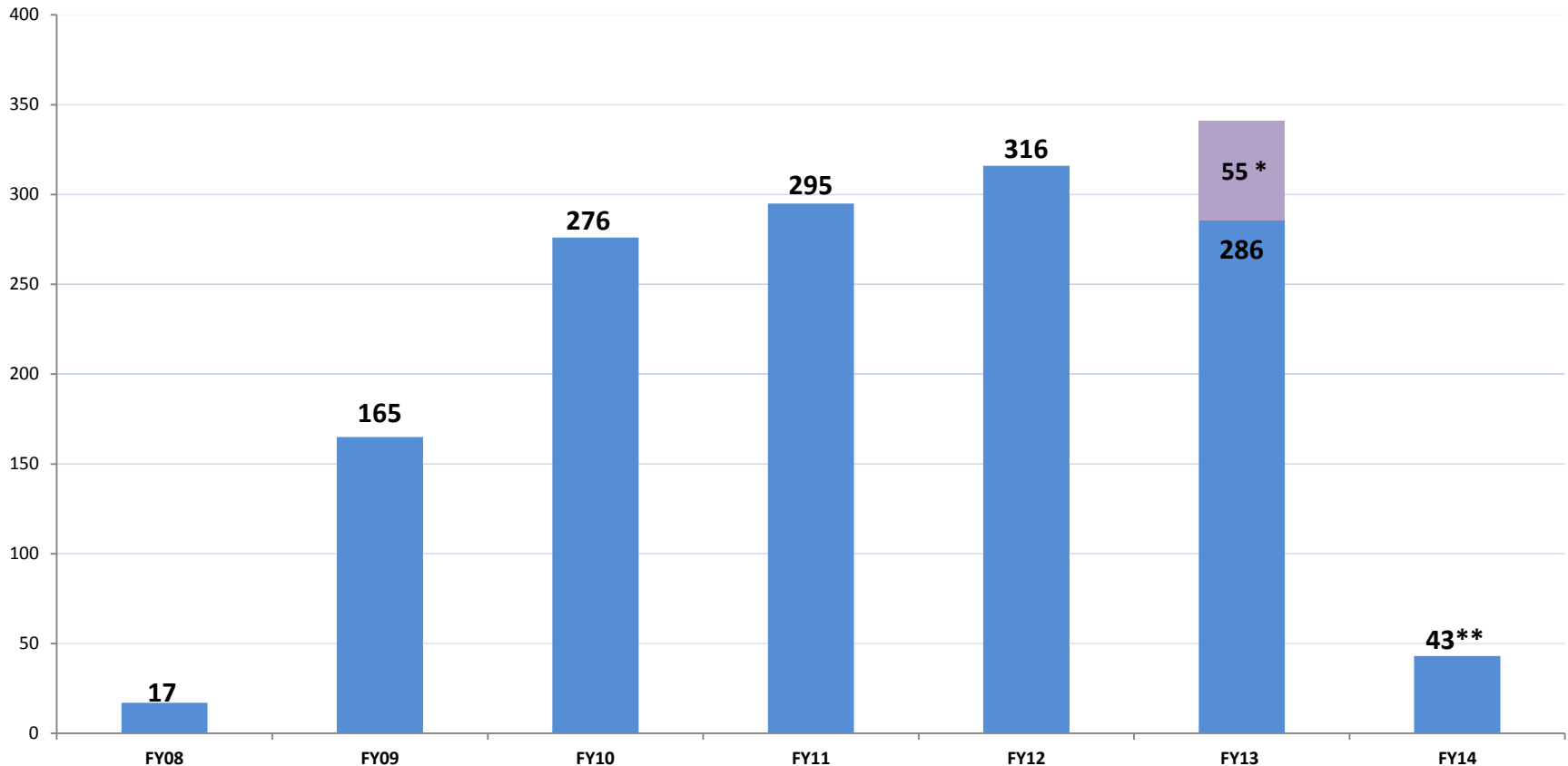
**November 1, 2007 – August 31, 2013**

| Contract Year | Contract Expense | Cost Savings/New Revenue | \$Benefit/\$1 Invested |
|---------------|------------------|--------------------------|------------------------|
| 2007/2008     | \$1,718,600      | \$5.5 M                  | \$3.20                 |
| 2008/2009     | \$1,800,100      | \$27.1 M                 | \$15.01                |
| 2009/2010     | \$3,482,300      | \$98.1 M                 | \$28.19                |
| 2010/2011     | \$3,112,700      | \$87.0 M                 | \$27.97                |
| 2011/2012     | \$4,827,770      | \$61.1 M                 | \$12.65                |
| 2012/2013     | \$5,500,000      | \$98.6 M*                | \$17.93                |
| Total         | \$20,441,470     | \$377.4 M*               | \$18.46                |

\*Includes cost savings and revenues reported through August, 2013

# 1,398 RIEs Completed

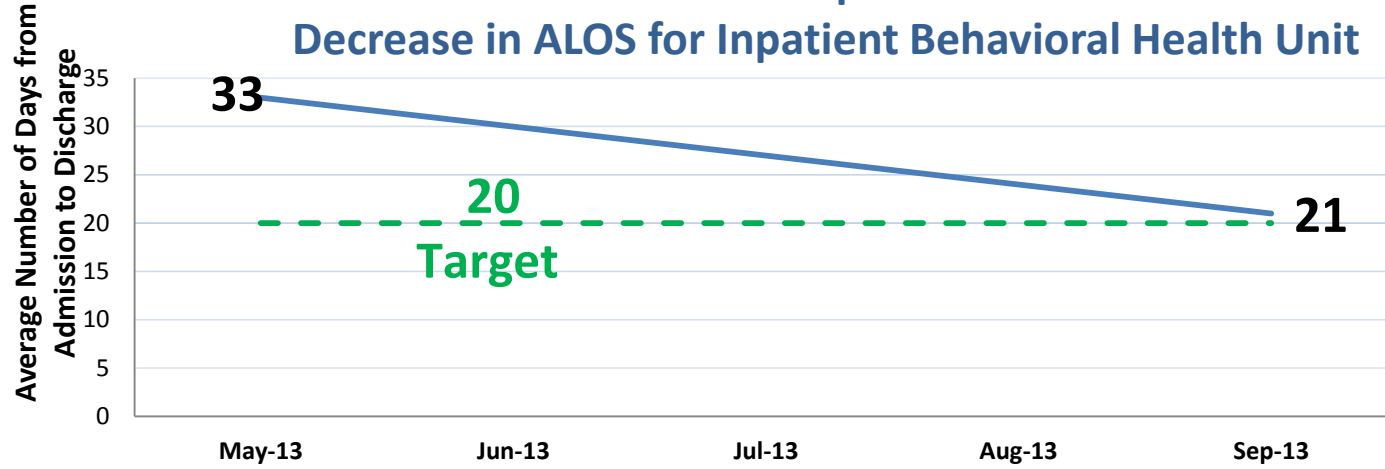
November 1, 2007- August 31, 2013



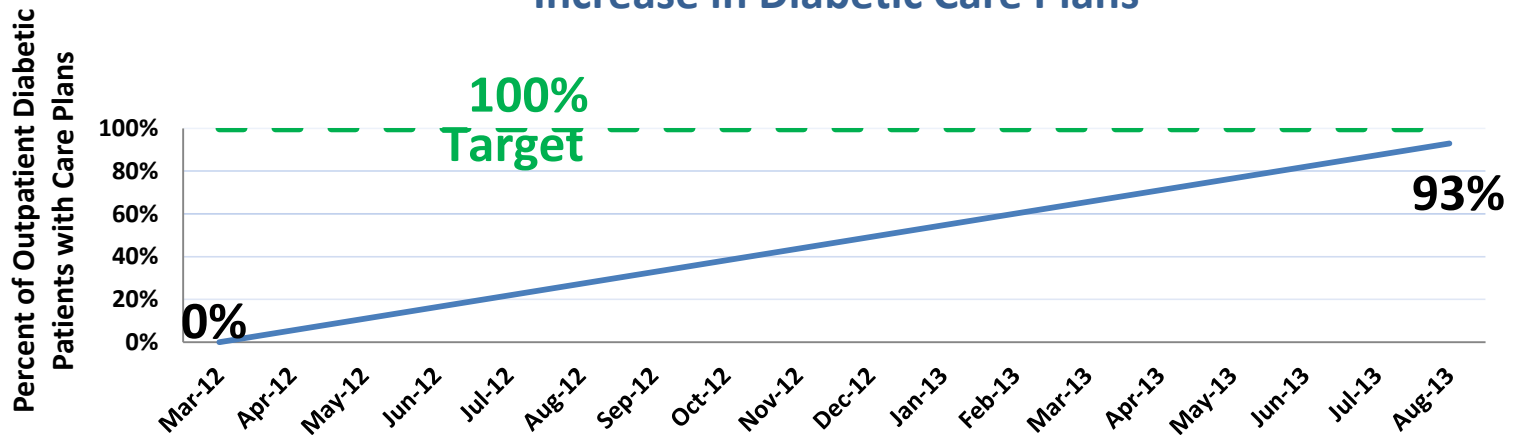
\* Assuming continuation of the pace of monthly events performed immediately before Hurricane Sandy, an additional 55 events would have been conducted in the period of November through April in FY13.

\*\* Reflects July and August only

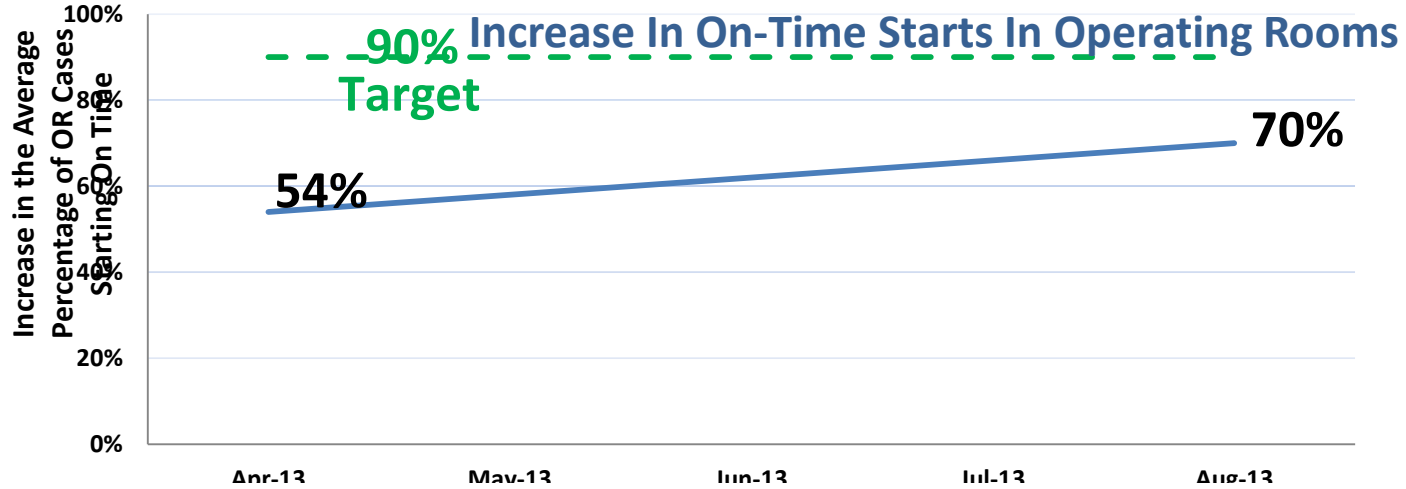
### Elmhurst Hospital Center: Decrease in ALOS for Inpatient Behavioral Health Unit



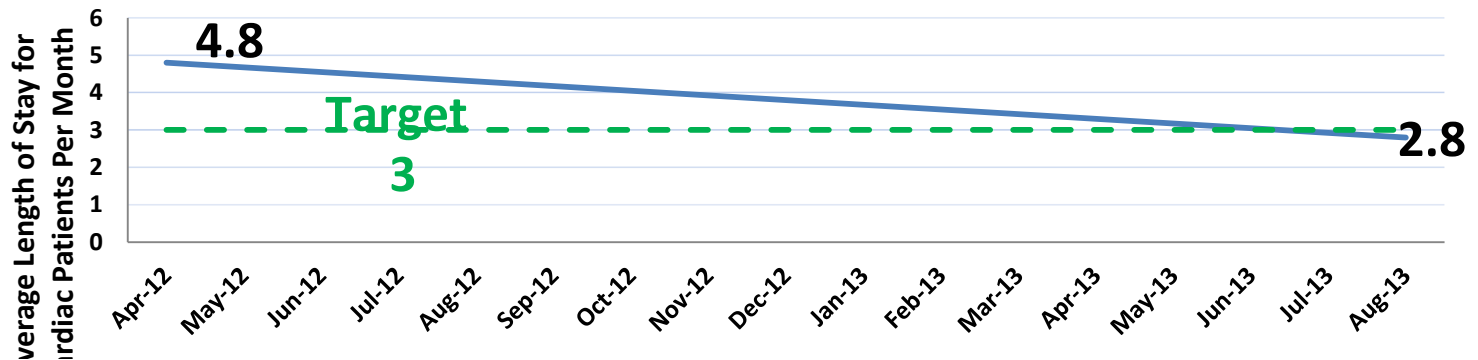
### Queens Hospital Center: Increase in Diabetic Care Plans



### Jacobi Medical Center:



### North Central Bronx Hospital: Decrease in ALOS for Cardiac Patients

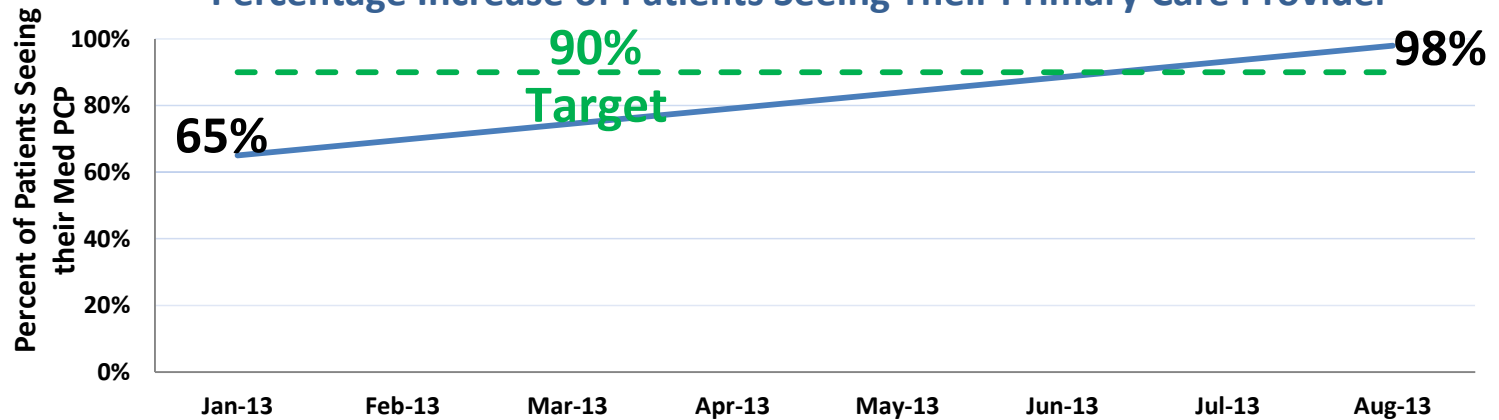




## Harlem Hospital Center: Decrease Average Turnaround Time in O.R.

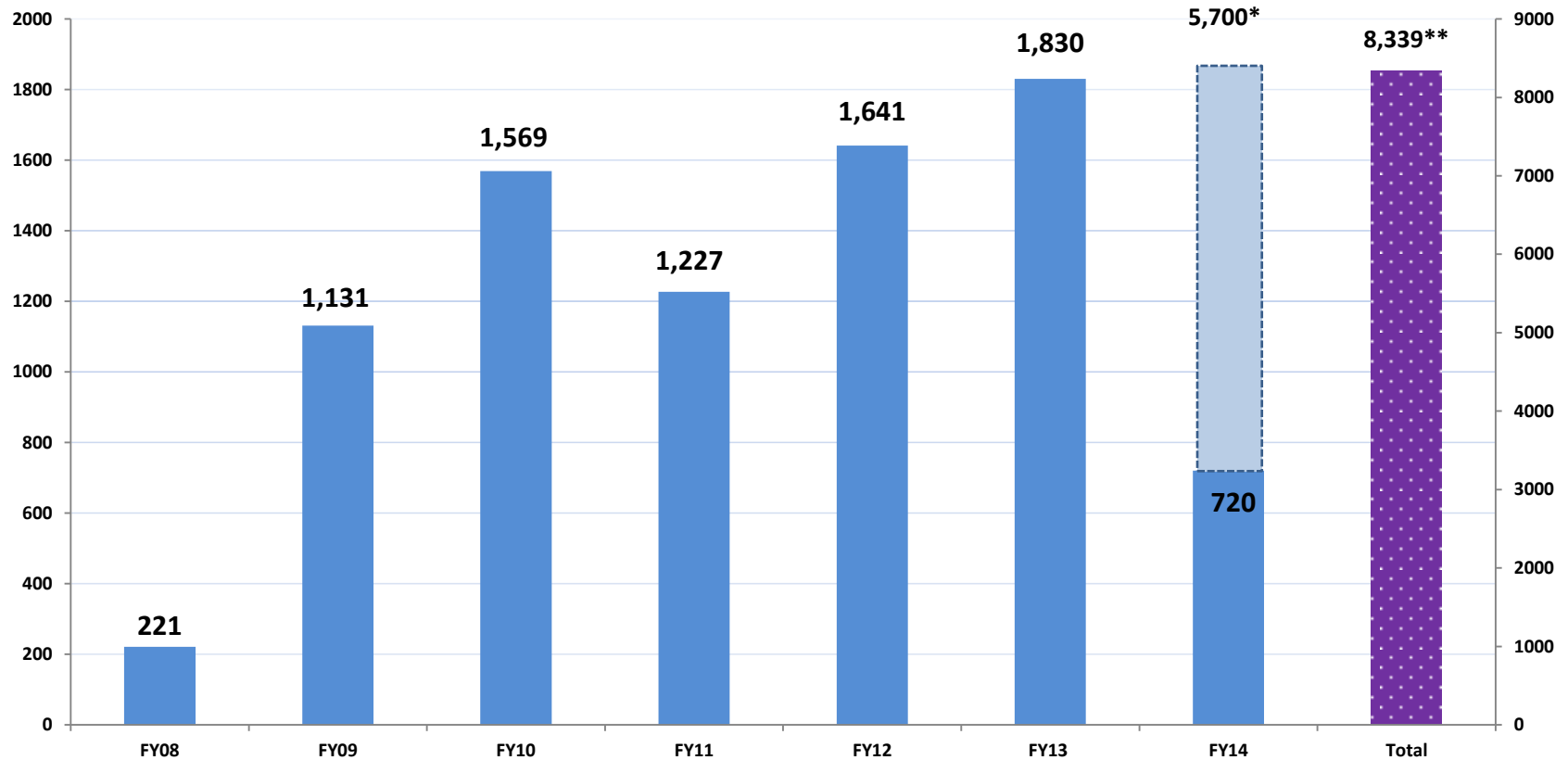


## Woodhull Medical and Mental Health Center: Percentage Increase of Patients Seeing Their Primary Care Provider



# Employee Engagement Will Increase Significantly this Year

November 1, 2007 - August 31, 2013

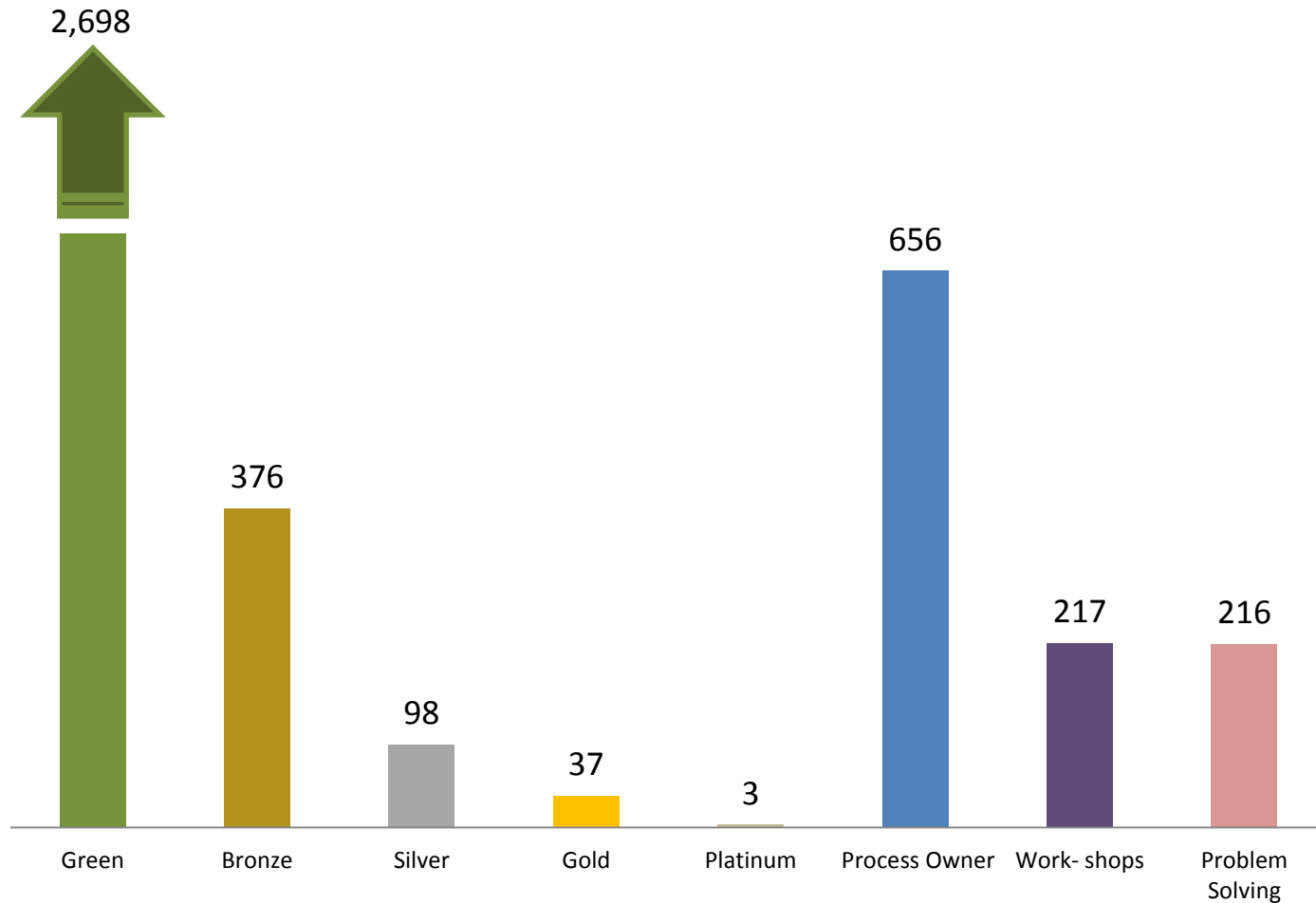


Note: New engagement is defined as first-time participation in a Breakthrough class or an improvement event of 4 or more days (excludes BAW and workshops less than 4 days).

\*Projected based upon increased Green Level classes, new DMS engagement and increased improvement events.

\*\*Actual for November 1, 2007 through August 31, 2013

# 3,511 Employees Have Participated in Training

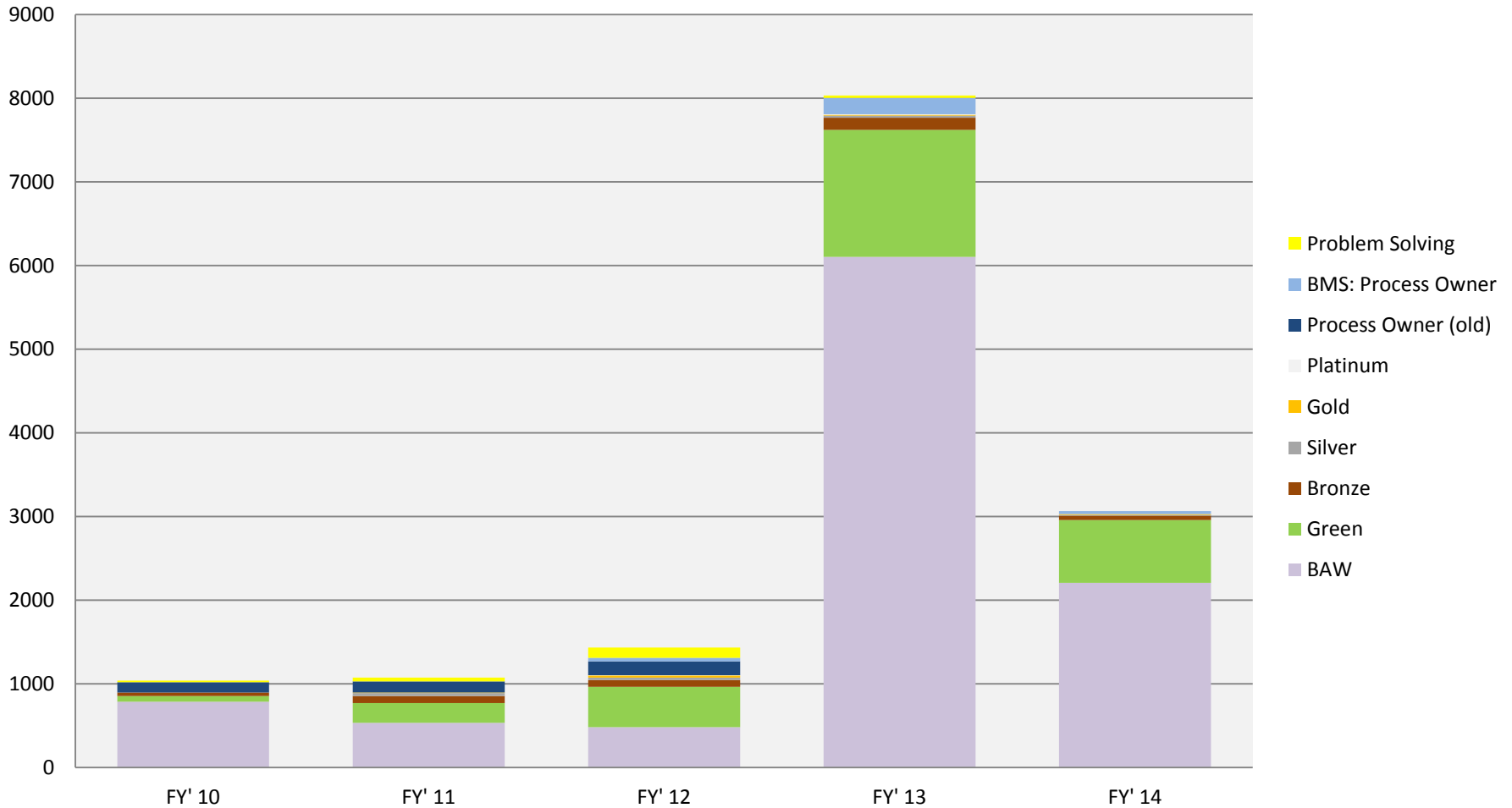


## NOTES:

1. Certification courses (Green, Bronze, Silver, Gold and Platinum, in ascending order) are sequential; enrollment requires passing the prior level.
2. Certification classes require completion of didactic (and as relevant, practical) training, successfully passing course exams and completion of post-class experiential requirements.

# Breakthrough Training Significantly Increased in FY 13 and Continues to Increase in FY14

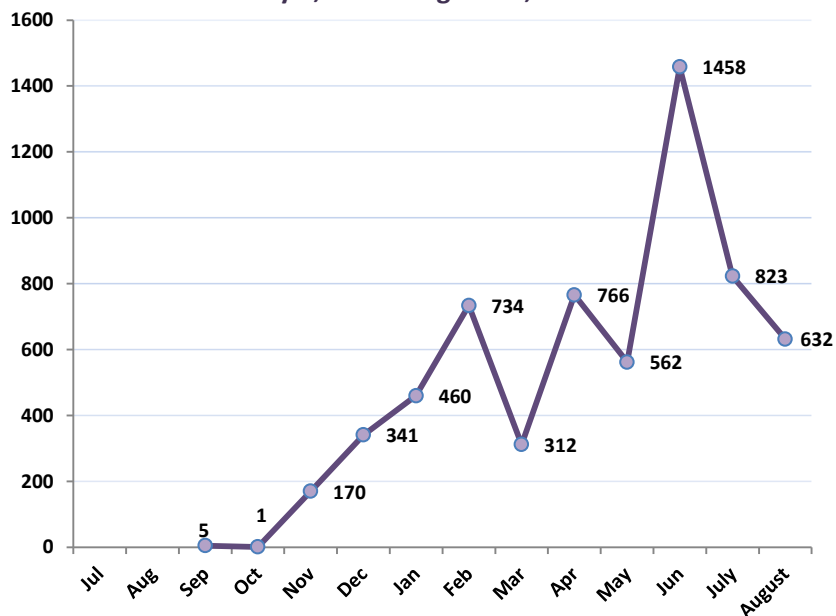
## Breakthrough Training by Fiscal Year



# Greater Access to Training has Prompted Significantly Expanded Participation

## Breakthrough Awareness Class Completion

July 1, 2012- August 31, 2013

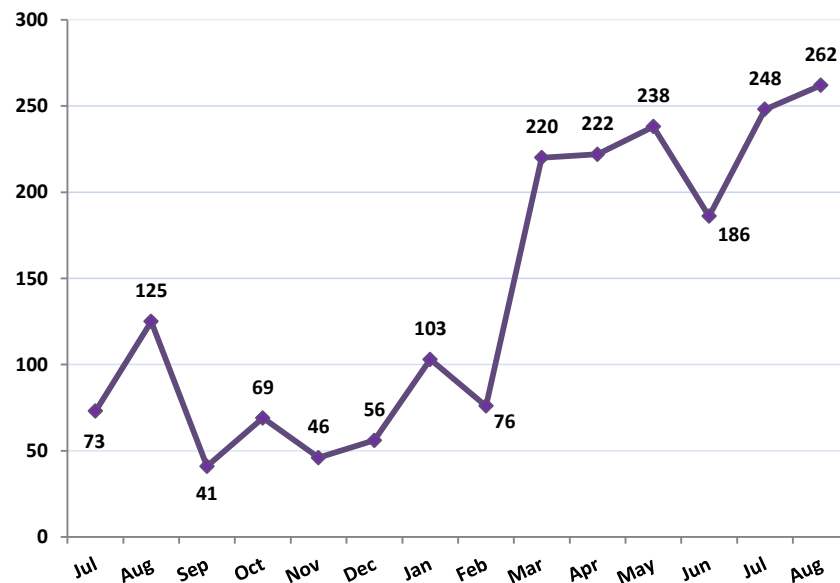


Note:

- On-line BAW training introduced in November, 2012
- Peak in BAW completion in June was created by 'rush' of employees meeting June 30<sup>th</sup> target date for completion.

## Green Class Completion

July 1, 2012- August 31, 2013



Note: Expansion of trainers to include facility staff started in March, 2013

# Summary of Contract Provisions

PERIOD: November 2013 through October 2014

VALUE: \$4.4m (20% reduction from the current contract amount of \$5.5m)

SCOPE: Continue to build HHC capacity for lean transformation and self-sufficiency

- Increased **site/network sensei focus on advanced tools, executive and steering team** leadership and management, process owner and sponsor **coaching, alignment** with business goals
- Increased enterprise sensei focus on **hoshin kanri** deployment and management, **executive coaching, TPOC reviews**
- Expanded support for launch and sustainment of **Daily Management System**
- Continued support of **model value streams and cells**
- Complete transfer of all certification training to HHC
- Create and enable the infrastructure for **spread** of improvements and innovation between sites

APPROACH: A larger network of internal and external experts with more narrow development focus

- Allocate sensei on a network basis where possible
- Greater alignment between sensei team and Breakthrough Deployment Officers
- Network sensei where possible
- Identify sensei/HHC Breakthrough staff dyads to ensure transfer of knowledge
- Ensure standardized stable core infrastructure (strategies, techniques, comprehension) is in place at all sites

# Creating Self-Sufficiency: Developing internal competencies and capacity

HHC has gained expertise and independence in major areas:

- Dedicated and embedded experts:
  - Training in 5 levels of certification and additional topical courses
  - Breakthrough Development Initiative
  - Personal Development Plans
  - Creation of Platinum Cadre – internal team of experts, cross fertilization between sites, expanded training team
  - Expansion of site-based training offerings
- Spreading Improvements
  - Monthly internal gemba walks
  - Semi-monthly external gemba walks
  - Select external speakers and trainings
  - Monthly BDO meetings, active BDO and sponsor network
  - Standing agenda item at select clinical council meetings
  - Annual Breakthrough conference
  - Membership in Healthcare Value Network
  - Extensive repository of documentation from past events (E-Files)
  - Intranet site with resources, success stories, news, calendar (moving to Sharepoint)
  - Sharepoint site with shared templates, tools, documents for BDO/trainer use
- Sustaining change
  - Standard work for executive, value stream and enterprise steering committees
  - Visual management (process control boards) for 30-60-90 day event follow-up
  - Daily Management System for visual management and tiered leader briefs
  - Hoshin kanri Level 0 and Level 1 metrics, monthly Leadership Meeting review
  - “Yokoten Repository” and standard work in development for 2014
- Site support: launching new sites, providing monthly and ad hoc event coaching to sites (RIEs, VSA, VVSM, 2P, tools, scoping and problem solving)

## Creating Self-Sufficiency, continued

### Ongoing transitional support from Simpler:

- Hoshin kanri: alignment of lean competencies and business goals, coaching in X matrix and tracker development, monthly management meetings
- Daily Management System: continued expansion with new site launching and sustainment activities
- Model value streams and cells: continued support while dedicated HHC staff assume greater support roles
- Leadership development: continued development of enterprise, executive (site) and value stream steering committees, leadership training and coaching
- Human Development: ensuring the sustainability of the human infrastructure needed to support Breakthrough
- TPOC Reviews: anticipated transfer of select aspects



# Future Plans

- Continue to embed Breakthrough more deeply and more widely
- Conduct competitive bid process for future years
- Further reduce amount of annual spend in Breakthrough Year 8
- Continue to reduce external assistance for all but strategic and select needs