



May 16, 2024

James V. McDonald, M.D., M.P.H.
New York State Commissioner of Health
Empire State Plaza, Corning Tower
Albany, New York 12237

Re: Reply to NYSDOH letter dated April 17, 2024

Dear Commissioner McDonald,

This is in response to your letter of April 17, 2024, requesting additional information from Nassau Health Care Corporation (“NHCC”). NHCC appreciates the opportunity to respond to your requests and looks forward to continued collaboration with the New York State Department of Health (“DOH”) in our shared mission of ensuring the provision of vital healthcare services to our underserved communities. At NHCC, we are dedicated to making sure that all individuals, regardless of their socioeconomic status or insurance coverage, have access to high-quality healthcare services. We understand the importance of collaborating with government agencies, community organizations, and other stakeholders to address the complex healthcare needs of underserved populations effectively.

We are proud of the team we have put in place at NHCC, our hard work over the past few months, the initiatives we have already implemented, the improvements that are already yielding returns, and the increased transparency of our new leadership.

We continue to report daily to the Nassau Interim Finance Authority (“NIFA”) and I continue to distribute weekly memos to our Board of Directors, which contain up-to-date financial information, including monthly financial statements. Per your request of April 17, 2024, we provide the following information.

1. Five-Year Transformation Plan:

At NHCC, we have initiated a comprehensive five-year transformation plan aimed at improving operations and decreasing operating loss, including enhancing the quality, accessibility, and efficiency of healthcare services for our community. Please see **Attachment “A”**, titled “Nassau Health Care Corporation 5 Year Transformation Plan” (“Transformation Plan”). Over the past several months, our team has conducted a comprehensive review of our organization’s strengths, challenges, and opportunities for

improvement. Based on this analysis, we have developed a strategic roadmap that sets forth key initiatives to improve financial sustainability and quality.

Strengthening Financial Sustainability:

As a safety net hospital, we face unique financial challenges in providing care to underserved populations. Our Transformation Plan includes initiatives to improve revenue cycle management, enhance operational efficiency, and diversify revenue streams to ensure the long-term financial sustainability of our organization while preserving our commitment to serving those in need.

We continue our monthly, weekly, and daily reporting to NIFA. We implemented new finance meetings and budget variance reporting to each department to ensure that we are achieving our financial targets.

Quality Improvement Initiatives:

Quality improvement is a cornerstone of our mission, and we are committed to continuously enhancing the quality and safety of care delivered at NHCC. Our initiatives include implementation of new Core Values and Vision, new ongoing staff training, participation in quality improvement collaboratives, and the implementation of evidence-based practices to optimize patient outcomes.

We understand that this is a “living” document that will need to continue to be updated and modified.

2. NHCC’s Organizational Chart

As previously submitted, the organizational chart for NHCC encompasses the hierarchy of our corporate entity. While you confirmed our submission of the organizational chart, we understand that further clarification may be needed.

NHCC operates both the public safety net hospital, Nassau University Medical Center (“NUMC”), and the public skilled nursing facility, A. Holly Patterson Extended Care Facility (“A. Holly Patterson”). A separate corporate entity does not exist for these entities. Within this framework, each entity operates within its designated scope, contributing to our collective mission of delivering exceptional healthcare services.

The only separate entity listed on the organizational chart is Harmony Health Care of LI (“Harmony”). NHCC is co-operator of Harmony’s FQHC clinics. NHCC has no other entities with which it is affiliated. For example, our Director of Nursing for Nassau County Correctional Facility (“NCCF”), Kim Edwards, RN, is listed in the organization chart under the NHCC’s Chief of Nursing Officer. NCCF is not included on the organizational chart because NCCF is not an affiliated entity, but an entity that NHCC provides services to on a contract basis.

Please see our organizational chart labeled **Attachment “B”**. This is a larger version than the chart previously provided, which is easier to read and has some minor edits. The

reporting lines reflect relationships and the descriptions or titles in each box indicate core purpose. We trust the revised organizational chart, together with the information included in this letter fully addresses your request. If not, we would appreciate a telephone call with someone from your office so we can better understand what is desired.

3. 2023 Compensation Chart- Top 20 Clinical and Non-Clinical Staff

As set forth above, NHCC operates NUMC and A. Holly Patterson. There are no separate entities. Also, please note that certain positions within our organization may involve a crossover between clinical and non-clinical responsibilities. While this intersection exists, our compensation framework is structured based on the predominant duties and responsibilities associated with each role. The lists provided are based on the primary functions and tasks performed by individuals within their respective positions. Please see **Attachment "C"**.

Please note that the gross compensation figures provided include base salary, bonuses, incentives, and any other forms of compensation received by the individuals listed. We strive to ensure that our compensation practices are competitive, fair, and aligned with industry standards while also considering the unique contributions and responsibilities of each role within our organization. We understand that we are stewards of public funds, and the new leadership has already evaluated and amended compensation plans, which yielded actual gains in the first quarter of 2024.

4. 2023 Cost Associated with Consultant or Lobbying Efforts

Over the years, NHCC has engaged numerous consultants of various types across different disciplines to improve our operational efficiency, patient care, financial sustainability, etc.

In the context of your current request, we wish to clarify that in 2023 the Marwood Group ("Marwood") was the only strategic/financial consultant that NHCC engaged. As stated in our March 25, 2024 response, NHCC engaged Marwood in 2023 through a RFP process and with approval by the NHCC Board of Directors and NIFA. Marwood was retained by NHCC to provide strategic advisory services related to collections, reimbursement matters, revenue improvement, financial opportunities, and performance initiatives. We value our partnership with Marwood and appreciate the support they provide in helping us achieve our strategic objectives. Their contributions have been invaluable in enhancing our financial reporting, identifying opportunities for improvement, and improving our financial performance. Their expertise and guidance have been instrumental in helping us improve our finances and cash projections. In fact, as detailed in the Transformation Plan, with Marwood's assistance with implementation of revenue enhancement and cost reduction measures, for CY2023 NHCC reduced a \$179.3M budgeted loss (expected loss) to a \$77M actual audited loss; **representing a \$102.3M reduction, as reported by our auditors, Grant Thornton, LLP.**

Regarding the reference to Alvarez & Marsal ("A&M") in your letter, we would like to clarify that A & M was not engaged by NHCC in 2023. A&M was engaged by NIFA to

provide financial advisory services to NIFA regarding the state of NHCC's finances. In 2023, NHCC demonstrated our continued compliance with NIFA requirements by complying with all requests for data and attending all meetings requested by A&M.

Regarding the engagement of lobbyists, per our March 25, 2024 letter, NHCC had engaged the lobbying firm Park Strategies LLC for a portion of 2023, but did not renew that engagement in order to preserve funds. NHCC did not engage any other lobbyists in 2023, nor has it done so since then.

Accordingly, for payment information for 2023, please refer to what was provided as Attachment 17 in our response letter dated March 25, 2024.

5. Quality Improvement Plan

At NHCC, we view quality improvement as a cornerstone of our mission to deliver exceptional healthcare services to our community. As such, our multiyear Transformation Plan encompasses a comprehensive framework that aligns our financial objectives with our quality improvement initiatives, recognizing that both are essential components of our goal to enhance patient outcomes and experiences. Pursuant to your April 17, 2024 letter, NHCC amended our initial strategic plan and added additional specifics to our quality plan. Please see **Attachment "A"**.

Our Transformation Plan outlines strategic priorities and initiatives focused on improving clinical outcomes while ensuring financial sustainability. By integrating quality improvement projects into our multiyear Transformation Plan, we ensure that our financial and quality objectives are aligned and mutually reinforcing. This approach enables us to maximize the impact of our investments, drive sustainable improvements in patient outcomes, and fulfill our commitment to delivering exceptional healthcare services to our community.

6. NYS Funding Reduction Chart

Attached please find a revised chart. We believe that anything you may consider to be temporary or one-time has been removed. However, we respectfully note the inherent difficulty in addressing subsidy amounts without including the items that have been removed. Please see **Attachment "D,"** amended as per your request.

7. A professional and public search for NHCC CEO

NHCC is committed to a comprehensive external search for its next CEO. The NHCC Board is directing the CEO search and has engaged Korn Ferry, a national executive search firm, to handle it. Korn Ferry is trying to find qualified candidates, despite the challenges of negative press surrounding the hospital and narratives of its immediate closure. The search is ongoing, we will keep you apprised.

8. NIFA

As detailed in our response letter of March 25, 2024, NIFA has certain oversight authority, with which NHCC has completely complied and will continue to do so. NHCC has had a good working relationship with NIFA over the past four years and looks forward to any guidance NIFA can provide regarding NHCC's finances.

The concern we previously raised was that in your letter of March 1, 2024, you included a requirement that "[a]ny new management hires and appointments must have approval by NIFA." *Emphasis added*. In our response of March 25, 2024, we respectfully submitted that such requirement conflicts with a number of legal provisions, including NIFA's enabling legislation. We detailed those provisions and explained the issues that we see. We concluded this topic by stating, "We trust that DOH agrees with these points. If that is not the case, we ask for an opportunity to discuss them."

In your reply of April 17, 2024, you stated:

We believe NIFA can comply with this requirement based upon (a) Public Authorities Law § 3668(5), which gives NIFA the authority to make recommendations to the county and covered entities (which includes NHCC) relating to their operation, management, efficiency and productivity, and NIFA the authority to audit NHCC, and (b) that the approvals for new hires, contracts and spending relate to the fiscal review for spending generally and not to the terms of contracts or the individuals hired, and as such are within NIFA's authority.

We respectfully disagree that NIFA is authorized to approve NHCC's new management hires and appointments. As detailed below, we submit that it is clearly legally impermissible for NIFA to do so.

"It is axiomatic that 'an agency's authority must coincide with its enabling statute.'" *NYS Superfund Coalition, Inc. v. NYS Dept. of Environmental Conservation*, 18 NY3d 289, 295 (2011), citing *Matter of NYS Superfund Coalition*, 75 NY2d 88, 92 (1989).

"Administrative agencies, as creatures of the legislature . . . can act only to implement their charter as it is written and as given to them." 2 *N.Y. Jur. 2d Administrative Law* § 72, citing *NYS Superfund Coalition, Inc. v. NYS Dept. of Environmental Conservation*, *supra*. "It cannot act in excess of its statutory powers and cannot . . . assume additional powers not contained in enabling legislation . . ." *Id.*

"[W]hen presented with a question of statutory interpretation, [the court's] primary consideration is to ascertain and give effect to the intention of the Legislature" (*Samiento v. World Yacht Inc.*, 10 N.Y.3d 70, 77, 854 N.Y.S.2d 83, 883 N.E.2d 990 [internal quotation marks omitted]; see *Matter of DaimlerChrysler Corp. v. Spitzer*, 7 N.Y.3d 653, 660, 827 N.Y.S.2d 88, 860 N.E.2d 705). In that regard, because the clearest indicator of legislative intent is the

statutory text, “the starting point in any case of interpretation must always be the language itself, giving effect to the plain meaning thereof” (*Hakimi v. Cantwell Landscaping & Design, Inc.*, 50 A.D.3d 848, 850, 855 N.Y.S.2d 273 [internal quotation marks omitted]; *Matter of Jansen Ct. Homeowners Assn. v. City of New York*, 17 A.D.3d 588, 589, 795 N.Y.S.2d 594).

Carver v. Nassau County Interim Finance Authority, 142 AD3d 1003, 1007 (2016).

Here, the statute that DOH relies on — Public Authorities Law (“PAL”) § 3668(5) — states that NIFA shall “recommend to the county and the covered organizations such measures relating to their operation, management, efficiency and productivity as the authority deems appropriate to reduce costs and improve services so as to advance the purposes of this title[.]” NIFA’s authority to “recommend measures” cannot reasonably be construed to mean that NIFA has the power to approve NHCC’s management hires and appointments.

“Approve” by no means fits within the plain meaning of “recommend”. Merriam-Webster defines “recommend” as “to suggest (an act or course of action) as advisable”. <https://www.merriam-webster.com/dictionary/approve>. *Emphasis added*. By contrast, “approve” means “to accept as satisfactory” or “to give formal or official sanction”. <https://www.merriam-webster.com/dictionary/recommend>. By any definitions, “approve” and “recommend” are two very different and distinct things; a recommendation does not have to be accepted whereas approval is mandatory. With regard to “measure”, it means “a step planned or taken as a means to an end”. <https://www.merriam-webster.com/dictionary/measure>. A candidate for a management position is simply not a “measure”.

DOH’s additional assertion that NIFA is somehow otherwise authorized to approve NHCC’s management hires and appointments in the context of its “fiscal review for spending generally” is also not supported. DOH cites no statute for this argument. However, per the case law cited above, such authority would need to exist within the plain meaning of the enabling legislation - - and it does not.

We respectfully submit that DOH’s interpretations regarding NIFA’s authority are well beyond the pale of the plain meaning of its enabling legislation. The enabling legislation gives NIFA certain authority to oversee NHCC’s budget and finances, but clearly not the power to decide who manages NHCC. NIFA’s Chairman Richard Kessel acknowledged the limitations on NIFA’s authority in his op-ed recently published in *Long Island Business News*. Chairman Kessel stated, “NIFA has no authority, though, to make management and operational decisions that properly reside with...NHCC....” *Kessel, Richard. “Kessel: Nassau Interim Finance Authority doing its job regarding Nassau Health Care Corp.” Long Island Business News, March 7, 2024. Op-ed. Emphasis added*. This makes sense not only because NIFA has not been granted such authority by the Legislature, but NIFA is neither experienced nor licensed to operate Article 28 facilities.

Naturally, the Legislature reserved decisions on who is hired for NHCC's managerial positions for NHCC. *PAL § 3404(12)*. NHCC is also the only entity that can make those decisions pursuant to DOH's regulations at 10 NYCRR 405.1(c)(1):

(c) Any person, partnership, stockholder, corporation or other entity with the authority to operate a hospital must be approved for establishment by the Public Health Council unless otherwise permitted to operate by the Public Health Law or as provided for by section 405.3 of this Part. For the purposes of this Part, a person, partnership, stockholder, corporation or other entity is an operator of a hospital if it has the decision-making authority over any of the following:

(1) appointment or dismissal of hospital management-level employees and medical staff, except the election or removal of corporate officers by the members of a not-for-profit corporation[.]

Case law recognizes that decisions which must be made by an Article 28 licensed operator pursuant to 10 NYCRR § 405.1(c) cannot be relegated to another entity, as such decisions are expressly reserved by law for the licensed operator. *Ross University School of Medicine, Ltd. v. Brooklyn-Queens Health Care, Inc., et al.*, 2012 WL 6091570, p. 20 (EDNY 2012), *Report and Recommendation adopted in part and modified in part by Ross University School of Medicine, Ltd. v. Brooklyn-Queens Health Care, Inc., et al.* 2013 WL 1334271 (EDNY 2013). The court in *Ross* noted, "it is hornbook law that courts may not compel a party through specific performance to take actions in contravention of the law" and concluded that the court should not compel one of the defendants to take action reserved for the licensed operator by 10 NYCRR § 405.1(c). *Id.* at 19-20. We respectfully submit that just as a court cannot authorize an entity that is not an Article 28 licensed operator to make decisions under 10 NYCRR § 405.1(c), neither can DOH do so here by requiring that NIFA approve any new management hires and appointments for NHCC. "An administrative agency is bound by its own regulations . . ." *Sinclair v. Smith*, 97 AD2d 953 (4th Dept. 1983), citing *Matter of Frick v. Bahou*, 56 NY 2d 777 (1982). Furthermore, even if 10 NYCRR § 405.1(c) did not present an impediment to DOH's proposed requirement, which it does, NIFA's enabling legislation does not authorize NIFA to make such decisions regardless.

Based on the legal authority cited above, and NIFA Chairman Kessel's own published op-ed acknowledging that NIFA has "no authority . . . to make management and operational decisions" concerning NHCC, we trust DOH agrees to withdraw its requirement that "[a]ny new management hires and appointments must have approval from NIFA." If DOH disagrees, we would appreciate the opportunity to discuss this.

* * *

We are grateful for the opportunity to provide additional information to DOH in response to your requests for information. We have endeavored to provide comprehensive responses that reflect our commitment to transparency, accountability, and continuous improvement. Likewise, we

hope that our submissions to DOH exhibit the work we have put in to improve the financial stability of NHCC to date, **including the \$102.3M reduction in expected losses for CY2023** referenced above.

As evidenced by April 2024 month-end cash balance of \$35M, we have extended the life of the hospital well beyond even NIFA and A&Ms expectations. We have since reduced our funding requests and the sense of urgency of funding. Where the hospital expects and deserves government support, the situation is no longer nearly as dire. As detailed in NHCC's Transformation Plan, NHCC's financial stability will continue to improve further based on all that we have planned and as well as our continued efforts.

We affirm our commitment to working collaboratively with DOH and others as we demonstrate by our communications with you and our daily reporting to NIFA. We appreciate this ongoing dialogue with DOH and hope for additional communication.

Together, we can work towards our shared goal of advancing public health and enhancing healthcare accessibility and quality for all New Yorkers. We look forward to hearing back from you and thank you for your engagement with us.

Sincerely,



Megan C. Ryan, Esq.
NHCC Interim CEO & President



Matthew J. Bruderman
NHCC Chairman of the Board of Directors

cc:

Hon. Kathy Hochul
Karen Perischilli Keogh, Secretary to the Governor
Richard M. Kessel, Chairman, Nassau County Interim Finance Authority

Attachment “A”

NHCC’s Transformational Plan



Nassau Health Care Corporation

5 Year Transformation Plan

As of May 2024

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Executive Summary

Nassau Healthcare Corporation (“NHCC”) was established by an act of state legislation in 1999. NHCC is the public benefit corporation that oversees the administration of Nassau University Medical Center (NUMC), Nassau County’s only public hospital, and A. Holly Patterson Extended Care Facility, Nassau County’s only public skilled nursing facility. Additionally, NHCC is the co-operator with Harmony Health Care Center that encompasses six outpatient clinics and the current contracted vendor with Nassau County providing correctional healthcare to over seven hundred incarcerated individuals.



Nassau Health Care Corporation serves 270,000 patients annually, approximately 80% percent of whom are on Medicare or Medicaid or uninsured. More than 70% of our growing patient population are at risk racial minorities and more than 60% are women. We treated a staggering 67,000 emergency room patients last year.

Nassau County is the second largest county outside of New York City, with 1.4 million residents. With more than 530 beds, Nassau University Medical Center is the county's largest safety net hospital, only public safety net, largest level one trauma center, and the only hospital with a unique mission of providing services to patients regardless of their ability to pay.

Nassau University Medical Center

Nassau University Medical Center (NUMC) campus is located at 2201 Hempstead Turnpike East Meadow, NY. The 51 acre campus is home to Nassau University Medical Center, NHCC Resident Housing, The Federal Veterans Clinic, Nassau County's Veterans Clinic, Nassau County's Methadone Clinic, Nassau County Food Pantry, and just recently home to Island Harvest's food bank. Nassau County's Medical Control Unit and Ambulance Bureau reside within Nassau University Medical Center.



Nassau University Medical Center is home to Long Island's only multi-chamber hyperbaric unit and Nassau County's only Burn Center. NUMC is a designated overflow center during natural disasters or public health emergencies.

Nassau University Medical Center also has the county's only in-patient detox center and 28-day drug rehabilitation program, allowing for a seamless treatment for drug and alcohol addiction. NUMC has over 150 beds dedicated to its Adult, Adolescent, and Child in-patient units. NUMC is expanding its efforts to serve the needs of their patients by creating 24 hours centralized mental health triage to streamline the care.

Nassau University Medical Center has the county's only water birthing center and is the only hospital that provides dental and oral surgery care on site.

Nassau University Medical Center has a breast imaging center, a mobile mammography unit, and a wig room with high-quality wigs. Providing oncology treatment to all patients, regardless of insurance limitations.



Nassau University Medical Center was designated as a comprehensive stroke center and a robotic surgical center of excellence in 2023. NHCC has received approval to open a cardio catheterization center.

Nassau University Medical Center is home to 11 outpatient clinics (Adult Medicine, the Zaki Hossain Center for Hypertension, Diabetes & Vascular Disease, Pediatrics, Women's Health, Surgery/Ortho, Behavior Health, Physical Medical & Rehab, Oncology, Ophthalmology, Employee Health, and Dental). This allows for uninterrupted care from the inpatient to outpatient setting.

Nassau University Medical Center is also home to the renowned ACGME accredited international medical residency program with over 350 residents. **That is the largest program of this kind in the state.**



A Holly Patterson

A. Holly Patterson Extended Care Facility is the only public nursing and rehabilitation facility in Nassau County. The facility located at 875 Jerusalem Ave, Uniondale, NY sits on 63 acres of land. A. Holly Patterson has 589 beds that serve the county's elderly, indigent populations. A. Holly Patterson is the only nursing home that has cultural based units currently offering a Korean and South Asian Unit. A. Holly Patterson is home to Nassau University Medical Center's out-patient dialysis center.

Over the next five years, Nassau Health Care Corporation is committed to expanding access to quality healthcare services, strengthening partnerships with community organizations, and optimizing resource allocation to meet the evolving needs of underserved populations while ensuring financial sustainability and fiscal conservancy.

In response to pressing challenges, Nassau Health Care Corporation has embarked on a comprehensive revitalization initiative aimed at ensuring sustainable operations, enhancing service quality, and deepening community engagement. This multifaceted approach over the next five years addresses critical areas such as financial reconstruction, quality improvement, community-based programs, and infrastructure development.

Financial Reconstruction:

Recognizing the importance of fiscal stability for long-term viability, NHCC has undertaken strategic measures to address financial challenges. This includes implementing cost-saving initiatives, optimizing revenue streams, diversifying our payor mix, and exploring innovative funding sources. Through new prudent financial management and policies, new leadership, and strategic partnerships, NHCC aims to strengthen its financial foundation while preserving our commitment to serving marginalized communities.

Quality Improvement:

Over the next five years, Nassau Health Care Corporation is focusing on our quality initiatives such as the establishment of Values and a Vision (a TJC requirement). To uphold our mission of providing exemplary healthcare services, NHCC is prioritizing quality improvement initiatives across all disciplines. This involves implementing evidence-based practices, enhancing staff training and development programs, and leveraging technology to streamline processes and enhance patient care. By fostering a culture of continuous improvement, NHCC

seeks to elevate the standard of care and achieve better patient experiences and outcomes.

Community-Based Programs:

NHCC has launched community-based assessment programs, recognizing the importance of our community feedback in shaping healthcare priorities. Our new initiatives strive to solicit feedback from diverse stakeholders, including patients, community leaders, and healthcare professionals, to identify areas for improvement in order to facilitate inform strategic decisions. By actively involving the community in the planning and delivery of services, NHCC endeavors to address unmet needs and foster greater trust and collaboration. NHCC is committed to partnering with our community organizations to improve non-medical factors that contribute to the health disparities and to promote health equity. The findings and implementation of initiatives will manifest over decades in improving the health outcomes for all Nassau county residents.

Infrastructure Development:

NHCC's infrastructure is aging and deteriorating. Investing in modern infrastructure is vital to ensure the hospital can meet the evolving needs of its patients and staff. The hospital is undertaking ambitious infrastructure development projects aimed at enhancing facility capacity, upgrading medical equipment, and improving the overall patient experience. NHCC continues to apply for all eligible capital funding-federal, state, county and private. By creating a welcoming and state-of-the-art environment, NHCC seeks to attract top talent, enhance operational efficiency, and provide patients with the highest quality of care.

NHCC’s five (5) year transformation plan aims to improve financial stability and improve clinical quality. Over the next five years, the organization plans to significantly change its financial trajectory as evidenced between calendar year (CY) 2022 and 2023. NHCC also plans to significantly improve its quality measures over the course of the next five years.

Financial Improvement 2022 - 2023

At the end of CY 2022, NHCC had an operating loss (before OPEB) of \$108.1M¹. In addition, **NHCC budgeted a loss of \$179.3M the following year in CY2023²**. However, based on financial improvement efforts described below, **the actual audited loss for CY2023 was \$77M; \$102.3M less than the budgeted loss.**

In Aug-2023, NHCC had a reported operating loss (before OPEB) of 105.2M YTD, on track for a 157.8M loss for 2023³.

At the end of August, NHCC leadership retained an external financial consulting firm (the Marwood Group) focused on financial performance improvement. The consulting team in combination with an internal team of key stakeholders developed two (2) projects in revenue enhancement and cost reduction. Revenue enhancement workstreams included billing & collections operations improvement, billing system & chargemaster optimization, coding & clinical documentation improvement, and 340B drug pricing optimization. These projects identified an initial \$132.3M in net margin improvement. Initiatives included within the initial workstreams were:

#	Revenue Enhancement	Est. Opportunity (in thousands)
1	Workstream 1 (Billing & Collections Operations Improvement)	89,750
2	(Hospital) Overall claim denial reduction	57,750
3	(Hospital) Patient collection enhancement	9,900
4	(Hospital) Bad debt collection enhancement	7,200
5	(Hospital) Unbilled bill capture/charge capture	2,100
6	(Hospital) Claim rejection reduction	500
8	(FPP) Overall claim denial reduction	10,550
9	(FPP) Patient collection enhancement	1,000
10	(FPP) Bad debt collection enhancement	500
11	(FPP) Unbilled bill capture / charge capture	125
12	(FPP) Claim rejection reduction	125
13	Workstream 2 (RCM Billing System & Chargemaster Optimization)	7,000
14	EHR to Billing procedure to charge reconciliation	4,500
15	CDM pricing & procedure updates	2,500

¹ Monthly Financial Statements (Unaudited) December 31, 2023. Nassau Health Care Corporation & Subsidiaries.

² Operating Budget Fiscal Year Ended December 31, 2023. Nassau Health Care Corporation & Subsidiaries.

³ Monthly Financial Statements (Unaudited) August 31, 2023. Nassau Health Care Corporation & Subsidiaries.

16	Workstream 3 (Coding & Clinical Documentation Improvement)	--
17	Clinical documentation, coding, & charging	See above (WS 1&2)
18	Workstream 4 (340B Drug Pricing Program Optimization)	6,250
19	Contract pharmacy revenue enhancement	2,500
20	340B & Inpatient Pharmacy Optimization	3,750
21	Revenue Enhancement Initiative Total	103,000

Cost reduction initiatives included Purchased Services expense reduction, overtime (OT) reduction of non-clinical staff, OT reduction of clinical staff, and non-labor cost reduction initiatives.

#	Cost Reduction	Est. Opportunity (in thousands)
1	Workstream 5 (Institution-wide Cost Reduction)	29,360
2	Purchased Services expense reduction	6,500
3	Expense budget reduction	100
4	OT reduction Non-Clinical	3,600
5	OT reduction Clinical	12,000
6	(Non-labor) Med/Surg Expense	5,500
8	(Non-labor) Implants	860
9	(Non-labor) Food	200
10	(Non-labor) Rebate optimization	250
11	(Non-labor) Biomed	350
	Grand Total (Revenue Enhancement + Cost Reduction)	132,360

At the end of 2023, NHCC recorded an operating loss (before OPEB) of \$88.8M, **\$90.3M (50%) favorable to budget and \$19.3M (17.8%) favorable to 2022 actuals⁴**.

⁴ Monthly Financial Statements (Unaudited) December 31, 2023. Nassau Health Care Corporation & Subsidiaries.

Quality Improvement

In parallel with its financial improvement efforts, NHCC has instituted steps to improve overall clinical quality. In January 2024, NHCC appointed a new highly qualified Senior Vice President of Quality, a key position that had been vacant for eight months.

Quality Performance Improvement is a process of continuously evaluating functions and processes to ensure excellence in health care. Our new performance improvement activities occur not only to ensure quality of care but also to continually improve care. It is through such processes that NHCC can quantify intangible services in order to assess their benefit, maintain integrity and improve performance.

Organizational effectiveness and high reliability can be achieved through planning, designing, measuring, assessing and improving important functions and processes. At NHCC, there is now a coordinated, interdisciplinary effort to integrate performance improvement, safety, risk management, utilization review, infection control and quality control activities, all of which facilitate the goals of continuous quality improvement, as well as financial stability. The application of management tools and statistical applications to quality monitoring ensure a theoretical and scientific approach to the performance improvement process. Information from a variety of sources (staff, leadership, patients) is coupled with strategic priorities, performance improvement priorities, as well as legislative and accrediting agencies' rules, regulations and recommendations to facilitate the achievement of performance improvement.

The new leadership at NHCC has established quality goals and a plan that aligns with the national healthcare agenda and the Institute for Healthcare Improvement's (IHI) 'Quadruple Aim.' NHCC's goal is to minimize preventable harm by delivering the safest healthcare with the lowest preventable mortality by providing the best value and patient experience of care to the communities served while enhancing provider satisfaction and professional wellness.

NHCC intends to be a national model of care for its patients and community. NHCC’s mission is to provide the best possible care to the residents of Long Island, particularly to its most vulnerable patients, regardless of gender, immigration status, religion, or the ability to pay, and to offer the best possible education to the nation’s next generation of medical professionals. Led by NHCC’s CEO, the organization has established new values and vision to provide equitable service and quality healthcare for the patients and community it serves (see Appendix I for full graphic):

NHCC’s New Vision:

“Equitable Service and Quality Healthcare for All.”

NHCC’s New Values:

<u>Stewardship</u>	<i>We are stewards of public resources striving to optimize efficiency while ensuring quality health care and sustainable operations.</i>
<u>Excellence</u>	<i>We strive for excellence in all aspects of health care delivery, constantly seeking to improve processes and the patient experience.</i>
<u>Respect</u>	<i>We treat every individual with respect, dignity, and compassion regardless of race, creed, sexual orientation or legal status.</i>
<u>Visibility</u>	<i>We promote transparency in our operations, communications and decision-making processes to continually build and maintain a culture of accountability with patients, staff, and the communities we serve.</i>
<u>Integrity</u>	<i>We uphold the highest ethical standards, fostering trust in all interactions.</i>
<u>Collaboration</u>	<i>We work together as a multidisciplinary team, that breaks down barriers to ensure optimal care.</i>
<u>Empowerment</u>	<i>We encourage patients to actively participate in their care while also giving staff members agency to leverage their expertise and continuously improve.</i>

Section I: Financial Improvement

Five Year Financial Transformation Plan Summary

Our 'Five (5) Year Financial Transformation Plan' builds on NHCC's 2023 initial plan, with refinement on calculations, projections, and achievements. As the projection model is based on continuous operating improvements, one-time achievements and one-time cash accelerations are not carried into the following years assumptions. The financial impact calculated year-over-year are incremental with a total impact calculated over a five-year period.

Over the course of 2023, key initiatives that improved revenue included chagemaster optimization, operational activities (e.g., vendor management), redesigned billing processes, and system configurations (e.g., eligibility sweeps, eligibility verification).

As a result, net patient revenue was \$21.4M favorable to budgeted and \$25.3M favorable to 2022 actuals⁵.

The financial transformation plan builds on revenue enhancement and cost reduction activities from 2023, where revenue enhancement activities now include managed care renegotiations and the review of nursing home beds.

The newly estimated total impact from 2024 – 2027 is now expected to be \$72.5M in revenue enhancement and \$142M in cost reduction activities over the course of the next four (4) years. Details of each initiative can be found in Appendix A – Five Year Financial Transformation Plan Initiative Tracker. Monthly progress reports can be found in Appendix B – Monthly Financial Improvement Progress Reports.

Impact on Financial Statements

The financial impact is projected through 2027 on NHCC's Revenue and Expenses, Balance Sheet, and Cash Flows over 2024 – 2027. These financials are based on NHCC's unaudited 2023 financial statements. As noted, the financial impacts are calculated on an incremental basis year-over-year.

⁵ Monthly Financial Statements (Unaudited) December 31, 2023. Nassau Health Care Corporation & Subsidiaries.

5 Year Financial Transformation (2024 – 2027 Projections)

Nassau health Care Corporation & Subsidiaries

(in thousands)

Revenue Enhancement Initiatives	CY 2023	CY2024	CY2025	CY2026	CY2027	Total Impact
Managed Care contract renegotiations & rate increases (Part A Billing) Overall revenue cycle improvements	--	8,609	1,088	1,181	-	10,878
(Part B Billing) Overall revenue cycle improvements	25,368	25,827	17,251	11,629	5,044	85,118
Transition of Nursing Home beds to hospital site		-	1,707	95	95	1,896
		-	-	-	-	TBD
Revenue Enhancement Total	25,368	34,435	20,045	12,904	5,138	97,892

Cost Reduction Initiatives	CY 2023	CY2024	CY2025	CY2026	CY2027	Total Impact
Salary Expense Initiatives		15,909	15,114	(2,872)	(2,900)	25,251
Clinical OT reduction		12,388	7,711	-	-	20,099
Non-clinical OT reduction		3,522	1,630	-	-	5,152
Department restructuring		-	5,772	-	-	5,772
Benefit Expense Initiatives		23,100	7,255	(1,378)	(1,392)	27,584
Benefit restructuring & expense reduction		23,100	7,255	-	-	30,355
Supply Expense Initiatives		2,406	-	-	-	2,406
Med/Surg cost reduction initiatives		2,406	-	-	-	2,406
Other Expense Initiatives		5,896	11,203	(1,008)	(1,018)	15,073
Other expense cost reduction initiatives		4,846	10,503	-	-	15,350
Pharmaceutical cost management		1,050	700	-	-	1,750
Cost Reduction Total		47,312	33,572	(5,258)	(5,311)	70,315

Performance Improvement Total	25,368	81,748	53,617	7,646	(172)	168,207
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2024 – 2027 Performance Improvement Total 142,839

5 Year Revenue & Expenses (2023 – 2027 Projections)

Nassau health Care Corporation & Subsidiaries

(in thousands)

	<u>Unaudited</u> <u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
<u>Operating Revenues:</u>					
Net patient service revenue	\$ 446,463	\$ 480,898	\$ 500,944	\$ 513,848	\$ 518,987
<u>Other Operating Revenues:</u>					
NYS Intergovernmental transfer - CY	61,271	34,300	34,300	34,300	34,300
NYS Intergovernmental transfer - PY	27,406				
Nassau County Billings	22,518	19,626	19,626	19,626	19,626
Corrections Contract	19,306	19,614	19,614	19,614	19,614
Federal & State Aid	11,898	1,500	1,500	1,500	1,500
Practice Plan Revenue					
Miscellaneous	20,964	18,123	18,123	18,123	18,123
Total Operating Revenues	\$ 609,826	\$ 574,061	\$ 594,107	\$ 607,011	\$ 612,150
<u>Operating Expenses:</u>					
Salaries	\$ 318,188	\$ 302,279	\$ 287,165	\$ 290,036	\$ 292,937
Fringe Benefits	168,194	145,094	137,839	139,217	140,610
Supplies	53,754	51,348	51,348	51,348	51,348
Expenses	117,928	112,032	100,828	\$ 101,837	\$ 102,855
Utilities	20,708	21,122	21,545	21,975	22,415
Depreciation	19,865	20,247	20,247	20,247	20,247
Total Operating Expenses	\$ 698,637	\$ 652,121	\$ 618,972	\$ 624,661	\$ 630,411
<u>Deficit before Non-operating Items</u>	\$ (88,811)	\$ (78,059)	\$ (24,865)	\$ (17,649)	\$ (18,261)
Employee benefits - OPEB	\$ (72,155)	\$ (42,796)	\$ (42,796)	\$ (42,796)	\$ (42,796)
Non-operating activities	(337)	(337)	(337)	(337)	(337)
NYS Health Insurance Relief	60,000	-	-	-	-
Operating loss	\$ (101,303)	\$ (121,192)	\$ (67,998)	\$ (60,782)	\$ (61,394)

5 Year Balance Sheet (2023 – 2027 Projections)

Nassau Health Care Corporation & Subsidiaries

(in thousands)

	<u>Unaudited</u> <u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
<u>Assets:</u>					
Cash & cash equivalents	40,280	2,461	2,124	1,587	1,033
Patient accounts receivable net of allowance for doubtful accounts	28,968	27,658	31,279	47,845	62,457
All other current assets	99,789	116,242	132,695	149,148	165,601
Total current assets	169,037	146,361	166,099	198,580	229,091
Fixed assets	134,746	133,819	132,892	131,965	131,038
All other assets	86,422	86,422	86,422	86,422	86,422
Total Assets	390,205	366,602	385,413	416,967	446,551
<u>Liabilities and Fund Balances:</u>					
Accounts payable & accrued expenses	379,270	431,281	472,512	519,271	563,793
Accrued salary & benefits	216,312	242,015	267,718	293,421	319,124
All other current liabilities	62,642	62,642	62,642	62,642	62,642
Total Current Liabilities	658,224	735,938	802,872	875,334	945,559
Long Term Debt	90,806	67,885	44,964	22,043	-
All other non-current liabilities	1,009,726	1,052,522	1,095,318	1,138,113	1,180,909
Total Liabilities	1,758,756	1,856,345	1,943,153	2,035,490	2,126,468
Net Deferred Inflows/Outflows	109,547	109,547	109,547	109,547	109,547
Net Position	(1,259,004)	(1,380,196)	(1,448,194)	(1,508,976)	(1,570,370)

5 Year Cash Flows (2023 – 2027 Projections)

Nassau health Care Corporation & Subsidiaries

(in thousands)

	<u>Unaudited</u> <u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>
<u>Cash flows from operating activities:</u>					
Cash received from patients & 3rd party payors	497,732	516,671	527,696	535,439	538,522
Cash received from other revenue	40,910	40,910	40,910	40,910	40,910
Cash paid to employees	(460,679)	(421,669)	(399,301)	(403,551)	(407,843)
Cash paid to suppliers	(92,263)	(132,490)	(128,401)	(132,095)	(130,901)
Net cash provided by (used in) operating activities	(14,300)	3,422	40,905	40,703	40,688
Cash flows from non-capital financing activities	(22,921)	(22,921)	(22,921)	(22,921)	(22,921)
Cash flows from capital and related financing activities	(17,202)	(19,320)	(19,320)	(19,320)	(19,320)
Cash flows from investing activities	10,850	1,000	1,000	1,000	1,000
Net increase (decrease) in cash and cash equivalents	(43,573)	(37,819)	(336)	(538)	(553)
Cash and cash equivalents, beginning of period	83,853	40,280	2,461	2,124	1,587
Cash and cash equivalents, end of period	40,280	2,461	2,124	1,587	1,033

Section II: Quality Improvement

NHCC intends to be a national model of a community health care system, with goals of setting standards in teaching and research, and becoming a respected and sought-out authority in public health care education. Efforts are being made to develop a model of accessibility and cultural sensitivity. But the highest priority is to earn the public trust as a leader in patient care by meeting — and exceeding — the highest public standards.

NHCC has established quality goals and a plan that aligns with the national healthcare agenda and the Institute for Healthcare Improvement’s (IHI) ‘Quadruple Aim.’ NHCC’s goal is to eliminate all preventable harm by delivering the safest healthcare with the lowest preventable mortality by providing the best value and patient experience of care to the communities served while enhancing provider satisfaction and professional wellness.

Lowest preventable mortality	→	Reduce mortality (AMI, HF, pneumonia, sepsis)
Safest healthcare	→	Zero healthcare-associated conditions
Best value	→	Evidence based practice (Readmissions workflow optimization, provider satisfaction)
Professional wellness	→	Work/life balance

NHCC has a plan to becoming a resilient, High Reliability Organization (‘HRO’), where it will achieve and sustain high reliability outcomes at time when consumer demand for safety, quality, and payments are based on performance and the elimination of avoidable harm. The process of building a high reliability performance culture is established on the following tenets:

- Establishes zero harm as a core value
- Uses reliability that addresses both human behavior and process improvement
- Applies reliability principles derived from other high reliability organizations
- Attempts to instill the values, beliefs and behaviors that helps accelerate improvement across organizational priorities

NHCC has committed to identifying, mitigating, and preventing failure in addition to using process improvement methodologies to redesign processes of care through proactive risk assessments and data analyses of process improvement projects.

The framework of a 'Just Culture' ensures balanced accountability for both individuals and the organization responsible for designing and improving systems in the work place. A 'Just Culture' is a learning culture that constantly improves and orients the organization toward patient safety. Engineering principles and human factors influence the design of these systems to ensure safety and reliability.

Approaches to improve patient safety include:

- Root cause error analysis
- Tools to enhance safety
- Outcome engineering

NHCC's capacity to ensure patient safety through adherence to evidence-based guidelines, adherence to best practices, waste reduction, realization of cost efficiencies, and measurement and reporting of health outcomes is instrumental to providing high quality care to the community. NHCC's Quality Improvement Plan sets forth guidelines to evaluate how the organization has anticipated and is responding to the health care needs of the community.

Community Needs Assessment

Periodically, a community needs assessment is to be conducted by NHCC. This assessment includes a review of needs of the community, needs of major patient populations, and the results of performance improvement activities. The findings of the assessment assist the organization in identifying strategic priorities for NHCC. Our first assessment commenced on March 19, 2024 and is to be closed on August 15, 2024.

Strategic Planning and Selection Methodology

The NHCC Board of Directors, Administration, Medicine, and Nursing leadership all play a role in developing key indicators and the strategic plan. Strategic planning and performance improvement priorities are set by Administration, Medical Staff, and Nursing Leadership via the Performance Improvement Coordinating Group (PICG) after approval by the Board of Directors. Priorities are based on:

- strategic planning priorities,

- the needs identified for patients served,
- the needs identified in operational processes,
- Patient Care and organizational functions,
- overall resources available, and
- results of the hospital's Culture of Safety Survey.

Priorities are quantified via the Performance Improvement Priority Grids using the Nominal Group Technique and/or as determined by organizational leadership.

Reprioritization is based on:

- changes in major patient populations,
- the need for new services,
- specific operational opportunities to improve,
- high cost areas that may be identified, and
- results from the performance improvement process.

NHCC's selected priorities include:

- Patient Experience
- Safety & High-Reliable Care
- Improvement in Leapfrog Hospital Safety Grade

The selected key Performance Improvement Project for 2023-2024 is:

- Hand Hygiene

The performance measures are divided into priority population measures, required measures, and quality control measures. This process is repeated continually in response to feedback from monitoring systems and changes in both internal and external environment.

Organizational Framework and Integration

This program will be accountable to the leadership of NHCC, which will have responsibility for multiple programmatic components, including:

- the selection of frequency for data collection,
- the annual approval of the written plan,
- the determined number of distinct improvement project(s) to be conducted annually (currently identified as one), and
- review of minutes and summary reports that indicate the following

Methodology

NHCC uses systematic methods for improving processes, i.e., LEAN Six Sigma. Through these, knowledge of how a process is currently performing to meet customer needs and expectations is used to plan and process changes for improvement. The purpose of these process changes is to improve the product or services from the viewpoint of the customer. This is the recommended model whether working in teams, as individuals, or as an organization-wide function. The methodologies encompass the following principles:

- The organization is committed to improving its performance and enhancing patient safety and quality of care; this process involves all members of NHCC staff.
- Provision and evaluation of patient care is a multidisciplinary, collaborative and continuous process. The scope of services provided is based upon identification of the needs of the community served and reflected in the strategic plan.
- An organization-wide plan for patient care services defines the scope of care provided by the organization and ensures uniform standards.
- The organization shall take a proactive approach toward refining and improving processes and the delivery of care. This is done through continuous evaluation of programs and through the creation/ amendment of policies.
- Performance improvement activities are based on analysis(es) of patient care/outcomes utilizing scientific methods based on data collection and statistical analysis to measure performance and identify areas for improvement.
- Dimensions of performance are defined as: efficacy, appropriateness, availability, timeliness, effectiveness, continuity, safety, efficiency, and respect and caring.

- The competency of those individuals who deliver care is based on clinical criteria, ongoing education and data collection concerning the scope of activities performed.
- All staff, whether from the same or different departments, services or disciplines work collaboratively on processes that ensure safety and lead to improved systems in the delivery of care.

The Quality Management Department assists in the coordination, organization, and/or reporting of aggregate data and information to the Performance Improvement Coordinating Group (PICG).

Reporting systems consist of systematic communication of information and the feedback related to the surveillance, review of data, and the improvement of specific processes and outcomes. Each established measure is reported according to an established ongoing time frame and in a consistent written format to the Quality Management Department.

Patient Experience and Satisfaction Improvement

Patient Experience Domain	Benchmark	2023 Performance	2024 Goal
Nurse Communication	90	66	72
Doctor Communication	89	75	82
Responsiveness of hospital staff	81	55	60
Communication about medicines	74	53	58
Discharge Information	85	78	85

2024 Goal: a 9% improvement from performance in 2023 to 2024 and a 2% improvement in each domain year over year for the next five years.

Action Plan

Current

NHCC has chosen to focus on the performance in the following domains as these are incorporated into all public quality reporting programs and the Leapfrog Safety Grade.

- Nurse Communication
- Doctor Communication
- Staff Responsiveness
- Communication about Medicines
- Discharge Information

Monthly performance in these domains is reported at the monthly Medical Board meeting and any identified trends are discussed. Additionally, performance in each of these domains is displayed on Nursing Dashboards for each specific unit.

NHCC’s new leadership implemented mandatory weekly Senior Leadership rounding for patient experience and employee engagement on April 17th. Each week leaders round on different units to survey to both patients and employees on their experience and engagement; since employee engagement and patient

experience go hand in hand. This provides patients with the ability to ensure their needs are met and the opportunity to be heard. Responses to the questions from each patient are recorded and reviewed by leadership. Trends are analyzed for performance improvement and communicated with departments.

NHCC will also be changing the way the HCAHPS data is viewed on a regular basis. Switching from a monthly view to a rolling 12month view providing the hospital with a steadier assessment of the trends.

After careful review of all departments and resources, the new NHCC leadership is focusing time and resources on quality improvements- most importantly patient experience and satisfaction improvement. In April, NHCC opened their “Care Experience Office” where patients can access resources, patient advocates, and interrupters are readily accessible.

NHCC is engaging with Press Ganey to help elevate patient experience as a strategic priority. A minimum six month partnership has been proposed to our board with the following action items outlined:

1. Kickoff and Current State Assessment

- a. During this assessment there will a deep dive into NHCC’s patient experience data in addition to other materials such as:
 - i. Organizational structure, including responsibilities for patient experience.
 - ii. Staff orientation and training materials.
 - iii. Physician development materials.
 - iv. Quality and safety metrics.
 - v. Employee and/or physician engagement survey results.
 - vi. Operational data.

2. Senior Leadership Planning

- a. Senior Leadership will align their operational needs in relation to patient experience. Leadership will work with Press Ganey to elevate patient experience while incorporating safety, quality, employee engagement and efficiency.

3. Develop a Narrative

- a. Engage front line staff and perspectives from safety, quality, efficiency, engagement and experience of care for developing what NHCC's patient experience narrative looks like
- b. Care a narrative that exemplifies how NHCC's experience is linked to our vision and mission. The expectation will be for all leaders and managers to achieve this skillset

4. Develop a Communication Plan

- a. A communication plan will be developed to outline how messaging will be shared throughout the hospital and down to front line staff to ensure all align with NHCC's vision for elevating experience. Proving the "why," "who," "what," and "how" for our staff.

Below is the specific transformative action plan on how to improve patient satisfaction:

1. Nurse Communication

a. Action Plan:

- i. **Training:** Implement targeted communication skills training for nursing staff, focusing on clarity, empathy, and responsiveness.
- ii. **Feedback System:** Establish a real-time feedback system where patients can rate their interactions immediately, allowing for quicker adjustments.
- iii. **Team Meetings:** Increase frequency of team meetings to address communication issues and share best practices.

2. Doctor Communication

a. Action Plan:

- i. **Mentoring Program:** Pair residents with senior doctors who excel in patient communication.
- ii. **Patient Interaction:** Ensure teach back method is utilized with patients to ensure understanding. Schedule longer consultation times to ensure thorough discussions without rushing.
- iii. **Feedback Loops:** Create structured feedback loops from patients directly related to doctor interactions to identify specific areas for improvement.

3. Responsiveness of Hospital Staff

a. Action Plan:

- i. **Staffing:** Analyze peak times for patient inquiries and adjust staffing levels to improve responsiveness.
- ii. **Training in Urgency Recognition:** Train staff to recognize and prioritize requests based on urgency.
- iii. **Technology Enhancement:** Implement mobile communication tools that enable staff to respond more quickly to patient needs.

4. Communication about Medicines

a. Action Plan:

- i. **Pharmacist Involvement:** Involve pharmacists in patient education sessions about their medications.
- ii. **Clear Written Information:** Provide clear, written instructions for all prescriptions, including potential side effects and interactions.
- iii. **Follow-up Calls:** Initiate follow-up calls to patients to address any questions about their medications after discharge.

5. Discharge Information

a. Action Plan:

- i. **Discharge Protocols:** Standardize discharge protocols to ensure consistency in the information given to all patients.
- ii. **Patient Education Sessions:** Offer more comprehensive patient education sessions prior to discharge to cover all aspects of aftercare.
- iii. **Post-Discharge Support:** Enhance post-discharge support with a dedicated hotline for discharge-related questions.

Monitoring and Evaluation

- **Regular Reviews:** Conduct quarterly reviews to monitor progress towards goals in each area.
- **Patient Surveys:** Continue using patient surveys to gather data and adjust strategies as needed.
- **Staff Feedback:** Regularly solicit feedback from staff on the effectiveness of new training and changes in protocol.

Safety

NHCC’s new leadership acknowledges that safety of patients and employees must be prioritized. With that being said, NHCC implemented safety huddles on February 23, 2024 that occur three times a week.

NHCC has chosen to prioritize the following safety quality measures to improve the safety of the care we deliver and to align ourselves with CMS Quality programs.

- Patient Safety Indicators (PSIs), specifically PSI04 and the PSI90 composite.
- Hospital-Acquired Infections, CLABSI, CAUTI, C. Diff, MRSA, SSI Colon, SSI Hysterectomy
- Readmissions, specifically for patients with Acute Myocardial Infarction (AMI), Chronic Obstructive Pulmonary Disease (COPD), Heart Failure (HF) and Pneumonia
- Mortality within 30 days, specifically for patients with AMI, COPD, HF, Pneumonia, and Acute Ischemic Stroke
- Sepsis, Improvement in the 3hour and 6-hour bundle

Patient Safety Indicators (PSIs)

Patient Safety Indicator	Benchmark	Reporting Performance 07/01/2020 - 06/30/2022	2024 Goal
PSI 04: Death Rate Among Surgical Inpatients with Serious Treatable Conditions	143.25	180.83	171.79
PSI 90: Patient safety and adverse event composite	0.98	1.07	1.02
PSI 03: Dangerous bed sores	0.59	0.67	0.64
PSI 06: Iatrogenic Pneumothorax Rate	00.19	0.22	0.21
PSI 08: In-hospital fall with hip fracture rate	.08	0.10	0.10
PSI 09: Perioperative hemorrhage and hematoma rate	2.38	2.52	2.39
PSI 10: Postoperative acute kidney injury rate	0.92	1.57	1.49
PSI 11: Postoperative Respiratory Failure Rate	6.75	8.55	8.12
PSI 12: Perioperative PE/DVT	3.41	4.96	4.71
PSI 13: Postoperative sepsis rate	4.15	5.20	4.94
PSI 14: Postoperative Wound Dehiscence Rate	0.81	1.95	1.85
PSI 15: Unrecognized Abdominal Accidental Puncture/Laceration Rate	1.04	1.30	1.24

2024 Goal: a 5% reduction in rate of performance period 07/01/2020 – 06/30/2022

Action Plan

Current

The Quality Department currently does **100% review of cases** identified as a patient safety indicator (PSI) and they are sent to the respective departments for a review and potential plan of correction. Volumes of each PSI are reported at the monthly Medical Board meeting and any identified trends are discussed.

Transformation Plan

In the second quarter of 2024 NHCC will be instituting a PSI workgroup to drill down into events.

Below is the specific transformative action plan on how to improve patient safety as it relates to PSIs:

1. Death Rate Among Surgical Inpatients with Serious Treatable Conditions
 - a. Action Plan:
 - i. **Review and Revise Protocols:** Conduct a detailed review of current surgical protocols and implement improvements based on best practices and recent advances.
 - ii. **Staff Training:** Increase training in recognizing and managing complications early.
 - iii. **Technology Utilization:** Implement advanced monitoring technologies that can alert staff to deteriorating patient conditions in real-time.
2. Patient Safety and Adverse Event Composite
 - a. Action Plan:
 - i. **Error Reporting System:** Enhance the non-punitive error reporting system to encourage staff to report near misses and adverse events.
 - ii. **Root Cause Analysis:** Regularly perform root cause analysis on reported incidents to prevent recurrence.
 - iii. **Safety Rounds:** Introduce regular safety rounds to identify and rectify potential safety issues before they lead to harm.
3. Dangerous Bed Sores

a. Action Plan:

- i. **Prevention Protocols:** Update and rigorously implement bed sore prevention protocols, including regular patient repositioning and use of pressure-relieving devices.
- ii. **Staff Training:** Provide targeted training on skin care and early identification of pressure injuries.
- iii. **Regular Skin Assessments:** Implement mandatory skin assessments during each shift.

4. Iatrogenic Pneumothorax Rate

a. Action Plan:

- i. **Procedure Review:** Review procedures that commonly lead to pneumothorax, particularly central line placements, and refine technique protocols.
- ii. **Ultrasound Guidance:** Mandate the use of ultrasound guidance for procedures at risk of causing pneumothorax to minimize risks.
- iii. **Staff Competency Assessments:** Regular competency assessments and refresher training for staff performing high-risk procedures.

5. Postoperative Sepsis Rate

a. Action Plan:

- i. **Early Detection Protocols:** Strengthen protocols for the early detection and management of sepsis.
- ii. **Antibiotic Stewardship:** Enhance antibiotic stewardship programs to ensure appropriate use of antibiotics, reducing the risk of resistant infections.
- iii. **Continuous Education:** Continuous education programs on infection control and management for all healthcare providers.

6. Postoperative Wound Dehiscence Rate

a. Action Plan:

- i. **Surgical Technique Review:** Assess and improve surgical techniques to minimize tissue trauma.

- ii. **Patient Risk Assessment:** Implement comprehensive preoperative risk assessments, including nutritional status, to identify patients at high risk for wound dehiscence.
- iii. **Postoperative Care:** Standardize postoperative care protocols, emphasizing wound care and early detection of signs of dehiscence.

7. Postoperative Acute Kidney Injury Rate

a. Action Plan:

- i. **Hydration Protocols:** Implement protocols to ensure proper hydration before, during, and after surgery.
- ii. **Monitoring:** Enhance monitoring of renal function post-operatively, especially in patients with pre-existing conditions or those receiving nephrotoxic drugs.
- iii. **Education on Medication Management:** Educate staff about the risks of certain medications and the importance of adjusting doses based on kidney function.

8. Postoperative Respiratory Failure Rate

a. Action Plan:

- i. **Preoperative Assessments:** Strengthen preoperative assessments to identify patients at risk of postoperative respiratory complications.
- ii. **Enhanced Recovery Protocols:** Implement or optimize Enhanced Recovery After Surgery (ERAS) protocols, which include strategies for early mobilization and pain management to reduce respiratory complications.
- iii. **Respiratory Therapy:** Increase availability of respiratory therapy consultations and interventions for high-risk patients immediately post-surgery.

9. Perioperative PE/DVT Rate

a. Action Plan:

- i. **Prophylaxis Guidelines:** Ensure compliance with evidence-based guidelines for venous thromboembolism prophylaxis, tailored to each patient's risk profile.

- ii. **Patient Education:** Educate patients on the importance of mobility and provide instructions for exercises they can perform even while bedridden.
- iii. **Monitoring and Follow-Up:** Implement systematic monitoring for signs of DVT/PE in postoperative patients and establish protocols for immediate management if detected.

10. Unrecognized Abdominal Accidental Puncture/Laceration Rate

a. Action Plan:

- i. **Surgical Reviews and Audits:** Conduct regular reviews and audits of surgical procedures to identify and analyze instances of accidental puncture or laceration.
- ii. **Enhanced Surgical Training:** Provide additional training in techniques to avoid accidental punctures, particularly during high-risk procedures.
- iii. **Technological Aids:** Utilize advanced imaging technologies intraoperatively to better visualize and avoid internal structures.

Healthcare-Associated Infections

Healthcare-Associated Infection	Benchmark SIR	Fall 2023 Performance SIR	2024 Goal SIR
Central line-associated bloodstream infection (CLABSI)	0.89	0.67	<1.0
Catheter-associated urinary tract infections (CAUTI)	0.74	0.60	<1.0
Methicillin-resistant Staphylococcus aureus (MRSA)	0.83	0.00	<1.0
<i>Clostridium difficile</i> (C.Diff)	0.93	0.64	<1.0
Surgical Site Infection (SSI): Colon	0.49	N/A	<1.0
Surgical Site Infection (SSI): Hysterectomy	0.94	N/A	<1.0

2024 Goal: A Standard Infection Ratio (SIR) < 1.0 for all Healthcare-Associated Infections

Action Plan

Current

All Hospital-acquired infections are reported at the safety huddles in addition to calculating the days since the last identified infection to promote our culture of safety.

Volumes of Hospital-acquired Infections are reported monthly Medical Board meeting and any identified trends are discussed.

Transformation Plan

In the second quarter of 2024 NHCC will begin utilizing an electronic clinical surveillance program leading to earlier detection and a reduction in exposure and spread hospital-acquired infections. Over the next five years NHCC maintain no Hospital-Acquired Conditions payment penalties, in line with NHCC’s financial goals to reduce preventable payment penalties.

Below is the specific transformative action plan on how to improve patient safety as it relates to HAIs:

1. Central Line-Associated Bloodstream Infection (CLABSI)

- a. Action Plan:

- i. **Standardized Insertion Practices:** Enforce bundle compliance of best practices for central line insertion, including

use of full barrier precautions, skin antisepsis, optimal catheter site selection, and review of line necessity daily.

- ii. **Staff Education and Training:** Regular training sessions on the insertion and maintenance of central lines.
- iii. **Surveillance:** Use of electronic medical records to track and prompt removal of unnecessary lines.

2. Catheter-Associated Urinary Tract Infections (CAUTI)

a. Action Plan:

- i. **Catheter Use Protocols:** Implement strict protocols for catheter insertion, maintenance, and prompt removal.
- ii. **Staff Training:** Focus on hygiene and proper catheter care during training sessions.
- iii. **Patient Monitoring:** Increased monitoring and documentation of catheter necessity and duration.

3. Methicillin-resistant Staphylococcus aureus (MRSA)

a. Action Plan:

- i. **Screening and Isolation:** Screen high-risk patients upon admission and during hospital stays; isolate those who are colonized or infected.
- ii. **Hygiene Protocols:** Enhance hand hygiene and environmental cleaning practices.
- iii. **Antibiotic Stewardship:** Strengthen antibiotic stewardship programs to prevent the development of resistance.

4. Clostridium difficile (C. Diff)

a. Action Plan:

- i. **Infection Control Practices:** Implement strict infection control practices, especially in terms of cleaning and disinfection of patient areas.
- ii. **Antibiotic Stewardship:** Review and optimize use of antibiotics, as inappropriate use is a major risk factor for C. Diff.
- iii. **Patient Education:** Educate patients on the importance of notifying staff about changes in bowel habits, especially when antibiotics are being used.

5. Surgical Site Infection (SSI): Colon and Hysterectomy

a. Action Plan:

- i. **Preoperative Care:** Include standardized preoperative washing protocols, appropriate hair removal, and prophylactic antibiotic administration.
- ii. **Operative Techniques:** Train surgeons in techniques that minimize tissue trauma and contamination.
- iii. **Postoperative Care:** Monitor surgical sites closely for signs of infection; use dressings that support a sterile environment and allow for inspection.

General Steps for All HAIs

- **Data-Driven Monitoring:** Use data analytics to identify trends and causes of infections to target interventions more precisely.
- **Multidisciplinary Teams:** Form teams including infection control specialists, nurses, doctors, and support staff to implement and monitor infection control measures.
- **Regular Auditing:** Conduct regular audits to ensure adherence to protocols and identify areas for improvement.

Readmissions

Readmission Indicator	Benchmark	07/01/2019 – 12/31/2019 and 07/01/2020 – 06/30/2022 Performance	2024 Goal
Acute Myocardial Infarction (AMI)	14.0%	N/A	N/A
Chronic Obstructive Pulmonary Disease (COPD)	19.3%	20.8%	19.3%
Heart Failure	20.2%	21.1%	20.2%
Pneumonia	16.9%	18.1%	16.9%

2024 Goal: National Rate in all cause readmissions

Action Plan

Current

There are 100% 30-day readmissions for the above diagnoses.

Transformation Plan

Beginning in the third quarter of 2024 NHCC will begin a focused review of the specific DRG’s: Acute Myocardial Infarction, Chronic Obstructive Pulmonary Disease, Heart Failure and Pneumonia, drilling down into the first visit of each readmission identifying possible gaps.

Below is the specific transformative action plan on how to improve patient safety as it relates to readmissions:

1. Chronic Obstructive Pulmonary Disease (COPD)
 - a. Action Plan:
 - i. **Post-Discharge Follow-up:** Establish a protocol for follow-up appointments within 7 days of discharge. This can help manage symptoms and prevent complications.
 - ii. **Patient Education:** Enhance patient education regarding medication adherence, use of inhalers, and recognizing signs of exacerbation.
 - iii. **Remote Monitoring:** Implement remote monitoring tools to track patient symptoms and intervene before conditions worsen.

2. Heart Failure
 - a. Action Plan:

- i. **Multidisciplinary Heart Failure Clinics:** Develop clinics that provide comprehensive services including medication management, lifestyle counseling, and education on self-monitoring for fluid retention.
- ii. **Enhanced Discharge Planning:** Improve discharge planning by ensuring patients understand their treatment plans and warning signs of worsening symptoms.
- iii. **Telehealth Services:** Use telehealth to provide continuous care and monitoring, facilitating adjustments in treatment without the need for a hospital visit.

3. Pneumonia

a. Action Plan:

- i. **Vaccination Programs:** Strengthen vaccination programs to prevent both pneumonia and secondary infections, particularly among high-risk groups.
- ii. **Rapid Response Teams:** Utilize rapid response teams to manage patients showing early signs of respiratory distress post-discharge.
- iii. **Care Transition Coordination:** Enhance care coordination at discharge with clear instructions on when and how to seek help if symptoms recur or do not improve.

General Strategies for Reducing Readmissions:

- **Risk Stratification:** Use data to identify patients at high risk of readmission and apply targeted interventions.
- **Medication Reconciliation:** Ensure accurate and complete medication reconciliation during and after discharge to avoid medication errors and complications.
- **Regular Audits and Feedback:** Conduct audits of readmission cases to understand root causes and provide feedback to care teams for continuous improvement. Review for coding and documentation enhancements in line with cost reduction projects to prevent payment penalties.

Mortality

Mortality Measure	Benchmark	07/01/2019 – 12/31/2019 and 07/01/2020 – 06/30/2022 Performance	2024 Goal
Acute Myocardial Infarction (AMI) 30-Day Mortality	12.6%	N/A	12.6%
Chronic Obstructive Pulmonary Disease (COPD) 30-Day Mortality	9.2%	13.0%	9.2%
Heart Failure 30-Day Mortality	11.8%	11.1%	11.8%
Pneumonia 30-Day Mortality	18.2%	23.0%	18.2%
Acute Ischemic Stroke 30-Day Mortality	3.9%	16.3%	3.9%

2024 Goal: National Rate in 30-Day mortality rate from the prior reporting period

Action Plan

Current

Currently NHCC conducts a 100% review of mortality. Department specific trends and feedback are provided.

Transformation Plan

Optimize workflows and care transition.

Below is the specific transformative action plan on how to improve patient safety as it relates to mortality:

1. Acute Myocardial Infarction (AMI) 30-Day Mortality
 - a. Action Plan: Maintain current workflow

2. Chronic Obstructive Pulmonary Disease (COPD) 30-Day Mortality
 - a. Action Plan:
 - i. **Early Intervention Programs:** Implement programs that focus on early detection and treatment of exacerbations, which are often the cause of severe complications leading to mortality.
 - ii. **Optimized Treatment Protocols:** Ensure adherence to the latest COPD management guidelines, including the appropriate use of bronchodilators, steroids, and oxygen therapy.
 - iii. **Pulmonary Rehabilitation:** Offer pulmonary rehabilitation to all COPD patients post-discharge to improve their physical and psychological condition.

3. Heart Failure 30-Day Mortality

a. Action Plan:

- i. **Enhanced Monitoring:** Use remote monitoring technologies to track vital signs and symptoms, allowing for timely intervention before conditions worsen.
- ii. **Multidisciplinary Care Teams:** Establish teams to provide comprehensive follow-up care, including dietitians, physiotherapists, and nurse specialists.
- iii. **Advanced Heart Failure Resources:** Provide access to advanced treatments such as ventricular assist devices and specialized heart failure clinics.

4. Pneumonia 30-Day Mortality

a. Action Plan:

- i. **Vaccination and Prevention:** Aggressively promote flu and pneumococcal vaccinations among vulnerable populations to prevent pneumonia.
- ii. **Rapid Response and Treatment Protocols:** Standardize treatment protocols for early and aggressive antibiotic therapy and supportive care.
- iii. **Post-Discharge Follow-Up:** Ensure strict follow-up protocols are in place to monitor patients' recovery and manage complications promptly.

5. Acute Ischemic Stroke 30-Day Mortality

a. Action Plan:

- i. **Rapid Treatment:** Implement protocols to reduce time to treatment, including thrombolysis and thrombectomy.
- ii. **Stroke Units:** Enhance dedicated stroke units that provide specialized care to improve survival and recovery rates.
- iii. **Rehabilitation Services:** Integrate early and intensive rehabilitation services to improve functional recovery and reduce post-stroke complications.

General Measures

- **Quality Improvement Committees:** Form committees to specifically monitor mortality data, review cases, and ensure that care adjustments are made in real-time.

- **Data Analytics:** Use predictive analytics to identify at-risk patients early and tailor interventions specifically to their needs.
- **Education and Training:** Regularly update training for all medical staff on the latest guidelines and best practices related to the management of these conditions.

Sepsis

Sepsis Measure	Benchmark	Q4 (2021) – Q3 (2022) Performance	2024 Goal
SEP-1	58%	22%	23%
SEV-SEP-3HR	78%	67%	70%
SEV-SEP-6H	89%	53%	56%
SEP-SH-3H	66%	23%	24%
SEP-SH-6H	84%	100%	100%

2024 Goal: A 5% improvement from performance in the Q4 (2021) – Q3 (2022) reporting period.

Action Plan

Current

Ongoing concurrent review of potentially septic ED patients.

A detailed weekly report is sent to ED, Medicine, and ED Nursing of these cases, and compliance with the sepsis bundle elements.

Transformation Plan

Implementation of a Code Sepsis team to streamline workflows and enhance identification.

Below is the specific transformative action plan on how to improve patient safety as it relates to Sepsis:

1. SEP-1: Overall Sepsis Management
 - a. Action Plan:
 - i. **Education and Training:** Conduct intensive training sessions on sepsis recognition and the importance of early intervention among all healthcare providers.
 - ii. **Protocol Standardization:** Standardize sepsis protocols across all departments to ensure a uniform approach to sepsis identification and management.
 - iii. **Performance Monitoring:** Implement real-time monitoring and feedback systems to track adherence to sepsis protocols and outcomes.

2. SEV-SEP-3HR: Severe Septic Three-hour bundle

a. Action Plan:

- i. **Rapid Response Teams:** Strengthen and empower rapid response teams with tools and authority to initiate sepsis protocols immediately upon identification of sepsis symptoms.
- ii. **Checklist Implementation:** Utilize checklists for the three-hour bundle to ensure all steps are followed promptly and thoroughly.
- iii. **Data-Driven Alerts:** Utilize electronic health records (HER) to trigger alerts when sepsis is suspected, prompting immediate action.

3. SEV-SEP-6H: Severe Septic Six-hour bundle

a. Action Plan:

- i. **Continuous Education:** Enhance ongoing education on the importance of the six-hour sepsis bundle, including the management of fluids and administration of vasopressors if needed.
- ii. **Critical Care Consultation:** Improve protocols for consultation with critical care teams for patients not improving within the first three hours.
- iii. **Review and Feedback:** Regular review of cases that fail the six-hour bundle to understand failures and improve practices.

4. SEP-SH-3H: Septic Shock Three Hours Bundle

a. Action Plan:

- i. **Streamlined Processes:** Streamline the process for obtaining and analyzing blood cultures and administering antibiotics, ensuring these occur within the three-hour window.

5. SEP-SH-6H: Septic Shock Six-Hours Bundle

a. Action Plan:

- i. **Maintain and Enhance:** As performance meets goals, focus on maintaining and fine-tuning existing protocols to continue achieving optimal outcomes.

- ii. **Case Studies:** Regularly conduct case studies and share success stories to highlight effective strategies and practices.
- iii. **Continuous Improvement:** Even with high performance, look for opportunities to improve efficiency and efficacy further.

General Steps for All Sepsis Measures

- **Quality Improvement Meetings:** Hold regular meetings to discuss sepsis management outcomes and identify areas for improvement.
- **Technology Integration:** Use advanced analytics to predict sepsis risk and monitor treatment progress.
- **Patient and Family Education:** Educate patients and their families about the signs of sepsis and the importance of seeking prompt medical attention.

Leapfrog Safety Grade

Leapfrog Measure	Benchmark	Spring 2023 Performance	Fall 2024 Goal
Outcome Measures			
Foreign Object Retained	0.014	0.199	0.000
Air Embolism	0.001	0.000	0.000
Falls and Trauma	0.429	0.996	0.000
Process Measures			
Computerized Physician Order Entry (CPOE)	90.58	70	100
Bar Code Medication Administration (BCMA)	92.67	75	100
Hand Hygiene	77.32	100	100

2024 Goal: A rate of 0.000 for outcome measures and to achieve the maximum number of points for the process measures for 2024. The goal over five years is to improve the Leapfrog Safety grade by one grade level.

Action Plan

Current

Each Hospital-acquired condition is reviewed for potential system or individual failures to prevent recurrence.

- Clinical Decision support has been optimized to ensure safe prescribing.
- Performance in Barcode Medication Administration is reviewed monthly and presented to the Medical Board and unit level performance is displayed on the nursing dashboards.
- A process has been established to ensure the optimal amount of hand hygiene opportunities are observed.

Transformation Plan

Through the quality metric surveillance at the Safety Huddles NHCC is moving towards proactive monitoring and creating reports to identify how many patients are at risk for falls, instead of how many falls with trauma that could have been prevented. Over the next five years NHCC would like to reach and sustain zero hospital-acquired conditions.

NHCC's goal is to improve our safety grade, letter grade by at least one grade within the next five years.

Below is the specific transformative action plan on how to improve the Leapfrog Safety Grade:

1. Outcome Measures

a. Foreign Object Retained

i. Action Plan:

1. **Surgical Checklists:** Enhance comprehensive surgical checklists to ensure all instruments and sponges are accounted for before closing a surgical site.
2. **Staff Training:** Enhance training on the proper protocols for instrument and sponge counts before, during, and after surgery.
3. **Technology Solutions:** Adopt technology such as radio-frequency identification (RFID) tags to track surgical tools and sponges.

b. Air Embolism

i. Action Plan:

1. **Maintain and Enhance:** Continue rigorous adherence to protocols for the prevention of air embolism, including careful handling of IV lines and syringes.
2. **Regular Audits:** Conduct regular audits to ensure compliance with best practices.
3. **Education Sessions:** Continue education sessions on the prevention of air embolisms for all relevant healthcare staff.

c. Falls and Trauma

i. Action Plan:

1. **Environmental Safety Checks:** Regularly review and update the hospital environment to eliminate hazards that could lead to falls.
2. **Fall Risk Assessment Reports:** Implement fall risk assessment reports identifying patients at risk for fall based on severity and ensure they are reviewed regularly.
3. **Multidisciplinary Approach:** Involve a multidisciplinary team, including doctors, nurses, and

physiotherapists, to develop personalized fall prevention plans for at-risk patients.

2. Process Measures

a. Computerized Physician Order Entry (CPOE)

i. Action Plan:

1. **Training and Support:** Provide extensive training and ongoing support for all medical staff on the use of CPOE systems.
2. **System Optimization:** Optimize the CPOE system for usability and integrate it fully with other hospital systems.
3. **Performance Monitoring:** Monitor the use of CPOE to ensure compliance and identify areas for improvement.

b. Bar Code Medication Administration (BCMA)

i. Action Plan:

1. **Technology Upgrades:** Upgrade scanning technology and ensure all medications are barcoded.
2. **Staff Compliance:** Reinforce the importance of barcode scanning before medication administration with ongoing training and audits.
3. **Error Reporting:** Encourage reporting of bypassing barcode scanning to understand and address the underlying reasons.

c. Hand Hygiene

i. Action Plan:

1. **Ongoing Education:** Maintain high levels of compliance through continuous education about the importance of hand hygiene.
2. **Monitoring and Feedback:** Implement frequent hand hygiene audits and provide immediate feedback.

3. **Culture of Safety:** Foster a culture of safety where hand hygiene is a priority for all staff members at all times and employees are being observed.

Appendix I

Nassau Health Care Corporation's Comprehensive Set of Values

Equitable Service and Quality Health Care for All

STEWARDSHIP

We are stewards of public resources striving to optimize efficiency while ensuring quality health care and sustainable operations.

EXCELLENCE

We strive for excellence in all aspects of health care delivery, constantly seeking to improve processes and the patient experience.

RESPECT

We treat every individual with respect, dignity, and compassion regardless of race, creed, sexual orientation or legal status.

VISIBILITY

We promote transparency in our operations, communications and decision-making processes to continually build and maintain a culture of accountability with patients, staff, and the communities we serve.

INTEGRITY

We uphold the highest ethical standards, fostering trust in all interactions.

COLLABORATION

We work together as a multidisciplinary team, that breaks down barriers to ensure optimal care.

EMPOWERMENT

We encourage patients to actively participate in their care while also giving staff members agency to leverage their expertise and continuously improve.

#NassauNeedsNUMC

Appendix II

Five Year Financial Transformation Plan Initiative Tracker

Revenue Enhancement Initiatives	Implementation	Timeline	Status	Impact (*000s)
Managed Care contract renegotiations & rate increases				10,878
- Healthfirst (Hospital)	- Updated Medicaid and Essential Plan rates - Renegotiated ER rates	Jan-24	Complete	
- Fidelis (Hospital)	- Updated Medicaid and Essential Plan rates		Complete	
- VillageMax (MLTC, AHP)	- Updated rates across the board	Jan-24	Complete	
- 1199 SEIU (Hospital, Rehab)	- Updated rates across the board - Updated Medicaid and Essential Plan rates	Apr-24	Complete	
- Molina (Hospital)		Aug-24	Complete	
- Molina Dual Eligible Program (Hospital)	- Update rates for DE program	Aug-24	In Progress	
(Part A Billing) Overall revenue cycle improvements				59,750
- Chargemaster pricing update	- Update chargemaster pricing	Dec-23	Complete	
- Patient preprocessing	- Institute patient preprocessing	Jan-24	Complete	
- Retail billing pricing update	- Update retail pricing including County pricing	Jun-24	In Progress	
- Analytics and reporting	- Institute standard denials analytics	Jun-24	In Progress	
- (Part A) Billing and collections vendor transition	- RFP candidate selected - Transition current vendor - Analyze monthly denials by top issue - RCM committee to determine approach	Jul-24	In Progress	
- (Part A) Denial Management		Ongoing	Ongoing	
- Reconciliation of HER to billing system	- Continue reconciliation process of HER charges to Eagle billing	Ongoing	Ongoing	
- Chargemaster charge maintenance	- Continue chargemaster maintenance and charge updates	Ongoing	Ongoing	
- Chart audit and documentation education	- Audit physician charts - Provide physician and resident documentation education	Ongoing	Ongoing	
(Part B Billing) Overall revenue cycle improvements				1,896
- (Part B) Billing and collections vendor transition	- RFP candidate selected - Transition current vendor - Analyze monthly denials by top issue - RCM committee to determine approach	Sep-24	In Progress	
- (Part B) Denial Management		Ongoing	Ongoing	
Transition of Nursing Home beds to hospital site				TBD
- Bed transition evaluation	- Review site and logistics	Jan-25	Not started	
	- Establish bed transition scope	Jan-25	Not started	
	- Finalize bed transition plan	Mar-25	Not started	
	- Communicate plan and transition	Dec-25	Not started	
Revenue Enhancement Total				72,524

Appendix II (cont.)

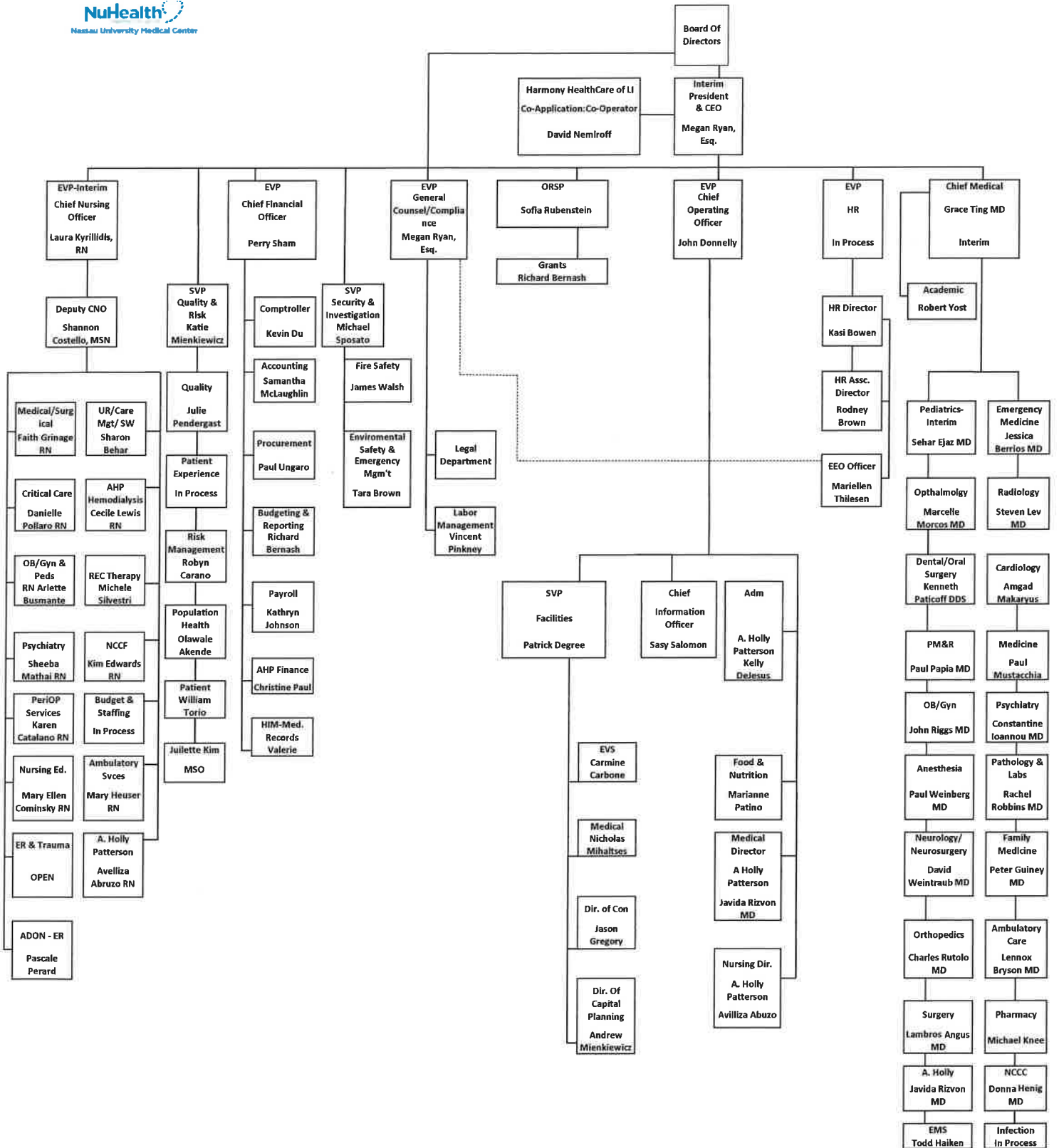
Cost Reduction Initiatives	Implementation	Timeline	Status	Total Impact
Salary Expense Initiatives				25,251
Non-clinical OT reduction	- Finalize OT analysis by department - Moratorium on non-clinical OT	Nov-23	Complete	5,152
Clinical OT reduction	- Finalize OT analysis by department - Work w. Nursing to safely reduce OT	Jul-24	In Progress	20,099
Department restructuring	- Identify opportunity to adjust staff structure by department	Nov-24	In Progress	5,772
Benefit Expense Initiatives				27,584
Benefit restructuring & expense reduction	- Analyze high cost benefits - Determine benefits to be restructured - Work w. union to restructure	TBD	Not Started	30,355
Supply Expense Initiatives				2,406
Med/Surg cost reduction initiatives	- Finalize supply cost reduction analysis - Identify top 20 opportunities by vendor - Identify top supply waste - Renegotiate contracts	Ongoing	In Progress	2,406
Other Expense Initiatives				15,073
Other expense cost reduction initiatives	- Evaluate top contracts for reduction - Renegotiate top contracts - Reduce use of non-vital vendors	Ongoing	In Progress	15,350
Pharmaceutical cost management	- Finalize 340B agreement - Revise distribution agreement	Jan-24	Complete	1,750
Cost Reduction Total				70,315

Performance Improvement	
Total	142,839

Attachment “B”

NHCC’s Organizational Chart

Nassau Health Care Corporation



Attachment “C”

*Top 20 Clinical and Non-
Clinical Staff*

NHCC

2023 Top 20 Clinical Staff by Gross Compensation

#	ACCT-UNIT DESCRIPTION	Last Name	First Name	Tot Wages	JC DESC	STATUS
1	NUMC DEPT OF NEUROSURGERY	WEINTRAUB	DAVID	2,140,746.09	PHYSICIAN	
2	NUMC OP PSYCHIATRISTS	RATHINAPANDIAN	FRANCIS	704,698.33	PHYSICIAN PT	
3	NUMC DEPT OF TRAUMA	ANGUS	LAMBROS	687,704.14	PHYSICIAN	
4	NUMC RADIOLOGY PHYSICIANS	LEV	STEVEN	673,380.46	PHYSICIAN	
5	NUMC DEPT OF GI	MUSTACCHIA	PAUL	665,628.24	PHYSICIAN	
6	NUMC DEPT OF GENERAL SURGERY	SASTHAKONAR	VENKATESH	619,844.72	PHYSICIAN	
7	NUMC ANESTHESIOLOGY	ISHTEEAQUE	AISHA	607,325.30	PHYSICIAN	
8	NUMC DEPT OF REHAB MEDICINE	PIPIA	PAUL	563,544.14	PHYSICIAN	
9	NUMC OB GYN ADMIN	RIGGS	JOHN	556,933.27	PHYSICIAN	
10	NUMC ANESTHESIOLOGY	OU	GUOMING	545,142.99	PHYSICIAN	
11	NUMC THORACIC & CARDIOVASC	BARRETT	LEONARD	544,653.87	PHYSICIAN PT	
12	NUMC RADIOLOGY PHYSICIANS	ZHOU	DAHUA	538,299.84	PHYSICIAN	
13	NUMC RADIOLOGY PHYSICIANS	PATEL	SAURABH	532,493.69	PHYSICIAN	
14	NUMC OPHTH ADMINISTRATION	MORCOS	MARCELLE	531,806.40	PHYSICIAN	
15	NUMC ANESTHESIOLOGY	GARIST	IRENA	514,663.60	PHYSICIAN	
16	NUMC ED MEDICAL	BERRIOS	JESSICA	502,004.69	PHYSICIAN	
17	NUMC RADIOLOGY PHYSICIANS	WEINGARTEN	EPHRAM	497,908.50	PHYSICIAN	
18	NUMC DEPT OF NEUROSURGERY	COSAR	MURAT	492,250.77	PHYSICIAN	
19	NUMC OPHTH ADMINISTRATION	ALEXANDER	JOHN	491,985.52	PHYSICIAN	
20	NUMC OP PSYCHIATRISTS	SAMAD	MAJID	484,599.22	PHYSICIAN	

NHCC

2023 Top 20 Non-Clinical Staff by Gross Compensation

#	ACCT-UNIT DESCRIPTION	Last Name	First Name	Tot Wages	JC DESC	STATUS
1	NUMC Dept of Medical Dir	TING	GRACE	\$851,507	CHIEF MEDICAL OFFICER	(Time Payout Included)
2	NUMC Dept of Medical Dir	BOUTIN	ANTHONY	\$848,446	CHIEF EXECUTIVE OFFICER	SEPARATED; NO LONGER EMPLOYED AT NHCC
3	Corporate Chief Exec. Off	DONNELLY	JOHN	\$475,000	CHIEF OPERATING OFFICER	
4	Interim President/CEO NUMC Legal Affairs	RYAN	MEGAN	\$450,000	CHIEF LEGAL COUNSEL	
5	NUMC Dept of Academic Affairs	YOST	ROBERT	\$259,540	ASST TO MED DIR MED STAFF PLAN	
6	NUMC Nursing Administration	PATERES	JANICE	\$253,102	CHIEF NURSING OFFICER	SEPARATED; NO LONGER EMPLOYED AT NHCC
7	AHP Operation of Plant	EVANS	THOMAS	\$245,109	SUPT BLDG OPTNS&MANT	
8	Corporate Finance	RANK	RICHARD	\$241,811	DIR OF FINANCE NCMC	SEPARATED; NO LONGER EMPLOYED AT NHCC
9	NUMC General Ledger	PAVUK	JOHN	\$241,242	DIR OF FINANCE NCMC	SEPARATED; NO LONGER EMPLOYED AT NHCC
10	NUMC General Security	DAVY	RHEA	\$233,472	CHIEF HOSPITAL SAFETY OFFICER	
11	NUMC Nursing - Ctrl Sterile Sv	GONZALEZ	MICHAEL	\$226,158	MED SUPPLY SPVR	
12	NUMC Dept of Mgmt Info	SALOMON	SASY	\$224,303	DIR OF INFO Mgmt	
13	NUMC Population Health Mgmt	SHANNON	MAUREEN	\$223,746	COORD OF QLTY ASSUR & UTLZ REVIEW	SEPARATED; NO LONGER EMPLOYED AT NHCC
14	AHP Dept of Environmental Svcs	ACQUAVELLA	ANDREA	\$201,586	DIRECTOR OF ENVIRONMENTAL SVCS	
15	NUMC Maint of Build & Equip	DEGREE	PATRICK	\$198,901	DIR BUR/BLDG SERV NCMC	
16	NUMC Population Health Mgmt	AKANDE	OLAWALE	\$191,590	ASST HOSPITAL DIRECTOR	
17	NUMC Human Resources	BOWEN	KASI	\$191,055	DIRECTOR OF H R NHCC	
18	NUMC Env. Services	CARBONE	CARMINE	\$184,104	DIRECTOR OF ENV. SVCS	
19	AHP Operation of Plant	MATURA	RAYMOND	\$183,334	CHF STATNRY ENGR	
20	AHP Dept of Administration	AIELLO	ANTHONY	\$179,310	ADMINISTRATOR AHPGC	SEPARATED; NO LONGER EMPLOYED AT NHCC

Attachment “D”

NYS Funding Reduction Chart

NHCC - Select Federal and State Programs by Year

- Based on cash received date
- Capital awards not included
- Compiled as of March 2024

Governmental Program Revenue	2017	2018	2019	2020	2021	2022	2023
DSH IGT - NHCC	82,730	53,769	83,075	48,671	40,781	-	37,084
AHP - UPL	27,042	10,653	11,074	5,139	9,528	3,147	9,480
Physician - UPL	1,185	1,181	1,477	1,600	1,855	-	-
ICP and Financial Assistance Compliance	4,716	7,307	5,008	5,570	5,462	5,325	4,316
ICA	14,111	27,467	28,280	30,239	20,613	18,760	15,987
Grand Total	129,784	100,377	128,914	91,219	78,239	27,232	66,867
VAPAP Subsidy for NYSHIP Liability*							60,000

**NHCC holds a liability of \$310M to NYSHIP as of Dec 2023*