



December 20, 2016

Dear Independent Assessor:

This letter sets forth comments from Nassau Queens Performing Provider System (NQP) on the Midpoint Assessment Report (Report) released on November 22, 2016. In addition to the clarifications that NQP believes should be made to the Report, please be assured that NQP is working diligently to increase partner engagement through expansion of contracting and subsequent funds flow throughout its targeted areas. This includes specific focus on engaging and increasing the number of Behavioral Health and Primary Care Partners. In addition, NQP is working to increase its patient engagement by improving its implementation throughout its partner network, which includes contracted providers, as well as those who can offer services beneficial to meet our attributed patients' needs. NQP is also developing a response to the IA regarding the project specific recommendations that includes project specific action plans by March 2, 2017.

NQP has found two inconsistencies in the report that do not match up with our records. NQP sent an email to 'DSRIP_MidPoint@pcgus.com' on November 23, 2016 detailing the inconsistencies as part of the public comment. The two inconsistencies we have identified are: (1) PPS Funds Flow (DY1 through DY2Q2) on pages 11 and 12; and (2) Actively Engaged Numbers for DY1Q2 on pages 15 and 16 of the report. Please see our responses below:

1) PPS Funds Flow (through DY2Q2)

The funds distributed per Figure 5 (page 12) of the Midpoint Assessment Report do not include any distributions from DY1Q1 through and including Q3. Those distribution amounts total \$38,549,262, consisting of \$36,000,000 distributed to the Hubs and \$2,549,262 spent on PMO administrative costs, and should be included in the Report. This would bring the total amount distributed to \$64,709,019, rather than the \$26,159,756.26 listed in the Report. It should be noted that the MAPP System initially only permitted reporting of the first level of distribution, i.e., to the three Hospitals that serve as "Hubs" within NQP, and this may have contributed to a lack of understanding of the numbers and of the flow of funds to downstream providers.

- We have included with this letter a packet "Funds Flow DY1 - DY2Q2" that summarizes and details the DSRIP distributions in DY1 through DY2Q2 to the hospitals and downstream partners. The funds flow packet provides support for the following:
 - On June 23, 2015, the NQP Executive Committee approved a \$5,000,000 distribution to each of the three hubs: Nassau University Medical Center (NUMC), Long Island Jewish Medical Center (LIJ), and Catholic Health Services of Long Island, Inc. (CHS). A total of \$15,000,000 was distributed in DY1Q1.
 - On December 17, 2015, a distribution to each hub of \$5,000,000 was approved by NQP. On December 30, a distribution of \$2,000,000 to each hub was also approved. Thus, a total of \$21,000,000 in December, 2015 was distributed in DY1Q3.
 - Due to NUMC's status as a public hospital and intergovernmental transfer (IGT) regulations, all NQP DSRIP funds are distributed by New York State to NUMC. Per instructions from the New York State Department of Health, funds cannot flow from NQP to NUMC. Thus, NUMC retains amounts to



which it is entitled as an NQP Hub, or for reimbursement of administrative expenses for which NUMC is due to be reimbursed.

- NUMC then transfers the remaining funds to NQP for administrative expenses and distribution to the LIJ and CHS Hubs. Therefore, the \$12,000,000 distribution to NUMC was retained in the NUMC account that receives the IGT funds, while NQP executed electronic transfer fund transactions to NQP for further distribution to LIJ and CHS.
- Additionally, during this time period, as noted above, the NQP Project Management Office (PMO) spent a total of \$2,549,262 on administration and implementation costs.

2) Actively Engaged Numbers for DY1Q2

The patient engagement amounts for each project were incorrect and not consistent with what was reported. The state did not count at the time the actively engaged numbers for NQPs DY1Q2 projects due to misinterpretation of actively engaged numbers. This has been an ongoing discussion between NQP and state regarding what would count.

- There are three different issues we found in further review:
 - The Report stated that, for Project 3.c.i, NQP engaged 5,500 patients in this project, however, in the Quarterly Report, NQP reported 13,272 patients.
 - Projects 2.b.ii, 3.a.i, 3.a.ii, 3.b.i, 3.c.i show incorrect values for patient engagement, which is inconsistent with the PPS' understanding that it received zero credit by the IA for the lives reported due to a lack of data.
 - There is an inconsistency in the count of projects for which patient engagement totals were missed by NQP. In some places, the Report states that patient engagement targets were missed for seven projects (pages 15) and in others, the Report refers to eight projects (page 7). These numbers should be made consistent, after the corrections noted above are made.

We appreciate your consideration and request the items described in this letter be corrected, as well as reflected in future reports. If you have any questions or concerns, please do not hesitate to reach out to us to discuss further.

Thank you for your time and attention towards this matter.

Sincerely,

Robert Hettenbach
Executive Director of NQP