



ECMCC Board of Director's Meeting

March 26, 2024

Zizzi Conference Center

Erie County Medical Center

462 Grider Street

Buffalo, NY 14215

AGENDA
REGULAR MEETING OF THE BOARD OF DIRECTORS OF
ERIE COUNTY MEDICAL CENTER CORPORATION
MARCH 26, 2024

- I. CALL TO ORDER: JENNIFER PERSICO, CHAIR
- II. APPROVAL OF MINUTES:
- III. RESOLUTIONS MAY BE DISTRIBUTED TO THE BOARD OF DIRECTORS DURING THE MEETING ON MARCH 26, 2024
- IV. REPORTS FROM THE CORPORATION'S LEADERSHIP TEAM
 - A) **Chief Executive Officer & President**
 - B) **Chief Financial Officer**
 - C) All other reports from leadership are received and filed
- V. REPORTS FROM STANDING COMMITTEE CHAIRS
 - A) **Executive Committee** (by Eugenio Russi)
 - B) **Finance Committee** (by Michael Seaman)
 - C) **Audit Committee** (Darby Fishkin)
 - D) **Human Resources Committee** (by Michael Seaman)
 - E) **Quality Improvement and Patient Safety Committee** (by Michael Hoffert)
- VI. EXECUTIVE SESSION
- VII. ADJOURN

ERIE COUNTY MEDICAL CENTER CORPORATION
FEBRUARY 27, 2024 MINUTES OF THE
BOARD OF DIRECTORS MEETING
HYBRID MEETING HELD

Present: Ronald Bennett (virtual), Reverend Mark Blue, Ronald A Chapin (virtual), Jonathan Dandes, Darby Fishkin, Sharon Hanson, Michael Hoffert (virtual), James Lawicki (virtual), Reverend Kinzer Pointer, Thomas J. Quatroche, Eugenio Russi, Michael Seaman (virtual), Philip Stegeman, Benjamin Swanekamp

Excused: Christian Johnson, Christopher O'Brien, Hon. John O'Donnell, Jennifer Persico

Also
Present: Donna Brown, Samuel Cloud, MD, Peter Cutler, Andrew Davis, Cassandra Davis, Joseph Giglia, Susan Gonzalez, Donna Jones, Pamela Lee, Charlene Ludlow, Jennifer Pugh, MD, Jonathan Swiatkowski

I. Call to Order

The meeting was called to order at 4:30 pm by Vice Chair, Eugenio Russi.

II. Minutes

Upon a motion made by Jonathan Dandes and seconded by Reverend Kinzer Pointer, the minutes of the January 23, 2024 regular meeting of the Board of Directors were unanimously approved.

III. Action Items

Resolution Appointing Officers of the Corporation

Moved by Sharon Hanson and seconded by Darby Fishkin that the following members of the Board of Directors be appointed until their successors are appointed by subsequent resolution of the Board of Directors:

<u>Officer Position</u>	<u>Appointment</u>
Chair, Board of Directors	Eugenio Russi
Immediate Past Chair	Jonathan Dandes
Secretary	Sharon Hanson
Treasurer	Darby Fishkin

Motion approved unanimously.

Resolution Receiving and Filing Medical-Dental Staff Meeting Minutes for February

Moved by Reverend Kinzer Pointer and seconded by Reverend Mark Blue
Motion approved unanimously.

VI. Reports from the Corporation's Leadership Team

Chief Executive Officer and President

Dr. Thomas Quatroche reported that the Patient Safety Indicators continue to reflect positive work by the employees. January Human Experience Scores reflect higher than benchmark and New York State totals. Dr. Quatroche reviewed February's hospital events and celebrations. Also, awards received by individuals and the hospital were announced. A summary of ECMC Foundation events since the beginning of the year was presented. One hundred and twenty (120) new employees have begun working at ECMC since the beginning of the year. In February, Terrace View LTC experienced its highest census (379) since September of 2019.

Chief Financial Officer

Jonathan Swiatkowski reviewed the January 2024 Key Statistics. Discharges, ER visits and inpatient surgeries were higher than last year. However, ER visits and Outpatient visits and surgeries were lower than budget. This was attributed to the inclement weather in January. Length-of-stay (both Acute Average and Total Average) was in line with budget. A summary of the preliminary financial results through January 31, 2024 was reviewed and the full set of these materials are received and filed. Mr. Swiatkowski reported that days operating cash on hand is currently 48 days. Additionally, Mr. Swiatkowski gave an update on payers and presented a look at future financial events.

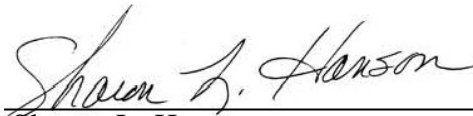
V. Standing Committees

- a. **Executive Committee:** Mr. Russi had nothing to report from the Executive Committee.
- b. **Buildings and Grounds Committee:** Ronald Bennett gave an update on all ongoing projects and reported on the completion of surgical lighting in the operating rooms and the update of exam rooms.
- c. **MWBE Committee:** Reverend Mark Blue reported on the MWBE meeting that was held on February 20th, 2024. ECMC is ranked as one of the top hospitals in the area for MWBE vendors and continues to excel at finding and using minority and women's business groups. ECMC also strives to use local groups for business.
- d. **Quality Improvement and Patient Safety Committee:** Michael Hoffert updated the group on the February meeting. Presentations were given on the Commission on Cancer, Trauma and Transplants.

All reports except that of the Performance Improvement Committee are received and filed.

VI. Adjournment

Moved by Reverend Kinzer Pointer to adjourn the Board of Directors meeting at 5:12 p.m.

A handwritten signature in cursive script, reading "Sharon L. Hanson", written in black ink.

Sharon L. Hanson
Corporation Secretary

Resolution
Appointing Officers of the Corporation

Approved February 27, 2024

WHEREAS, the Board of Directors of the Corporation is designated by law as the governing body of the Corporation and has the authority to appoint officers of the Corporation as it deems necessary in order to fulfill its purposes; and

WHEREAS, the Corporation annually appoints or re-appoints certain officers of the Corporation's governing body in accordance with its by-laws and practices;

NOW, THEREFORE, the Corporation resolves as follows:

1. The Corporation's officers shall be:

<u>Officer Position</u>	<u>Appointment</u>
Chair, Board of Directors	Eugenio Russi
Immediate Past Chair	Jonathan Dandes
Secretary	Sharon Hanson
Treasurer	Darby Fishkin

2. This resolution shall take effect immediately.



Sharon L. Hanson
Corporation Secretary

Executive Conference Room/Teams Meeting

February 1, 2024

Present: Dr. Yogesh Bakhai, Dr. Victor Vacanti, Dr. Mandip Panesar, and Dr. Richard Hall, Dr. Samuel Cloud, Dr. Thamer Qaqish and Christopher Resetartis, CRNA

Excused: Dr. Ashvin Tadakamalla

Agenda Item	Discussion/Recommendation	Action	Follow-up
I. CALL TO ORDER	Dr. Bakhai called the meeting to order at 3:02pm		
II. ADMINISTRATIVE			
A. Minutes	Minutes from the January 4 th meeting were reviewed and approved	Motion made, all in favor, to approve as written.	Via these minutes, the actions of the Credentials Committee are submitted to the Medical Executive Committee for review and action.
B. Deceased	None	None	None
C. Applications Withdrawn/Processing Cessation	None	None	None
D. Automatic Conclusion (Initial Appointment)	None	None	None
E. Name Changes (1)	<u>Neurosurgery</u> <ul style="list-style-type: none"> Marisa Phillips, PA-C changed name to Marisa Lisinski, PA-C 	None	Informational purposes only
F. Leave of Absence (6)	<u>Anesthesiology</u> <ul style="list-style-type: none"> Nicole Bonito, CRNA- maternity; RTW 06/29/24 <u>Emergency Medicine</u> <ul style="list-style-type: none"> Jennifer McCaul, PA-C- maternity; RTW 05/01/24 <u>Family Medicine</u> <ul style="list-style-type: none"> Jamie Interlichia, PA-C- maternity; RTW 05/03/24 Robert Reed, MD- military; RTW 07/12/24 <u>Neurology</u>	None	Informational purposes only

Highlight: Initiate FPPE

		<ul style="list-style-type: none"> Pooja Sofat, MD- maternity; RTW 05/01/24 <p>Psychiatry</p> <ul style="list-style-type: none"> Abigail Green, MD- maternity; RTW 02/16/24 			
G. Resignations (2)		Files are updated and resignation protocol followed. The Committee discussed retention rates and Wellness Committee initiatives to investigate and manage.		Notification via these minutes to MEC, Board of Directors, Revenue Management, Decision Support	
NAME	DEPARTMENT	PRACTICE PLAN/REASON	COVERING/COLLABORATING/ SUPERVISING	RESIGN DATE	INITIAL DATE
Darren Alicandri, MD	Family Medicine	<ul style="list-style-type: none"> UBMD Leaving practice plan and ECMC Confirmed in email 	N/A	02/06/24	06/27/17
Richard Cheney, MD	Pathology	<ul style="list-style-type: none"> UBMD Retired Confirmed in email 	N/A	01/03/24	09/26/17
III. CHANGE IN STAFF CATEGORY					
		None			
IV. CHANGE/ADD DEPARTMENT					
		None			
V. CHANGE/ADDITION Collaborating/Supervising					
		None			
VI. PRIVILEGE ADDITION/ REVISION (2)					
A. Meghan Rochester, MD		<p>Internal Medicine</p> <ul style="list-style-type: none"> Adding Joint Injections Case logs were submitted and reviewed 	The Committee voted, all in favor, to approve the privilege addition as requested.	Recommendation to the Medical Executive Committee for approval. Notification via these minutes to Revenue Management and Decision Support.	

Highlight: Initiate FPPE

B. Mark Burke, MD	<u>Plastics & Reconstructive Surgery</u> <ul style="list-style-type: none"> • Adding TORS- Robotic • All criteria has been submitted and reviewed 	The Committee voted, all in favor, to approve the privilege addition as requested.	Recommendation to the Medical Executive Committee for approval. Notification via these minutes to Revenue Management and Decision Support.
VII. PRIVILEGE WITHDRAWAL			
	None		
VIII. UNACCREDITED FELLOWSHIPS (1)			
	<u>Surgery-Bariatric</u> <ul style="list-style-type: none"> • Dr. Schiavone's start date has changed to 02/05/2024 	None	Informational purposes only
IX. INITIAL APPOINTMENTS (10)			
Kaitlyn Tytko, PA-C Internal Medicine	<ul style="list-style-type: none"> • Daemen College Master of Science Physician Assistant Studies May 2020 • Time gap – May 2020 to October 2020 pending license and credentialing at the start of the COVID pandemic, job search • Physician Assistant – Orthopaedic Surgery, Finger Lakes Bone and Joint Center October 2020 to August 2021 • Physician Assistant – Medical Oncology, General Physician, PC September 2021 to present • Supervising Physician – Dr. Naheed Alam (5) • Temporary privileges granted January 16, 2024 for immediate patient need • NCCPA certified 	The Committee voted, all in favor, to approve the appointment with privileges granted as requested.	Recommendation, via these minutes, to the Medical Executive Committee for approval.

Cristina Varallo-Rodriguez, MD Internal Medicine	<ul style="list-style-type: none"> • Universidad Autonoma De Guadalajara Facultad De Medicina MD June 2012 • Time gap – July 2012 to June 2016 raising family • St. John’s Riverside Hospital Internal Medicine Residency July 2016 to July 2019 • Internal Medicine Physician – Mount St. Mary’s Hospital November 2019 to October 2020 and Roswell Park Comprehensive Care Center November 2020 to present • Joining Apogee Physicians March 2024 • American Board of Internal Medicine eligible, sitting August 2024 	The Committee voted, all in favor, to approve the appointment with privileges granted as requested.	Recommendation, via these minutes, to the Medical Executive Committee for approval.
Jamie Schaefer, MD Ophthalmology	<ul style="list-style-type: none"> • St. George’s University MD April 2012 • ECFMG issued May 2012 • Glaucoma Center for Vision Research, University of Florida, paid Research Fellowship May 2012 to June 2013 • Nassau University Health Center Internal Medicine Internship July 2013 to June 2014 • Jacobs School of Medicine Ophthalmology Residency July 2014 to June 2017 • West Virginia University Ophthalmic Plastic and Reconstructive Surgery Fellowship July 2017 to June 2019 	The Committee voted, all in favor, to approve the appointment with privileges granted as requested.	Recommendation, via these minutes, to the Medical Executive Committee for approval.

Highlight: Initiate FPPE

	<ul style="list-style-type: none"> • Time gap – June 2019 to August 2019 relocation after Fellowship, vacation, and credentialing at new hospital • Oculofacial Plastic Surgeon – Lifespan Physician Group Ophthalmology, Rhode Island, August 2019 to August 2023 • Time gap – August 2023 to December 2023 relocation to New York, maternity leave, and establishing private practice • Oculofacial Plastic Surgeon – Schaefer Oculofacial Plastic Surgery December 2023 to present, Buffalo VA Medical Center January 2024 to present and Ross Eye Institute January 2024 to present • American Board of Ophthalmology certified 		
Jascha Teibel, DPM Orthopaedic Surgery	<ul style="list-style-type: none"> • Rosalind Franklin University of Medicine DPM May 2020 • Advocate Illinois Masonic Medical Center Podiatric Surgery Residency July 2020 to June 2023 • Podiatrist – The Foot Doctor July 2023 to present • Contracted with TerraceView for podiatric services • American Board of Foot and Ankle Surgery eligible 	The Committee voted, all in favor, to approve the appointment with privileges granted as requested.	Recommendation, via these minutes, to the Medical Executive Committee for approval.
Joseph Yeo, DPM Orthopaedic Surgery	<ul style="list-style-type: none"> • Rosalind Franklin University of Medicine DPM May 2020 • Swedish Hospital Northshore University Health System Podiatric 	The Committee voted, all in favor, to approve the appointment with privileges granted as requested.	Recommendation, via these minutes, to the Medical Executive Committee for approval.

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	<p>Surgery Residency July 2020 to June 2023</p> <ul style="list-style-type: none"> • Time gap – May 2020 to June 2020 graduated Podiatry then started residency and July 2023 to August 2023 graduated Residency, moved from Chicago, IL to Rochester, NY for work • Podiatrist – The Foot Doctor August 2023 to present • Contracted with TerraceView for podiatric services • Temporary privileges granted January 10, 2024 for immediate patient need • American Board of Foot and Ankle Surgery eligible – sat 10/2023 pending results 		
Brenna Fox, NP Psychiatry	<ul style="list-style-type: none"> • D'Youville College Master of Science Mental Health NP December 2018 • Registered Nurse Psychiatry – Erie County Medical Center May 2015 to March 2019, Jamestown Psychiatric March 2019 to August 2019, and Horizon Health Services November 2017 to March 2019 • Inpatient Psychiatry Clinical Instructor – D'Youville December 2017 to December 2018 • Psychiatric Mental Health Nurse Practitioner – Evergreen Health Services August 2019 to May 2020 and Horizon Health Services May 2020 to present • Joining UPP for CPEP moonlighting • ANCC certified 	The Committee voted, all in favor, to approve the appointment with privileges granted as requested.	Recommendation, via these minutes, to the Medical Executive Committee for approval.

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	<ul style="list-style-type: none"> • Collaborating Physician – Dr. John Improta (1) 		
Sara Lowmaster, PhD Psychiatry	<ul style="list-style-type: none"> • Texas A&M University Doctor of Philosophy August 2013 • Boston University School of Medicine/VA Boston Healthcare System Postdoctoral Fellow and Research Psychologist July 2013 to July 2014 • University of South Dakota, Department of Psychology, Assistant Professor August 2014 to August 2020 and Associate Professor August 2020 to August 2022 • University at Buffalo, Jacobs School of Medicine, Department of Psychiatry, Assistant Professor July 2022 to present • Joining UPP as Psychologist March 2024 	The Committee voted, all in favor, to approve the appointment with privileges granted as requested.	Recommendation, via these minutes, to the Medical Executive Committee for approval.
Harry Brown, MD Radiology – Teleradiology	<ul style="list-style-type: none"> • University of Illinois College of Medicine MD May 2002 • Resurrection Medical Center Transitional Year June 2002 to June 2003 • John H. Stroger Jr., Cook County Hospital Radiology Residency July 2003 to June 2007 • Indiana University Neuroradiology & Cardiac Imaging Mini Fellowship July 2007 to September 2008 • Radiologist – Midwest Imaging Professionals/Radiology Partners September 2008 to July 2022 	The Committee voted, all in favor, to approve the appointment with privileges granted as requested.	Recommendation, via these minutes, to the Medical Executive Committee for approval.

	<ul style="list-style-type: none"> • Teleradiologist – Added Value Radiology, President and Owner, July 2022 to present • Joining GLMI to assist with day reads • American Board of Diagnostic Radiology certified 		
Lee-Ming Liou, MD Radiology – Teleradiology	<ul style="list-style-type: none"> • University of Illinois College of Medicine Rockford MD May 2003 • University of Illinois College of Medicine at Peoria Internal Medicine Preliminary July 2003 to June 2004 and Diagnostic Radiology Residency July 2004 to June 2008 • The Ohio State University Musculoskeletal Radiology Fellowship July 2008 to June 2009 • Time gaps – May 2003 to July 2003 break between medical school and start of internship and June 2009 to October 2009 completed Fellowship, moved to Chicago and applied for jobs • Radiologist – Midwest Imaging Professionals/Radiology Partners October 2009 to September 2022 • Teleradiologist – Added Value Radiology September 2022 to present • Joining GLMI to assist with day reads • American Board of Diagnostic Radiology certified 	<p>The Committee voted, all in favor, to approve the appointment with privileges granted as requested.</p> <p>Flags were reviewed and application was endorsed by the Chief of Service.</p>	Recommendation, via these minutes, to the Medical Executive Committee for approval.
George Radich, MD Radiology – Teleradiology	<ul style="list-style-type: none"> • Loyola University Stritch School of Medicine MD June 2000 	The Committee voted, all in favor, to approve the	Recommendation, via these minutes, to the

Highlight: Initiate FPPE

	<ul style="list-style-type: none"> West suburban Hospital Medical Center Transitional Year July 2000 to June 2001 Wayne State University Detroit Medical Center Radiology Residency July 2001 to June 2005 Rush University Medical Center MRI/Ultrasonography Fellowship July 2005 to June 2006 Radiologist – Midwest Imaging Professionals/Radiology Partners September 2006 to July 2022 Teleradiologist – Added Value Radiology July 2022 to present Joining GLMI to assist with day reads American Board of Diagnostic Radiology certified 	<p>appointment with privileges granted as requested.</p> <p>Flags were reviewed and application was endorsed by the Chief of Service.</p>	Medical Executive Committee for approval.
X. TEMPORARY PRIVILEGES	<ul style="list-style-type: none"> Mark Burke, MD Plastic & Reconstructive Surgery 1/8/2024 – Priv addition Joseph Yeo, DPM Orthopaedic Surgery 1/10/2024 Sarah Thompson, PA-C Emergency Medicine 1/15/2024 Kaitlyn Tytko, PA-C Internal Medicine 1/16/2024 Monica VanSteenburg, CRNA 1/22/2024 	For informational purposes.	None
XI. REAPPOINTMENTS (28)	See reappointment summary (Attachment B)	The Committee voted, all in favor, to recommend approval of the re-appointments listed with privileges as requested.	Via these minutes, recommendation to Medical Executive Committee for approval.
NAME	DEPARTMENT	CATEGORY	PRIVILEGES
Hartman, Erica DDS	Dentistry	Active	

Highlight: Initiate FPPE

Kapral, Elizabeth DDS	Dentistry	Active	
Busse, Donald PA-C Collaborating MD: J. Bart	Emergency Medicine	AHP	
Holmes, David MD	Family Medicine	Active	
Singh, Ranjit MD	Family Medicine	Active	
Weissman, Arthur MD	Family Medicine	Active	
Calandra, Salvatore MD	Internal Medicine	Active	
Farry, James MD	Internal Medicine	Active	
Maloney, Michael PA-C Collaborating MD: S. Yedlapati	Internal Medicine	AHP	
Orlick, Arthur MD	Internal Medicine	Active	
Shehata, MarMD	Internal Medicine	Active	
Lin, Diana DMD	Oral & Maxillofacial Surgery	Active	
Binkley, Matthew MD	Orthopedic Surgery	Active	
Callahan, John MD	Orthopedic Surgery	Active	
Gill, Elise PA-C Collaborating MD: M. Anders	Orthopedic Surgery	AHP	
Rohrbacher, Bernhard MD	Orthopedic Surgery	Active	
Nakhla, Hassan MD	Pathology	Active	
Xu, Minlin MD	Pathology	Active	
Frank, Tawni MD	Psy & Behavioral Med	Active	
Lucaj, Elizabeth MD	Psy & Behavioral Med	Active	
Raby, Tatyana PhD	Psy & Behavioral Med	AHP	
Engbretson, Jon MD	Radiology	Active	<u>Withdrawing 2 privileges:</u> <ul style="list-style-type: none"> - In vivo diagnostic interpretation - In vitro diagnostic interpretation <u>Adding 1 Privilege:</u> Neuroradiology
Nutty, Christopher FNP Collaborating MD: J. McGrath	Radiology	AHP	
Williams, Joseph MD	Radiology	Active	<u>Withdrawing 1 Privilege:</u> <ul style="list-style-type: none"> - Magnetic Resonance <u>Adding 1 Privilege:</u> Neuroradiology
Chopko, Michael MD	Surgery	Active	
Kordasiewicz, Lynn ANP Collaborating MD: W.Flynn	Surgery	AHP	

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Greco, Joseph MD	Urology	Active	
Trippy, Shania PA-C Collaborating MD: J. Rutkowski	Urology	AHP	

XII. AUTOMATIC CONCLUSION	Reappointment Expiration		
1st Notice	None	For informational purposes.	None necessary.
2nd Notice	<u>Internal Medicine</u> <ul style="list-style-type: none"> Kristina Christopher, FNP Per Apogee not seeking reappt. Priv. conclude 4-30-2024 Melissa Robb, FNP Per Apogee not seeking reappt. Priv. conclude 4-30-2024 <u>Orthopaedic Surgery</u> <ul style="list-style-type: none"> Elizabeth Hanretty, PA-C confirmed she wishes to let her privileges conclude 3/31/24 	For informational purposes.	None necessary.
3rd Notice	<u>Neurosurgery</u> <ul style="list-style-type: none"> Guterman, Lee MD - Active Did not return his reappointment due 2-29-2024. Certified letter sent and returned with signature. <u>Psychiatry & Behavioral Medicine</u> <ul style="list-style-type: none"> Cowan, Richard MD Courtesy, Refer & Follow – stated he will not be renewing his privileges and is letting them expire at his reappointment date of Feb. 29, 2024. 	For informational purposes.	None necessary.
XIII. PROFESSIONAL PRACTICE EVALUATIONS	With the start of Bolaji Anjorin, FPPE and OPPE will be back on track. The	Updates will be given at the February Credentials Meeting	Continue to monitor.
XIV. OLD BUSINESS			
A. Expirables	Expirables will be reviewed and discussed with the Credentials Committee.	For informational purposes. Practice Plans and Chiefs of Service have	None necessary.

Highlight: Initiate FPPE

		all been notified multiple times.	
B. DEA, License, Boards	<u>January</u> Up to date <u>February</u> DEA- 17 License- 23 Boards- 1	For informational purposes.	None necessary.
C. Follow up on recruitment for Credentials Committee	Dr. Chauhan was invited to observe the Credentials Committee in anticipation of appointment in January 2025. Dr. Panesar will follow up with Dr. Chauhan	For informational purposes.	None necessary.
D. Annual Dues	Annual dues were sent out with a due date of April 26, 2024. The MDSO will keep the Committee updated to the progress of payment	For informational purposes.	None necessary.
E. Board exception	<ul style="list-style-type: none"> Dr. Stegemann presented a request for exception from the Board certification requirement for a Podiatrist. The Medical Executive Committee voted to grant the Board exception, based on the medical necessity of the patient population in long term care. The provider is approved to work in the ambulatory capacity at Terrace View only. 	For informational purposes.	None necessary.
F. Updates on new software-MD Staff	Awaiting final contract. Initiating internal meetings in preparation for the build.	For informational purposes.	None necessary.
XIIV. NEW BUSINESS			
A. Privileging Criteria	<p>For review: Otolaryngology Robotic Privileges.</p> <ul style="list-style-type: none"> The Credentials Committee had several questions regarding the criteria and what procedures TORS encompasses. Prior to approving the presented criteria, Dr. Michael Nagai has been invited to the February Meeting to discuss further details. In addition, a preceptor/proctoring form will be developed. This is intended to detail the Physicians abilities and allow for any suggestions or concerns to be addressed before the Physician is granted independent privileges. 	<p>Dr. Nagai will speak to the Credentials Committee.</p> <p>The form will be presented for approval.</p>	None necessary.
XIIIV. ADJOURNMENT	The meeting was adjourned at 3:56pm		

Highlight: Initiate FPPE

Respectfully submitted,

A handwritten signature in dark ink, appearing to read 'Yogesh Bakhai', written in a cursive style.

Yogesh Bakhai, MD

Chair, Credentials Committee

ERIE COUNTY MEDICAL CENTER CORPORATION
FEBRUARY 20, 2024 MEETING MINUTES
EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS
VIRTUAL MEETING

PRESENT: JONATHAN DANDES, SHARON HANSON, THOMAS QUATROCHE, EUGENIO RUSSI
ALSO
PRESENT: ANDREW DAVIS, JONATHAN SWIATKOWSKI

ABSENT: JENNIFER PERSICO

I. Call to Order

The meeting was called to order at 4:00 p.m. by Committee Vice Chair Eugenio Russi.

II. Minutes

Motion was made by Sharon Hanson, seconded by Jonathan Dandes and unanimously passed to approve the minutes of the Executive Committee meeting of January 16, 2024.

III. Hospital Update

General Overview

Dr. Thomas Quatroche reported that the Foundation hosted the annual gift gathering luncheon with a record-breaking number in attendance. Over 4000 flowers were distributed by the Executive Leadership to patients and nurses on Valentines Day. Operationally, the hospital is beginning to improve though finances continue to be a challenge. Regular discussions with the State Legislature regarding financial assistance remain in place. Dr. Quatroche announced the engagement of consultant Jason Jankowiak to assist with the Strategic Planning for the hospital.

Finances

Jonathan Swiatkowski reported positive results for January. Inpatient volume was up along with outpatient surgeries and the case mix index. Total outpatient visits and total Emergency Room visits were down due to the inclement weather. The average length of stay improved for the month and the prior year. Mr. Swiatkowski stated that Terrace View had its highest census since July 2021. Discussion followed regarding the number of staff at Terrace View, the use of Telemedicine, the impact of the winter storm on the overall numbers for the month and the upcoming Audit.

IV. State Advocacy and Grants

Dr. Quatroche reported on the ongoing efforts to gain state/federal financial assistance. ECMC is working with UB and Kaleida to request a EMR Grant for a system wide upgrade.

V. Strategic Planning

Dr. Quatroche reported that the Executive Team will be having a Strategic Retreat in March.

VI. Governance

Committee members discussed governance.

VII. Adjourn

There being no other business, the meeting was adjourned at 4:45 p.m.

ERIE COUNTY MEDICAL CENTER CORPORATION

**BOARD OF DIRECTORS
MINUTES OF THE FINANCE COMMITTEE MEETING**

TUESDAY, JANUARY 16, 2024 – 8:30 AM

BOARD MEMBERS PRESENT OR
ATTENDING BY VIDEO
CONFERENCE OR TELEPHONE:

MICHAEL SEAMAN *
RONALD CHAPIN *
DARBY FISHKIN *
BENJAMIN SWANEKAMP *

* ATTENDING BY VIDEO
CONFERENCE OR PHONE

BOARD MEMBERS EXCUSED:

ALSO PRESENT:

THOMAS QUATROCHE
JONATHAN SWIATKOWSKI
ANDREW DAVIS
VANESSA HINDERLITER

I. CALL TO ORDER

The meeting was called to order at 8:31 AM by Chair Michael Seaman.

II. REVIEW AND APPROVAL OF MINUTES

Motion was made by Benjamin Swanekamp, seconded by Darby Fishkin and unanimously passed to approve the minutes of the Finance Committee meeting of December 19, 2023.

III. DECEMBER 2023 OPERATING PERFORMANCE

Mr. Swiatkowski reported that materials sent to Committee members in advance of today's meeting include financial statements for December operations and preliminary financial reports for calendar year 2023.

Mr. Swiatkowski reported that positive trends again continued during the month of December. Inpatient discharges were 5.3% greater than budgeted in the operating plan. Total visits and outpatient surgeries were also greater than the operating plan. Total inpatient surgeries have trended lower than the operating plan for the months of November and December which is typical for the organization during the holiday months.

Acute average length of stay improved to 7.9 days for the month of December, a drop from 8.3 days during the prior month. Acute case mix index was slightly lower than prior month at 1.93 but continues to trend significantly higher than earlier in the year.

Mr. Swiatkowski presented the finance dashboard, reviewing the grant revenues impact on net income, FTE's, and cash flow. Mr. Swiatkowski noted that cash flow was consistent with prior month due to additional cash receipts and other cash management efforts.

Mr. Swiatkowski reviewed December financial performance and advised the Committee that reporting for only the month of December as reported is draft and does not include year-end adjustments for actuarial and other reserve estimates. The year-end adjustments will be included in the year-to-date statements and the 2023 annual financial reports. December operating revenue was greater than budget due to increased volume and rate improvements previously discussed, however operating expenses continued to exceed the operating plan. Other revenue was also greater than the operating plan due to significant growth in ECMCC's specialty pharmacy department.

Mr. Swiatkowski reviewed operating expenses for the month of December and discussed salary and supply expense. Supply expense includes pharmaceutical supply costs related to growth in ECMCC's specialty pharmacy and oncology infusion service. Mr. Swiatkowski also reviewed temporary agency costs for the month of December, noting that agency costs related to temporary coding staff being utilized for a coding project were invoiced in December. Mr. Swiatkowski also discussed the cash receipts assessment payable to New York State.

Mr. Seaman offered comments regarding the operational improvements implemented by the organization during the calendar year. In response to a question from Mr. Seaman, Mr. Swiatkowski presented additional information regarding the coding and billing project which began in September 2023 and discussed results achieved through this initiative.

IV. PRELIMINARY DRAFT 2023 OPERATING PERFORMANCE

Mr. Swiatkowski led a detailed review of preliminary operating results for the calendar year ended December 31, 2023. Mr. Swiatkowski noted that the information presented is unaudited, includes estimates for year-end adjustments and is subject to change.

Mr. Swiatkowski discussed several significant adjustments recorded at year end related to additional reserves for potential DSH reimbursement changes and the impairment of a certain project which are included in the preliminary operating results. Mr. Swiatkowski also reviewed estimated year-end adjustments for actuarially determined liabilities relating to employee pension and other post-employment retiree health benefit expense. Mr. Swiatkowski also reviewed the impact of grant revenue received had on the overall results for the calendar year.

Mr. Swiatkowski discussed operating margin trends for calendar years 2018 through 2023 noting continued improvements year over year and advised that the information presented for 2020 through 2023 includes funding received from the CARES Act, PPP, FEMA and the NYS VAPAP program.

Mr. Swiatkowski reviewed preliminary 2023 year-to-date variances including net patient service revenue, volume, case mix index and DSH/IGT revenue and reserves.

Mr. Swiatkowski reviewed preliminary year-to-date operating expenses noting that the variance in salary expense was the most significant driver. The Corporation incurred additional expenses which exceeded the operating plan in the areas of supplies and other expenses attributed to pharmaceutical supply costs, temporary agency staffing costs, other purchased services and costs related to the EHR project.

Year-to-date trends in FTE's and acute average length of stay were reviewed and discussed with the Committee.

Mr. Swiatkowski led a detailed discussion regarding operational budget variances for ECMCC and Terrace View for calendar year 2023 and provided a high-level summary of the expenses incurred within each category.

V. OTHER UPDATES

Mr. Swiatkowski further discussed cash flow and advised the Committee that in the past three months, focused efforts by Management resulted in a reduction in the number of days in accounts receivable by 10.4 days.

Mr. Swiatkowski reported that the corporation anticipates receiving the 340B settlement by early February. Several updates relating to the pending DSH and IGT payments and the NYS VAPAP program were also presented to the Committee. Mr. Swiatkowski also reported that two payer contracts remain in the negotiation stage and will be finalized in February.

Mr. Swiatkowski and Dr. Quatroche discussed several additional items, including the Medicaid Section 1115 Waiver, upcoming grant opportunities, proposed DSH cuts and a GASB accounting pronouncement related to IT Subscription agreements that was required to be implemented in 2023, which will require reclassification adjustments within the audited financial statements.

Mr. Swiatkowski extended his sincere thanks to Vanessa Hinderliter, Eric Reeners and the accounting team for their efforts this year in finalizing preliminary year-end information for today's meeting considering their significant ongoing involvement with NYS and the VAPAP Program.

VI. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:24 AM by Chair Michael Seaman.

ERIE COUNTY MEDICAL CENTER CORPORATION

**BOARD OF DIRECTORS
MINUTES OF THE AUDIT COMMITTEE MEETING**

WEDNESDAY, DECEMBER 12, 2023 – 2:00 PM

BOARD MEMBERS PRESENT OR ATTENDING BY VIDEO CONFERENCE OR TELEPHONE:	DARBY FISHKIN * JAMES LAWICKI * CHRISTOPHER O'BRIEN * REV. KINZER POINTER *	* ATTENDING VIA VIDEO CONFERENCE OR PHONE
BOARD MEMBERS EXCUSED:		
ALSO PRESENT:	THOMAS J. QUATROCHE JOSEPH GIGLIA ANDREW DAVIS JONATHAN SWIATKOWSKI	
GUESTS	MATTHEW GARVEY, CPA * - RSM US, LLP DAVID L. NESBITT NADINE MUND PATRICK ORLOFF	

I. CALL TO ORDER

Chair Darby Fishkin called the Audit Committee meeting to order at 2:00 PM.

II. REVIEW AND APPROVAL OF MINUTES

Motion was made by Rev. Kinzer Pointer, seconded by Christopher O'Brien and unanimously passed to approve the minutes of the Audit Committee meeting of October 11, 2023.

III. INDEPENDENT AUDITOR REPORT OF RSM, LLP (2023 AUDIT PLAN)

Mr. Matthew Garvey, CPA, Audit Partner of RSM, US, LLP presented required pre-audit communications and reviewed RSM's scope of services and auditor responsibilities, noting that the audit will be conducted in accordance with government auditing standards and Uniform Guidance.

Mr. Garvey advised that RSM is required to perform a single audit of Federal program awards and expenditures, pursuant to Uniform Guidance audit requirements. As part of the annual audit, RSM will also issue an investment report as required by New York State Public Authorities Law.

Mr. Garvey led a detailed discussion, reviewing the 2023 audit plan and audit timeline, key areas of focus, the scope of the audit and the risk assessment process. Mr. Garvey reviewed RSM's engagement team and advised the Committee that Mr. Steve McClelland has assumed the secondary partner role due to audit firm rotation requirements. Consistent with prior years, RSM has engaged subject area specialists to assist with specific areas of the independent audit.

Mr. Garvey welcomed input from all Committee members should they have areas for consideration during the audit. Mr. Garvey led further discussion regarding several topics, including shared responsibilities for independence, RSM's audit strategy, development of the audit plan and performance of risk assessment procedures.

Mr. Garvey provided information to the Committee regarding GASB Statement No. 96 (Subscription-Based Information Technology Agreements) which is required to be implemented by the Corporation in 2023.

Mr. Garvey advised the Committee that RSM does not rely upon the work of the internal audit function but holds discussions with Mr. Patrick Orloff, ECMCC's Director of Internal Audit, throughout the course of the year and during the annual audit.

A brief overview of upcoming accounting pronouncements was also presented by Mr. Garvey. Mr. Swiatkowski and Mr. Garvey confirmed that RSM will conduct the annual audit in part on-site and in part virtually. A brief discussion regarding scheduling for the March 2024 Audit Committee meeting was held.

With no further questions from Committee members, Mr. Garvey of RSM was excused at 2:21 PM.

IV. REVIEW & APPROVAL OF 2024 COMPLIANCE PROGRAM WORK PLAN

Mr. David L. Nesbitt, Esq., ECMCC's Chief Compliance Officer and Ms. Nadine Mund, ECMCC's Director of Compliance presented the draft Compliance Program work plan for calendar year 2024.

Ms. Mund reviewed updated compliance plan requirements based on guidance issued by OMIG and OIG. Ms. Mund advised the Committee of updates to the Corporation's Compliance program, including compliance policies and education requirements for employees, medical staff and vendors. The Compliance department is working closely with medical staff and the Revenue Cycle and Purchasing departments to comply with new patient billing reporting requirements. Ms. Mund presented information regarding required disclosure of facility fees that may be charged to patients and internet availability of standard hospital pricing for public awareness.

Several topics were reviewed by Ms. Mund relating to inpatient coding and billing and ongoing compliance monitoring.

Mr. Nesbitt presented information regarding several new regulatory items that are included in the draft 2024 Compliance Program work plan being presented today for the

Committee's review and approval. The new regulatory items were reviewed and discussed amongst the Committee.

In response to a question raised by Ms. Fishkin, Mr. Nesbitt reviewed ongoing compliance education with ECMCC departments and staff.

V. ACTION ITEMS

After review and discussion, Chair Darby Fishkin called for a motion to approve the draft Compliance Program work plan for 2024. Upon motion by Reverend Pointer and seconded by Mr. O'Brien, the Committee voted unanimously to approve the ECMCC Compliance Program work plan as presented.

VI. DRAFT INTERNAL AUDIT PLAN

Mr. Patrick Orloff, CPA, ECMCC's Director of Internal Audit briefly reviewed 2023 internal audit work and presented updates regarding the status of each related project.

Mr. Orloff presented a detailed review of the 2024 draft internal audit plan and discussed the scope of work for each project. Mr. Orloff noted that an initial draft of the internal audit Charter will be presented to management for review and comment before being presented to the Committee for consideration at an upcoming meeting.

Chair Darby Fishkin offered comments regarding the proposed internal audit plan and ongoing internal audit work.

VII. DRAFT LITIGATION REPORT

Mr. Joseph Giglia, Esq., ECMCC's General Counsel presented the Office of General Counsel (OGC) annual report for 2023. Mr. Giglia reminded the Committee that the OGC manages and supervises all litigation for the organization and noted that outside counsel are retained by the Corporation to assist with all matters in litigation.

Mr. Giglia discussed lawsuit and claim activity in the areas of hospital professional liability and general liability for 2023 through the present date. Lawsuit and claim trends for 2023 were reviewed and compared to case activity for several prior years. Mr. Giglia reviewed general information relating to open matters and case resolutions to date.

Mr. Giglia discussed management of case reserves and reported that measurable results were achieved in 2023 allowing the Corporation to achieve a net savings in reserves.

In response to a question from Chair Fishkin, Mr. Giglia and Mr. Nesbitt provided information regarding outside counsel, noting that the Corporation issues RFP's for outside legal services every five years.

VIII. DRAFT RISK MANAGEMENT AND CORPORATE INSURANCE REPORT

Mr. Giglia presented the corporate insurance report and noted that Lawley Insurance has been a valuable partner to the Corporation. Mr. Giglia discussed the current insurance brokerage agreement with Lawley Insurance and advised the Committee that a two-year contract extension is in place. The Corporation completed the annual insurance review process and all insurance policies were recently bound.

Mr. Giglia presented information to the Committee regarding current insurance related matters.

IX. ADJOURN

There being no further business, the meeting was adjourned at 3:05 PM by Chair Darby Fishkin.

ERIE COUNTY MEDICAL CENTER CORPORATION

BOARD OF DIRECTORS MINUTES OF THE BUILDINGS & GROUNDS COMMITTEE MEETING JANUARY 23, 2024 – 3:00PM VIA MICROSOFT TEAMS

BOARD MEMBERS PRESENT:	RONALD BENNETT	MICHAEL HOFFERT REVEREND MARK BLUE
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EXCUSED:	JAMES LAWICKI
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ALSO PRESENT:	PAMELA LEE KEITH AMBROSE	ANDREW DAVIS
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I. CALL TO ORDER

Chair, Ronald Bennett called the meeting to order at 3:01 p.m.

II. APPROVAL OF BUILDINGS AND GROUNDS MEETING MINUTES

Moved by Michael Hoffert and seconded by Reverend Mark Blue to approve and file the minutes of the Buildings and Grounds Committee of October 24, 2023 as presented.

III. UPDATE – IN PROGRESS INITIATIVES/PROJECTS

Pam Lee provided an overview of the current projects which included the following: Bariatric office expansion at 30 North Union Rd., Main Hospital operating suite surgical light and equipment replacements, and Data Center electrical project. The in-house crew projects included: operating suite and corridor improvements, and hot water recirculation line replacements throughout the Main Hospital. Ms. Lee also applauded the grounds crew for their exceptional snow removal/de-icing efforts during the snowstorm to maintain a safe environment.

IV. UPDATE – PENDING INITIATIVES/PROJECTS

Pam Lee provided an overview of the pending projects which included the following: fire damper redesign, service elevator upgrade, 1st floor Dental Clinic upgrades, MEP (Mechanical, Electrical and Plumbing), and removal of inground fuel oil tanks.

V. OTHER

Ronald Bennett, Michael Hoffert and Reverend Mark Blue welcomed Pam Lee to the Committee and commended her on an excellent Buildings and Grounds presentation.

VI. ADJOURNMENT

Moved by Michael Hoffert and seconded by Reverend Mark Blue to adjourn the Buildings and Grounds Committee meeting at 3:21 p.m.

BOARD OF DIRECTORS
MINUTES OF THE HUMAN RESOURCES COMMITTEE MEETING
TUESDAY, JANUARY 16, 2024
10:00 - 11:00 A.M.
THIS MEETING WAS HELD VIRTUALLY VIA TEAMS

VOTING BOARD
MEMBERS PRESENT: MICHAEL SEAMAN

EXCUSED: MICHAEL HOFFERT

ALSO PRESENT:	CYNTHIA BASS	ANDREW DAVIS
	SEAN BEITER	HEATHER GALLAGHER
	ERIN CONLEY	LISA HIGHWAY

I. CALL TO ORDER

Chair, Michael Seaman called the meeting to order at 10:02 a.m.

II. RECEIVE & FILE

Michael Seaman announced the absence of a quorum and deferred any items requiring approval to the next scheduled Human Resources Committee meeting.

III. HOSPITAL UPDATE

Andrew Davis, Chief Operating Officer (COO), reported the hospital volume has improved. Advocacy for the facility continues at the state level. Mr. Davis commended the Human Resources team on continued successful recruitment, employee events and celebrations.

Mr. Davis reported the primary focus within the past 72 hours has been navigating the winter storm operations. The Hospital Command Center, executive and departmental leadership have worked diligently to secure staff and supply levels. Several employees stayed overnight to ensure shift coverage.

IV. EMPLOYEE OF THE MONTH – ECMC AND TERRACE VIEW
DECEMBER 2023 & JANUARY 2024

Erin Conley, Training Coordinator, presented the following Employee of the Month honorees:

ECMC

- December 2023 – Amanda Farrell, RN, Population Health Clinical Data Analyst
- January 2024 – Kristin Pequeen, LPN – Behavioral Health, 4 South

Terrace View

- December 2023 – Breonna Kirkland, Administrative Control Clerk
- January 2024 – Antoinette Olson, Certified Nursing Assistant

V. DIVERSITY, EQUITY, AND INCLUSION

Cynthia Bass, Chief Diversity Officer, reported on the key department highlights and initiatives for Q4 2023 and January 2024.

- The Learning and Organizational Development Center, managed by Dr. Kiera Duckworth, had a very successful year. In 2023, over 700 employees attended 95 various training programs which included diversity and soft skills sessions. The Leadership Academy had 52 employees complete the program, a 47% increase from 2022. Dr. Duckworth will start precept training sessions in January 2024.
- The Diversity, Equity, and Inclusion (DEI) office in collaboration with Terrace View leadership have developed a Diversity Committee to address diversity issues. Ms. Bass will provide an update at the next Human Resources Board Committee meeting.
- Interviews for DEI Task Force members are in progress. Several physicians have expressed interest in joining the DEI Task Force.
- Q4 Cultural Awareness events included:
 - Hispanic Heritage Parade: August 20, 2023
 - Native American Heritage month: November 2023
 - Veterans Day Ceremony: November 9, 2023
 - Transgender Awareness Week: November 13-19, 2023
 - Holiday Bazaar: December 14, 2023, hosted over 22 small businesses
- Employee Resource Group: In 2023, we had a 30% membership increase from 2022. A luncheon was held on January 17, 2023 to honor the members.
- Healthcare Equality Index recertified as leader status. We are continuing to build staff education, policies, procedures, and community engagement efforts.
- Ms. Bass hosts a Great Lakes Health WUFO radio program partnering with Ms. Mesiah from Kaleida Health. Topics include mental health awareness, infection prevention, domestic violence, diabetes, and career opportunities at ECMC.

VI. RECRUITMENT AND RETENTION

Lisa Highway, Director of Recruitment and Retention, reported recruitment efforts have continued. Two new employees joined the recruitment team. There are currently four recruiters, including one designated nurse recruiter. The recruitment team hired nurse interns for the spring semester and will be working closely with the May graduates as they pass their boards, so they may transition into clinical positions throughout the hospital.

The recruitment team continues to participate in various events around the community to increase interest for potential employees looking for employment opportunities.

Testing and training efforts continue with the new UKG recruitment system.

Working on decreasing agency hires and positions throughout the hospital.

VII. COMPENSATION, BENEFITS, AND HRIS

Heather Gallagher, Sr. Director of Compensation, Benefits, and HRIS, summarized the key highlights and initiatives.

HRIS

- The new HRIS (HR/Payroll) system launch date was moved from January to early March/April.

Timekeeping

- An RFP was issued for a new timekeeping/scheduling system. The responses will be reviewed and evaluated. We are hoping to provide an update at the next meeting.

Compensation

- All union increases and increments were processed on January 1, 2024.

Reorientation

- Completion rate was 93.56% at the end of 2023, which is a significant improvement from 86% in 2022.

Statistics

- HR closed the year with a record high headcount of 4,023 employees.
- In 2023, we hired 768 staff members between ECMC and Terrace View (TV).
 - Of those new hires, we retained 86% of them for ECMC and 79% at TV.
- Our turnover was down 1% in 2023 from 2022 with a turnover rate of 11.9%.

VIII. EMPLOYEE AND LABOR RELATIONS

Sean Beiter, Director of Labor and Employee Relations reported Amy Blaszcak, HR Business Partner, has joined the team. The HR Business Partner responsibilities have been reorganized for improved communication and collaboration with departments regarding disciplinary processes.

The labor team is finalizing the newly negotiated NYSNA contract book for publication.

The labor team continues to hold regular series of meetings with the three bargaining units to improve communication and address concerns.

IX. CLOSING REMARKS

Andrew Davis thanked the HR team leaders for their exceptional work and dedication. Michael Seaman echoed Mr. Davis's remarks and emphasized the Board understands the importance of developing and training our culture, providing a healthy atmosphere, and negotiating contracts in the best interest of the hospital and our employees.

X. ADJOURNMENT

Michael Seaman moved to adjourn the meeting at 10:30 a.m.

BOARD OF DIRECTORS
MINUTES OF THE HUMAN RESOURCES COMMITTEE MEETING
THURSDAY, AUGUST 10, 2023
9:30-10:30 A.M.

THIS MEETING WAS HELD VIRTUALLY VIA TEAMS

VOTING BOARD

**MEMBERS PRESENT OR
ATTENDING BY
CONFERENCE
TELEPHONE:**

MICHAEL SEAMAN
MICHAEL HOFFERT

**ALSO
PRESENT:**

CYNTHIA BASS
ANDREW DAVIS
HEATHER GALLAGHER
LISA HIGHWAY

I. CALL TO ORDER

Chair, Michael Seaman called the meeting to order at 10:00 a.m.

II. RECEIVE & FILE

Moved by Michael Hoffert and Michael Seaman to receive and file the minutes from the June 12th, 2023, Human Resources Committee Meeting of the Board of Directors.

III. INTRODUCTION BY ANDREW L. DAVIS, COO

Andrew Davis, Chief Operating Officer (COO), reported the volume around the hospital is doing well. Trauma season has been busy around the hospital. Advocacy for the facility continues at the state level. Budget talks for 2024 have begun.

Working with NYSNA as the new contract is now implemented throughout the departments around the campus.

There has been a small uptick in COVID-19 cases, but the facility will continue to monitor this situation and discussions will be had about the precautions, if any, that will be taken.

Andrew Davis gave The Board an update on how well the Healthcare Explorers program is going; there has been great feedback on it.

IV. DIVERSITY, EQUITY, AND INCLUSION

Cynthia Bass, Chief Diversity Officer reports that Kiera Duckworth, Training Manager, continues training around the campus on topics such as cultural competencies, communication, conflict resolution, various DEI topics, and team building. A new training course “Across Generational”

has been launched by the department and is helping ECMC staff learn how to effectively handle the generational differences between staff.

ECMC's 3rd annual Pride Walk was held on July 25th, 2023- the LGBTQ+ Resource Group partnered with the DEI office to hold this. Also participated in Buffalo's Annual Pride Walk on June 4th, 2023. On June 17th, 2023, Black & African Employee Resource Group participated in Buffalo's Juneteenth Festival. A few departments that participated: SNUG, BRAVE, and Primary Care. Blood pressure readings were also given out to community members at the tent as well.

Upcoming events: Diversity Vendor Networking Fair (Thursday August 24th, 2023 at 9:30 a.m.) which will include guest speakers and over 50 local businesses. ECMC'S Hispanic Employee Resource Network will participate in the Puerto Rican & Hispanic Day Parade on August 19th, 2023 at 12:00 p.m. at Niagara Square.

V. RECRUITMENT AND RETENTION

Lisa Highway, Director of Recruitment and Retention, reports recruitment efforts continue. The recruitment team is working closely with the May graduates as they pass their boards, so they can transition into clinical positions around the hospital.

The recruitment team continues to go to various events around the community to help increase interest potential employees on looking for employment opportunities.

A new community organization (Harvest House) has started to work with the recruitment team on preparing aspiring CNAs to successfully find employment.

Working on decreasing agency hires and positions around the hospital.

VI. COMPENSATION, BENEFITS, AND HRIS

Heather Gallagher, Sr. Director of Compensation, Benefits, and HRIS, reports the new NYSNA agreement has started to be implemented. The new HRIS system has a tentative launch date of January 1st, 2024.

HR employees has stepped up to help be tour guides to students during the Healthcare Explorers.

VII. EMPLOYEE AND LABOR RELATIONS

Sean Beiter, Director of Labor and Employee Relations, reports the NYSNA negotiations have successfully been completed and it was ratified on July 17th, 2023. This contract is now being implemented around the facility. Labor team is working closely with the nursing departments to ensure all aspects of the agreed upon contract is being done successfully.

The labor team is working closely with staff to have discussions before issues turn into grievances.

The hospital continues to have good connections with all three bargaining unions.

VIII. ADJOURNMENT

Michael Hoffert moved to adjourn the meeting at 10:30 a.m.

ERIE COUNTY MEDICAL CENTER CORPORATION

BOARD OF DIRECTORS MINUTES OF THE QUALITY IMPROVEMENT/ PATIENT SAFETY COMMITTEE MEETING

TUESDAY, FEBRUARY 13, 2024

MICROSOFT TEAMS PLATFORM

BOARD MEMBERS PRESENT: MICHAEL HOFFERT, BENJAMIN SWANEKAMP, REV KINZER POINTER, JOHN O'DONNELL

PRESENTERS: SAURIN POPAT, MD, MBA, FRCSC, FACS, FSSO, LISE KAYLER, MD, PHYLLIS MURAWSKI, RN, WILLIAM FLYNN, JR., MD, MEGHAN MULLEN, RN, CHARLENE LUDLOW, RN, CIC

ATTENDANCE:

SERGIO ANILLO, MD
WILLIAM BELLES, MD
DONNA BROWN
CHARLES CAVARETTA
SAM CLOUD, DO
JOHN CUMBO
PETER CUTLER
ANDY DAVIS
CASSIE DAVIS
BECKY DELPRINCE, RN
JUDY DOBSON, NP
WILLIAM FLYNN, MD
KIZZIE HUNLEY, RN
DONNA JONES, RN, FACHE
JUSTINE KAURICH
KEITH KRABILL, MD
MARC LABELLE, RN
CHARLENE LUDLOW, RN, CIC
PHYLLIS MURAWSKI, RN
YARON PERRY, MD
TOM QUATROCHE, CEO
SIVA YEDLAPATI, MD

CALL TO ORDER

Chair Michael Hoffert, called the meeting to order at 8:00 am.

I. MINUTES

The January 9, 2024, meeting minutes were distributed along with the Quality leadership Council meeting minutes from January 18, 2024, for review. A motion was made and seconded to approve both sets of minutes. They will be forwarded to the Board of Directors for filing.

II. SUMMARY REPORT OF THE QUALITY LEADERSHIP COUNCIL

Donna Jones presented on the Quality Leadership Council meeting that was held January 18, 2024.

New business consisted of quality and patient safety department intranet site. There were no annual QIPS (quality improvement & patient safety) report outs assigned. Ms. Jones reviewed standing business which included 2023 and 2024 QIPS plans. Also reviewed - Insurance quality of care concerns, Univera hospital performance incentive program (HPIP), quality priority focus grid and a Q & A session, new to our standing business for our monthly QLC meetings.

III. COMMISSION ON CANCER – SAURIN POPAT, MD, MBA, FRCSC, FACS, FSSO

Dr. Popat reported on the American College of Surgeons Commission on Cancer. His agenda included a department update, volume and outcomes, QAPI projects and a review of department goals.

The department obtained commission on cancer accreditation in November of 2022 which is for a 3-year period. A review of department volumes and previous year goals and accomplishments took place as well.

In April of 2023 they implemented the 131 treatments of thyroid cancer with the objective of treating 2 patients per month with an eventual goal to treat 70-80 per year.

2023 QAPI projects include synoptic format of OR reports by working with IT through Q3 and Q4 of 2022. The department also set up a series of group and individual education sessions in 2022 and 2023.

2024 Quality improvement goals include working to improve chemotherapy wait times (arrival to start of infusion), establish outpatient palliative care services, and to work on a low dose lung cancer screening CT for current/previous smokers.

IV. TRAUMA PROGRAM – WILLIAM FLYNN, JR., MD AND MEGHAN MULLEN, MSN, RN, CCRN

Dr. Flynn and Meghan Mullen presented on the Trauma Program. The Agenda included current process improvement projects, Trauma Center reverification timeline and what the committee on Trauma (COT) will review for 2024-2025 .

Process improvement projects included a discussion on chemical VTE prophylaxis and working on standardizing the drug and frequency along with ongoing education on it.

Other process improvements projects include the topics of blunt cerebrovascular injury and a resuscitation project. A timeline of recertifications include ACS reverification (March 2022), NYS Department of Health recertification (June 2022), Data Collection (Jan - Dec 2024), return for reverification (March 2025), and anticipated NYS Department of Health recertification coming in June of 2025.

Dr. Flynn reviewed opportunities from past visits. This included timely case reviews, demonstrate "loop" closures, and OR access for urgent cases. Dr. Flynn also reviewed the rules in new "gray" book which included response times for consult services, geriatric specific trauma care and pediatric readiness.

The department will continue with current process improvement projects, continue preparations for upcoming survey visits, manage identified opportunities, and address new expectations.

V. TRANSPLANT – LIISE KAYLER, MD AND PHYLLIS MURAWSKI, RN

Dr. Kayler and Phyllis Murawski presented on the Renal Transplant department. A review of department volumes took place showing 151 transplants that occurred in 2023. A department update was shared as well. The department had three surveys that took place during 2023 one of which was the 5-year CMS Survey of Kidney/Pancreas and Living Donor Programs with zero citations. Transplant outcomes along with transplant rates compared to similar size programs was discussed.

QIPS for 2024 were reviewed including safety and resiliency along with equity and engagement.

Current year quality improvement goals include increase preemptive referrals to transplant center, increase transplant evaluations, shorten time from evaluation to waitlist placement, increase live kidney donations and improve post-transplant graft survival.

VI. ENVIRONMENT OF CARE MANAGEMENT PLAN– CHARLENE LUDLOW, RN, CIC

Charlene Ludlow presented an update on the Environment of Care Management plans.

2023 goals and performance along with 2024 goals were reviewed. Ms. Ludlow reviewed the EOC safety goals which included NPSG-15 ligature risk, workplace violence prevention and safe patient handling and mobility. A review of the 2024 EOC safety goals were discussed.

Life safety goals from 2023 included label door frames for areas that have regulated pressure differentials, implement accessibility to fire dampers requiring extensive remedial work and implementation of UV light system for the main HVAC air handler. A review of 2024 EOC life safety goals were discussed.

2023 utilities management goals included IT data center electrical improvements, medical gas regulatory corrections, and utility building systems risks assessment and plan for improvement per NFPA 99 and 101 perform annually. A review of 2024 EOC utilities management goals were discussed.

2023 security management goals were to enhance safety with expansion of camera coverage, key consolidation of pull station fire alarms on behavioral health floors, and new security screening systems for the emergency department. Ms. Ludlow also reviewed the 2024 security management goals.

2023 medical equipment goals included identifying end of life stages of medical equipment to be replaced, begin implementation of an alternative equipment management system, and to continue biomedical staff cross training opportunities. Ms. Ludlow also reviewed the 2024 medical equipment goals.

2023 emergency management goals included two drills or live events each year, continuation of response to SARS and NIMS retraining, and complete all requirements for the current HPP grant by June 30, 2024. Ms. Ludlow reviewed the 2024 emergency management goals.

The last EOC management plan item was the hazardous waste goals for 2023. They were to perform ATP testing within EVS patient care areas throughout the facility, provide CDC's project Firstline onsite training and to maintain 100% of soiled holds in accordance with infection control standards. Ms. Ludlow also reviewed the 2024 hazardous waste goals.

VII. REGULATORY REPORT – CHARLENE LUDLOW, RN, CIC

Charlene Ludlow gave her regulatory report. Last month the Department of Health was onsite for a survey, but we have not received the survey results as of yet. It was a good survey. Final reports seem to be taking longer than usual for some reason.

On February 6th, we received the results from a survey that took place in November of 2023. There were some items on the plan of correction which most have been completed already. We will submit our response this survey this coming Friday.

VIII. ADJOURN

There being no further business, the motion was made and seconded to adjourn the meeting. The next meeting will be held on March 12, 2024.

Dear ECMC Board Members,

As we experienced in January, ECMC's overall operations and patient volumes in February continued to improve. Positive operations growth was reflected in Emergency Department visits (7.0% growth in February 2024 versus February 2023) and our general surgeries increased overall by 7.9% in February 2024 versus February 2023, also exceeding budget by 6.2% with Inpatient Surgeries increasing in that timeframe by 14.4% and Outpatient Surgeries by 4.1%.

On February 22nd, U.S. Senate Majority Leader Charles E. Schumer and U.S. Senator Kirsten Gillibrand announced ECMC will receive \$14,624,938 from the U.S. Department of Homeland Security's Federal Emergency Management Agency (FEMA) to cover costs associated with emergency protective measures and increased staffing taken for their COVID responses dating back to the start of the pandemic in Spring 2020. This funding is provided at a 100% federal cost share. As the Board knows well, contract labor costs were very expensive during the COVID-19 pandemic and necessary to ensure we could support our ECMC caregivers as they worked to save the lives of the most vulnerable patients in our community. We are extremely appreciative of Senator Schumer's and Senator Gillibrand's strong support in our effort to gain hospital reimbursement from FEMA.

ECMC also will receive \$13.6M from FEMA to upgrade and modernize our emergency generators. We applied for this grant in June of 2022. Thanks to the support of our Congressional delegation, this grant will enable ECMC to acquire and install six new state-of-the-art emergency generators that will protect ECMC for many years to come. Special thanks to Jon Swiatkowski and the grants writing team who, as the Board knows, have been very successful recently in securing significant FEMA grant funding, as well as grant funding from other federal, state, and local sources.

We recently successfully completed our 12-week OR lighting modernization project, which now provides significantly enhanced and improved lighting for our dedicated surgical teams. And our Rehabilitation Medicine and Acute Care Services recently held its seventh annual Rehab Symposium, titled "A Multidisciplinary Approach to the Acute Care Patient." For this well-attended conference, many of the region's most experienced clinicians were invited to speak on a variety of topics pertaining to rehabilitation on acute and critical care services. Area therapists, rehab professionals, and therapy students from the community were invited to learn about some of the specialty services that are available at ECMC.

As noted last month, with Governor Hochul earlier this year releasing her recommended state budget for 2024-25, we traveled to Albany a few weeks ago to attend the Healthcare Association of New York State meeting where we met directly with members and staff of our WNY State Legislative Delegation to discuss hospital funding for this year's state budget as well as other legislative matters to be addressed throughout the legislative session that will conclude in June. The state budget negotiations between the Governor and the Legislature are now occurring in earnest and we will keep the Board informed of what transpires in that process as the April 1st deadline draws nearer.

Thank you again to the Board for your continuing confidence in Executive Leadership and for your unwavering support of our remarkable caregivers. We are grateful for the guidance and insight you provide, which strengthens our ability to fulfill our commitment to uphold ECMC's mission.

Best,

Tom

**Erie County Medical Center
Board Report
Chief Operating Officer
March 26, 2024**

Submitted by Andrew Davis

OPERATIONS

Ambulatory Medical Practices

- ECMC's Population Health and Ambulatory Care staff partnered with the ECMC Wellness Warriors and ECMC Office of Diversity Equity & Inclusion to provide targeted health education and blood pressure screenings outside of the cafeteria on February 3, 2024 for "Go Red for Women Day" to bring awareness to cardiovascular disease in women and link participants with necessary services (such as primary care).
- Provided education to the nursing staff on Dexcom diabetic sensors, so the nursing staff will have the ability to empower and educate patients.

Biomedical Services

Department Initiatives/Projects/Updates:

- In March, the Biomedical Engineering department will be working with Phillips and ECMC HIS to implement Philips' Focal Point equipment monitoring tool. This is a web-based system to track patient monitoring health and to provide software updates (OS patches) more easily and centrally. This system is an entitlement under our service agreement and does not have an additional cost associated to start up or use.

Center of Cancer Care Research

February 2024

Monthly Oncology Research Report – Dr. Jennifer Frustino

Team Member & Outreach Updates:

- Dr. Frustino presented a poster at the ASTRO Multidisciplinary Head and Neck Cancer Symposium on February 29 in Phoenix, AZ.
- Completed Sub-Investigator training for MeiraGTx gene therapy clinical trial.
- Devin George is attending ECMC's Manager Enhancement Program.
- Gina Perez and Meghan Sheahan attended FDA inspection training.
- WNY HPV Coalition met at ECMC on February 13 to finalize plans for upcoming 2024 cancer screening and prevention events.

Study Participation:

- Two (2) additional participants were enrolled into NIH grant funded study "R21" which looks for biomarkers that will help predict, prevent, and treat HPV infection in people living with HIV.
- Eight (8) additional participants were enrolled into investigator-initiated study "Liquid Biopsy" which investigates blood draw assays to quantitate effects of therapeutic interventions in patients with HPV mediated head and neck cancer.

- The total CoC accrual for 2024 is (8) participants.
- Total study accrual for 2024 is (22).

Sponsor Updates:

- Merck689 site monitoring visit completed February 1.
- Merck Regional Medical Scientific Director visited on February 13 to invite Dr. Frustino to participate in an invitation-only grant application under Merck Investigators Study Program (MISP).
- MuReva site monitoring visit completed February 26-27.

Sponsored Trials:

- **MERCK trials B10: (MERCK) B10 Pembro MK-3475 plus carboplatin and paclitaxel as first-line treatment of recurrent/metastatic Head & Neck squamous cell carcinoma (KNB10): STU00005605).**
- **Merck KEYNOTE-689: Adjuvant and neoadjuvant pembrolizumab combined with standard of care (SOC) in patients with resectable, locally advanced head and neck squamous cell carcinoma. STUDY00004782**
- **Chemo Mouthpiece Clinical Trial STUDY00004783**
- **MeiraGTx Gene therapy study.** Salivary gland gene therapy for patients with dry mouth 3 years after radiation therapy for head and neck cancer.
- **BMS – Celgene Phase 3 Relapsed or Refractory Multiple Myeloma trial**
- **GBT (Global Blood Therapeutics) STUDY00005955: A randomized, double-blind, placebo-controlled, multicenter study to assess the safety and efficacy of Inclacumab in participants with sickle cell disease experiencing vaso occlusive crises.**
- **MuREVA Photobiomodulation for Oral Mucositis Study000040140**

Investigator Initiated Studies:

- **Incidence of Carotid Artery Stenosis study**
- **NIH funded HIV-HPV study: HPV and HIV Co-Infection: Clinical, Socio-Behavioral, and Microbiome Implications**
- Continue to enroll subjects and study is going well. Established a relationship and successful biospecimen transfer with KSL Diagnostics, Inc. who will assist in HPV analysis for research purposes.
- This study will count towards Commission on Cancer metrics for accruals.

Environmental Services

- Several floor care maintenance projects completed throughout the facility. Main projects included:
 - Dental Clinic
 - Ground Level CPEP
 - Ground Level Physical Therapy, both rooms
 - 1st floor Orthopedic clinic
- Continued training and development for (5) in-house floor team members.
- Implemented new linen ordering process to include daily par numbers and buffer with CleanCare for Terrace View to prevent linen shortages.
- Continue to work with our partners in bed coordination to improve overall throughput. Identifying areas of opportunity and developing strategies to decrease bed turnaround time. *Overall discharge time for February was 74 minutes, a 3-minute improvement from prior month.*

Food & Nutrition Services

Initiatives & Projects

- Introduction of new initiatives during the daily huddles in February.
 - Encompassing education on supplements and diets
 - Highlighting the allergen of the week
 - Discussing the diet of the week
 - Emphasizing the importance of PPD education
- Implement structures within operations and improve/implement processes to standardize operations.

Retail Café Enhancements

- Mashgin self-check-out system continues to be successful. Average of 40% gross sales run through Mashgin.
- Implement promotions and new menu items to maximize diversity and menu selections. Working with Diversity Equity & Inclusion Council for special entrees to showcase.

Laboratory Services

Equipment Upgrades/Replacements/Contracts:

- Vendor discussion for replacement of Chemistry front-end automation, chemistry platform upgrade, and long-term consumable pricing. This initiative requires review of long-term space planning to evaluate the feasibility of future extended automation tracks. Final instrumentation space plans are under review.
- Hematology System: 42-month contract extension completed with Sysmex. SysmexXN1000 installed on September 7, 2023. Validation of XN1000 is underway.
- Blood Product Supplier: Blood Buy Product Exchange agreement has been executed as a Premier service. Extension of the American Red Cross agreement as secondary supplier is under review.
- Pathology AB&T: Project in partnership with Kaleida Pathology to implement advanced barcode and tracking of Pathology specimens, blocks, and slides. AB&T will improve specimen tracking and traceability of Pathology material.

Outpatient Behavioral Health Services

Program Updates/Initiatives

- **Help Center**
 - Identification/attention toward staff recruitment/retainment and potential benefit of per diem staffing
 - Exploration for continued collaboration with Crisis Services as it relates to diversion and crisis response/referrals
- **On Track**
 - Assessment and planning related to expansion and relocation of On Track from 462 Grider to 1285 Main Street Clinic
 - Increased capacity
 - 2-stage expansion
 - Census of 40 to 55
 - Census of 55 to 70
 - Improved engagement through community-based setting
 - Increase use of existing space at 1285 Main Street
 - Increased groups and billables

- Increased hospitality space for participants
 - Improved access for participants (train/bus lines)
- **Adult & Family Clinic (AFC)**
 - Perinatal – Post Partum Depression Grant received
 - Support staff training and program development for this specific population (i.e. individual, group sessions)
 - Support appropriate accommodations for this specific population
 - Pursue community outreach and coordination with community providers for referral (currently 23 identified Perinatal patients)
- **1285 Main MICA Clinic**
 - OMH Opioid Epidemic Response: A31 Clinic Capacity Building Initiative
 - ECMC OPBH Clinics have implemented 5 best practices required for graduation
 - Final interview date to be determined by OMH
 - **Patient Experience/Satisfaction**
 - Perception of Care /Patient Satisfaction Surveys were completed December 2023/January 2024 (5-point Likert scale)
 - Northern Erie Clinical Services: 4.74
 - Downtown Clinical Services: 4.64
 - OPBH 1285 Main MICA Clinic: 4.26
- **Eye Movement Desensitization and Reprocessing (EMDR) Consultation & Training Initiative**
 - Evidenced based treatment for post-traumatic stress disorder
 - Training Completed and increased EMDR therapists within programs by 8 at 1285 Main and 3 at 462 Grider (Total EMDR therapists within both programs = 20)
 - Ongoing EMDR Consultation in support of EMDR intervention(s)
 - Monitor and target increase EDMR service delivery percentage for appropriate patients with trauma diagnoses within caseloads
- **Partial Hospitalization Program (PHP) for Early Psychosis – (1st Episode)**
 - Assessment and program considerations for multidisciplinary service
 - Ongoing review of potential program delivery surrounding:
 - Target census
 - Staffing model
 - Potential impact upon inpatient length of stay and decompression of CPEP
- **Psychology Testing Services**
 - Exploration, assessment, and consideration surrounding this potential service delivery within ECMC BH OTPT
- **CASAC Services – ECMC and Erie County Department of Social Services**
 - Contract update surrounding this service delivery is complete as of 2/27/2024
- **Outpatient Substance Use Treatment (SUT) Certified Recovery Peer Advocate (CRPA)**

- ECMCC and WNY Independent Living, INC. D/B/A Mental Health Connection contract fully executed as of 1/31/2024

Plant Operations / Capital Projects

Plant Operations/Facility project updates include the following:

30 North Union – Bariatric Clinic Renovation – Complete

- The expansion project is complete and fully operational. Awaiting delivery of window treatments.
- **To be completed** – Delivery and installation of window treatments.

Main Hospital – OR Equipment Surgical Lighting Replacements – In Progress

- **Completed** – surgical light replacements for ORs 1, 2, 4, 5, 6, 7, 8, 9, 11 are complete, video integration work, wall-mounted computers, room minor patching/painting, and minor floor repairs in ORs 4, 11 and 12.
- **To be completed** – surgical light replacements, video-integration work, wall-mounted computers, room minor patching/painting, and minor floor repairs in OR 3. Final Completion.

Main Hospital - OR Suites Updates for Surgical Light Replacements – In Progress (In-House Crew)

- Paint operation suites, replace general room lighting with flat panel LED fixtures, general repairs. Once completed, Steris will perform light replacements. In progress with OR1, OR2, OR5, OR6, OR7, OR8, OR9, OR12. OR11 and OR4 are complete.

Main Hospital – Refresh Former UB Radiology Space – Pending (In-House Crew)

- Replace missing and stained ceiling tiles, demo select equipment, patch/paint walls, replace missing light fixture lamps, clean light fixture lenses. Pending final work scope.

Mammography Suite Creation – Pending (In-House Crew)

- Remove wall and door in registration area, replace ceilings, add flat panel LED light fixtures, abate floors and paint/patch Pain Management rooms. Pending room access and final plans by Capital division.

Radiology

- CCTA's are being performed on a weekly basis. Dr. Glover is the designated provider reading the scans.
- IT is introducing Fuji PACS
- Replacement Carestream portable imaging units to be delivered in April for Radiology Rooms 35 and 37. Both rooms are expected to be complete by mid to end of June 2024.

Rehabilitation Services

Rehabilitation Services – Medical Rehab Unit (MRU)

- Uniformed Data Systems (UDS) Recertification process initiated and approximately 85% of staff have completed credentialing. This ensures that staff are using the inpatient rehab unit outcome measures appropriately and speaking a common

language. This is important for accurate data collection, comparisons to other facilities and for maximal reimbursement.

- The MRU, functioning with one physician had 20 admissions and 18 discharges with 411 patient days and a LOS of 22.8 days for the month of February. This is an increase from 2023 when the unit had 15 admissions, 16 discharges, 347 patient days and a LOS of 21.7 with two physicians.
- The Rehabilitation Symposium Committee is planning a symposium in March 2024.

Outpatient Rehabilitation Services

- Documentation project to support why “Skilled Therapist Intervention” is required for daily notes. PDSA cycle #1 for this project completed and adopted. This cycle was to determine current regulatory agency and insurance company documentation standards and staff training for competence. PDSA cycle #2 initiate to revise documentation to support the updates.
- The ECMC outpatient applied for a Dana and Christopher Reeves Grant to improve the quality of life for individuals with paralysis through the expansion of our current wheelchair evaluations and seating program.

PEDS

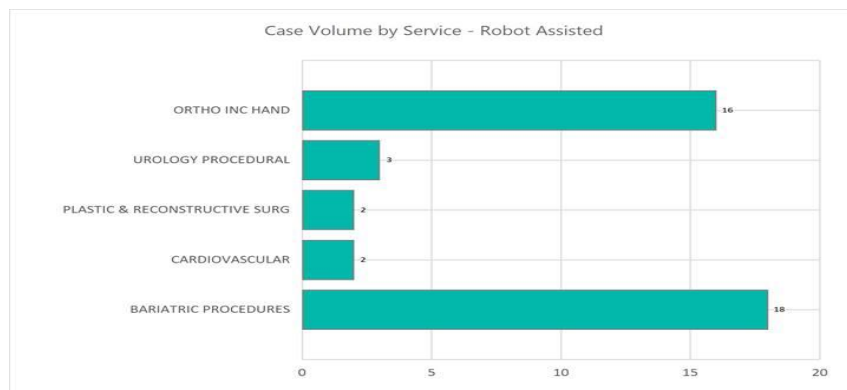
- ECMC PEDS 2024 compared to the same time frame in 2023 increased overall early intervention visits. Ongoing service coordination visits increased by 20%, and basic therapy and education visits increased by 16%. Preschool related service therapy visits increased by 22%. This is due to improved scheduling with local school district universal preschools and an increase in group therapy.

GENERAL REHAB

- Rehabilitation Services reported out at Cancer Care Committee related to all of the progress related to building rehab services targeting the Head and Neck population and also the close collaboration with the Kaleida Rehab Subgroup to work towards alignment for future shared accreditation with Great Lakes Health.

Surgical Services

Robotic Volume - February 2024



- Developing a strategic plan for 2024 with focus on increasing volume, P&P efficiencies, and PAT.

Terrace View

Operations

- The average daily census for February was 364.
- Podiatry Services: Dr. Yau provided podiatry services for Terrace View during February. Dr. Jascha Teibel received privileges and is expected to provide podiatry services in March.
- Monthly TV Department Head meetings are ongoing to review 2024 Capital Budget and department needs, review of regulatory testing compliance requirements, and survey preparedness update.
- The facility completed a one-for-one replacements of the dish machines in the café and main kitchen.

COVID/Infection Control

- On February 14, 2024, NYSDOH notified Terrace View the facility qualified for up to \$29,000 worth of infection prevention supplies. The facility placed the order and are awaiting delivery.

PATIENT EXPERIENCE

Press Ganey Scores

We continue to perform at a high level within our organization as it relates to Patient Experience. Our patient experience scores are listed below:

Patient Experience	YTD (Jan 1st, 2024- Feb 29, 2024 N= 43(est.)	NYS Jan 1st, 2023- Feb 28, 2023 N= 76(final)	2024 Benchmark <small>(2024 Benchmarks have not released)</small>
HCAHPS - Nurses	77(est.)	79	76
HCAHPS – Doctors	82(est.)	77	77
Discharge	86(est.)	94	85
Overall #	65(est.)	67	66

Ambulatory Medical Practices

- In 2024 the ECMC Ambulatory department is focusing on Health Equity and the Social Determinants of Health (SDOH). Our goal is to increase the connectivity to interventions for patients who documented a need(s) in the Social Determinant of Health Survey from a December 2023 baseline rate of 67%, to a 2024 goal of 80%. The team has started by updating resource guides for staff and patients on who would benefit from resources in the community.

Social Determinants of Health Resource List
If you would like to speak with our Social Worker or Nurse Case Manager, please let us know. We are here for you!

TRANSPORTATION:
Medicaid transportation 1-800-651-7040 • Senior Services (over 60) 716-858-7433

MENTAL HEALTH COUNSELING:
ECMC HELP CENTER "walk in, no appointment needed" 8:00am-4:00pm
462 Center Street
Behavioral Health Building
Buffalo, NY 14209 • (716) 898-1594
Adult and Family Clinic
462 Center Street
Behavioral Health Building
Buffalo, NY 14209 • (716) 898-3776
ECMC Downtown Clinical Services
1285 Main Street, 1st Floor
Buffalo, NY 14209
(716) 883-4517 #1
Crisis Services (after hour emergencies) - 716-834-3131

OUTPATIENT SUBSTANCE USE SERVICES:
Northern Erie Clinical Services 2005 Sheridan Drive Tonawanda, NY 14225 • (716) 874-5536
ECMC Downtown Clinical Services 1285 Main Street 2nd floor Buffalo, NY (716)-883-4517 #2

EMERGENCY HOUSING:
Erie County Social Services - 158 Pearl Street, Buffalo
716-858-6265 • AFTER 5 PM call 211 for assistance

EMERGENCY UTILITY ASSISTANCE:
HEAP: Clients with heat service off are encouraged to report to HEAP for assistance 460 Main Street Clients with a shut-off notice are encouraged to call the HEAP hotline at 716-858-7644 for information

TEMPORARY ASSISTANCE (CASH BENEFIT), SNAP (FOOD STAMPS), EVICTION/ MOVING ASSISTANCE, HOME REPAIRS:
Must go in person to Erie County Social Services - 460 Main Street 2nd floor 716-858-6265

INSURANCE COVERAGE:
ECMC Financial Counseling 716-898-5566
Erie County Medicaid 716-858-6244

HEALTH DEPARTMENT:
716-858-7690
OFFICE FOR THE DISABLED:
716-858-6215
SOCIAL SERVICES:
716-858-8000

ADULT PROTECTION:
716-858-6877
CHILD PROTECTION HOTLINE:
1-800-342-3720
BRAVE - BUFFALO RISING AGAINST VIOLENCE:
716-898-6461
CHILD SUPPORT HELP LINE:
1-888-208-4485

[Click here for Food Pantry List](#)

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CITY OF BUFFALO / FOOD PANTRY LIST					
Buffalo River Food Pantry	62 Republic Street, Buffalo 14204	716-858-8813 x 102	Monday - Thursday	8:00am - 9:00am	
Catholic Central Helping Hands Food Pantry	350 Deany Avenue, Buffalo 14214	716-452-3481	Wednesday	10:00am - 2:00pm	Only servicing 14214 & 14215
Catholic Charities South Buffalo Pantry	300 10th Street, Buffalo 14201	716-352-7500	Monday & Thursday	9:30am - 2:30pm	Break 12:00 - 12:30
Citizens Community Development Corporation	134 William Street, Buffalo 14204	716-452-2534	Tue, Wed, Thu, Fri	9:00am - 2:00pm	Closed until March 24
City Mission Society	100 East Tupper Buffalo 14203	716-454-8881	Saturday, Sunday	2:30pm - 6:30pm	
Community Action Information Center	103 Workers Avenue, Buffalo 14208	716-885-5925	Tuesday & Friday	9:00am - 3:00pm	Only servicing 14208
Concerned Parents Council/St. Lukes	314 East Ferry Street, Buffalo 14208	716-883-2861	Wednesday & Friday	10:00am - 1:30pm	
Evergreen Health Services	206 S. Elmwood Ave-1st Floor, Buffalo 14203	716-447-2441 x 1	Monday & Tuesday	2:30pm - 4:45pm	
First Shiloh Baptist Church	15 Pine Street, Buffalo 14204	716-847-6555	Wednesday	9:00am - 2:00pm	
Food Bank Urban Christian Ministries	967 Jefferson Avenue, Buffalo 14204	716-882-9472	Tuesday, Friday, Thursday	11:00am - 2:00pm 11:00am - 12:45pm	
Grace Lutheran Church Pantry	174 Casanova Street, Buffalo 14201	716-822-3553	Tuesday & Friday	10:00am - 1:00pm	
Hispanics Services Salvation Army	187 Grant Street, Buffalo 14203	716-886-5772	Tue, Wed, Thu	9:00am - 1:00pm	
Hispanics United Of Buffalo	254 Virginia Street, Buffalo 14201	716-659-7700	Monday - Friday	9:30am - 10:30am	
Juan R. Male Food Pantry	40 Diggins Street, Buffalo 14207	716-422-9018	Tuesday & Thursday	9:00am - 1:00pm	
Louisa Parish Outreach	139 N. Ogden Street, Buffalo 14206	716-512-7550	Wednesday & Friday	9:30am - 2:30pm	Break from 12:00pm - 12:30pm
North Urban Center Food Pantry	365 Paderewski Drive, Buffalo 14202	716-893-7222 x 300	Tuesday	12:00pm - 3:30pm	Only servicing 14202
Network of Religious Communities	1272 Delaware Avenue, Buffalo 14209	716-882-4793	Tuesday	10:00 - 1:45pm	
Resurrection Lutheran Pantry	3 East Street, Buffalo 14201	716-892-2489	Tue, Wed & Fri	10:00am - 12:00pm	
Salvation Army Buffalo	950 Main Street, Buffalo 14202	716-883-9800 x 3	Monday - Friday After 3:25 Mon, Wed & Fri	9:30am - 2:30pm 9:30am - 1:00pm	
South Buffalo Community Table Inc.	187 Southside Parkway, Buffalo 14203	716-422-3933	Sunday - Thursday	3:30pm - 5:00pm	All take out
St. Lawrence Parish Outreach	1520 East Delaware Avenue, Buffalo 14205	716-899-0047	Monday & Thursday	9:00am - 12:00pm	Only servicing 14205, appt. only
St. Luke AME Zion Church	314 East Ferry Street, Buffalo 14208	716-883-2861	Wednesday & Friday	10:30am - 1:30pm	
St. Philips Episcopal Church	15 Fernhill Avenue, Buffalo 14215	716-833-0442	Wednesday	10:00am - 2:00pm	
St. Vincent DePaul Dining Room	1288 Main Street, Buffalo 14209	716-882-3360 x 5	Mon, Tue, Fri & Sat	11:00am - 12:30pm	TO GO meals only
Taste of Faith Food Pantry	954 Winslow Avenue, Buffalo 14211	716-855-7393	Wednesday & Friday	11:00am - 2:00pm	
The Genesis Center	2101 Seneca Street, Buffalo 14201	716-422-1901 x 40	Wednesday Thursday Saturday	4:00pm - 6:00pm 10:30am - 1:00pm 10:30am - 12:30pm	Must register

Dialysis

- Eclipse preparations in place for planning staff levels and patient transportation.
- Dialysis Lobby Days will be scheduled in March for patients to increase education of different dialysis and transplant modalities.

Environmental Services

- Continued weekly updates with EVS leadership team and overall Patient Satisfaction scores communicated to frontline staff during Tier 1 shift huddles.
- Reorganization of labor force to strategic units and continued emphasis have had a positive impact and increased overall "cleanliness of hospital environment HCAHP scores by 3.5%.
- Increased workloads for frontline staff have impacted scores. Continuing to work on filling vacant positions with emphasis on service-driven candidates.

Food & Nutrition Services

Press Ganey – Patient Satisfaction Mean Scores (Goal = 50%)

	1/1-3/1/23		1/1-3/1/24	
	Survey size	Mean score	Survey size	Mean score
Courtesy	n=164	84.06	n=154	83.60
Temperature	n=160	63.39	n=152	66.61
Quality	n=159	61.81	n=151	62.25

Patient Service Initiatives

- Charlene Ludlow, ECMC CNO, is conducting bi-weekly rounds with Nutrition leadership to evaluate patient services.
- Weekly EOC rounds are being conducted with infection control, with no new findings reported.
- Daily tray sweeps in galleys and rooms are being carried out for quality assurance.
- The launch of the new patient menu was successful!

- Rachel Lorek, (AGM) has taken ownership of Patient Services. New workflows have been rolled out for all positions to ensure top patient care.
- AGM developed a new onboarding program implemented to further develop our team.

Quality Improvement Initiatives

- The new admission welcome bags include diet information.
- Our palliative care program continues to offer an enhanced comfort cart.
- Late trays for CPEP have been adjusted to improve satisfaction, increase snack and portion sizes.
- Weekly in-service staff training continues.
- Each leader is assigned a focus unit, to ensure nurse rounding is being conducted
- Additional fridge placed in CPEP to increase our PAR of snack items
- New protocol initiated when in surge to increase our PAR in ED and CPEP.
- Two new policies created with focus on missed meals and incarcerated patients.

Laboratory Services

The following initiatives are underway or completed for improvement of testing turn-around time and patient experience.

- Blood Bank electronic crossmatch implementation completed as of 1/23/24.
- MICU Point of Care Expansion: I-STAT point-of-care testing implemented within the MICUs as of February 2024.
- HbA1c POCT: Capital request submitted for expansion of the Siemens UniPoc middleware for electronic transfer of HbA1c orders and results to mitigate the redundant manual transcription process of results into Altera and Meditech.
- MTP Process: Review of current Massive Transfusion Protocol for possible introduction of Whole Blood MTP packs.
- Thromboplasty Technology Review: In collaboration with the Trauma, ICU, and OR teams' evaluation of point-of-care TEG Thromboplasty testing to improve management of trauma and critical patients for clotting capability.
- Community HCV Screening: Working with Immunodeficiency team to implement community screening for HCV in high-risk populations.
- Chemo Clinic POCT: Evaluation of the feasibility of a POCT test menu to support same day in clinic clearance of patients is in discovery phase.

Surgical Services

- Looking to replace obsolete Periopitum system with new bed tracking system in 2024. Tele-procedure team in development phase, weekly updates.
- Continue to monitor inpatient surgeries.

Review visitation policy for surgical patients remains the same, but encourage staff to allow visitors to see patients pre-op.

PEOPLE

Ambulatory Medical Practices

The Ambulatory Services Department staff continue to participate in community events, bringing pertinent healthcare information and education to the community. This is an opportunity to provide information about our Primary and Specialty Care Centers, provide pertinent education about various chronic illnesses, and linkage to a PCP at one of our Primary Care Centers. Below are the outreach/in-reach events attended by Ambulatory department staff:

- 2/2/2024: COEM and Employee Health & Safety partnered with Population Health to support the American Heart Association and Go Red for Women Campaign. The teams came together offering educational materials, giveaways, and blood pressure checks.
- 2/7/2024: The YOU Center for Wellness /LBGTQ1A2+ Resource Network tabled outside Great Lakes Café to celebrate “National Black HIV/Aids Awareness Day”.
- 2/13/2024: COEM staff attended and presented on the clinic’s services at the UAW Erie County February Meeting.
- 2/15/2024: COEM/YOU Center for Wellness attended the Health & Wellness event at the Downtown Buffalo Public Library.
- 2/16/2024: Dr. Claus and Elaine Laskowski participated in a radio interview on the services offered in the YOU Center for Wellness, the recorded aired the following morning.
- 2/21/2024: COEM tables at the Tri-Main Building, providing information on COEM services.
- 2/21/2024: COEM staff attended and presented on the clinic’s services at the UAW Niagara -Orleans County February Meeting.
- 2/24/2024 COEM attended “The Good for the Neighborhood” vendor fair providing information on services available at COEM as well as Ambulatory Care.

Outpatient Behavioral Health Services

Staff Updates

- **Recognition for enhanced credentials and public awards:**
 - Megan Green – Credentialed Alcoholism and Substance Abuse Counselor -2 (Northern Erie and Downtown Clinic)
 - Buffalo Spree 2024 Top Doctors - Anuradha Mendu, MD Addiction Medicine (Northern Erie Clinical Services)
 - Sandra Oberkircher – Licensed Clinical Social Worker (1285 MICA Clinic)
 - Matthew McCabe-Licensed Clinical Social Worker (1285 MICA Clinic)
 - Alexis Pena – Licensed Mental Health Counselor (1285 MICA Clinic)

Rehabilitation Services

Rehabilitation Services – MRU

- Rehab Quality Coordinator, Angela Jocoy, achieved Certification for inpatient rehab facility prospective payment system (IRF PPS). This is the first time in the history of the Medical Rehabilitation Unit that we have had a certified coordinator in the area of PPS. This allows the appropriate capture of rehab patients for diagnoses, comorbidities, tiered diagnoses, and other data points. This position qualifies patients for rehab stays and provides the ability to obtain the maximal amount of

rehab days allowed along with the maximal payments for each diagnosis. ECMC Rehab typically runs a high CMI as compared to most other facilities and that is why this position and certification highly important to the unit.

PEDS

- PEDS successfully recruited and hired a Coordinator of Youth Services and a Data Management Clerk. The new Coordinator of Youth Services will begin in March, in conjunction with some revenue production via direct care by completing evaluations while training in the new position. These positions are part of an overall restructure and cost savings plan for the PEDS area.
- ECMC PEDS continues to Increase relationships with local school districts to provide services in their UPK (universal preschool programs). Initial meeting conducted with a new school district regarding consultation and direct service provision in their nine UPK classrooms for the upcoming school year.
- A community member, an Erie County Early Intervention Ongoing Service Coordinator, reached out to praise ECMC PEDS' Special Education Itinerant teacher, Neda Hussien, for going above and beyond working with a family who was displaced due to a fire, and maintaining communication with the entire team, providing both continuing services and support.

Outpatient Rehab

- The ECMC outpatient department added two certifications: Theresa Liffiton is now Neurodevelopmental Trained (NDT certified) and Sartu Abdukadir is now Modified Barium Swallow Impairment Profile certified. Both certifications support the delivery of evidence-based care.

General Rehab

- At the Foundation's Gift Gathering event, a former rehab patient and family were highlighted as speakers for the event and spoke about the wonderful experience they had at ECMC and throughout Rehabilitation Services.
- Several rehabilitation staff members attended a public meeting for D'Youville University as part of their public meeting with the American speech and hearing association for accreditation. ECMC was asked to take part in the meeting as a stakeholder.

Terrace View

- New Staff (February): (1) FT LPN, (2) FT CNAs, (1) RPT LPN, (1) FT Certified Occupational Therapist (COTA), (1) RPT Respiratory Therapist
- Nursing agencies continue to be utilized to provide temporary supplemental staffing on the evening shift and minimally on the night shift for RNs, LPNs, CNAs, and Respiratory Therapists. The facility goal for 2024 is to increase the average census while continuing to improve staffing and limiting nursing supplemental agency use to the evening shift.

QUALITY

Ambulatory Medical Practices

The National Committee Quality Assurance's (NCQA) **Patient-Centered Medical Home (PCMH) Recognition program** was developed to identify medical practices that have

invested in a model of care that puts patients at the forefront and where continuous quality improvement is a priority.

- ECMC's Internal Medicine Clinic and Family Health Clinic have been reappointed for PCMH Recognition as of 2/22/2024.



Environmental Services

- HCAHPS (cleanliness of the hospital environment) dischargedate
February 2024 Top box score: **66%, n=110**

Food & Nutrition Services (Touchworks Rounding Tool)

Audit Period	Test Tray Audits		Hospitality Audits		Patient Rounding Audits	
	GOAL = 90%		GOAL = 90%		GOAL = 90%	
2/9 - 2/29/24	(n=70)	86%	(n=49)	98%	(n=333)	76%
1/12 - 2/9/24	(n=30)	88%	(n=16)	99%	(n=182)	76%
1/1 - 1/11/24	(n=10)	91%	(n= 10)	98%	(n=74)	78%

- Our commitment to excellence motivates us to strive for a 90% target across all aspects of our operations. The improvements made in hospitality and Test Tray audits have not only boosted the communication skills of our catering team but also equipped them to address patient inquiries and concerns efficiently. Looking ahead, our unwavering priority to promptly address new admissions through thorough patient rounds highlights our strong dedication to delivering exceptional Patient Services.

Laboratory Services

The Laboratory Medicine department continues to focus on 2024 QIPS Plan Initiatives.

The 2024 Quality Improvement and Patient Safety (QIPS) Plan has the following areas of focus.

- Reduce errors with Pathology Specimen submission from 42 events in 2023 to <30 events in 2024. Errors will be classified as specimen handling or clinical information. **Q1 event data will be evaluated for intervention planning.**
- Reduce registration errors on outpatient laboratory orders which cause a delay in provider review from 10% in 2023 to 5% in 2024. **Q1 data will be evaluated for intervention planning.**

- Reduce the % Immediate Spin Crossmatch from 95% of total crossmatch testing to 50% in 2024. ***The Electronic Crossmatch went live on 1/23/24. The immediate spin crossmatch rate was 72% in January and has been reduced to 46% in February. The use of the electronic crossmatch and reduction of immediate spin will be monitored through the remainder of the year.***

* Additional departmental metrics and focused audits continue in accordance with the master Quality plan.

Regulatory: There are no formal regulatory visits anticipated for 2024 and all corrective action plans for the AABB, NYS, and Joint Commission survey have been completed and tracked on-going for continued compliance.

Terrace View

- The facility successfully submitted the quarterly CMS Payroll Based Journaling (PBJ) reports on February 8, 2024 for October-December 2023 reporting period.
- Continue to adhere Environmental Round process/written feedback for neighborhoods to ensure adherence to Life Safety Code and Safety and environmental general safety.
- Nursing Administration: ADON's continue to monitor the neighborhoods that they maintain administrative responsibility for, to ensure units are in a state of regulatory compliance.

FINANCIAL

Ambulatory Medical Practices

- In the February 2024, the Ambulatory department saw 12,135 patients, while being budgeted for 12,822 visits (-5% budget). Departments that exceeded budget include You Center for Wellness, Urology, Hertel Dental, ENT, and Wound Care. Additionally, there were 74 visits for Covid testing and/or Covid vaccinations.

Dental/Oral Oncology & Maxillofacial Prosthetics

Patient Visits – February 2024

- Dental/Oral Oncology & Maxillofacial Prosthetics
 - 730 visits in 2024, 665 visits in 2023, an increase of 10%
- Dental Clinic – Suite 150
 - 913 visits in 2024, 992 visits in 2023, a decrease of 8%
- Dental Clinic at 800 Hertel Avenue
 - 423 visits in February 2024, the clinic opened March 2023

Dialysis

Budget and Variance:

- Outpatient (in-center treatments): 2024 Budget 3,957, Variance (-298)
- Home Program: (Home Peritoneal & Home Hemodialysis): YTD Budget 322 treatments, Variance (-169)

Census Volume:

- Outpatient (in-center treatments): February = 1,178 treatments, TYD 2024 total = 3,569
- Home Program: (Home Peritoneal & Home Hemodialysis): February = 85 treatments, 2024 totals = 322

Dialysis			2023			2024				
			YTD	Budget	Variance	Jan	Feb	YTD	Budget	Variance
4555	AKI	Hemodialysis - AKI	129	-	-	19	32	51	-	-
	DIALNON	Hemodialysis - Non-ESRD	0	-	-	0	0	0	-	-
	DIALTRAN	Hemodialysis - Transient	466	-	-	19	20	39	-	-
	HD	Hemodialysis - Chronic	23,020	-	-	1,791	1,778	3,569	-	-
	4555 Totals		23,615	24,539	-924 🟡	1,829	1,830	3,659	3,957	-298 🔴
5660	HOMEHD	Hemodialysis - Home	20	-	-	0	0	0	-	-
	PD	Hemodialysis - Peritoneal	1,474	-	-	68	85	153	-	-
	5660 Totals		1,494	2,713	-1,219 🔴	68	85	153	322	-169 🔴
Totals			25,109	27,252	-2,143 🔴	1,897	1,915	3,812	4,279	-467 🔴

Environmental Services

- Overall labor and supply budgets for February in line and below budget.
- Overall purchased services above budget for February 2024.
- Continue to focus on transitioning floor team to internal staff members to reduce J&J vendor costs.

Food & Nutritional Services

Retail Sales

February 2024 Actual	\$157,997	January 2024 Actual	\$137,757
February 2024 Budget	\$149,070	January 2024 Budget	\$149,070
Variance	+\$ 8,926 = 106%	Variance	-\$ 11,313 = 92%

Laboratory Services

- The department budget volumes for January YTD were positive 3.6% to budget target and increased 4.1% in comparison to FY23. The January YTD operating expense has a negative variance of 4.3% to budget target and a negative variance of 2.2% to FY23. The personnel expense has a positive variance of 1.9% to budget target and positive 1.3% to FY23 actual. Non-personnel expenses January YTD demonstrated a negative variance of 6.8% to budget target and a negative variance of 3.9% to FY23. The negative non-personnel variance was impacted by some delayed 2023 expense postings. The department will continue to monitor expense in alignment with overall volume. (February data not available at time of report).

Radiology

- The Radiology department is up 5.4% YTD over budget.

Rehabilitation Services

Acute Care

Acute therapy volumes continue to grow as the demand for acute therapy is growing in the emergency department, overflow units, observation, orthopedic services, critical care, acute geriatrics, behavioral health and for bedside wound care treatments.

- Acute PT was 168 treatments over budget (+5 %).
- Acute OT was 157 over treatments over budget (+ 7%).

Supportive Care & Palliative Medicine

- Total Inpatient Consults for February: 102
- Transitions of Care: 12 (home services)
- Sloan Comfort Home: 1
- Terrace View: 7

Surgical Services

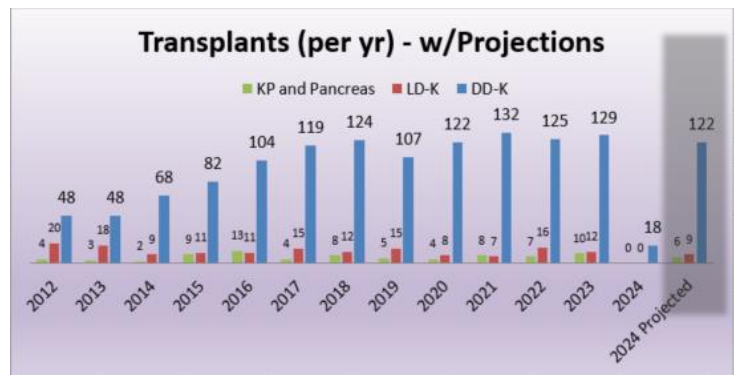
- 2023 surgical volume exceeded budget.
- OR Surgical Light Replacment project near completion, OR #3 remains.

Transplant

- 2024 started out slow in Transplant. With zero (0) Living Donors or KP's, we are one (1) less deceased Transplant from last year.
- Living Donor transplant will be performed on March 11.
- Pre-Transplant Clinic is below budget by -76 we did increase budget significantly in 2024 based on our 2023 volume.
- Post-Transplant has exceeded the 2024 budget YTD by 69.

Transplant / Vascular			2023			2024		
			YTD	Budget	Variance	Jan	Feb	YTD
6430	TRANPRE	Transplant Clinic	661	-	-	37	49	86
	TRANPREPRC	Transplant Clinic	2	-	-	0	1	1
	6430 Totals		663	563	100 ↑	37	50	87
6431	TRANPOST	Transplant Clinic	1	-	-	0	0	0
	TRANPOST	Transplant Clinic	4,258	-	-	369	352	721
	6431 Totals		4,259	4,411	-152 ↓	369	352	721
Totals			4,922	4,974	-52 ↓	406	402	808

	DD-K	LD-K	KP	Pancreas	Total
2009	16	7	0	0	23
2010	8	11	0	0	19
2011	11	2	2	0	15
2012	7	3	0	1	11
2013	15	4	0	0	19
2014	12	5	0	0	17
2015	3	1	0	0	4
2016	24	2	3	1	30
2017	23	6	0	0	29
2018	29	2	0	0	31
2019	23	2	2	0	27
2020	31	1	2	0	34
2021	35	0	0	0	35
2022	18	5	0	0	23
2023	19	1	2	0	22
2024	18	0	0	0	18



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Internal Financial Reports
For the month ended February 29, 2024

Erie County Medical Center Corporation

Financial Dashboard February 29, 2024

Statement of Operations:

	Month	Year-to-Date (YTD)	YTD Budget
Net patient revenue	\$ 52,838	\$ 107,552	\$ 103,684
Other	14,707	29,557	28,862
Total revenue	67,545	137,109	132,546
Salary & benefits	36,402	75,808	73,540
Physician fees	9,806	19,692	19,305
Purchased services	6,058	12,910	11,861
Supplies & other	13,589	27,318	26,459
Depreciation and amortization	4,133	8,257	7,921
Interest	977	1,972	1,758
Total expenses	70,965	145,957	140,844
Operating Income/(Loss) Before Other Items	(3,420)	(8,848)	(8,298)
Grant revenue	609	609	-
Income/(Loss) from Operations With Other Items	(2,811)	(8,239)	(8,298)
Other Non-operating gain/(loss)	1,272	1,074	200
Change in net assets	\$ (1,539)	\$ (7,165)	\$ (8,098)
Operating margin	-4.2%	-6.0%	-6.3%

Balance Sheet:

Assets:

Cash & short-term investments	\$ 82,909
Patient receivables	99,303
Assets whose use is limited	172,958
Other assets	504,485
	<u>\$ 859,655</u>

Liabilities & Net Assets:

Accounts payable & accrued expenses	\$ 324,891
Estimate self-insurance reserves	58,809
Other liabilities	498,631
Long-term debt, including current portion	200,538
Lease liability, including current portion	26,632
Subscription liability, including current portion	23,486
Line of credit	10,000
Net assets	(283,332)
	<u>\$ 859,655</u>

Cash Flow Summary:

	Month	YTD
Net cash provided by (used in):		
- Operating activities	\$ (17,540)	\$ 58,198
- Investing activities	(2,161)	(3,837)
- Financing activities	(1,480)	(3,069)
Increase/(decrease) in cash and cash equivalents	(21,181)	51,292
Cash and cash equivalents - beginning	92,244	19,771
Cash and cash equivalents - ending	<u>\$ 71,063</u>	<u>\$ 71,063</u>

Key Statistics:

	Month	YTD	YTD Budget
Discharges:			
- Acute	1,039	2,105	1,893
- Exempt units	399	805	890
Observation Cases:	262	566	428
Patient days:			
- Acute	8,213	17,041	15,261
- Exempt units	4,717	9,552	10,210
Average length of stay, acute	7.9	8.1	8.1
Case mix index Blended	1.76	1.82	1.84
Average daily census: Medical Center	446	443	425
Terrace View LTC	372	369	375
Emergency room visits, including admissions	5,039	10,121	10,683
Outpatient Visits	23,682	46,470	50,085
Days in patient receivables		55.4	

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Erie County Medical Center Corporation

Management Discussion and Analysis

For the month ended February 29, 2024

(Amounts in Thousands)

February 2024 Operating Performance

During February 2024, ECMCC experienced strong operating volume and revenue overall, representing positive trends continuing from 2023. ECMCC outperformed budget in inpatient cases during the month, especially within the acute medical and surgical service areas. ECMCC fell behind plan in total outpatient visits during the month primarily driven by certain clinic growth planned but only partially achieved. Total surgeries for the month far exceeded the operating plan leading to additional revenue for the month as well. The additional revenue derived from these volume trends during February were partially offset by additional expenses primarily within benefits and purchased services, which drove an operating loss for the month of (\$3,420). This operating loss however was favorable to the month's budgeted loss of (\$3,754) and significantly better than the operating loss during February 2022 of (\$7,327).

Inpatient discharges for the month exceeded the budgeted cases of 1,320 by 118 cases (or 8.97%), driven by favorable variances in acute, behavioral health and medical rehab services offset by unfavorable variances in chemical dependency services. Acute discharges of 1,039 exceeded the budget by 16.3%, bolstered by inpatient surgery variance of 41 surgeries. During February management was able to stabilize the acute length of stay after the winter storm event experienced in January. ECMCC managed to an acute length of stay of 7.9 days in February as compared to an expected length of stay of 7.9 days, which also represents a reduction from January 2024's acute length of stay of 8.3 days. Net patient service revenue however was unfavorably impacted during the month with an acute case mix index of 1.76 as compared to a budgeted case mix of 1.86. This was driven in large part by a reduction in severity of respiratory cases in the community.

Additionally, during February, ECMCC's Terrace View skilled nursing facility has nearly returned to 95% occupancy due to significant and successful recruitment efforts to address the staffing challenges experienced at that facility over the last several years.

Outpatient volume fell below budget for the month by 1,409 visits, a 5.6% shortfall. This was driven primarily by lower clinic visit volume during the month. However, during the month ECMCC experienced a significant increase in outpatient surgeries, resulting in a total of 617 total cases for February. This represents a favorable variance of 64 cases over the budget of 553, or 11.6%. Certain clinic growth has been delayed slightly due to the timing of construction and staffing challenges but are temporary in nature and are expected to be achieved throughout the rest of the year.

Total FTEs during February were essentially in line with budgeted targets for the month, which represents a decrease from the FTEs reported during January. Lower usage of vacation time, sick time and other leave time influenced the overall variance favorably during the month. Management does continue to experience costs related to premium time including overtime, shift differential, and additional worked time bonus rates per hour. These increases were necessary to ensure staff availability during a period of significant staffing challenges as well as to meet minimum staffing standards imposed by New York State both for the Hospital and Terrace View.

Expenses were also seen during the month in temporary nursing staff in both the hospital and Terrace View to meet minimum standards. Management has planned for a certain number of agency staff to remain throughout the year, however, ECMCC is still ramping down, but not yet to the level within the plan for February.

Erie County Medical Center Corporation

Management Discussion and Analysis

For the month ended February 29, 2024

(Amounts in Thousands)

Balance Sheet

ECMCC saw a significant increase in cash from December 2023 resulting in 38 days operating cash as compared to 16 days operating cash at the end of 2023. Cash levels have increased during the two-month period as a result of the receipt of the 2023 initial disproportionate share (DSH/IGT) payment, along with the retrospective reimbursement settlement related to the 340b drug pricing program. Partially offsetting those receipts, management paid the New York State Pension Plan contribution timely as required as well as ongoing operating vendor payments. Lastly, the ongoing efforts to accelerate and increase collections as a result of ongoing cash management efforts as well as the billing and collection project implemented in September 2023 have favorably impacted the overall cash balance. It is important to note as well that there remains a delay in receipt of the Nursing Home Upper Payment Limit (UPL) payment for 2023, which is not expected until June of 2024.

Patient receivables decreased over \$3 million from December 31, 2023 due to management implementing initiatives to increase cash collections and reduce delays. Total Days in Patient Receivables has decreased another 7.8 days from the end of December 31, 2023, driven by additional cash receipts during the month.

The decrease in prepaid expenses, inventories and other receivables from December 31, 2023 is related to receipt of the DSH/IGT payments for prior periods during January partially offset by the additional receivable recorded related to the 2024 DSH/IGT.

The change in other accrued expenses reflects the recognition of the deferred revenue received in January of 2024 resulting from the receipt of the current year initial payment for DSH/IGT.

The change in other liabilities is the result of the net activity related to the payment of contribution required by the NYS pension plan.

Vendor Related Cyber Incident

On February 21, 2024, Change Healthcare, a third-party service provider to ECMCC and several of its vendors, became aware of a cybersecurity incident (the "Incident") causing a disruption across the health care industry. ECMCC uses Change Healthcare for various revenue cycle related services including professional billing, claims processing, and eligibility authorizations. As a result of the Incident, as of March 15, 2024, ECMCC is not aware of any company data including personally identifiable information (PII) and/or protected health information (PHI), that has been compromised because of the incident. ECMCC will continue to monitor the overall response by Change to the incident but cannot predict at this point whether it will have a significant adverse impact on the organization or whether PII or PHI will be identified in the future as being compromised. Additionally, ECMCC is in constant contact with Change Healthcare, the various vendors and payers impacted and has implemented cash management strategies in order to ensure that any unfavorable cash flow impacts have been mitigated.

Erie County Medical Center Corporation

Balance Sheet February 29, 2024 and December 31, 2023

(Dollars in Thousands)

	February 29, 2024	December 31, 2023	Change from December 31st
Assets			
Current Assets:			
Cash and cash equivalents	\$ 71,063	\$ 19,771	\$ 51,292
Investments	11,846	10,646	1,200
Patient receivables, net	99,303	102,389	(3,086)
Prepaid expenses, inventories and other receivables	36,008	62,528	(26,520)
Total Current Assets	218,220	195,334	22,886
Assets Whose Use is Limited:			
Designated under self-Insurance programs	57,904	57,904	-
Restricted under third party agreements	109,919	107,627	2,292
Designated for long-term investments	5,135	5,091	44
Total Assets Whose Use is Limited	172,958	170,622	2,336
Property and equipment, net	300,454	307,343	(6,889)
Other assets	168,023	168,809	(786)
Total Assets	\$ 859,655	\$ 842,108	\$ 17,547
Liabilities & Net Position			
Current Liabilities:			
Current portion of long-term debt	\$ 12,805	\$ 12,869	\$ (64)
Current portion of lease liability	6,926	6,944	(18)
Current portion of subscription liability	8,964	8,724	240
Line of credit	10,000	10,000	-
Accounts payable	57,730	59,922	(2,192)
Accrued salaries and benefits	79,332	73,734	5,598
Other accrued expenses	182,992	125,936	57,056
Estimated third party payer settlements	4,837	4,486	351
Total Current Liabilities	363,586	302,615	60,971
Long-term debt	187,733	188,940	(1,207)
Long-term lease liability	19,706	20,521	(815)
Long-term subscription liability	14,522	15,727	(1,205)
Estimated self-insurance reserves	58,809	59,340	(531)
Other liabilities	498,631	531,132	(32,501)
Total Liabilities	1,142,987	1,118,275	24,712
Total Net Position	(283,332)	(276,167)	(7,165)
Total Liabilities and Net Position	\$ 859,655	\$ 842,108	\$ 17,547

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Erie County Medical Center Corporation

Statement of Operations

For the month ended February 29, 2024

(Dollars in Thousands)

	Actual	Budget	Favorable/ (Unfavorable)	Prior Year
Operating Revenue:				
Net patient revenue	53,688	51,075	2,613	44,845
Less: Provision for uncollectable accounts	(850)	(993)	143	(983)
Adjusted Net Patient Revenue	52,838	50,082	2,756	43,862
Disproportionate share / IGT revenue	10,273	10,273	-	9,571
Other revenue	4,434	4,158	276	2,323
Total Operating Revenue	67,545	64,513	3,032	55,756
Operating Expenses:				
Salaries & wages	27,673	27,623	(50)	24,944
Employee benefits	8,729	7,726	(1,003)	7,960
Physician fees	9,806	9,652	(154)	9,082
Purchased services	6,058	5,652	(406)	6,299
Supplies	11,078	10,062	(1,016)	8,092
Other expenses	1,880	1,967	87	1,717
Utilities	631	656	25	699
Depreciation & amortization	4,133	4,050	(83)	3,353
Interest	977	879	(98)	937
Total Operating Expenses	70,965	68,267	(2,698)	63,083
Operating Income/(Loss) Before Other Items	(3,420)	(3,754)	334	(7,327)
Other Gains/(Losses)				
Grant revenue	609	-	609	4,228
Income/(Loss) from Operations	(2,811)	(3,754)	943	(3,099)
Other Non-operating Gain/(Loss):				
Interest and dividends	485	180	305	203
Unrealized gain/(loss) on investments	787	(80)	867	(2,305)
Non-operating Gain/(Loss)	1,272	100	1,172	(2,102)
Excess of Revenue/(Deficiency) Over Expenses	\$ (1,539)	\$ (3,654)	\$ 2,115	\$ (5,201)

Erie County Medical Center Corporation

Statement of Operations

For the two months ended February 29, 2024

(Dollars in Thousands)

	Actual	Budget	Favorable/ (Unfavorable)	Prior Year
Operating Revenue:				
Net patient revenue	109,442	105,763	3,679	94,179
Less: Provision for uncollectable accounts	(1,890)	(2,079)	189	(2,339)
Adjusted Net Patient Revenue	107,552	103,684	3,868	91,840
Disproportionate share / IGT revenue	20,547	20,547	-	19,142
Other revenue	9,010	8,315	695	5,070
Total Operating Revenue	137,109	132,546	4,563	116,052
Operating Expenses:				
Salaries & wages	58,415	57,693	(722)	54,211
Employee benefits	17,393	15,847	(1,546)	16,718
Physician fees	19,692	19,305	(387)	18,451
Purchased services	12,910	11,861	(1,049)	12,813
Supplies	22,481	21,338	(1,143)	17,961
Other expenses	3,837	3,931	94	3,764
Utilities	1,000	1,190	190	1,314
Depreciation & amortization	8,257	7,921	(336)	6,706
Interest	1,972	1,758	(214)	1,874
Total Operating Expenses	145,957	140,844	(5,113)	133,812
Operating Income/(Loss) Before Other Items	(8,848)	(8,298)	(550)	(17,760)
Other Gains/(Losses)				
Grant revenue	609	-	609	6,478
Income/(Loss) from Operations	(8,239)	(8,298)	59	(11,282)
Other Non-operating Gain/(Loss):				
Interest and dividends	793	360	433	347
Unrealized gain/(loss) on investments	281	(160)	441	605
Non-operating Gain/(Loss)	1,074	200	874	952
Excess of Revenue/(Deficiency) Over Expenses	\$ (7,165)	\$ (8,098)	\$ 933	\$ (10,330)

Erie County Medical Center Corporation

Statement of Changes in Net Position

For the month and two months ended February 29, 2024

(Dollars in Thousands)

	<u>Month</u>	<u>Year-to-Date</u>
Unrestricted Net Assets:		
Excess/(Deficiency) of revenue over expenses	\$ (1,539)	\$ (7,165)
Other transfers, net	-	-
Contributions for capital acquisitions	-	-
Change in accounting principle	-	-
Net assets released from restrictions for capital acquisition	-	-
	<u>(1,539)</u>	<u>(7,165)</u>
Change in Unrestricted Net Assets	<u>(1,539)</u>	<u>(7,165)</u>
Temporarily Restricted Net Assets:		
Contributions, bequests, and grants	-	-
Other transfers, net	-	-
Net assets released from restrictions for operations	-	-
Net assets released from restrictions for capital acquisition	-	-
	<u>-</u>	<u>-</u>
Change in Temporarily Restricted Net Assets	<u>-</u>	<u>-</u>
Change in Net Position	<u>(1,539)</u>	<u>(7,165)</u>
Net Position, beginning of period	<u>(281,793)</u>	<u>(276,167)</u>
Net Position, end of period	<u>\$ (283,332)</u>	<u>\$ (283,332)</u>

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Erie County Medical Center Corporation

Statement of Cash Flows

For the month and two months ended February 29, 2024

(Dollars in Thousands)

	Month	Year-to-Date
Cash Flows from Operating Activities:		
Change in net assets	\$ (1,539)	\$ (7,165)
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by/(Used in) Operating Activities:		
Depreciation and amortization	4,133	8,257
Provision for bad debt expense	850	1,890
Net change in unrealized (gain)/loss on Investments	(787)	(281)
<u>Changes in Operating Assets and Liabilities:</u>		
Patient receivables	(3,709)	1,196
Prepaid expenses, inventories and other receivables	(1,942)	26,520
Accounts payable	(8,941)	(2,192)
Accrued salaries and benefits	10,520	5,598
Estimated third party payer settlements	180	351
Other accrued expenses	(15,098)	57,056
Self Insurance reserves	300	(531)
Other liabilities	(1,507)	(32,501)
Net Cash Provided by/(Used in) Operating Activities	<u>(17,540)</u>	<u>58,198</u>
Cash Flows from Investing Activities:		
Additions to Property and Equipment, net	(94)	(1,368)
Decrease/(increase) in assets whose use is limited	(3,117)	(2,336)
Sale/(Purchase) of investments, net	1,408	(919)
Investment in component units	-	-
Change in other assets	(358)	786
Net Cash Provided by/(Used in) Investing Activities	<u>(2,161)</u>	<u>(3,837)</u>
Cash Flows from Financing Activities:		
Principal payments on / proceeds from long-term debt, net	(632)	(1,271)
Principal payments on / additions to long-term lease liability, net	(551)	(833)
Principal payments on / additions to long-term subscription, net	(297)	(965)
Proceeds from line of credit	-	-
Increase/(Decrease) in Cash and Cash Equivalents	<u>(21,181)</u>	<u>51,292</u>
Cash and Cash Equivalents, beginning of period	<u>92,244</u>	<u>19,771</u>
Cash and Cash Equivalents, end of period	<u><u>\$ 71,063</u></u>	<u><u>\$ 71,063</u></u>

Erie County Medical Center Corporation

Statistical and Ratio Summary

	February 29, 2024	December 31, 2023	ECMCC 3 Year Avg. 2020 - 2022
<u>Liquidity Ratios:</u>			
Current Ratio	0.6	0.7	0.8
Days in Operating Cash & Investments	38	16	29.5
Days in Patient Receivables	55.4	63.2	55.5
Days Expenses in Accounts Payable	60.3	53.6	61.2
Days Expenses in Current Liabilities	144.9	129.2	144.5
Cash to Debt	70.2%	43.0%	52.8%
Working Capital Deficit	\$ (145,366)	\$ (89,919)	\$ (72,929)
<u>Capital Ratios:</u>			
Long-Term Debt to Fixed Assets	62.5%	67.7%	68.4%
Assets Financed by Liabilities	133.0%	133.6%	127.9%
Debt Service Coverage (Covenant > 1.1)	1.7	2.3	1.6
Capital Expense	9.7%	3.0%	3.0%
Average Age of Plant	6.7	7.6	9.4
Debt Service as % of NPSR	3.8%	4.2%	4.0%
Capital as a % of Depreciation	16.6%	13.1%	34.3%
<u>Profitability Ratios:</u>			
Operating Margin	-6.5%	-13.2%	-14.1%
Net Profit Margin	-6.5%	-1.0%	-3.5%
Return on Total Assets	-5.0%	-0.8%	-2.1%
Return on Equity	15.2%	2.3%	7.9%
<u>Productivity and Cost Ratios:</u>			
Total Asset Turnover	1.0	0.9	0.8
Total Operating Revenue per FTE	\$ 245,581	\$ 224,619	\$ 216,505
Personnel Costs as % of Total Revenue	54.5%	57.5%	57.0%

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Erie County Medical Center Corporation

Key Statistics

Period Ended February 29, 2024

Current Period				Year to Date				
Actual	Budget	% to Budget	Prior Year		Actual	Budget	% to Budget	Prior Year
				Discharges:				
1,039	893	16.3%	895	Med/Surg (M/S) - Acute	2,105	1,893	11.2%	1,900
228	211	8.2%	201	Behavioral Health	440	463	-5.0%	436
153	200	-23.4%	177	Chemical Dependency (CD) - Detox	328	398	-17.7%	365
18	16	12.6%	16	Medical Rehab	37	29	29.8%	28
1,438	1,320	8.97%	1,289	Total Discharges	2,910	2,783	4.6%	2,729
				Patient Days:				
8,213	7,040	16.7%	8,166	M/S - Acute	17,041	15,261	11.7%	17,757
3,693	3,714	-0.6%	3,877	Behavioral Health	7,441	8,001	-7.0%	8,052
613	852	-28.1%	703	CD - Detox	1,304	1,652	-21.1%	1,523
411	280	46.8%	347	Medical Rehab	807	557	44.9%	709
12,930	11,886	8.8%	13,093	Total Patient Days	26,593	25,471	4.4%	28,041
				Average Daily Census (ADC):				
283	243	16.7%	292	M/S - Acute	284	254	11.7%	301
127	128	-0.6%	138	Behavioral Health	124	133	-7.0%	136
21	29	-28.1%	25	CD - Detox	22	28	-21.1%	26
14	10	46.8%	12	Medical Rehab	13	9	44.9%	12
446	410	8.8%	468	Total ADC	443	425	4.4%	475
				Average Length of Stay:				
7.9	7.9	0.3%	9.1	M/S - Acute	8.1	8.1	0.4%	9.3
16.2	17.6	-8.1%	19.3	Behavioral Health	16.9	17.3	-2.1%	18.5
4.0	4.3	-6.0%	4.0	CD - Detox	4.0	4.1	-4.1%	4.2
22.8	17.5	30.4%	21.7	Medical Rehab	21.8	19.5	11.7%	25.3
9.0	9.0	-0.2%	10.2	Average Length of Stay	9.1	9.2	-0.2%	10.3
				Occupancy:				
82.4%	79.7%	3.4%	86.4%	% of M/S Acute staffed beds	82.4%	79.7%	3.4%	86.4%
				Case Mix Index:				
1.76	1.86	-5.5%	1.7057	Blended (Acute)	1.82	1.84	-1.0%	1.72
262	204	28.4%	195	Observation Status	566	428	32.2%	414
398	357	11.5%	322	Inpatient General Surgeries	818	755	8.3%	715
617	553	11.6%	557	Outpatient General Surgeries	1,273	1,214	4.9%	1,223
26	43	-39.5%	48	Inpatient Ancillary Surgeries	46	92	-50.0%	117
29	27	7.4%	23	Outpatient Ancillary Surgeries	71	56	26.8%	48
23,682	25,091	-5.6%	23,708	Outpatient Visits	46,470	50,085	-7.2%	48,286
5,039	5,162	-2.4%	4,662	Emergency Visits Including Admits	10,121	10,683	-5.3%	9,455
55.4	44.2	25.3%	60.6	Days in A/R	55.4	44.2	25.3%	60.6
1.4%	2.0%	-26.6%	2.6%	Bad Debt as a % of Net Revenue	1.6%	2.0%	-18.4%	2.9%
3,232	3,181	1.6%	3,208	FTE's	3,243	3,204	1.2%	3,207
4.27	4.43	-3.6%	4.27	FTE's per Adjusted Occupied Bed	4.17	4.34	-4.1%	4.09
\$ 20,053	\$ 20,040	0.1%	\$ 18,744	Net Revenue per Adjusted Discharge	\$ 19,563	\$ 1,581	1137.8%	\$ 18,351
\$ 27,090	\$ 27,144	-0.2%	\$ 27,042	Cost per Adjusted Discharge	\$ 26,474	\$ 2,127	1144.9%	\$ 26,778
Terrace View Long Term Care:								
10,780	10,891	-1.0%	10,190	Patient Days	22,113	22,529	-1.8%	21,513
372	376	-1.0%	364	Average Daily Census	369	375	-1.8%	365
95.3%	96.3%	-1.0%	93.3%	Occupancy - % of Staffed beds	94.5%	96.3%	-1.8%	93.5%
457	504	-9.4%	405	FTE's	464	509	-8.9%	409
6.8	7.4	-8.5%	6.4	Hours Paid per Patient Day	6.7	7.2	-7.2%	6.1

Medical Executive Committee

CMO Report to the ECMC Board of Directors

March 2024

University at Buffalo Update

- The Chair of Medicine has been selected. We are waiting for the announcement.
- Psychiatry Chair search is underway as well as the Anesthesia Chair search.

Current hospital operations

- Admissions YTD: 2,462 (2,234)
- ED visits YTD: 10,192 (9,316)
- CPEP visits: 1,797 (1,825)
- Observation: 648 (470)
- Inpatient Surgeries: 957 (839)
- Outpatient Surgeries: 1,447 (1,484)
- ALC days YTD: 1,681 (2,729)

The average length of stay MTD 7.8 (7.6). CMI 1.8474 (1.7565)

CMO Update

- Preparing for the 2024 eclipse on April 8, 2024. Upwards of a million additional people are expected in the city of Buffalo, as we are in the direct path of the eclipse.
 - Infrastructure concerns
 - Volume of traffic on the road
 - Schools will be closed, childcare issues with call-ins
 - Road congestion
 - Patient discharging concerns
 - Expecting a state of emergency being declared prior to the event

OR Lighting Update

- The lighting project will be complete by the end of this week. They are working on room eleven, our final OR room. Thank you to Marc Labelle and Cassie Davis for making this project happen on time and on budget.

Communications and External Affairs Report
Submitted by Peter K. Cutler
Vice President of Communications and External Affairs
March 26, 2024

Marketing

- Continued advertising marketing support of Orthopedic services, Help Center and nursing recruitment through placement of TV, radio, and print advertisements. Also maintained ECMC's long secured billboard just east of Grider Street on the outbound side of NYS Route 33 with graphics highlighting ECMC's nationally ranked Orthopedic services.

Media Report

- Continue coordination of media interviews related to ECMC service lines including coverage of transplantation, orthopedics, behavioral health, surgical services, physical therapy and emergency services.

Community and Government Relations

- With Governor Hochul's delivery of her annual State of the State address and then the subsequent release one week later of her recommended 2024-25 Executive Budget, the NYS 2024 Legislative Session has commenced. We are engaged in our advocacy in the State Capitol between the Executive Chamber and each house of the State Legislature for programs, policies and funding opportunities to reinforce and strengthen ECMC's position as our region's leading healthcare institution for trauma/emergency, behavioral health, transplantation services, as well as enhance our position as our region's safety net hospital, providing high-quality healthcare services for the most vulnerable residents of our community.

MEDICAL EXECUTIVE COMMITTEE MEETING

MONDAY, FEBRUARY 26, 2024

MEETING HELD BY MICROSOFT TEAMS PLATFORM

Attendance (Voting Members):

Sergio Anillo, MD	Jeffrey Brewer, MD	Anthony DePlato, MD	Douglas Drumsta, MD
Richard Ferguson, MD	William Flynn, Jr., MD	Sandra Sieminski, MD	Richard Hall, MD, DDS, PhD
Joseph Izzo, JR., MD	Elizabeth Kapral, DDS	Keith Krabill, MD	Michael Manka, MD
Ellen Rich, MD	Parveen Minhas, ANP	Yaron Perry, MD	Jennifer Pugh, MD
Matthew Ruggieri, MD	Yousef Soofi, MD	Kimberly Wilkins, MD	
Mary Welch, MD	Cassandra Williams, MD	Siva Yedlapati	
Yogesh Bakhai, MD	William Belles, MD	Rebecca Buttaccio, PA	

Non-Voting Members and Guests:

Thomas Quatroche, PhD	Andy Davis, COO	Samuel Cloud, DO	Arthur Orlick, MD
William Flynn, MD	Mandip Panesar, MD	Charlene Ludlow, RN	Dean Allison Brashear
Cheryl Carpenter	Jon Swiatkowski	Donna Jones	Cassie Davis
Michael Ott, Pharm D	John Cumbo	Becky DelPrince	Peter Cutler
Charles Cavaretta	Ashley Halloran, Pharmacy	John Tomaszewski, MD	Melissa Gomez

I. CALL TO ORDER

A. Dr. Jennifer Pugh, President, called the meeting to order at 11:31 am.

B. PRESIDENT'S REPORT:

1. Doctor's Day Breakfast will be held on Wednesday, March 27, 2024 beginning at 7:30 am in the overflow café.
2. The next Wellness Welcome will take place on Thursday, April 18, 2024. We are currently working on our invite list of new Medical Dental Staff members so if you have anyone in your department that you would recommend attending, please let us know.
3. We are finalizing our plan for in-house leadership training to be held over 2 years in Buffalo. We are looking for those currently in leadership to nominate rising leaders within your department who would benefit from coursework in resolving conflict, communication, and healthcare strategy.
4. Dr. Pugh took a moment to recognize Residents Week and to thank the Residents for all they do.

II. ADMINISTRATIVE REPORTS

A. CEO/COO/CFO REPORT –Tom Quatroche, CEO, Andrew Davis, COO, Jon Swiatkowski, CFO

1. CEO – Dr. Tom Quatroche, PhD.

- a. The hospital has recently received IGT operational funding.
- b. Thank you to Jon Swiatkowski and his team who assisted with the process of retrieving FEMA funding.
- c. We continue to work with state legislators reviewing the state budget.

- d. Operationally, Dr. Quatroche thanked all for their continued efforts as the hospital becomes busier.

2. COO REPORT – Andrew Davis

- a. Mr. Davis thanked the Synergy team as they reopened the bariatric center.
- b. The OR lighting project continues and should be completed by the end of March. Mr. Davis thanked all assisting with this project.

3. CFO REPORT – Jon Swiatkowski

- a. Mr. Swiatkowski began with a recap of January 2024 progress. There is a continuation of positive trends with the inpatient status and inpatient surgeries. The January snowstorm did have a slight impact on our overall numbers, as some clinics had to close due to the storm with travel restrictions in place.
- b. We continue to work with the state and the federal government for future reimbursement for the hospital.
- c. Mr. Swiatkowski and John Cumbo spoke on the recent Charge Healthcare cyber-attack. This was a widespread issue impacting thousands of providers.

III. CHIEF NURSING OFFICER REPORT – Charlene Ludlow, RN, CIC

- a. Reminder that Doctor's Day is March 27, 2024, with breakfast in the overflow café from 7:30 – 10:00 am.
- b. Recruitment continues in the nursing department working with several universities. We are currently experiencing the highest volume of students in-house.
- c. Bed huddles continue seven days a week. Working on earlier discharges (by noon each day) if possible. This will assist with throughput for the rest of the day.
- d. Congratulations to Karen Konikoff as she prepares for retirement. There will be a luncheon taking place Wednesday this week.

IV. UNIVERSITY REPORT – Dean Allison Brashear, MD, MBA

- a. Dr. Brashear spoke on the Learning Environment.
- b. The Student Graduation questionnaire went out on February 14, 2024 and is completed by the medical students. These students graduate on April 26th and the 4th year students are asked to fill out this questionnaire. A response rate of 80-90% is typically received.
- c. 'Beyond The Knife' program took place last week. This program was about the neighborhoods, their configurations, and the impact on the community.
- d. 'Changing the East Side of Buffalo' program will be taking place later today. We have over 400 people registered for this event.
- e. On March 15, 2024, at noon the Powerhouse will host 'The Match'. This event has every 4th year medical students open their envelope for their match.

V. CHIEF MEDICAL OFFICER REPORT – Samuel D. Cloud, DO

- a. Dr. Cloud took a moment to congratulate Michael Cummings, MD and Jillian Sauer, RN for achieving the distinguished Physician Honoree award and the distinguished Nursing Honoree award, respectively.
- b. Dr. Cloud shared an operation update which included ED volumes, CPEP volumes, admissions, observation, average length of stay, ALC days, along with inpatient and outpatient surgeries.

- c. An updated on the OR lightening project was shared. The project is on schedule and on budget.
- d. Dr. Cloud shared an update on the COVID trends in Western New York along with trends on Influenza.
- e. The University is reaching an end to the interview process for the Chair of Medicine with the Chair of Psychiatry and the Chair of Anesthesia search getting underway.

VI. ASSOCIATE MEDICAL DIRECTORS REPORT – Dr Arthur Orlick, Dr. Michael Cummings, Dr. Tadakamalla and Dr. William Flynn

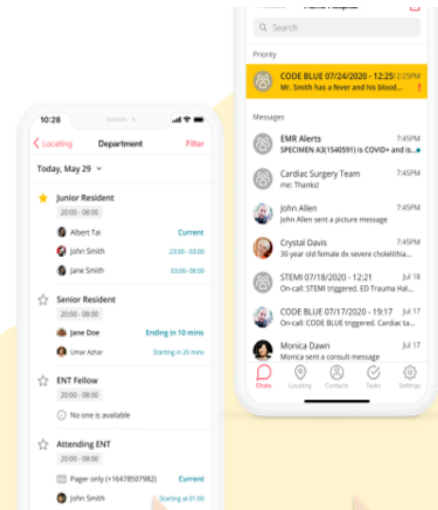
- a. Dr. Flynn stated that the Surgical Executive Committee is working on process performance indicators to improve efficiencies in the OR.
- b. The Trauma program is preparing for the March 2025 re-certification.

VII. CHIEF MEDICAL INFORMATION OFFICER REPORT – Mandip Panesar, MD

- a. Dr. Panesar spoke on the CDS Query Intervention process through Meditech. This is a revised process which should be more streamlined. We anticipate a GO LIVE date beginning early next week.
- b. Dr. Panesar and John Cumbo reviewed HYPERCARE. Cortext is being decommissioned at the end of July 2024. Onsite training for HYPERCARE begins March 18, 2024. Complete support for current Cortext will end July 30, 2024.



- Cortext is being decommissioned *(End of Life July 2024)*
- Improved reliability over Cortext
- Shared directory with Kaleida plus ability to combine group conversations
- OnCall Scheduling – Create, manage, and search schedules centrally
- Code Team Activations – Based on OnCall schedules
- Timeline:



VIII. CONSENT CALENDAR

MEETING MINUTES/MOTIONS			PAGE #
1.	MINUTES of the Previous MEC Meeting: January 22, 2024	7-11	Receive and File
2.	CREDENTIALS COMMITTEE: February 1, 2024	13-25	Receive and File
	Appointments		Review and Approve
	Reappointments		Review and Approve
	Resignations		Review and Approve
	Dual Reappointment Applications		Review and Approve
	New Business / Extractions		
	Appointment Approval	90-91	Review and Approve
	Committee Assignments	93-96	Review and Approve
	Radiology Job Description	98-105	Review and Approve
	Dietary Manua	107	Review and Approve
	OPPE Metrics	109-126	Review and Approve
3.	HIM – Minutes of January, 2024	27-42	Receive and file
	Ambulatory Care Informed Consent of Treatment	28	Review and Approve
	Downtime Forms:		
	Blood Transfusion	29-30	Review and Approve
	Wound Pressure Injury Assessment	31-32	Review and Approve
	Neurovascular Checks	33	Review and Approve
	PRN Medication Admin Reassessment Record	34-35	Review and Approve
	Med Surg Line Assessment	36-37	Review and Approve
	Neuro Checks DT	38	Review and Approve
	Q4 hr RN Consents OBS Verification	39	Review and Approve
	Vascular Flap Graft Check	40	Review and Approve
	Wound Pressure Injury	41-42	Review and Approve
4.	University GME Committee – Minutes of January 2024	44-49	Receive and File
5.	P & T Committee – Minutes of February 6, 2024	51-78	Receive and File
	Addition to Formulary		
	Linacotide (Linzess) – restricted to prior therapy	56-60	Receive and File
	Letermovir (prevymis) – restricted to infectious diseases and/or Transplant	61-65	Receive and File
	Removal from formulary		
	Abacavir 300 mg tablet	53	Receive and File
	Trizivir (Abacavir, Lamivudine, Zidovudine)	53	Receive and File
	Combivir (Lamvudine, Zidovudine)	53	Receive and File
	Epzicom (Abacavir Sulfate, Lamivudine)	53	Receive and File
	Guideline Updates		
	Look Alike-Sound Alike List	68	Receive and File
	High Alert Medications	66-67	Receive and File
6.	Professional Dev. & Wellness Committee – Minutes of January 18, 2024	80	Receive and File
7.	Resource Management Committee – Minutes of January 10, 2024	82-84	Receive and File

MOTION to APPROVE all items in the CONSENT CALENDAR was made and seconded. Motion to approve all items in the Consent Calendar is carried.

UNANIMOUSLY APPROVED.

IX. APPROVALS – Jennifer Pugh, MD

a. Dr. Pugh discussed the following items for review and approval:

1. Appointment Approval
2. Committee Assignment, 2024
3. Radiology Job Descriptions
4. Dietary Manual
5. OPPE Metrics

MOTION to APPROVE all items was made and seconded. Motion to approve all items is carried. **UNANIMOUSLY APPROVED.**

X. APPOINTMENT APPROVALS – Jennifer Pugh, MD

a. Dr. Pugh presented the appointment of Siva Yedlapati, MD as the Associate Chief of Service (Hospitalist) Internal Medicine.

MOTION to APPROVE the appointment was made and seconded. Motion to approve is carried.

UNANIMOUSLY APPROVED

XI. EXECUTIVE SESSION

The Medical Executive meeting was adjourned at 12:39pm to Executive Session for the purpose of receiving and filing minutes from the January 2024 Chiefs of Service meetings and the January 2024 Board Patient Safety & Quality Assurance meetings along with discussing the Leadership Council Report, Quality Patient Safety report and the Regulatory report.

The following Executive Session agenda items were discussed and motion(s) were made:

A. **MOTION:** Receive and file Board Quality PI meeting minutes from January 2024 and Chiefs of Service meeting minutes from January 2024.

**Motion, Seconded and
MOTION APPROVED**

XII. ADJOURNMENT

There was no further business conducted. Motion to adjourn the meeting was made and seconded. The next meeting will be Monday, March 25, 2024, at 11:30 am. via Teams/Hybrid in the Dr. Zizzi conference room at ECMC. Meeting was adjourned at 12:49 pm.

Respectfully submitted,

Mike Manka, MD

Michael Manka, MD
President-Elect

On behalf of James Lukan, MD, FACS
Secretary, ECMCC, Medical/Dental Staff

Erie County Medical Center Corporation

(A Component Unit of the County of Erie)

Financial Report
December 31, 2023

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Independent Auditor's Report

Board of Directors
Erie County Medical Center Corporation

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of Erie County Medical Center Corporation (the Corporation), a component unit of the County of Erie, as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of Erie County Medical Center Corporation, as of December 31, 2023 and 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of ECMC Foundation, Inc., the Grider Initiative, Inc., and Research for Health in Erie County, Inc. were not audited in accordance with *Government Auditing Standards*.

Emphasis of Matter

As discussed in Note 8 to the financial statements, the Corporation restated the December 31, 2022 financial statements. The restatement was required to be made for the implementation of the Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 4 to 13 as well as the required supplementary information for certain pension and other postemployment benefits (OPEB) related data on pages 55 to 57 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated **DATE** on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

DATE

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**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Management's Discussion and Analysis
December 31, 2023
(Dollars in Thousands)**

Management's Discussion and Analysis

Erie County Medical Center Corporation (the Corporation or ECMCC) is a state public benefit corporation dedicated to provide every patient the highest quality of care delivered with compassion. The Corporation fully embraces its position as a safety net provider for the eight-county region of Western New York State (encompassing over 1.5 million residents), supporting persons in need who lack the ability to pay.

To assist the reader in understanding the operations of the Corporation, this annual report has been organized into three parts that should be read together:

- Management's discussion and analysis
- Financial statements and notes to the financial statements and
- Supplemental schedules

The purpose of the discussion and analysis is to provide the reader with objective data to evaluate the financial position and the activities of the Corporation for the year ended December 31, 2023. This narrative and the financial statements and footnotes are the responsibility of the Corporation's management.

The financial statements (the statements of net position, the statements of revenues, expenses and changes in net position and the statements of cash flows) present financial information in a form similar to that used by other government hospitals and have been prepared in accordance with accounting principles generally accepted in the United States of America.

In 2023, the Corporation implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This standard extends the right-of-use accounting concepts introduced in GASB Statement No. 87 to subscription-based information technology arrangements (SBITAs). Under GASB 96, governments are required to identify arrangements that qualify as SBITAs and recognize a right-to-use subscription asset, initially measured as the sum of the initial subscription liability amount, payments made to the vendor before commencement of the subscription term, and capitalizable implementation costs. The subscription asset is then amortized over the subscription term. The accompanying financial statements and management discussion and analysis information for the year ended December 31, 2022 have been restated to reflect the new accounting standard.

The accompanying financial statements of the Corporation include financial data of the Corporation's discretely presented component units: (i) ECMC Foundation, Inc., and (ii) The Grider Initiative, Inc. however, Management's Discussion and Analysis focuses on the Corporation.

Introduction

During 2023, the Corporation persevered through its fourth consecutive year of significant financial challenges, while continuing to provide high quality, compassionate care to the tens of thousands of Western New Yorkers who depend on ECMCC, serving as the region's community hospital, helping patients from the most influential to the most vulnerable. ECMCC's dedicated caregivers, support staff, executive leadership, as well as an involved and supportive Board of Directors, continue to advance the mission of the Corporation and its service to the greater Western New York area. The Corporation continues to be a provider of choice in our community as a result of its continual focus on high quality healthcare services, the patient experience and physician engagement.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Management's Discussion and Analysis
December 31, 2023
(Dollars in Thousands)**

Operations Analysis

The Corporation began a period of operational recovery through growth during 2023, providing a higher volume of services within inpatient and outpatient services to Western New York residents and as well as many others beyond this region. Patient volume encounters (not expressed in thousands) are as follows:

	2019	2020	2021	2022	2023	% Growth 2022-2023
Inpatients	19,996	19,110	18,903	17,412	17,643	1.3%
Surgeries	15,606	12,481	13,803	12,478	13,321	6.8%
Emergency	69,391	65,261	68,384	59,064	63,715	7.9%
Outpatients	306,891	299,297	280,611	274,402	297,168	8.3%
Dialysis	27,549	27,973	26,116	24,961	25,159	0.8%
Transplants	127	134	146	148	151	2.0%

The healthcare industry nationally and within this market continued to face challenges during 2023 and the Corporation was not immune to these headwinds. However, the Corporation worked hard to begin to address them and recover. In 2023, ECMCC inpatient volumes ended the year higher than prior year by 1.3% in terms of patient discharges and by 6.3% for inpatient surgeries while length of stay improved by 12.1%. Outpatient surgeries were 7.1% ahead of prior year with emergency department visits exceeding 2022 by 7.9%, leading to a growth in total outpatient visits from the prior year of 8.3%. As the Regional Center of Excellence for Transplantation and Kidney Care, continued growth in this program has been experienced over the last two years, providing life saving procedures to the residents of Western New York and beyond. 2023 saw the most transplants (kidney and pancreas) ECMCC has performed in it's history, with 151 transplant surgeries, an increase of 2.0% and 18.9% over 2022 and 2019 (pre-COVID levels), respectively.

The global outbreak of COVID-19, a new strain of coronavirus that can result in severe respiratory disease, was declared a pandemic by the World Health Organization in March of 2020. After three unprecedented years of managing COVID-19, the Department of Health and Human Services (HHS) declared an end to the public emergency on May 11, 2023, thus ending the pandemic. With a lot of time, energy, and unyielding teamwork during the pandemic, the Corporation was able to effectively manage through the pandemic by implementing operational improvements, successfully recruiting staff, and entering into partnerships to provide funding assistance in addition to the COVID Relief funding. ECMCC management took on all additional measures during the pandemic to protect the health of the community and promote the continuity of its mission and will continue to monitor the course of COVID-19 beyond the pandemic.

**Erie County Medical Center Corporation
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Operations Analysis (Continued)

In response to the impact on the healthcare environment from COVID-19, the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the American Rescue Plan (ARP) Act (Acts) were enacted by Congress during 2020 and 2021, respectively. These Acts included, among other things, support for healthcare providers and patients in the form of grants, payments for uninsured patients, and changes to Medicare and Medicaid payments. The Corporation to date has received \$72.4 million of Provider Relief Fund distributions provided under the CARES and ARP Acts. During 2020, the Corporation also received \$39.1 million and \$10 million in loans under the Medicare Accelerated and Advance Payment Program and the Paycheck Protection Program (PPP), respectively. During 2021, the PPP loan forgiveness application was approved by the U.S. Small Business Administration and, as such, the \$10 million loan was forgiven in full. As of December 31, 2022, the Medicare Accelerated and Advance Payments had been fully recouped.

The CARES Act also includes financial relief through the Federal Emergency Management Agency's (FEMA) Disaster Relief Fund. As of December 31, 2023, the Corporation has been awarded and received \$6.6 million from FEMA to reimburse eligible incremental expenses as a result of COVID-19. The Corporation will continue to submit for grant reimbursement for remaining eligible COVID-19 expenses under this program.

During 2022 and 2023, the industry and more specifically, the Western New York health care market experienced a cost inflation crisis. This crisis was driven nationally and locally by the lingering effects of staffing challenges across all healthcare industry stakeholders including suppliers, manufacturers, post-acute settings as well as providers. As costs continued to escalate to operate the business and care for the patients within the community, in order to maintain mission critical services, ECMCC has worked closely with the New York State Department of Health's various grant and operating assistance programs to bridge cash flow funding gaps. Simultaneously, ECMCC has implemented several operational improvement actions in an effort to mitigate as much of the cost escalation as possible. Although significant improvements have been made operationally, the New York State Department of Health has provided supplemental funding to the Corporation as well as many hospitals and nursing homes across New York State. As a result, the Corporation received \$51,998 for the year ended December 31, 2022. This benefit has been recorded as non-operating revenue within the statements of revenue, expenses and changes in net position. An additional \$27,000 was received in December 2022 for the year ended December 31, 2023, and was recorded as unearned revenue in the statements of net position as of December 31, 2022 and recorded as non-operating revenue within the statements of revenue, expenses and changes in net position for the year ended December 31, 2023. Two additional awards totaling \$76,368 were received and recognized as non-operating revenue during the year ended December 31, 2023.

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Operations Analysis (Continued)

The continued volume and visit trends reflect the trust that the Western New York community has placed in ECMCC. Notable achievements in 2023 include:

- ECMCC earned its full hospital accreditation – The Joint Commission's Gold Seal of Approval Accreditation – by demonstrating continuous compliance with performance standards.
- Successful reaccreditation by The Centers for Medicare and Medicaid Services (CMS), part of the Department of Health and Human Services (HHS) of Transplant program, housed in ECMCC's Regional Center of Excellence for Transplantation and Kidney Care.
- Commission on Accreditation of Rehabilitation Facilities (CARF) issued three-year accreditation to ECMCC's Acute Inpatient Rehabilitation Programs (through June 30, 2026) stating that this "achievement is an indication of ECMCC's dedication to improving the quality of the lives of the persons served."
- ECMCC's Laboratory Services received the two-year accreditation for ECMCC's Transfusion Services following bi-annual on-site assessment by the Association for the Advancement of Blood and Biotherapies (AABB)
- Terrace View Long-Term Care Facility was named to *Newsweek's* 2024 Best Nursing Homes List for performance on key measures on health inspections, quality measures and staffing. This prestigious award is presented by Newsweek and Statista Inc., the world-leading statistics portal and industry ranking provider. Only four percent of nursing homes nationwide received this distinction. Of the 600 skilled nursing facilities state-wide that operate, 42 received this recognition. It is a distinct honor to be ranked amongst the best nursing homes within both the state and the nation. This is the fourth consecutive year Terrace View has received this recognition.
- ECMCC has been recognized by the Lown Institute for outstanding social responsibility, receiving an "A" grade on the 2023-24 Lown Institute Hospitals Index. ECMCC achieved this honor through strong performance across metrics of health equity, patient outcomes, and value of care, out of more than 3,600 hospitals nationwide. In 2021, ECMCC was ranked among the top 100 hospitals in the United States for racial inclusivity by the Lown Institute; in 2022 ECMCC was ranked in the top 50 hospitals in the country for racial inclusivity.
- ECMCC was recognized by the Buffalo Purchasing Initiative for superseding its goal in 2023 for spending with businesses owned by people of color.
- ECMCC's hip replacement surgery service ranked in the nation's top 7% by US News & World Report. ECMCC earned the highly respected publication's High Performing ranking, placing it among 437 hospitals out of 6,000 evaluated for the service.
- ECMCC earned platinum recognition for its efforts to increase organ and tissue donor registrations across the country, through the DoNation Campaign. DoNation is a national initiative sponsored by the U.S. Department of Health and Human Services, Health Resources and Services Administration (HRSA), to educate our community about the crucial need for organ and tissue donation and to encourage people to sign up as organ and tissue donors. Between October 2022 and September 2023, ECMCC has actively participated in this campaign to earn this federal recognition.
- The American College of Emergency Physicians, implemented the Geriatric Emergency Department Accreditation (GEDA) program to recognize those emergency departments that provide excellent care for older adults. ECMCC's Emergency Department has achieved the bronze standard – Level 3 GEDA accreditation. ECMCC named among one of America's 100 Best Hospitals for Orthopedic Surgery. This achievement reflects ECMCC's outstanding clinical outcomes for Orthopedic Surgery and puts ECMCC in the top 5% of hospitals nationwide for overall Orthopedic services.
- ECMCC was awarded the 2023 Orthopedic Surgery Excellence Award™, a Five-Star rating in Total Knee Replacement for two years in a row (2022-2023), a Five-Star rating for Hip Fracture Treatment for 13 years in a row (2011-2023) and a 2023 Five-Star Distinction in Total Hip Replacement.

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Management's Discussion and Analysis
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Operations Analysis (Continued)

Financial Metric Analysis

The Corporation's total net position decreased in 2023 primarily due to the significant non-cash expenses related to the actuarial liability adjustments related to the New York State Pension Plan benefits and the unfavorable results from operations which were offset by grant funding assistance provided by New York State, recorded as non-operating revenue. Additional drivers of performance are discussed in further detail below.

Comparative financial ratios for the Corporation to the 2022 (most recent publicly available audited data) averages of other comparable New York State (NYS) Public Benefit Corporation (PBC) hospitals are presented in the following table. The financial statements used for the calculation of the following ratios, where appropriate, have been reclassified to conform to the presentation used in the development of the benchmarks, consistent with generally accepted accounting principles (U.S. GAAP) for entities not subject to the Governmental Accounting Standards Board (GASB) standards.

	ECMCC			PBC
	2023	2022	2021	Average 2022
Operating margin	-14.2%	-10.8%	-3.6%	-16.1%
Operating cash flow margin	-6.0%	4.6%	4.0%	-10.0%
Debt service coverage	2.7	1.5	1.1	-0.5
Unrestricted days cash on hand	14.1	29.2	48.7	48.9
Days cash on hand	90.5	118.7	140.2	65.1
Days in accounts receivable	66.0	53.9	49.5	34.1
Average age of plant	15.4	13.0	12.5	20.4

The operational performance ratios for 2023 generally represent unfavorable changes from the Corporation's 2022 performance ratios and favorable comparisons to the NYS Healthcare Public Benefit Corporations' ratios. Driving these unfavorable shifts during 2023 in large part is the large swing in the amortization component of the pension expense, shifting from a reduction in expense in 2022 of \$32.5 million to an increase in expense of \$39.8 million in 2023. Although these changes have no cash flows associated with them, the changes to the liabilities associated with them are included within the operating margin. The operating margin before the impact of the amortization components of the pension benefit and postemployment benefit is 11.6% and 20.3% for 2023 and 2022, respectively. This change before those actuarial impacts reflects a favorable movement in operating margin which is representative of the operational improvements and growth experienced during 2023. Additionally, grants received from the New York State Department of Health (NYSDOH) and FEMA have been recognized as non-operating revenue and are excluded from the operating ratio calculations as required under GASB accounting standards. Unrestricted days cash on hand decreased 15.1 days (51.7%) due to overall operating losses and the delay in the receipt of annual Disproportionate Share Hospital (DSH) Revenue to the first quarter of 2024. Days in accounts receivable increased by 12.1 days (22.5%) due to a delay in collections and an increase in unbilled accounts as a result of staffing shortages during the year. Average age of plant increased by 2.4 years (16.5%) as a result of reduced capital investment in an effort to manage ongoing operations and cash flow needs to maintain the services provided to the community while incurring operating losses.

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Summary Financial Statements with Analysis

Management is providing the following summary financial statements and variance analysis for certain financial statement lines where it believes the readers understanding of the financial statements is enhanced.

Statements of Net Position

Net position is categorized as follows:

Net investment in capital assets: Consists of capital assets, net of accumulated depreciation and reduced by outstanding debt and deferred inflows and outflows of resources that are attributable to the acquisition, construction or improvement of those assets.

Restricted: Result when constraints placed on the use of the net position are either externally imposed by creditors, grantors, contributors, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted: Represents the resources derived primarily from services rendered to patients and other operating revenues and not meeting the previously listed criteria. These resources are used for transactions related to the general healthcare and academic operations of the Corporation and may be used at the discretion of the Board of Directors to meet current expenses for any purpose.

Condensed Statements of Net Position are as follows:

	2023	(Restated) 2022	2023-2022	
			\$ Change	% Change
Assets				
Current assets, excluding assets whose use is limited	\$ 189,816	\$ 210,427	\$ (20,611)	(9.8)
Assets whose use is limited	170,621	157,516	13,105	8.3
Capital assets, net	313,039	359,386	(46,347)	(12.9)
Net pension asset	-	77,538	(77,538)	100.0
Other assets	8,906	7,780	1,126	14.5
Total assets	682,382	812,647	(130,265)	(16.0)
Deferred outflows of resources	159,464	178,411	(18,947)	(10.6)
Total assets and deferred outflows of resources	\$ 841,846	\$ 991,058	\$ (149,212)	(15.1)
Liabilities				
Current liabilities	\$ 302,347	\$ 303,848	\$ (1,501)	(0.5)
Noncurrent liabilities	730,926	560,724	170,202	30.4
Total liabilities	1,033,273	864,572	168,701	19.5
Deferred inflows of resources	84,740	396,441	(311,701)	(78.6)
Net Position				
Net investment in capital assets	58,654	85,013	(26,359)	(31.0)
Restricted	95,555	80,719	14,836	18.4
Unrestricted	(430,376)	(435,687)	5,311	1.2
Total net position	(276,167)	(269,955)	(6,212)	(2.3)
Total liabilities, deferred inflows of resources and net position	\$ 841,846	\$ 991,058	\$ (149,212)	(15.1)

**Erie County Medical Center Corporation
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**Management's Discussion and Analysis
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Statements of Net Position (Continued)

Overall, total assets and deferred outflows of resources decreased \$149,212 from 2022 to 2023. The following variances in total assets are noteworthy:

Total current assets, excluding the current portion of assets whose use is limited, decreased by \$20,611 due to the following:

- Cash, cash equivalents and investments decreased by \$20,029 due to losses from operations and the timing of the annual DSH and Upper Payment Limit (UPL) cash receipts offset by earnings on investments.
- Patient accounts receivable, net, increased by \$18,820 as a result of current year decreases in collections due to an increase in unbilled accounts as a result of staffing shortages and increased patient volumes.
- Other receivables decreased by \$21,822 which is due to a \$21,856 decrease in Medicaid DSH and UPL program receivables, a decrease of \$286 in due from third party payors and a \$320 increase in other receivables.

The following variances in non-current assets are noteworthy:

- Assets whose use is limited, including current portion, increased by a net of \$13,105, which is due to a required deposit of collateral of \$11,015 related to a new line of credit agreement, unrealized gains on investments of \$3,786 and an increase in reserve account funding for actuarial liabilities and other limited use assets of \$2,311, offset by a decrease in assets designated for long-term investment of \$4,007.
- Capital assets, net, decreased by \$46,347 due to the shortfall in capital asset investments during 2023 as compared to the ongoing depreciation expense on all capital assets, which is a continued result of reduced cash flow availability driven by operating losses. Investments in capital assets are summarized in a following section.
- Net pension asset decreased \$77,538 and was eliminated due to changes in actuarial assumptions, which increased the liability thus creating a net pension liability, which is further discussed in the section below.

Overall, total liabilities and deferred inflows decreased \$143,000 and net position decreased \$6,212 from 2022.

The following variances in total liabilities are noteworthy:

- Accounts payable and accrued salaries and benefits decreased by \$17,339 due to timing of payments to vendors and employees at year-end.
- Accrued other liabilities increased by \$1,908 largely as a result of increases in amounts due to Erie County and third-party payors.
- Unearned revenue decreased by \$22,517 due to a decrease of \$27,000 related to the New York State grant received in late December 2022 for the calendar year 2023, thus recognized during 2023. Other unearned revenue increased \$4,483.
- The line of credit liability remained unchanged due to borrowings that remain outstanding at December 31, 2023.

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Statements of Net Position (Continued)

- The long-term portion of self-insured obligations increased by \$3,238 due to changes in actuarial estimates for self-insured retentions for malpractice and workers' compensation claims greater than payments made on those claims. The current portion of these self-insured obligations decreased by \$148.
- Net pension liability, including current portion, was established at \$198,936 due to changes in actuarial assumptions used to value the plan as of December 31, 2023. As noted above, at December 31, 2022, the Corporation had recorded a net pension asset of \$77,538.
- The liability for Other Post-Employment Benefits (OPEB) increased by \$22,516 primarily as a result of the unfavorable impact of a change in actuarial assumptions related to unfavorable healthcare trend rates and a decrease in the discount rate used to measure the obligation.
- Net position decreased by \$6,212 due to unfavorable financial performance related to inflationary pressures on operating expenses continuing to outpace increases in patient volume and payor reimbursement rates.

Statements of Revenues, Expenses and Changes in Net Position

Condensed Statements of Revenues, Expenses and Changes in Net Position are as follows:

	2023	(Restated) 2022	2023-2022	
			\$ Change	% Change
Net patient service revenue	\$ 603,720	\$ 566,389	\$ 37,331	6.6
Disproportionate share (DSH) revenue	107,105	68,295	38,810	56.8
Other operating revenue	46,639	26,095	20,544	78.7
Total operating revenues	757,464	660,779	96,685	14.6
Operating expenses:				
Payroll and employee benefits	440,770	410,664	30,106	7.3
Professional fees	110,577	109,113	1,464	1.3
Purchased services	81,712	78,037	3,675	4.7
Supplies	132,197	117,877	14,320	12.1
Other operating expenses	30,529	29,185	1,344	4.6
Depreciation and amortization	49,812	49,872	(60)	(0.1)
Total operating expenses	845,597	794,748	50,849	6.4
Operating loss before pension and other post employment benefits amortization components	(88,133)	(133,969)	45,836	34.2
Pension (expense) benefit, amortization component	(39,752)	32,537	(72,289)	(222.2)
Other post employment benefits, amortization component	20,424	29,861	(9,437)	(31.6)
Operating loss	(107,461)	(71,571)	(35,890)	(50.1)
Non-operating revenues (expenses):				
Investment gain (loss)	6,283	(13,966)	20,249	(145.0)
Grant revenue	107,230	63,151	44,079	69.8
Interest expense	(12,264)	(12,028)	(236)	(2.0)
Total change in net position	(6,212)	(34,414)	28,202	81.9
Net position—beginning of year	(269,955)	(235,541)	(34,414)	(14.6)
Net position—end of year	\$ (276,167)	\$ (269,955)	\$ (6,212)	(2.3)

**Erie County Medical Center Corporation
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Statements of Revenues, Expenses and Changes in Net Position (Continued)

Overall, total operating revenues increased by \$96,685 or 14.6% in 2023 with changes attributable to the following:

- Net patient service revenue increased \$37,331, or 6.6%, in 2023 as a result of a combination of overall increased patient volumes, an increase in contracted reimbursement rates, improvements in bad debt write-offs and improvements in ECMCC's ability to discharge patients into the community.
- DSH revenue increased by \$38,810, or 56.8%, in 2023 as a result of an increase in the nursing home upper payment limit of \$5,885 due to a significant increase in the pool size in the State Plan Amendment and a \$32,925 increase in federal DSH due to an increase in uncompensated care net of anticipated formula changes in the Medicaid DSH cap calculation enacted through legislation but not yet implemented which will exclude costs from services provided to Medicaid-eligible beneficiaries who are dually eligible for Medicare or any other coverage.
- Other operating revenue increased \$20,544, or 78.7% due to an increase in specialty pharmacy operations of \$20,777.

Total operating expenses including pension expense/benefit and other post-employment benefit expenses increased \$132,575 or 18.1% in 2023. Expense changes are attributable to the following:

- Payroll and employee benefit expenses have increased by \$30,106 or 7.3% as a result of increases in salaries due to new collective bargaining agreements' market rate adjustments and additional pay incentives offered to fill open shifts to meet New York State minimum staffing standards for both the hospital and the skilled nursing facility. Salaries and employee benefit expense as a percent of net patient service revenue increased by 0.5%, from 72.5% in 2022 to 73.0% in 2023.
- Pension expense increased by \$65,834 as a result of changes in actuarial assumptions used to value the plan including investment returns, discount rates and other demographic assumptions.
- Supplies expense increased by \$14,320 or 12.1% as a result of increased surgical volume, increased volume within the specialty pharmacy operations and pharmaceutical cost increases related to drug shortages.
- OPEB benefit decreased \$11,976 or 38.2% as a result of unfavorable differences between projected and actual experience of net claims cost and benefit payment made to current employees.

Capital Assets, Net

At December 31, 2023, the Corporation had capital assets, including lease and subscription-based information technology arrangement assets, net of accumulated depreciation of \$313,039 compared to \$359,386 at December 31, 2022, representing a decrease of \$46,347 or 12.9%.

During 2023, the Corporation invested \$15,047 in various capital assets (\$6,030), leases (\$4,668) and SBITAs (\$4,349). Noteworthy investments in capital assets include continued investment into the building exterior improvements of \$455 and purchases of other medical and non-medical equipment, furniture and fixtures, and information systems infrastructure investments. Noteworthy additions to capital leases include printers and copiers (\$2,552) and other various leased medical and non-medical equipment. Noteworthy additions to SBITAs includes MRI software (\$1,755) and other medical and non-medical software. GASB Statement No. 87, *Leases*, establishes the foundational principle that leases are financing of the right-to-use an underlying asset for a period of time. The Corporation recorded lease assets, net of accumulated depreciation, in the amount of \$26,371 and \$30,054 in 2023 and 2022, respectively. GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, extends the right-of-use accounting concepts introduced in GASB Statement No. 87, *Leases*, to SBITAs. The Corporation recorded SBITA assets in the amount of \$25,761 in 2023 and \$31,216 in 2022.

**Erie County Medical Center Corporation
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Forward-Looking Factors

Management has prepared the following forward-looking factors to assist the reader in understanding the financial, economic and market factors impacting the Corporation:

Collective Bargaining Agreements

The Corporation operates under three collective bargaining agreements that cover substantially all employees. Corporation employees of the Civil Service Employee Association (CSEA) are covered by a contract negotiated in concert with Erie County, New York, which contains a sub-bargaining unit representing only Corporation employees. The previous agreement ended in 2022, while a new agreement began January 1, 2023 and runs through December 31, 2027. Registered Nurses (RNs) are covered under an agreement with the New York State Nurses Association (NYSNA). This agreement began in 2019 and ran through December 31, 2022. The parties have mutually agreed to a new contract effective January 1, 2023 that runs through December 31, 2027. The Corporation's agreement with the American Federation of State, County and Municipal Employees (AFSCME), a contract negotiated in concert with the County of Erie, New York, and ratified with AFSCME employees in 2022 runs through December 31, 2026.

Transactions with the County of Erie

The Corporation is a component unit of the County of Erie, New York. The County has ongoing contractual and legal obligations to the Corporation and the Corporation has ongoing contractual and legal obligations to the County.

Medicare and Medicaid Reimbursement

The future state of both reimbursement levels and reimbursement methods related to the Medicare and Medicaid programs remains uncertain. Unimplemented formulaic changes as well as budget proposals related to both of these programs for the upcoming year and beyond may significantly alter reimbursements or methodologies, thus changing the environment in which we conduct business as the Corporation relies heavily on these programs for reimbursement for services. The impact of these state and federal rule changes and budget proposals are unknown at this time but could materially impact the Corporation.

Contacting the Corporation's Financial Management

This financial report is designed to provide our community and creditors with a general overview of Erie County Medical Center Corporation's finances and to demonstrate the Corporation's accountability for the resources it receives. If you have any questions about this report or need additional financial information, contact the Chief Financial Officer, Erie County Medical Center Corporation, 462 Grider Street, Buffalo, New York 14215.

Erie County Medical Center Corporation
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Statements of Net Position
December 31, 2023 and 2022
(Dollars in Thousands)

	2023	(Restated) 2022
Assets and Deferred Outflows of Resources		
Current assets:		
Cash and cash equivalents	\$ 20,773	\$ 44,195
Investments	10,646	7,253
Assets whose use is limited	113,986	99,078
Patient accounts receivable, net	102,389	83,569
Other receivables	40,608	62,430
Supplies, prepaids and other	15,400	12,980
Total current assets	303,802	309,505
Assets whose use is limited	56,635	58,438
Capital assets, net	313,039	359,386
Net pension asset	-	77,538
Other assets, net	8,906	7,780
Total assets	378,580	503,142
	682,382	812,647
Deferred outflows of resources:		
Pension	123,115	143,693
Other post employment benefits	25,670	22,684
Other	10,679	12,034
Total deferred outflows of resources	159,464	178,411
Total assets and deferred outflows of resources	\$ 841,846	\$ 991,058
Liabilities, Deferred Inflows of Resources and Net Position		
Current liabilities:		
Current portion of long-term debt	\$ 12,128	\$ 11,716
Line of credit	10,000	10,000
Current portion of lease and SBITA liability	16,409	14,770
Accounts payable	59,927	73,650
Accrued salaries, wages and employee benefits	39,603	43,219
Net pension liability	34,131	-
Other post employment benefits	12,326	12,061
Accrued other liabilities	42,021	40,113
Unearned revenue	75,802	98,319
Total current liabilities	302,347	303,848
Long-term debt, net	190,515	202,641
Long-term lease and SBITA liability, net	34,682	44,409
Net pension liability, net of current portion	164,805	-
Self-insured obligations	52,121	48,883
Other post employment benefits, net of current portion	281,585	259,334
Other	7,218	5,457
Total liabilities	1,033,273	864,572
Deferred inflows of resources:		
Pension	23,737	280,189
Other post employment benefits	59,337	114,812
Leases	1,666	1,440
Total deferred inflows of resources	84,740	396,441
Net Position:		
Net investment in capital assets	58,654	85,013
Restricted:		
Expendable	95,555	80,719
Unrestricted	(430,376)	(435,687)
Total net position	(276,167)	(269,955)
Total liabilities, deferred inflows of resources and net position	\$ 841,846	\$ 991,058

See notes to the financial statements.

Erie County Medical Center Corporation
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Statements of Revenues, Expenses and Changes in Net Position
Years Ended December 31, 2023 and 2022
(Dollars in Thousands)

	2023	(Restated) 2022
Operating revenues:		
Net patient service revenue, net of provision for bad debts of \$4,596 and \$15,474 for 2023 and 2022, respectively	\$ 603,720	\$ 566,389
Disproportionate share revenue (DSH)	107,105	68,295
Other operating revenue	46,639	26,095
Total operating revenues	757,464	660,779
Operating expenses:		
Payroll and employee benefits	440,770	410,664
Professional fees	110,577	109,113
Purchased services	81,712	78,037
Supplies	132,197	117,877
Other operating expenses	30,529	29,185
Depreciation and amortization	49,812	49,872
Total operating expenses	845,597	794,748
Operating loss before pension benefit and other post employment benefits amortization components	(88,133)	(133,969)
Pension (expense) benefit, amortization component	(39,752)	32,537
Other post employment benefits, amortization component	20,424	29,861
Operating loss	(107,461)	(71,571)
Nonoperating revenues (expenses):		
Investment gain (loss)	6,283	(13,966)
Grant revenue	107,230	63,151
Interest expense	(12,264)	(12,028)
Total nonoperating revenues (expenses)	101,249	37,157
Total change in net position	(6,212)	(34,414)
Net position—beginning of year	(269,955)	(235,541)
Net position—end of year	\$ (276,167)	\$ (269,955)

See notes to the financial statements.

Erie County Medical Center Corporation
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Statements of Cash Flows
Years Ended December 31, 2023 and 2022
(Dollars in Thousands)

	2023	2022
Cash flows from operating activities:		
Receipts from patients and third-party payors	\$ 608,472	\$ 585,894
Payments to Medicare Advance Payment Program	-	(20,879)
Payments to employees for salaries and benefits	(415,584)	(389,561)
Payments to vendors for supplies and other	(369,364)	(293,557)
Other receipts	119,572	31,591
Net cash used in operating activities	(56,904)	(86,512)
Cash flows from capital and related financing activities:		
Purchases of capital assets	(12,554)	(26,855)
Borrowings on line of credit	-	10,000
Payments on long-term debt	(11,714)	(11,317)
Interest paid on long-term debt	(12,264)	(10,928)
Net cash used in capital and related financing activities	(36,532)	(39,100)
Cash flows from noncapital financing activities:		
Grant funding	80,229	90,151
Net cash provided by noncapital financing activities	80,229	90,151
Cash flows from investing activities:		
(Purchases) sales of assets whose use is limited, net	(13,105)	11,047
Investment gain (loss)	6,283	(13,966)
(Purchases) sales of investments, net	(3,393)	13,111
Net cash (used in) provided by investing activities	(10,215)	10,192
Net change in cash and cash equivalents	(23,422)	(25,269)
Cash and cash equivalents:		
Beginning	44,195	69,464
Ending	\$ 20,773	\$ 44,195

Noncash capital and related financing activities:
Included in accounts payable at December 31, 2023 and 2022, was \$1,357 and \$2,737, respectively,
of invoices related to capital asset acquisitions.

(Continued)

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Statements of Cash Flows (Continued)
Years Ended December 31, 2023 and 2022
(Dollars in Thousands)

	2023	2022
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (107,461)	\$ (71,571)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization	49,812	49,872
Provision for bad debts	4,596	15,474
Changes in assets, deferred outflows, liabilities and deferred inflows:		
Patient accounts receivable	(23,416)	(22,328)
Medicare Advance Payment Program	-	(20,879)
Other receivables	21,822	26,070
Supplies, prepaids and other	(3,546)	17,218
Deferred outflows of resources	18,947	100,984
Accounts payable	(4,634)	21,955
Accrued liabilities	(9,785)	13,176
Unearned revenue	4,484	(62,799)
Estimated third-party payor settlements	1,750	289
Self-insured obligations	3,238	1,322
Net pension liability (asset)	276,474	(78,453)
OPEB	22,516	(107,711)
Deferred inflows of resources	(311,701)	38,689
Net cash used in operating activities	\$ (56,904)	\$ (86,512)

See notes to the financial statements.

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Statements of Net Position—Discretely Presented Component Units
December 31, 2023 and 2022
(Dollars in Thousands)

	2023				2022			
	ECMC Foundation, Inc.	The Grider Initiative, Inc.	Research for Health in Erie County, Inc.	Aggregate Total	ECMC Foundation, Inc.	The Grider Initiative, Inc.	Research for Health in Erie County, Inc.	Aggregate Total
Assets								
Current assets:								
Cash and cash equivalents	\$ 2,365	\$ 270	\$ -	\$ 2,635	\$ 2,337	\$ 271	\$ 2	\$ 2,610
Investments	-	-	-	-	-	-	1,092	1,092
Other receivables	938	-	-	938	1,634	-	-	1,597
Supplies, prepaids and other	259	-	-	259	408	-	-	408
Total current assets	3,562	270	-	3,832	4,379	271	1,094	5,707
Other receivables	887	-	-	887	1,030	-	-	1,030
Endowment and other investments	3,129	9,962	-	13,091	2,298	9,576	-	11,874
Equipment and vehicles, net	-	-	-	-	1	-	-	1
	4,016	9,962	-	13,978	3,329	9,576	-	12,905
Total assets	\$ 7,578	\$ 10,232	\$ -	\$ 17,810	\$ 7,708	\$ 9,847	\$ 1,094	\$ 18,612
Liabilities and Net Position								
Current liabilities:								
Accounts payable	\$ 11	\$ -	\$ -	\$ 11	\$ 22	\$ -	\$ -	\$ 22
Funds held in custody for others	596	-	-	596	596	-	-	596
Total current liabilities	607	-	-	607	618	-	-	618
Long-term liabilities:								
Related party	969	-	-	969	2,522	-	-	2,522
Unearned revenue	335	-	-	335	509	-	-	509
Total liabilities	1,911	-	-	1,911	3,649	-	-	3,649
Net Position								
Restricted:								
Nonexpendable	50	10,000	-	10,050	50	10,000	-	10,050
Expendable	2,634	232	-	2,866	1,510	(153)	-	1,357
Unrestricted	2,983	-	-	2,983	2,499	-	1,094	3,556
Total net position	5,667	10,232	-	15,899	4,059	9,847	1,094	14,963
Total liabilities and net position	\$ 7,578	\$ 10,232	\$ -	\$ 17,810	\$ 7,708	\$ 9,847	\$ 1,094	\$ 18,612

See notes to the financial statements.

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Statements of Revenues, Expenses and Changes in Net Position—Discretely Presented Component Units
Years Ended December 31, 2023 and 2022
(Dollars in Thousands)

	2023				2022			
	ECMC Foundation, Inc.	The Grider Initiative, Inc.	Research for Health in Erie County, Inc.	Aggregate Total	ECMC Foundation, Inc.	The Grider Initiative, Inc.	Research for Health in Erie County, Inc.	Aggregate Total
Operating revenues:								
Grants, contributions and special events	\$ 4,732	\$ -	\$ -	\$ 4,732	\$ 3,425	\$ -	\$ -	\$ 3,396
Total operating revenues	4,732	-	-	4,732	3,425	-	-	3,396
Operating expenses:								
Program services and grants	970	-	1,107	2,077	875	-	5	880
Fundraising	1,640	-	-	1,640	1,562	-	-	1,562
Other operating expenses	641	-	-	641	357	-	1	358
Total operating expenses	3,251	-	1,107	4,358	2,794	-	6	2,800
Operating income (loss)	1,481	-	(1,107)	374	631	-	(6)	596
Nonoperating revenue:								
Investment income (loss)	127	385	13	525	(145)	(347)	(31)	(531)
Change in net position	1,608	385	(1,094)	899	486	(347)	(37)	65
Net position—beginning of year	4,059	9,847	1,094	15,000	3,573	10,194	1,131	14,898
Net position—end of year	\$ 5,667	\$ 10,232	\$ -	\$ 15,899	\$ 4,059	\$ 9,847	\$ 1,094	\$ 14,963

See notes to the financial statements.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

Note 1. Organization

The Corporation: Erie County Medical Center Corporation (referred to as the Corporation or ECMCC) is a public benefit corporation created by the Erie County Medical Center Corporation Act, Chapter 143 of the Laws of New York State, 2003 (Title 6 of Article 10-C of the Public Authorities Law) (the Act) as amended in 2016. The Corporation was created under the Act to secure a form of governance which permits the Corporation to have the legal, financial, and managerial flexibility to operate its health care facilities for the benefit of the residents of New York State (the State), the County of Erie (the County), and Western New York, including persons in need who lack the ability to pay.

The Corporation's "Health Care Facilities" consist of the Medical Center, a 573-bed acute tertiary care facility providing inpatient, emergency, outpatient, primary care and specialty clinic services (Medical Center), a 390-bed residential health care facility (Terrace View) both located on Grider Street in the City of Buffalo and three chemical dependency and alcohol rehabilitation clinics located throughout the County. The Corporation serves as the region's only Level 1 Adult Trauma Center, burn center, comprehensive traumatic brain injury and spinal cord injury rehabilitative center, Comprehensive Psychiatric Emergency Program provider for acute psychiatric emergencies, Regional Center of Excellence for Transplantation and Kidney Care.

The Corporation has the power under the Act to acquire, operate, and manage its facilities and to issue bonds and notes to finance the costs of providing such facilities. The Act specifically provides that the Corporation's existence shall continue until terminated by law; provided, however, that no such termination shall take effect so long as the Corporation shall have bonds or other obligations outstanding unless adequate provision has been made for the payment or satisfaction thereof. The Corporation's primary purpose is the operation of the Medical Center and Terrace View, and its powers, duties and functions are as set forth in the Act, as amended, and other applicable laws.

The Corporation qualifies as a governmental entity and, accordingly, is exempt from federal income tax pursuant to Section 115 of the Internal Revenue Code of 1986.

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended, the Corporation's financial statements are included, as a discretely presented component unit, in the County's Annual Comprehensive Financial Report (ACFR). A copy of the ACFR can be obtained from the Erie County Comptroller's Office, 95 Franklin Street, Room 1100, Buffalo, New York 14202. The Corporation is subject to New York civil service law.

Governance: The Corporation is governed by its Board of Directors (the Board) consisting of fifteen (15) voting directors, eight (8) of whom are appointed by the Governor of the State of New York and seven (7) of whom are appointed by the Erie County Executive with the advice and consent of the Erie County Legislature. There are four non-voting representatives, as well. The directors and non-voting members serve staggered terms and continue to hold office until their successors are appointed. Directors have experience in the fields of health care services, quality and patient safety, human resources, strategic growth, law, and financial management and reflect a broad representation of the community served by the Corporation. Regular meetings of the Board are scheduled eleven (11) times per year. Board leaders are appointed by the Board.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

Note 1. Organization (Continued)

Great Lakes Health System: The Corporation is a member of Great Lakes Health System of Western New York (Great Lakes). Great Lakes is a not-for-profit, community-based corporation comprised of unified partners whose objective is to provide the highest quality of healthcare to the residents of Western New York. Great Lakes is comprised of the Corporation, Kaleida Health (KH), The Center for Hospice and Palliative Care and the State University of New York at Buffalo (the University).

Great Lakes Health Integrated Network: The Corporation, together with KH has formed Great Lakes Health Integrated Network (GLIN) with each maintaining a 50% ownership interest. As of December 31, 2023 and 2022, capital contributions due to GLIN totaled \$326 and \$767, respectively. Contributions are used to pay for care coordination services, information systems infrastructure and routine operating expenses to support community population health management.

Medical School Collaboration: The Corporation serves as a primary teaching hospital for the Jacobs School of Medicine and Biomedical Sciences of the State University of New York at Buffalo (the Medical School). An agreement governs the relationship between the Corporation and the Medical School. The Corporation serves as an integral part of the education and research mission of the Medical School by providing the clinical settings for the Medical School's public mission to educate and train physicians, nurses and other healthcare professionals, conduct clinical research programs and deliver healthcare services to patients. There are currently 187 full-time equivalent medical residents assigned to the Corporation in various Academic College of Graduate Medical Education accredited residency programs.

Component Units: Accounting principles generally accepted in the United States of America (U.S. GAAP) require the inclusion within the Corporation's financial statements of certain organizations as component units. The component units discussed below are included because the nature and significance of their relationship to the Corporation are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete under criteria set forth by the GASB.

The component unit information in the accompanying basic financial statements includes the financial data of the Corporation's three discretely presented component units. The three discretely presented component units are discussed in more detail below:

ECMC Foundation, Inc.: The ECMC Foundation, Inc. (the Foundation) is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). The Foundation was formed for the purpose of supporting Corporation programs. The financial statements of the Foundation have been prepared on an accrual basis. The annual financial report can be obtained by writing to: Executive Director, ECMC Foundation, Inc., 462 Grider Street, Buffalo, NY 14215.

The Grider Initiative, Inc.: The Grider Initiative, Inc. (the Physician Endowment) is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the IRC. The Physician Endowment was funded in 2010, for the purpose of recruiting physicians who shall practice on the Grider Street campus of the Corporation. The entity was funded with an initial transfer of \$10,000 from the Corporation. Earnings from the investment of the initial transfer may be used only for physician recruitment and retention and necessary expenses of the entity. The financial statements of The Grider Initiative, Inc. have been prepared on an accrual basis. The annual financial report can be obtained by writing to: Chair, The Grider Initiative, Inc. 462 Grider Street, Buffalo, NY 14215.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

Note 1. Organization (Continued)

Research for Health in Erie County, Inc.: Research for Health in Erie County, Inc. (RHEC) was a not-for-profit organization dedicated to supporting research activities relating to the causes, nature, and treatment of diseases, disorders, and defects of particular importance to the public health in areas served by the Corporation. During 2023, RHEC was dissolved and the remaining net assets were contributed to the ECMC Foundation in order for ECMC Foundation to carry out the original RHEC mission.

In addition, the financial statements of the Corporation include the operations of the following component units, which are blended with the accounts of the Corporation:

PPC Strategic Services LLC (PPC): The Corporation is the sole owner of this enterprise, which was established to enable the Corporation to enter into various other business relationships.

Grider Support Services, LLC: The Corporation is the sole owner of this enterprise, which was formed to act as an MSO for physician practice services, which includes providing employees, management and administrative services.

Grider Community Gardens, LLC: This entity is wholly-owned and controlled by the Corporation and was formed for the purpose of purchasing and holding properties in proximity to the Corporation's Grider Street Campus.

1827 Fillmore, LLC: This entity is controlled by the Corporation and was formed for the purchase and development of property immediately adjacent to the Corporation's Grider Street campus.

Note 2. Summary of Significant Accounting Policies

Basis of accounting: The Corporation uses the accrual basis of accounting. Revenue is recognized in the period it is earned and expenses are recognized in the period incurred. Under this basis of accounting, all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the Corporation are included in the statements of net position.

For financial accounting and reporting purposes, the Corporation follows all pronouncements of the GASB. All references to relevant authoritative literature issued by the GASB with which the Corporation must comply are hereinafter referred to generally as U.S. GAAP. The discretely presented component units, as previously described, report under Financial Accounting Standards Board (FASB) standards. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features.

Use of estimates: The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. The reserve for uncollectible accounts, contractual allowances, estimated third-party payor settlements, workers compensation reserves, malpractice reserves, net pension assets/obligations, other post-employment benefit obligations, self-insured obligations, as well as, Disproportionate Share (DSH) revenue and certain other accounts, require the use of estimates. Actual results could differ from those estimates.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

Note 2. Summary of Significant Accounting Policies (Continued)

Included in net patient service revenue are adjustments to prior year estimated third-party payor settlements, and their related estimated receivables and payables that were originally recorded in the period the related services were rendered, as well as adjustments to the net realization rate for collections on patient accounts receivable. These adjustments are made in the normal course of operations and amounts reported are consistent with the approach in prior years. The adjustments to prior year estimates and other third-party reimbursement or recoveries that relate to prior years also impact DSH revenues as discussed in Note 5. The combined effect of changes related to prior years' estimates resulted in an increase of \$5,472 and \$196 in total operating revenues for the years ended December 31, 2023 and 2022, respectively.

Cash and cash equivalents: The Corporation's cash and cash equivalents include cash on hand and cash in checking and money market accounts as well as investments with a maturity of three months or less when purchased. Cash and cash equivalents designated for long-term purposes or received with donor-imposed restrictions limiting their use to long-term purposes are not considered cash and cash equivalents for purposes of the statements of cash flows. Monies deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks are collateralized with specifically designated securities held by a pledging financial institution, as required by State regulations.

Patient accounts receivable: Patient accounts receivable are reported net of both an estimated allowance for contractual adjustments and an estimated allowance for uncollectible accounts. The contractual adjustments represent the difference between established billing rates and estimated reimbursement from Medicare, Medicaid and other third-party payor programs. Current operations are charged with an estimated provision for bad debts estimated based on the age of the account, prior experience and any other circumstances which affect collectability. The Corporation's policy does not require collateral or other security for patient accounts receivable and the Corporation routinely accepts assignment of, or is otherwise entitled to receive, patient benefits payable under health insurance programs, plans or policies. The allowance for estimated doubtful accounts at December 31, 2023 and 2022 was approximately \$64,577 and \$63,414, respectively.

Investments and assets whose use is limited: The Corporation generally records its investments at fair value. Such assets are comprised of cash and cash equivalents, including money market funds, fixed income securities, commercial paper and equity funds. Assets classified as investments are unrestricted. Assets classified as limited as to use are restricted under Board designation or terms of agreements with third parties and include debt service funds, funds for self-insured workers' compensation costs and medical malpractice costs, collateral for insured workers' compensation programs, patient and resident monies, funding for future retiree health costs, and funds limited as to use for the acquisition of property, plant and equipment.

Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is at least possible that changes in risks in the near term could materially affect the net position of ECMCC.

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)

Note 2. Summary of Significant Accounting Policies (Continued)

Other receivables: The composition of other receivables, as of December 31 is as follows:

	2023	2022
DSH and Upper Payment Limit (UPL) (Note 5)	\$ 28,473	\$ 50,330
Due from affiliated organizations and joint ventures	1,233	1,928
Due from third-party payors	6,980	7,524
Other	3,922	2,648
	<u>\$ 40,608</u>	<u>\$ 62,430</u>

Capital assets: Capital assets are stated at cost. Depreciation is computed under the straight-line method over the estimated useful life of the asset. Estimated useful lives of assets have been established as follows:

Land and land improvements	5-25 years
Buildings and improvements	10-40 years
Fixed equipment	10-20 years
Major movable equipment	3-20 years

When assets are retired, or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected for the period. Maintenance and repairs are charged to expense as incurred with significant renewals and betterments being capitalized.

Capital assets that are donated (without restriction) are recorded at their fair market values as a direct increase to the component of net investment in capital assets.

Deferred outflows of resources: Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and therefore will not be recognized as an outflow of resources (expense) until that time. Deferred outflows of resources consist primarily of unrecognized items not yet charged to pension expense and retiree health expense related to the net pension (asset)/liability and post-employment benefit obligations, and items related to the 2017 financing transaction as described below, amongst other deferred resources.

The 2017 financing transaction included the payment of points, in the amount of \$17,040 to Erie County associated with the differential in interest rate on the 2017 financing using the credit rating of Erie County and the rate that the Corporation was projected to pay independent of a relationship with Erie County. The points are being amortized on the interest method over the term of the 2017 financing. The unamortized amount of points at December 31, 2023 and 2022, is \$8,712 and \$9,836, respectively. The 2017 financing transaction also included the advance refunding of the 2011 financing, the proceeds of which were used to finance the construction of the Terrace View Nursing Home on the Corporation's campus. The deposit required to the advance refunding escrow was greater than the balance outstanding on the 2011 financing in the amount of \$2,038 and is being amortized on the interest method over the life of the advance refunding component of the transaction. The unamortized portion of this advance refunding at December 31, 2023 and 2022 is \$652 and \$834, respectively.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

Note 2. Summary of Significant Accounting Policies (Continued)

Other assets: Amounts due from the County, as noted in Note 14, as well as ownership interests in various business enterprises are included in other assets.

Collaborative Care Ventures, LLC (Collaborative Care) was formed in 2014 by ECMCC and KH. Collaborative Care was created as a vehicle for ECMCC and KH to participate in various investments in the future consistent with their missions. At December 31, 2023 and 2022, the Corporation's share of the net assets of Collaborative Care amounted to \$1,022 and \$1,060, respectively.

Great Lakes Health Integrated Network (GLIN) was formed in 2018 by ECMCC and KH. GLIN was formed to support, manage and negotiate value-based contracts and/or risk-based contracts with third-party payors for the purpose of managing population health and anticipated payment reform. The Corporation's share of contributed capital supports organizational development and ongoing operations. The Corporation's share of GLIN's profit or loss is recognized as non-operating revenue. At December 31, 2023 and 2022, the Corporation's share of the net assets of GLIN amounted to \$4,324 and \$2,179, respectively.

Leases: The Corporation is a lessee for noncancellable leases of real estate and equipment. The Corporation recognizes a lease liability and an intangible right-to-use lease asset in the financial statements for leases. At the commencement of a lease, the Corporation measures the lease liability at the interest rate charged on the lease, if available, or otherwise discounted using the Corporation's incremental borrowing rate. The lease assets are amortized over the shorter of the lease term or the underlying asset useful life.

The Corporation is also a lessor for noncancellable leases of real estate. The Corporation recognizes a lease receivable and deferred inflow of resources in the financial statements for these leases. At the commencement of the lease, the Corporation measures the lease receivable at the interest rate charged on the lease, if available, or otherwise discounted using the Corporation's incremental borrowing rate.

Subscription Based Information Technology Arrangements (SBITAs): The Corporation recognizes an intangible subscription asset and corresponding subscription liability for its SBITAs. The subscription asset is measured as the subscription liability plus direct costs incurred in implementing the subscription asset. The subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying subscription asset. At the subscription commencement, the subscription liability is measured at the present value of payments expected to be made during the subscription term and utilizes the interest rate charged in the SBITA, if available, or otherwise discounted using the Corporation's incremental borrowing rate to calculate the present value of the payments.

Unearned revenue: Unearned revenue represents funds received by the Corporation for the DSRIP Program and health care transformation funds received that have not yet been earned.

Compensated absences: The Corporation has accrued liabilities for certain compensated absences earned by its employees, to include vacation, sick, and compensatory time. The Corporation's employees are permitted to accumulate unused vacation and sick leave time up to certain maximum limits. The Corporation accrues the estimated obligation related to vacation pay based on pay rates currently in effect. Sick leave credits, if accumulated above certain prescribed levels, may be the basis of a supplemental payment to employees upon retirement. The Corporation accrues an estimated liability for these estimated terminal payments. These amounts have been included in the statements of net position at December 31, 2023 and 2022, within the caption accrued salaries, wages and employee benefits in the amounts of \$17,496 and \$15,295, respectively.

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)

Note 2. Summary of Significant Accounting Policies (Continued)

Deferred inflows of resources: Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and therefore will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources consist primarily of the unamortized portion of certain items related to the Corporation's pension, other post-employment benefits and the value of leases receivable plus any payments received at or before the commencement of the lease term that relates to future periods.

Net position: Net position is classified into three categories according to external donor restrictions or availability of assets for satisfaction of the Corporation's obligations. The Corporation's net position is described as follows:

Net investment in capital assets: This represents the Corporation's total investment in capital assets, net of accumulated depreciation and reduced by outstanding debt and deferred inflows and outflows of resources that are attributable to the acquisition, construction or improvement of those assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

Restricted: The restricted expendable component of net position consists of constraints placed on net position through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. The restricted nonexpendable component of net position is permanently unavailable for use. The earnings on the nonexpendable net position are classified as restricted expendable.

Unrestricted: This component of net position consists of net position that does not meet the definition of other components of net position described above. These resources are used for transactions relating to the general health care operations of the Corporation and may be used at the discretion of the Board of Directors to meet current expenses for any purpose.

Net patient service revenue: Net patient service revenue is reported as services are rendered at estimated net realizable amounts, including estimated retroactive revenue adjustments under reimbursement agreements with third-party payors. Estimated settlements under third-party reimbursement agreements are accrued in the period the related services are rendered and adjusted in future periods as final settlements are determined. An estimated provision for bad debts is included in net patient service revenue.

Charity care: The Corporation provides care to patients who meet certain criteria under its charity care policy, without charge or at amounts less than established rates. Because the Corporation does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue in the accompanying statements of revenues, expenses and changes in net position. The estimated costs of caring for charity care patients were \$4,459 and \$4,602 for the years ended December 31, 2023 and 2022, respectively. Additionally, the Corporation provided approximately \$2,397 and \$2,517 in discounts to self-pay patients for the years ended December 31, 2023 and 2022, respectively.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

Note 2. Summary of Significant Accounting Policies (Continued)

Contributions: The Foundation reports gifts of cash or promises to give as restricted contributions when they are received with donor stipulations that limit the use of the donated assets. When the intent of the donor is that the assets are to remain in perpetuity and the Foundation does not have the right to invade the original principal, the assets are reported as with donor restrictions. When a donor restriction expires, restricted-expendable net positions are released to unrestricted net position. The Foundation conducted a capital campaign to raise funds to support the construction of a new Level 1 Adult Trauma Center, Emergency Department and other capital needs in support of the mission of the Corporation. Receivables for pledges associated with this campaign are recorded net of a reserve for uncollectible pledges and are discounted to present value using a 4.79% discount rate, over the expected collection period of the pledges.

Classification of revenues: The Corporation has classified its revenues as either operating or non-operating revenues according to the following criteria:

Operating revenues: Operating revenues include activities that have the characteristics of exchange transactions, such as payments for providing services and payments for goods and services received, for health care services provided to patients, net of contractual adjustments and provisions for bad debts.

Nonoperating revenues: Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as gifts and contributions, CARES Act funding, NYSDOH grant funding, Federal Emergency Management Agency (FEMA) funding, income from investments and contributions.

Income taxes: The Corporation is a Public Benefit Corporation of the State of New York and is exempt from federal income taxes under Section 115 of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements.

Contributed services: RHEC receives contributions from the Corporation consisting primarily of donated space, equipment, and personnel support. During 2023 and 2022, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

Certain immaterial amounts related to contributed rents have been reflected in the Foundation's financial statements as contribution revenue. The Foundation generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Foundation in meeting its goals and objectives. Such services are not recognized in the Foundation financial statements.

No amounts have been reflected in the Physician Endowment financial statements for contributed services, as the value of contributed services meeting the requirements for recognition in the financial statements was not material.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

Note 2. Summary of Significant Accounting Policies (Continued)

Recent and pending accounting pronouncements: Effective January 1, 2022, the Corporation adopted GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This Statement: (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*. A SBITA is defined as a contract that conveys control of the right to use another party's information technology software alone or in combination with tangible capital assets as specified in the contract for a period of time in an exchange or exchange-like transaction. See Note 8, for further details regarding the implementation of this Standard.

Effective January 1, 2023, the Corporation adopted GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this Statement are effective at various dates as outlined in the Statement. There was no significant impact on the Corporation's financial statements as a result of the adoption of this standard.

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections-An Amendment of GASB No. 62*. This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. The Corporation does not anticipate the adoption of this standard will have a significant impact on the financial statements.

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. The Corporation does not anticipate adopting this standard will have a material impact on the financial statements.

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Note 2. Summary of Significant Accounting Policies (Continued)

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement defines a *concentration* as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A *constraint* is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged. The Corporation has not yet determined the impact this statement will have on the financial statements

Reclassifications: Certain prior-year amounts have been reclassified to conform to the current-year presentation. Such reclassifications had no effect on previously reported operating loss/income or changes in net position.

Subsequent events: The Corporation has evaluated subsequent events for potential recognition and/or disclosure through **DATE**, the date the financial statements were issued.

Note 3. Coronavirus Pandemic (COVID-19)

Under certain provisions in the CARES and American Rescue Plan (ARP) Acts, the Corporation recognized benefits totaling \$8,395, in its statements of revenues, expenses and changes in net position, for the year ended December 31, 2022 (\$0 in 2023). The benefit is entirely comprised of distributions from the Provider Relief Fund established under these Acts and is recognized as non-operating revenue. During 2020, the Corporation also deferred payment of \$10,926 for the employer portion of the Social Security payroll taxes as allowed by the CARES Act. In accordance with the CARES Act, 50% of the deferred payroll tax was paid on January 3, 2022, with the remainder paid on January 3, 2023.

Under the CARES Act, the Centers for Medicare & Medicaid Services (CMS) expanded the Medicare Accelerated and Advance Payment Program to provide necessary funds to Medicare providers to assist with the disruption in claims submission and claims processing. During 2020, the Corporation received advance payments under this program totaling \$39,101. As of December 31, 2022, Medicare had recouped the advance in its entirety with \$20,879 recouped during 2022 and \$18,222 recouped in prior years.

The CARES Act also includes financial relief through FEMA's Disaster Relief Fund. The Corporation has received \$3,829 and \$2,757 from FEMA to reimburse eligible incremental expenses as a result of COVID-19 during the years ended December 31, 2023 and 2022, respectively. The Corporation will continue to submit for grant reimbursement for any remaining eligible COVID-19 expenses under this program. Costs claimed under FEMA may not be reimbursed by any other funding source or payor, and may not be claimed through Provider Relief Funds (PRF) or other grants.

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Note 4. Net Patient Service Revenue and Patient Accounts Receivable

The Corporation has agreements with third-party payors that provide for payment to the Corporation at amounts different from its established rates. A summary of the payment arrangements for hospital services with major third-party payors is as follows:

Medicare: Inpatient acute care services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge and per patient day depending on the service. Acute care rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Certain inpatient and outpatient services, as well as defined organ acquisition, capital and medical education costs related to Medicare beneficiaries are paid based on regulatory proscribed formulae. The Corporation is reimbursed for such items at a tentative rate with final settlement determined after submission of annual cost reports by the Corporation and audits thereof by the Medicare fiscal intermediary. The Corporation's classification of patients under the Medicare program and the appropriateness of their admission are subject to an independent review by a peer review organization under contract with the Corporation. Most outpatient reimbursements are based on an Ambulatory Payment Classification weighting by acuity system, although some outpatient cost reimbursement still exists.

Medicaid: Inpatient services rendered to Medicaid program beneficiaries are reimbursed at prospectively determined rates in accordance with Part 86 of the New York Codes, Rules and Regulations and New York State Law which are promulgated by the New York State Department of Health (DOH). Outpatient services are similarly paid at either prospective rates or fee schedule amounts.

Under the New York Health Care Reform Act, the Corporation also enters into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Corporation under these agreements includes prospectively determined rates, discounts from charges, and prospectively determined per diem rates. Medicaid, Workers' Compensation and No-fault continue to have reimbursement rates determined based on New York's Prospective Reimbursement Methodology.

Terrace View provides services to residents under agreements with third-party payors (Medicaid, Medicare and HMO's) under provisions of their respective cost reimbursement formulas or contractually negotiated rates. If amounts received are less than established billing rates, the difference is accounted for as a reduction of revenue. Final determination of the reimbursement rates are subject to review by appropriate third-party payors. Provisions are made in the financial statements for anticipated adjustments that may result from such reviews. The difference between the estimated amounts accrued and final settlements are reported in operations in the year of settlement.

Net patient service revenue, as reported on the statements of revenues, expenses and changes in net position, is comprised of the following for the years ended December 31:

	2023	2022
Gross charges	\$ 1,673,523	\$ 1,514,854
Less:		
Discounts and allowances	1,064,847	932,991
Provision for bad debts	4,956	15,474
	<u>\$ 603,720</u>	<u>\$ 566,389</u>

Erie County Medical Center Corporation
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Note 4. Net Patient Service Revenue and Patient Accounts Receivable (Continued)

Net patient service revenue by payor for the years ended December 31 is as follows:

	2023		2022	
	Amount	%	Amount	%
Medicare*	\$ 247,282	41.0%	\$ 229,412	40.5%
Medicaid*	164,815	27.3%	156,183	27.6%
Commercial and other third-party payors	164,704	27.3%	153,322	27.1%
No-fault	20,452	3.4%	23,968	4.2%
Self-pay	6,467	1.0%	3,504	0.6%
	<u>\$ 603,720</u>	<u>100.0%</u>	<u>\$ 566,389</u>	<u>100.0%</u>

*Medicare and Medicaid include Managed Care plans.

Laws and regulations governing Medicare, Medicaid, and other third-party payor programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates could change by a material amount in future periods. The Corporation believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs.

Patient accounts receivable consist of the following at December 31:

	2023	2022
Gross accounts receivable	\$ 295,805	\$ 271,115
Less:		
Discounts and allowances	128,839	124,132
Allowance for bad debts	64,577	63,414
	<u>\$ 102,389</u>	<u>\$ 83,569</u>

Concentration of credit risk: The Corporation grants credit without collateral to its patients, most of whom are insured under third-party payor arrangements. The mix of net receivables from patients and third-party payors at December 31 is as follows:

	2023	2022
Medicare*	33.2%	35.6%
Commercial and other third party payors	32.7%	27.7%
Medicaid*	27.8%	32.1%
No-fault	5.5%	3.7%
Self-pay	0.8%	0.9%
Total	<u>100.0%</u>	<u>100.0%</u>

*Medicare and Medicaid include Managed Care plans.

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Note 5. Disproportionate Share (DSH) Revenue

The Medicaid DSH program is designed to provide funds to certain hospitals to help offset the cost of uncompensated care provided to the uninsured. Each state has a specified Federal DSH allotment. In addition, New York State law authorizes the New York State Department of Health (DOH) to make supplemental DSH medical assistance payments to public hospitals located in Erie County, Nassau County, and Westchester County. For long term care facilities, DSH revenue is recognized in accordance with Upper Payment Limit (UPL) regulations promulgated by the Centers for Medicare and Medicaid Services (CMS).

In 2023 and 2022, DSH funding recorded by the Corporation totaled \$107,105 and \$68,295, respectively. The DSH funding process is complex and includes both tentative and final settlements for various state fiscal years which are subject to the availability of state and federal funding among other factors. As a result, DSH revenue is estimated and final settlements may vary significantly from the initial estimates.

For hospital services, DSH revenue of \$91,220 and \$58,295 was recognized in 2023 and 2022, respectively. In addition, during 2023 and 2022, the Corporation recognized \$15,885 and \$10,000, respectively, of UPL revenue for Terrace View. UPL revenue has been recognized based off New York State fiscal year 2023-2024, as determined by the DOH, using cost report year 2021 data.

CMS has indicated that cost reports dating back to the 2021 reporting year and the methodology employed to calculate DSH revenue are subject to audit for those years. Additionally, on February 24, 2024 CMS published the final rule addressing recent legislative changes to the Social Security Act, which changed hospital specific Medicaid DSH payment formulas. At this time, the impact of the CMS audit activity, and any DSH payment formula changes including implementation timing are not certain. Management has taken what it believes to be reasonable and appropriate steps to assure compliance with the CMS methodology.

Note 6. Cash and Cash Equivalents, Investments and Assets Whose Use is Limited

Cash and cash equivalents and investments: The Corporation's investments are made in accordance with State regulations and its own investment policy. The investment policy is regularly reviewed by an investment committee of the Board which evaluates the performance of investment managers and monitors compliance with the investment policy.

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Note 6. Cash and Cash Equivalents, Investments and Assets Whose Use is Limited
(Continued)

The Corporation's investments are generally reported at fair value, as discussed in Note 2. The carrying amounts of cash and cash equivalents, investments and assets whose use is limited are included in the Corporation's statements of net position as follows:

	2023	2022
Cash and cash equivalents	\$ 20,773	\$ 44,195
Investments	10,646	7,253
Assets whose use is limited—current	113,986	99,078
Assets whose use is limited—noncurrent	56,635	58,438
	<u>\$ 202,040</u>	<u>\$ 208,964</u>
Current portion of assets whose use is limited:		
Patient and residents trust cash	\$ 726	\$ 362
Restricted for debt service ^(a)	13,570	2,360
Designated for self-insurance obligations ^(b)	8,998	9,356
Designated for retiree health obligations ^(b)	12,326	12,061
Designated for DSRIP program ^(b)	71,684	68,534
NYS voluntary defined contribution plan escrow	49	129
Medical and dental staff funds	1,121	1,004
Restricted—self-insured workers' compensation collateral ^(d)	5,512	5,272
Total current portion of assets whose use is limited	<u>\$ 113,986</u>	<u>\$ 99,078</u>
Noncurrent portion of assets whose use is limited:		
Restricted for debt service ^(a)	\$ 10,302	\$ 9,825
Designated for long-term investment ^(b)	5,091	9,099
Designated for retiree health obligations ^(b)	12,505	12,770
Designated for self-insurance obligations ^(b)	24,075	21,808
Restricted—insured workers' compensation collateral ^(c)	4,662	4,936
Total noncurrent portion of assets whose use is limited	<u>\$ 56,635</u>	<u>\$ 58,438</u>

^(a) Funds restricted by operation of indenture agreement

^(b) Funds internally designated by operation of Board authority

^(c) Funds restricted—insured workers' compensation collateral agreement

^(d) Funds restricted—self-insured workers' compensation collateral agreements

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**Note 6. Cash and Cash Equivalents, Investments and Assets Whose Use is Limited
(Continued)**

The Corporation's cash and cash equivalents, as well as investments, are exposed to various risks, including credit, custodial credit, interest rate and market risks, as discussed in more detail below:

Deposits

All monies are deposited with banks or trust companies designated by the Corporation's investment committee of the Board of Directors. Funds not needed for immediate expenditure may be deposited in interest or non-interest-bearing accounts or invested in various marketable securities and bonds.

Custodial credit risk: Custodial credit risk is the risk that, in the event of bank failure, the Corporation's deposits might not be recovered. FDIC insurance through December 31, 2023 for funds held in interest bearing accounts is \$250 per depositor per category of legal ownership. New York law requires that deposits in excess of FDIC insured amounts are collateralized. The Corporation's bank deposits at December 31, 2023 and 2022, totaled \$27,068 and \$50,760, of which \$1,030 and \$1,043, respectively, were insured. Amounts over FDIC insured limits were fully collateralized with securities held by the pledging financial institution.

Investments

The Corporation's investment policy authorizes the Corporation to invest in accordance with New York State Finance Law Section 8(14), Section 201 and Public Authorities Law Article 9 Section 2800 to 2985, as well as the relevant provisions of the ECMCC Act. Compliance with the policy is monitored by the Corporation's investment committee and reported on regularly throughout the year by the Corporation's investment advisor.

Credit risk: Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligation, causing the Corporation to experience a loss of principal. The Corporation's investment policy limits investments in equity and fixed income securities with ratings only in the highest category. ECMCC's investments in government bonds carry the explicit guarantee of the U.S. government. The corporate bonds, short-term fixed income and government bonds are all rated AA+ or better by the Standards & Poor's rating agency.

Interest rate risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Corporation's cash equivalent securities are limited to maturities of no greater than eighteen months; short-term fixed income securities are limited to maturities of no greater than five years; and long-term fixed income securities are limited to maturities to no more than ten years. Substantially all of the Corporation's investments and assets whose use is limited have stated maturities of less than one year.

Custodial credit risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Corporation will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Corporation's investment policy does not address custodial credit risk.

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Note 6. Cash and Cash Equivalents, Investments and Assets Whose Use is Limited
(Continued)

Concentration of credit risk: Concentration of credit risk is the risk of loss attributable to the magnitude of investments in any single issuer. The Corporation's investment policy indicates the combined holdings of securities from one issuer shall not constitute more than 5.0% of the fund except for issues guaranteed directly or indirectly by the U.S. Government. The Corporation had no holdings in Federal National Mortgage Association (Fannie Mae) or Federal Home Loan Mortgage Corporation (Freddie Mac) issues at December 31, 2023 and 2022.

Fair value of financial instruments: Fair value is defined in the accounting standards as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Management utilizes valuation techniques that maximize the use of observable inputs (Levels 1 and 2) and minimize the use of unobservable inputs (Level 3) within the fair value hierarchy established by GASB. Assets carried at fair value are required to be classified and disclosed in one of the following three categories:

Level 1: Valuations based on quoted prices in active markets for identical assets that the Corporation has the ability to access.

Level 2: Valuations based on quoted prices in active markets for similar assets, quoted prices in markets that are not active or for which all significant inputs are observable, directly or indirectly. The Corporation has no Level 2 assets.

Level 3: Valuations based on inputs that are unobservable and significant to the overall fair value measurement. These are generally company generated inputs and are not market-based inputs. The Corporation has no Level 3 assets.

	2023			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 20,773	\$ -	\$ -	\$ 20,773
Investments and assets whose use is limited:				
Cash and cash equivalents	115,448	-	-	115,448
Marketable equity securities:				
Small/Mid cap equities	4,423	-	-	4,423
Growth equities	1,447	-	-	1,447
Core equities	9,921	-	-	9,921
International equities	10,190	-	-	10,190
U.S. fixed income	39,838	-	-	39,838
Total investments and assets whose use is limited	181,267	-	-	181,267
Total	\$ 202,040	\$ -	\$ -	\$ 202,040

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Note 6. Cash and Cash Equivalents, Investments and Assets Whose Use is Limited
(Continued)

	2022			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 44,195	\$ -	\$ -	\$ 44,195
Investments and assets whose use is limited:				
Cash and cash equivalents	96,213	-	-	96,213
Marketable equity securities:				
Small/Mid cap equities	4,117	-	-	4,117
Growth equities	1,459	-	-	1,459
Core equities	9,070	-	-	9,070
International equities	10,330	-	-	10,330
U.S. fixed income	43,580	-	-	43,580
Total investments and assets whose use is limited	164,769	-	-	164,769
Total	\$ 208,964	\$ -	\$ -	\$ 208,964

Note 7. Capital Assets, Net

Capital asset activity for the years ended December 31 is as follows:

	2023			
	Beginning Balance	Additions	Disposals/ Transfers	Ending Balance
Capital assets—being depreciated:				
Land and land improvements	\$ 41,166	\$ 31	\$ -	\$ 41,197
Buildings and improvements	545,092	2,882	-	547,974
Fixed/major moveable equipment	151,523	5,096	(165)	156,454
Total capital assets—being depreciated	737,781	8,009	(165)	745,625
Less accumulated depreciation	(461,308)	(32,001)	165	(493,144)
Total capital assets—being depreciated, net	276,473	(23,992)	-	252,481
Capital assets—not being depreciated:				
Construction in progress	21,643	3,165	(16,382)	8,426
Capital assets, net, excluding lease and SBITA assets	\$ 298,116	\$ (20,827)	\$ (16,382)	\$ 260,907
Lease and SBITA assets, net (Note 8)				\$ 52,132
Total capital assets, net, as reported in statements of net position				\$ 313,039

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Note 7. Capital Assets, Net (Continued)

	2022			
	Beginning Balance	Additions	Disposals/ Transfers	Ending Balance
Capital assets—being depreciated:				
Land and land improvements	\$ 41,624	\$ 525	\$ (983)	\$ 41,166
Buildings and improvements	547,713	4,763	(7,384)	545,092
Fixed/major moveable equipment	160,780	5,632	(14,889)	151,523
Total capital assets—being depreciated	750,117	10,920	(23,256)	737,781
Less accumulated depreciation	(448,779)	(34,911)	22,382	(461,308)
Total capital assets—being depreciated, net	301,338	(23,991)	(874)	276,473
Capital assets—not being depreciated:				
Construction in progress	19,699	8,216	(6,272)	21,643
Capital assets, net, excluding lease and SBITA assets	\$ 321,037	\$ (15,775)	\$ (7,146)	\$ 298,116
Lease and SBITA assets, net (Note 8)				\$ 61,270
Total capital assets, net, as reported in statements of net position				\$ 359,386

Construction in progress at December 31, 2023 and 2022, includes costs associated with various mechanical, electrical and information-technology security projects. The costs associated with an ambulatory electronic medical records system project of \$11,239 were written off during the year ended December 31, 2023 and recorded within purchased services expenses within the statements of revenues, expenses and changes in net position.

Depreciation expense amounted to \$32,001 and \$34,911 for the years ended December 31, 2023 and 2022, respectively.

Note 8. Leases and Subscription-Based Information Technology Arrangements

The Corporation is a lessee for various noncancellable leases of real estate and equipment. The expected lease payments are discounted using the interest rate charged on the lease, if available, and are otherwise discounted using the Corporation's incremental borrowing rate. The right-to-use assets are amortized over the shorter of the lease term or the underlying asset useful life. Lease assets are reported within capital assets and lease and SBITA liabilities are reported separately in the statements of net position.

Effective January 1, 2022, the Corporation adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. This Statement provides guidance on the accounting and financial reporting for SBITAs for government end users. The implementation of this Statement required the restatement of certain expenses and the change in net position in the December 31, 2022 financial statements.

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Note 8. Leases and Subscription-Based Information Technology Arrangements (Continued)

The Corporation recognizes an intangible subscription asset and corresponding subscription liability for its subscription-based information technology agreements with others. These arrangements have terms requiring monthly, quarterly or annual payments. The expected payments are discounted using the interest rate charged on the arrangement, if available, or are otherwise discounted using the Corporation's incremental borrowing rate.

Right-to-use assets by major class and the related accumulated amortization for the years ended December 31 is summarized as follows:

	2023				
	Beginning Balance	Additions	Remeasurements	Retirements	Ending Balance
Lease assets being amortized:					
Real estate	\$ 13,969	\$ 718	\$ -	\$ 2,760	\$ 11,927
Equipment	34,696	3,950	1,413	-	40,059
Total lease assets being amortized	48,665	4,668	1,413	2,760	51,986
Less accumulated amortization:					
Real estate	2,603	1,156	-	1,069	2,690
Equipment	16,008	6,917	-	-	22,925
Total accumulated amortization	18,611	8,073	-	1,069	25,615
Lease assets, net	30,054	(3,405)	1,413	1,691	26,371
Subscription-based information technology assets	39,473	4,349	-	-	43,822
Accumulated amortization	8,257	9,804	-	-	18,061
Subscription-based information technology assets, net	31,216	(5,455)	-	-	25,761
Lease and SBITA assets, net of accumulated amortization	\$ 61,270	\$ (8,860)	\$ 1,413	\$ 1,691	\$ 52,132

	2022				
	Beginning Balance	Additions	Remeasurements	Retirements	Ending Balance
Lease assets being amortized:					
Real estate	\$ 13,541	\$ 428	\$ -	\$ -	\$ 13,969
Equipment	26,194	8,502	-	-	34,696
Total lease assets being amortized	39,735	8,930	-	-	48,665
Less accumulated amortization:					
Real estate	1,410	1,193	-	-	2,603
Equipment	10,546	5,462	-	-	16,008
Total accumulated amortization	11,956	6,655	-	-	18,611
Lease assets, net	27,779	2,275	-	-	30,054
Subscription-based information technology assets	34,370	5,103	-	-	39,473
Accumulated amortization	-	8,257	-	-	8,257
Subscription-based information technology assets, net	34,370	(3,154)	-	-	31,216
Lease and SBITA assets, net of accumulated amortization	\$ 62,149	\$ (879)	\$ -	\$ -	\$ 61,270

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Note 8. Leases and Subscription-Based Information Technology Arrangements (Continued)

As of December 31, 2023, the principal and interest requirements to maturity for the lease liability are as follows:

	Principal	Interest	Total
2024	\$ 7,685	\$ 923	\$ 8,608
2025	5,794	655	6,449
2026	3,916	447	4,363
2027	2,549	303	2,852
2028	1,543	205	1,748
2029-2033	3,669	538	4,207
2034-2038	1,484	59	1,543
	<u>\$ 26,640</u>	<u>\$ 3,130</u>	<u>\$ 29,770</u>

As of December 31, 2023, the principal and interest requirements to maturity for the SBITA liability are as follows:

	Principal	Interest	Total
2024	\$ 8,724	\$ 800	\$ 9,524
2025	7,129	475	7,604
2026	5,568	218	5,786
2027	2,846	49	2,895
2028	135	3	138
2029-2033	49	1	50
	<u>\$ 24,451</u>	<u>\$ 1,546</u>	<u>\$ 25,997</u>

Lessor: The Corporation leases real estate to external parties. In accordance with GASB Statement No. 87, *Leases*, the Corporation records lease receivables and deferred inflows of resources based on the present value of expected receipts over the term of the respective leases. The Corporation recognized lease receivables (reported within other assets in the statements of net position) of \$753 and \$501 at December 31, 2023 and 2022, respectively, deferred inflows of resources of \$1,666 and \$1,440 at December 31, 2023 and 2022, respectively, and lease revenue of \$632 and \$931 during the years ended December 31, 2023 and 2022, respectively.

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Note 9. Accrued Other Liabilities

The composition of accrued other liabilities as of December 31 is as follows:

	2023	2022
Due to Erie County	\$ 12,767	\$ 11,880
Due to joint venture	326	767
Medical malpractice claims	1,792	1,800
Estimated third-party payor settlements	4,486	2,736
Asset retirement obligations	2,167	2,118
Workers compensation claims	7,416	7,556
Other	13,067	13,256
Total	<u>\$ 42,021</u>	<u>\$ 40,113</u>

GASB Statement No. 83, *Certain Asset Retirement Obligations*, establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. In accordance with this Statement, the Corporation completes an analysis of assets meeting the criteria of an ARO for specific types of medical equipment such as medical imaging equipment (e.g., MRIs, CT scanners, and PET scanners), X-Rays, and ultrasounds as well as computers containing information protected by HIPAA laws, and certain types of laboratory equipment. In addition, the Corporation evaluates the requirements for disposal of underground fuel and lab acid tanks. The Corporation determined, based on industry standards for disposition of similar assets, the total asset retirement obligation totaled \$2,167 and \$2,118 at December 31, 2023 and 2022, respectively. The assets have a remaining useful life ranging from 0 to 30 years. This obligation is discounted using a rate of 4.0% and an inflation factor of 3.0% at December 31, 2023 and 2022.

Note 10. Indebtedness

Long-term debt consisted of the following at December 31:

	2023				
	Beginning Balance	Additions	Payments/ Forgiveness	Ending Balance	Due Within One Year
Erie County—Guaranteed Senior Revenue Bonds, Series 2004	\$ 61,135	\$ -	\$ (4,165)	\$ 56,970	\$ 4,390
Erie County—2017 loan payable	90,154	-	(2,780)	87,374	2,849
Erie County—2017 loan payable	53,235	-	(4,159)	49,076	4,271
Erie County—2017 capitalized interest assumption obligation	7,505	-	(231)	7,274	237
Finance obligations	2,328	-	(379)	1,949	381
Total debt	<u>\$ 214,357</u>	<u>\$ -</u>	<u>\$ (11,714)</u>	<u>\$ 202,643</u>	<u>\$ 12,128</u>

Erie County Medical Center Corporation
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Notes to the Financial Statements
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Note 10. Indebtedness (Continued)

	2022				
	Beginning Balance	Additions	Payments/ Forgiveness	Ending Balance	Due Within One Year
Erie County—Guaranteed Senior Revenue Bonds, Series 2004	\$ 65,080	\$ -	\$ (3,945)	\$ 61,135	\$ 4,165
Erie County—2017 loan payable	92,867	-	(2,713)	90,154	2,780
Erie County—2017 loan payable	57,286	-	(4,051)	53,235	4,159
Erie County—2017 capitalized interest assumption obligation	7,731	-	(226)	7,505	231
Finance obligations	2,710	-	(382)	2,328	381
Total debt	<u>\$ 225,674</u>	<u>\$ -</u>	<u>\$ (11,317)</u>	<u>\$ 214,357</u>	<u>\$ 11,716</u>

Future annual principal payments applicable to long-term debt for the years subsequent to December 31, 2023 are as follows:

2024	\$ 12,128
2025	12,565
2026	13,025
2027	13,507
2028	14,008
2029-2033	76,818
2034-2038	54,603
2039-2042	5,989
Total	<u>\$ 202,643</u>

The Series 2004 Bonds are secured by a pledge of the gross receipts of the Corporation and amounts on deposit in certain debt service reserve funds. Interest rates on the bonds range from 5.5% to 5.7%, with principal payments ranging from \$4,165 to \$7,220 due annually on November 1 with interest payments due semi-annually on May 1 and November 1.

Pursuant to a Guaranty Agreement, the County has unconditionally guaranteed to the Corporation, the punctual payment of the principal, interest, and redemption premium, if any, on the Series 2004 Bonds, as the same shall become due and payable, and has pledged the faith and credit of the County for the performance of such guaranty. A municipal bond insurance policy has been purchased by the Corporation to guarantee all debt service payments in case of default by the Corporation and the County.

**Erie County Medical Center Corporation
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Note 10. Indebtedness (Continued)

In 2017, the Corporation entered into a loan agreement and a capitalized interest liability assumption agreement with the County of Erie, with the assistance of the Erie County Fiscal Stability Authority. The proceeds of the loan were used to finance the construction of a new Level 1 Adult Trauma Center and Emergency Department, fund various other capital projects on the Corporation's campus as well as refinance a 2011 loan. The loan has an interest rate of 3.377% with monthly principal and interest payments ranging from \$474 to \$930 during the term of the loan. In addition to the loan, the Corporation assumed the liability related to funds borrowed to pay capitalized interest during construction on the various projects noted above. The capitalized interest liability assumption has an interest rate of 3.377% with monthly principal and interest payments ranging from \$40 to \$77 during the term of the loan. The new money portion of the loan and the capitalized interest assumption agreement is fully amortized and matures in 2039. The refinancing component of the loan has an interest rate of 2.649% with monthly principal and interest payments ranging from \$300 to \$460 during the term of the loan and is fully amortized and maturing in 2034.

During 2018, the Corporation entered into a finance obligation agreement in the amount of \$2,044, the proceeds of which were used to purchase various equipment. The agreement requires principal and interest payments (cost of capital is estimated at 5.5%) of \$29 and matures September 2025.

During 2018, the Corporation entered into a second finance obligation agreement in the amount of \$409, the proceeds of which were used to purchase various suite improvements. The agreement required principal and interest payments (cost of capital is estimated at 3.8%) of \$4 and was paid in full during 2023.

During 2019, the Corporation entered into a finance obligation agreement in the amount of \$1,805, the proceeds of which were used to finance various cafeteria improvements. The agreement requires principal and interest payments (cost of capital ranges from 0% to 9.0%) of \$17 and matures March 2029.

During 2020, the Corporation entered into a finance obligation agreement in the amount of \$2,555, the proceeds of which were used to purchase various equipment. The agreement requires principal and interest payments (cost of capital is estimated at 5.5%) of \$39 and matures July 2026.

During 2021, the Corporation entered into a finance obligation agreement in the amount of \$1,552, the proceeds of which were used to finance a new food service line. The agreement requires principal and interest payments (cost of capital is 4.0%) of \$19 and matures in December 2028.

During 2021, the Corporation signed an agreement for an unsecured revolving line of credit with an original maturity date of November 2022 and was amended and extended to May 2024. The Corporation has available \$10,000 with interest payable at a variable rate of daily Secured Overnight Financing Rate (SOFR) plus 183 basis points. There was \$10,000 of outstanding borrowings against the line at December 31, 2023 and 2022, respectively. Management is currently negotiating an extension for the maturity date of this agreement.

**Erie County Medical Center Corporation
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Note 11. Pension Plan

Retirement plan: The Corporation participates in the New York State and Local Retirement System (NYSLRS or the System), which is a cost-sharing, multiple-employer public employees' retirement system. There are more than 515,000 pensioners and beneficiaries in the System with over 1.2 million participants.

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense/benefit, information about the fiduciary net position of the NYSLRS and additions to/deductions from NYSLRS' fiduciary net position have been determined on the same basis as they are reported by NYSLRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The net pension liability (asset) is measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the pension plan's fiduciary net position. The net pension liability (asset) should be measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (RSSL). As set forth in the RSSL, the Comptroller of the State of New York (the Comptroller) serves as sole trustee and administrative head of the System. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the System and for custody and control of its funds. The System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

NYSLRS provides three main types of retirement benefits: service retirements, ordinary disability retirements (non-job-related disabilities), and accident disability retirements (job-related disabilities) to members who are in different Tiers. The members' Tier is determined by the date of membership. Subject to certain conditions, members generally become fully vested as to benefits upon the completion of five years of service depending on their Tier. Employees may be required to contribute a percentage of their salary to the pension plan based on their Tier, determined by their date of membership in the plan. Annual pension benefits can be calculated as a percentage of final average salary times number of years of service and changes with the number of years of membership within the plan.

At December 31, 2023 and 2022, the Corporation reported a liability of \$198,936 and an asset of \$77,538, respectively, for its proportionate share of the NYSLRS net pension liability (asset). The total pension liability (asset) used to calculate the net pension liability (asset) is determined by an actuarial valuation as of April 1st each year and rolled forward to March 31st. The Corporation's proportion for the net pension liability (asset) for each fiscal year was based on the Corporation's indexed present value of future compensation to NYSLRS of all participating employers for 2023 and 2022, which was 0.9277% and 0.9485%, respectively.

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Notes to the Financial Statements
Year Ended December 31, 2023
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Note 11. Pension Plan (Continued)

(a) Actuarial Assumptions

The total pension liability for the March 31, 2023 measurement date was determined using an actuarial valuation as of April 1, 2022, with update procedures used to roll-forward the total pension liability to March 31, 2023. The actuarial valuations used the following actuarial assumptions:

Inflation	2.9%
Salary increases	4.4%, including inflation
Investment rate of return	5.9%, net of pension plan investment expense
Cost of living adjustments	1.5%
Mortality improvement	Society of Actuaries Scale MP-2021

The total pension asset for the March 31, 2022, measurement date was determined using an actuarial valuation as of April 1, 2021, with update procedures used to roll-forward the total pension liability to March 31, 2022. The actuarial valuations used the following actuarial assumptions:

Inflation	2.7%
Salary increases	4.4%, including inflation
Investment rate of return	5.9%, net of pension plan investment expense
Cost of living adjustments	1.4%
Mortality improvement	Society of Actuaries Scale MP-2020

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Note 11. Pension Plan (Continued)

(b) Expected Rate of Return on Investments

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following tables at December 31:

Asset class	2023	
	Target Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity	32.0%	4.3%
International equity	15.0%	6.9%
Private equity	10.0%	7.5%
Real estate	9.0%	4.6%
Fixed income	23.0%	1.5%
Credit	4.0%	5.4%
Real assets	3.0%	5.8%
Opportunistic/absolute return strategy	3.0%	5.4%
Cash	1.0%	0.0%
	<u>100.0%</u>	

Asset class	2022	
	Target Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity	32.0%	3.3%
International equity	15.0%	5.9%
Private equity	10.0%	6.5%
Real estate	9.0%	5.0%
Fixed income	23.0%	0.0%
Credit	4.0%	3.8%
Real assets	3.0%	5.6%
Opportunistic/absolute return strategy	3.0%	4.1%
Cash	1.0%	-1.0%
	<u>100.0%</u>	

Erie County Medical Center Corporation
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Notes to the Financial Statements
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Note 11. Pension Plan (Continued)

(c) Discount Rate

The discount rate used to measure the total pension liability (asset) as of December 31, 2023 and 2022 was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the NYSLRS fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on NYSLRS investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

Sensitivity of the Net Pension Liability (Asset) to the Discount Rate

The following presents the Corporation's proportionate share of the net pension liability (asset) calculated using the discount rate of 5.9% at December 31, 2023 and 2022, as well as what the Corporation's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	2023		
	1% Decrease (4.9%)	Discount Rate (5.9%)	1% Increase (6.9%)
Corporation's proportionate share of the net pension liability (asset)	\$ 480,743	\$ 198,936	\$ (36,546)
	2022		
	1% Decrease (4.9%)	Discount Rate (5.9%)	1% Increase (6.9%)
Corporation's proportionate share of the net pension (asset) liability	\$ 199,582	\$ (77,538)	\$ (309,335)

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Notes to the Financial Statements
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Note 11. Pension Plan (Continued)

(d) Deferred Outflows and Inflows of Resources

At December 31, 2023 and 2022, the Corporation reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2023	2022
Deferred outflows of resources:		
Differences between expected and actual actuarial experience	\$ 21,188	\$ 5,872
Changes in assumptions	96,616	129,402
Other	5,311	8,419
Total	<u>\$ 123,115</u>	<u>\$ 143,693</u>
Deferred inflows of resources:		
Difference between expected and actual experience	\$ 5,587	\$ 7,616
Change in assumptions	1,068	2,184
Difference between projected and actual investment earnings on pension plan investments	1,168	253,904
Changes in proportion and differences between Corporation contributions and proportionate share of contributions	15,914	16,485
Total	<u>\$ 23,737</u>	<u>\$ 280,189</u>

The change in employer proportionate share is the difference between the employer proportionate share of net pension liability (asset) in the prior year compared to the current year. Changes in these amounts are amortized over a five-year closed period, reflecting the average remaining service life of plan members.

The net deferred outflows and inflows of resources of resources related to pensions, excluding contributions made subsequent to the measurement date, will be recognized in pension expense as follows:

	Amount
Years ending December 31:	
2024	\$ 22,475
2025	(13,480)
2026	37,621
2027	52,762
	<u>\$ 99,378</u>

Annual Pension Expense (Benefit)

The Corporation's annual pension expense (benefit) for calendar years ended 2023 and 2022, which includes contributions toward the actuarially determined asset or liability and the amortization of deferred outflows and inflows of resources, was approximately \$65,509 and \$(47), respectively.

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Note 12. Other Post-Employment Benefits (OPEB)

Plan description: The Corporation provides OPEB that include basic medical and hospitalization plan coverage to eligible retirees. Eligible retirees may only be covered under the indemnified plan of the Corporation. To qualify, a retiree must meet various eligibility requirements as agreed to in collective bargaining agreements. The Corporation pays varying amounts based on specific union agreements.

Funding the plan: Currently, there is no New York State statute that expressly authorizes local governments to create a trust for OPEB purposes. Additionally, New York State's General Municipal Law does not allow for a reserve fund to accumulate funds for OPEB obligations. The Corporation's Board of Directors and management believe it is prudent to reserve funds for the Plan and have therefore internally designated \$24,831 in 2023 and 2022, for purposes of funding future post-employment benefits. These internally designated funds are included within assets whose use is limited in the statements of net position. In addition to the funding for future post-employment benefits, the Corporation continues to finance current benefits on a pay-as-you-go basis.

Annual OPEB cost and net OPEB obligation: The Corporation's total OPEB liability measured at December 31, 2023 and 2022, of \$293,911 and \$271,395, was determined by an actuarial valuation as of January 1, 2023 and 2022, respectively. The measurement date of the obligation is December 31, 2023 and 2022.

(a) Actuarial Assumptions

The total OPEB liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	3.3% per annum
Pre-Medicare Plans	7.8% for 2023, 4.0% ultimate trend rate in 2075
Medicare Plans	4.6% for 2023, 4.0% ultimate trend rate in 2075
Pre-Medicare Prescription Plan	7.8% for 2023, 4.0% ultimate trend rate in 2075
Medicare Prescription Plan	7.0% for 2023, 4.0% ultimate trend rate in 2075
Mortality	Society of Actuaries Scale MP-2021

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	3.7% per annum
Pre-Medicare Plans	7.8% for 2022, 4.0% ultimate trend rate in 2075
Medicare Plans	4.5% for 2022, 4.0% ultimate trend rate in 2075
Pre-Medicare Prescription Plan	7.8% for 2022, 4.0% ultimate trend rate in 2075
Medicare Prescription Plan	6.5% for 2022, 4.0% ultimate trend rate in 2075
Mortality	Society of Actuaries Scale MP-2021

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Note 12. Other Post-Employment Benefits (OPEB) (Continued)

(b) Changes in the OPEB Liability

	2023	2022
Changes in the OPEB obligation:		
Projected OPEB obligation at the beginning of year	\$ 271,395	\$ 379,106
Service cost	2,620	4,528
Interest cost	9,722	6,959
Difference between expected and actual experience	232	(34,085)
Change in assumptions	26,546	(69,430)
Actual benefit payments	(16,604)	(15,683)
Projected OPEB obligation at the end of year	<u>\$ 293,911</u>	<u>\$ 271,395</u>

(c) Discount Rate

The discount rate used to measure the total OPEB liability was 3.3% and 3.7%, based on the Bond Buyer 20-year Bond GO index rate as of December 31, 2023 and 2022, respectively.

Sensitivity of the OPEB Liability to the Discount Rate

The following presents the Corporation's total OPEB liability calculated using the discount rate of 3.3%, as well as what the Corporation's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.3%) or one percentage point higher (4.3%) than the current rate.

	2023		
	1% Decrease (2.3%)	Discount Rate (3.3%)	1% Increase (4.3%)
The Corporation's total OPEB liability	\$ 337,382	\$ 293,911	\$ 258,462

The discount rate used to measure the total OPEB liability as of December 31, 2022, was 3.7%, based on the Bond Buyer 20-year Bond GO index rate.

The following presents the Corporation's total OPEB liability calculated using the discount rate of 3.7%, as well as what the Corporation's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.7%) or one percentage point higher (4.7%) than the current rate.

	2022		
	1% Decrease (2.7%)	Discount Rate (3.7%)	1% Increase (4.7%)
The Corporation's total OPEB liability	\$ 310,620	\$ 271,395	\$ 239,334

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Note 12. Other Post-Employment Benefits (OPEB) (Continued)

Sensitivity of the OPEB Liability to the Healthcare Cost Trend Rates

The following presents the Corporation's total OPEB liability calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates.

	2023		
	Healthcare		
	1% Decrease	Cost Trend Rates	1% Increase
The Corporation's total OPEB liability	\$ 255,222	\$ 293,911	\$ 341,658

	2022		
	Healthcare		
	1% Decrease	Cost Trend Rates	1% Increase
The Corporation's total OPEB liability	\$ 236,278	\$ 271,395	\$ 314,630

(d) Deferred Outflows and Inflows of Resources

The following are components of deferred outflows and inflows at December 31, 2023 and 2022:

	2023	
	Deferred Outflows	Deferred Inflows
Differences between expected and actual actuarial experience	\$ 544	\$ (27,754)
Changes in assumptions	25,126	(31,583)
Total	<u>\$ 25,670</u>	<u>\$ (59,337)</u>

	2022	
	Deferred Outflows	Deferred Inflows
Differences between expected and actual actuarial experience	\$ 96	\$ (58,636)
Changes in assumptions	22,588	(56,176)
Total	<u>\$ 22,684</u>	<u>\$ (114,812)</u>

**Erie County Medical Center Corporation
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Note 12. Other Post-Employment Benefits (OPEB) (Continued)

The net deferred outflows and inflows of resources at December 31, 2023, will be recognized as follows:

	Amount
2024	\$ (24,297)
2025	(12,810)
2026	3,440
	<u>\$ (33,667)</u>

(e) Annual OPEB Benefit

The Corporation's annual OPEB benefit for the years ended December 31, 2023 and 2022, was \$19,343 and \$31,319, respectively.

Note 13. New York State Department of Health (NYSDOH) Grant Programs

The NYSDOH offers the Vital Access Provider Assurance Program (VAPAP) program. Funding under this program is made to public or safety net hospitals and health systems that meet certain criteria or that have been designated as critical access or sole community hospitals and is awarded to enable these facilities to maintain operations and provision of vital services while they implement longer-term solutions to achieve sustainable health care service delivery. During the years ended December 31, 2023 and 2022, the Corporation received grant payments under this program in the amount of \$76,838 and \$78,998, respectively. Specifically related to these grants, during the years ended December 31, 2023 and 2022, \$103,838 and \$51,998, respectively, was recognized in the statement of revenues, expenses and changes in net position as non-operating revenue.

Note 14. Transactions With the County of Erie

On December 30, 2009, the Corporation and the County entered into a Settlement Agreement. The Settlement Agreement resulted in the Corporation and the County entering into a number of transactions to resolve litigation and prepare for implementing the Corporation's master facility plan.

In October 2012, the Corporation and the County signed an amendment to the 2009 Settlement Agreement (the Amendment). The terms of the Amendment provide for the County to be reimbursed from the Corporation for certain workers' compensation claims incurred by Corporation employees that were paid by the County. The Amendment also provides for the County to reimburse the Corporation, over time, for post-retirement health expenses that the Corporation incurred for Corporation employees with service time at the County.

In 2017, the Corporation entered into a loan agreement and a capitalized interest liability assumption agreement with the County of Erie. A component of the loan agreement included the payment of points by the Corporation to the County of Erie in the amount of \$17,040 as further described in Note 2 and 10.

**Erie County Medical Center Corporation
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**Notes to the Financial Statements
Year Ended December 31, 2023
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Note 14. Transactions With the County of Erie (Continued)

Other transactions: Amounts that are included in operating revenues and expenses in the statements of revenues, expenses and changes in net position, which represent related-party transactions that occurred between the Corporation and the County during the years ended December 31, 2023 and 2022, are as follows:

The Corporation earned revenue totaling \$3,902 and \$3,856 for the years ended December 31, 2023 and 2022, respectively, from the County. Revenue earned relates to services provided to School 84, mental health services and various other charges related to County departments located within the Corporation's physical plant.

The net amount due to the County of approximately \$12,661 and \$11,393 at December 31, 2023 and 2022, respectively, is non-interest bearing and reflect the Corporation's net amount owed to the County as a result of various transactions and services between parties. This balance is reported as a component of accounts payable and accrued other liabilities in the statements of net position at December 31, 2023 and 2022, respectively.

Note 15. Self-Insured Obligations

The Corporation is self-insured for all medical malpractice claims for occurrences on or after January 1, 2004. Additionally, the Corporation began purchasing excess stop-loss insurance on a claims made basis for medical malpractice effective November 2008. The current policy provides \$35,000 of coverage in excess of a self-insured retention (SIR) of \$4,000 of individual claims or \$12,000 in aggregate claims effective November 19, 2018. Immediately previously, the policy provided \$35,000 of coverage in excess of a SIR \$3,000 of individual claims or \$10,000 in aggregate claims.

Effective April 1, 2016, the Corporation became self-insured for workers' compensation claims through a combination of self-insurance and a high-deductible plan for certain periods as follows: The Corporation maintains a stop-loss insurance policy for the claims in excess of \$750. As required by the NYS Workers' Compensation Board, ECMCC maintains a security deposit on its self-insured workers' compensation obligations. The value of the security deposit was \$30,689 and \$26,128 as of December 31, 2023 and 2022, respectively. The deposit is maintained through a surety bond. The surety requires a collateral deposit to maintain the bond. The value of the collateral held by the surety was \$5,512 and \$5,272 as of December 31, 2023 and 2022, respectively. Effective January 1, 2012, the Corporation insured a portion of its workers' compensation exposure through an occurrence basis high-deductible plan. The Corporation remains responsible for the first \$750 of an individual claim payment after December 31, 2011. The Corporation is required to pledge certain assets under this arrangement. As of December 31, 2023 and 2022, \$4,662 and \$4,936, respectively, has been designated to service workers' compensation claims and included as part of assets whose use is limited. The Corporation remains self-insured for workers' compensation claims prior to January 1, 2012. The County has assumed a portion of liabilities for all occurrences originating prior to 2004.

Losses from asserted and unasserted medical malpractice and workers' compensation claims are accrued based on actuarial estimates that incorporate the Corporation's past experience, the nature of each claim or incident, relevant trend factors, and estimated recoveries, if any, on unsettled claims.

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Note 15. Self-Insured Obligations (Continued)

The Corporation has accrued \$33,407 and \$30,975 at December 31, 2023 and 2022, respectively, for medical malpractice related exposures. Such amounts have been discounted at 2.0% for 2023 and 2022 and the accrued liabilities are included within the accrued other liabilities and self-insured obligations caption of the accompanying statements of net position. Charges to expense for medical malpractice costs are included within the other operating expenses caption of the accompanying statements of revenues, expenses and changes in net position.

The Corporation has accrued \$27,922 and \$27,264 at December 31, 2023 and 2022, respectively, for workers' compensation related exposures. Such amounts have been discounted at 1.75% for 2023 and 2022, and the liabilities are included within the accrued other liabilities and self-insured obligations captions of the accompanying statements of net position. Charges to expense for workers' compensation costs approximated \$7,376 and \$7,884 in 2023 and 2022, respectively, and are included within the payroll, employee benefits and contract labor caption of the accompanying statements of revenues, expenses and changes in net position.

Eligible retirees are provided basic medical and hospitalization coverage by the Corporation as more fully described in Note 12.

The composition of self-insured obligations as of December 31, is as follows:

2023					
	Beginning Balance	Actuarial Estimate of Claims Incurred	Claims Paid	Ending Balance	Due Within One Year
Medical malpractice	\$ 30,975	\$ 4,750	\$ (2,318)	\$ 33,407	\$ 1,792
Workers' compensation	27,264	6,145	(5,487)	27,922	7,416
	<u>\$ 58,239</u>	<u>\$ 10,895</u>	<u>\$ (7,805)</u>	<u>\$ 61,329</u>	<u>\$ 9,208</u>
2022					
	Beginning Balance	Actuarial Estimate of Claims Incurred	Claims Paid	Ending Balance	Due Within One Year
Medical malpractice	\$ 28,159	\$ 3,797	\$ (981)	\$ 30,975	\$ 1,800
Workers' compensation	28,348	6,378	(7,462)	27,264	7,556
	<u>\$ 56,507</u>	<u>\$ 10,175</u>	<u>\$ (8,443)</u>	<u>\$ 58,239</u>	<u>\$ 9,356</u>

Medical malpractice and workers' compensation amounts due within one year are management's estimates based on historical claims.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

Note 16. Commitments and Contingencies

The health care industry is subject to numerous laws and regulations of federal, state and local governments. Compliance with these laws and regulations is subject to future government review and interpretation as well as regulatory actions unknown or unasserted at the time. Government activity, in recent years, has increased with respect to investigations and allegations concerning possible violations by health care providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. While no regulatory allegations have been made against the Corporation, compliance with such laws and regulations can be subject to future government review and interpretations, as well as regulatory actions unknown or unasserted at this time. Management and its counsel are not aware of any such actions that will have a material adverse effect on the Corporation's financial statements.

Loss contingency liabilities are recorded in accordance with U.S. GAAP, which requires recognition of a loss when it is deemed probable that an asset has been impaired or a liability has been incurred, and the amount of the loss can be reasonably estimated. As of December 31, 2023 and 2022, the Corporation has recorded no loss contingencies except as disclosed in Note 15.

The Corporation formed 1827 Fillmore, LLC (1827) for the purpose of acquiring and developing land immediately adjacent to its Grider Street campus. A condition of the acquisition was that 1827 demolish a building on the site with known asbestos abatement requirements. This condition was met in 2018. The Corporation has undertaken a community planning process to determine the future use(s) of the site. The site requires the environmental remediation expenditures; however, the amount of such expenditures is dependent on the ultimate use of the site and requirements from regulators. Through December 31, 2023, approximately \$4,600 has been spent on remediating and improving the land.

Required Supplementary Information

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Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Required Supplementary Information
Schedule of Corporation's Contributions
NYSLRS Pension Plan
December 31, 2023
(Dollars in Thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 25,153	\$ 31,946	\$ 30,167	\$ 27,343	\$ 26,447	\$ 25,803	\$ 25,235	\$ 26,722	\$ 29,771	\$ 29,835
Contributions in relation to the contractually required contribution	25,153	31,946	30,167	27,343	26,447	25,803	25,235	26,722	29,771	29,835
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ECMCC covered-employee payroll	\$ 245,606	\$ 244,519	\$ 235,767	\$ 216,871	\$ 204,007	\$ 193,386	\$ 183,540	\$ 166,691	\$ 175,409	\$ 163,395
Contributions as a percentage of covered-employee payroll	10.2%	13.1%	12.8%	12.6%	13.0%	13.3%	13.7%	16.0%	17.0%	18.3%

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Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Required Supplementary Information
Schedule of Corporation's Proportionate Share of Net Pension Liability (Asset)
NYSLRS Pension Plan
December 31, 2023
(Dollars in Thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015
ECMCC proportion of the net pension (asset) liability	0.9277%	0.9485%	0.9187%	0.8504%	0.8079%	0.7646%	0.7614%	0.7228%	0.7137%
ECMCC proportionate share of the net pension (asset) liability	\$ 198,936	\$ (77,538)	\$ 915	\$ 225,197	\$ 57,240	\$ 24,677	\$ 71,544	\$ 116,006	\$ 24,112
ECMCC covered-employee payroll	245,606	273,555	249,490	246,772	235,284	216,044	183,540	166,691	175,409
ECMCC proportionate share of the net pension liability as a percentage of its covered-employee payroll	81.0%	-28.3%	0.4%	91.3%	24.3%	11.4%	39.0%	69.6%	13.7%
Plan fiduciary net position as a percentage of the total pension liability	90.8%	103.7%	100.0%	86.4%	96.3%	98.2%	94.7%	90.7%	97.9%

Note: GASB requires 10 years of information to be presented in this table. However, until a full 10-year trend is compiled, the Corporation will present information for those year for which information is available.

Change in Benefit Terms

The New York State Legislature lowered the vesting requirement for Tier 5 and Tier 6 from ten years to five years (Chapter 56 Of the Laws of 2022), prior to the April 1, 2022 actuarial valuation.

Changes of Assumptions

2023: The mortality improvement assumption was updated to the Society of Actuaries' Scale MP-2021, inflation was updated to 2.9%, cost-of-living updated to 1.5%, for the April 1, 2022 actuarial valuation.

2022: The mortality improvement assumption was updated to the Society of Actuaries' Scale MP-2020, inflation was updated to 2.7%, cost-of-living updated to 1.4%, and the interest rate assumption was reduced to 5.9% for the April 1, 2021 actuarial valuation.

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Required Supplementary Information

Schedule of Corporation's Changes in Total OPEB Liability and Related Ratios

December 31, 2023 and 2022

(Dollars in Thousands)

	2023	2022
Total OPEB liability:		
Service cost	\$ 2,620	\$ 4,528
Interest cost	9,722	6,959
Differences between expected and actual experience	232	(34,085)
Changes of assumptions	26,546	(69,430)
Benefit payments	(16,604)	(15,683)
Net change in total OPEB liability	22,516	(107,711)
Total OPEB liability—beginning	271,395	379,106
Total OPEB liability—ending	<u>\$ 293,911</u>	<u>\$ 271,395</u>
Covered employee payroll	\$ 87,249	\$ 87,719
Total OPEB liability as a percentage of covered employee payroll	336.86%	309.39%
Discount rate	3.3%	3.7%

Change in Benefit Terms

There were no significant changes in benefits during 2023 and 2022.

Changes of Assumptions

2023: The discount rate was decreased from 3.7% to 3.3%, while salary increases were adjusted from 3.7% to 3.3% as well as an update to the medical and prescription trend rates.

2022: The annual rate of increase in healthcare costs were revised to better reflect future expectations.

Erie County Medical Center Corporation

(A Component Unit of the County of Erie)

Uniform Guidance Audit Requirements
December 31, 2023

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**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Services Health Resources and Services Administration Direct Programs				
COVID-19: Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	93.498	N/A	\$ -	\$ 8,394,858
Training in General, Pediatric, and Public Health Dentistry	93.059	N/A	-	370,983
Ryan White HIV/AIDS Dental Reimbursement and Community Based Dental Partnership Grants	93.924	N/A	-	50,607
Oral Diseases and Disorders Research	93.121	N/A	-	186,894
Total U.S. Department of Health and Human Services Health Resources and Services Administration Direct Programs			-	9,003,342
U.S. Department of Health and Human Services pass-through program from: Health Research Inc.				
National Bioterrorism Hospital Preparedness Program	93.889	2430-18	-	40,000
New York State Office of Mental Health COVID-19: Block Grants for Community Mental Health Services	93.958	C21661GG	-	373,988
Total U.S. Department of Health and Human Services Pass-Through Programs			-	413,988
U.S. Department of Justice Pass-Through Program From:				
New York State Office of Victim Crime Services Crime Victim Assistance	16.575	OVS01-C10952GG-1080200	-	390,981
New York State Division Criminal Justice Services Crime Victim Assistance	16.575	OVS01-T11152GG-1080200	-	212,673
New York State Division Criminal Justice Services Crime Victim Assistance	16.575	N/A	-	426,815
			-	1,030,469
New York State Office of Victim Crime Services Crime Victim Assistance/Discretionary Grants	16.582	15POVC-22-GK-01799-NONF	-	159,983
New York State Division Criminal Justice Services Violence Against Women Formula Grants	16.588	C00256GG-1090000	-	50,000
Total U.S. Department of Justice Pass-Through Program			-	1,240,452
U.S. Department of Homeland Security (Federal Emergency Management Agency) COVID-19: Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	N/A	-	3,861,791
Total Expenditures of Federal Awards			\$ -	\$ 14,519,573

See notes to the schedule of expenditures of federal awards.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2023**

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Erie County Medical Center Corporation (the Corporation) under programs of the federal government for the year ended December 31, 2023. The information on this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

For purposes of the Schedule, federal awards include all federal assistance entered into directly between the Corporation and the federal government and sub-awards from nonfederal organizations made under federally sponsored agreements. The Schedule does not include payments received under Medicare and Medicaid reimbursement programs. Because the Schedule presents only a selected portion of the activities of the Corporation, it is not intended to, and does not, present the financial position, changes in net position and cash flows of the Corporation.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Corporation has elected to not exercise its option to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3. Other Federal Awards

There were no federal awards expended for noncash assistance, insurance, or any loans, loan guarantees, or interest subsidies outstanding at December 31, 2023.

Note 4. Subrecipients

The Corporation did not provide federal awards to any subrecipients during the year ended December 31, 2023.

**Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed
in Accordance With Government Auditing Standards**

Independent Auditor's Report

Board of Directors
Erie County Medical Center Corporation

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the business-type activities and the aggregate discretely presented component units of Erie Medical Center Corporation (the Corporation), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements, and have issued our report thereon dated DATE.

The financial statements of ECMC Foundation, Inc., the Grider Initiative, Inc. and Research for Health in Erie County, Inc. were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal controls over financial reporting or instances of reportable noncompliance associated with ECMC Foundation, Inc., the Grider Initiative, Inc. and Research for Health in Erie County, Inc.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the basic financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

DATE

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Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

Board of Directors
Erie County Medical Center Corporation

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Erie County Medical Center Corporation's (the Corporation) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Corporation's major federal programs for the year ended December 31, 2023. The Corporation's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Corporation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Corporation's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Corporation's federal programs.

Auditor's Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Corporation's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Corporation's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the Corporation as of and for the year ended December 31, 2023 and have issued our report thereon dated **DATE**, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the basic financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Firm Signature

DATE

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Schedule of Findings and Questioned Costs
Year Ended December 31, 2023

Section I—Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:

Internal control over financial reporting:

Material weakness(es) identified?

Significant deficiency(ies) identified?

Noncompliance material to financial statements noted?

Unmodified

<u> </u> yes	<u> </u> X	no
<u> </u> yes	<u> </u> X	none reported
<u> </u> yes	<u> </u> X	no

Federal Awards

Internal control over major programs:

Material weakness(es) identified?

Significant deficiency(ies) identified?

Type of auditor's report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?

<u> </u> yes	<u> </u> X	no
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Identification of major federal programs:

Federal Assistance Listing Number(s)

Name of Federal Program or Cluster

93.498

COVID-19: Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution

93.059

Training in General, Pediatric, and Public Health Dentistry

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as a low risk auditee?

<u> </u> X	yes	<u> </u> no
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(Continued)

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Schedule of Findings and Questioned Costs (Continued)
Year Ended December 31, 2023**

Section II—Financial Statement Findings

No findings noted.

Section III—Findings and Questioned Costs for Federal Awards

No findings noted.

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**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Summary Schedule of Prior Year Findings and Questioned Costs
Year Ended December 31, 2023**

Section I—Financial Statement Findings

No findings noted.

Section II—Findings and Questioned Costs for Federal Awards

No findings noted.

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2023 ANNUAL REPORT OF
ERIE COUNTY MEDICAL CENTER CORPORATION
(AS REQUIRED BY N.Y. PUBLIC AUTHORITIES LAW)



Respectfully Submitted by the Corporation
March 31, 2024

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Four-Year Financial Plan
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Compensation Schedule

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Corporation Expenditures in Excess of \$100,000

APPENDIX D

Enabling Legislation
Charter or By-Laws

MESSAGE FROM THE LEADERSHIP OF ECMC CORPORATION

2023 was a year for ECMC that marked growth in services, improvement in quality, success with accreditation, efforts to support our caring and inclusive culture, and operational improvements from the lingering effects of the COVID-19 pandemic.

In almost every measurable category, increases demonstrated a sustainable positive trend in patient volumes. Positive operations growth were reflected in our outpatient services (8.2%), Emergency Department visits (7.9%) and general surgeries (6.7%). And total acute average length of stay dropped by 12.1%, which is very beneficial to our patients and overall hospital operations. While these increases have not mitigated our financial challenges, they are helping us significantly as we, like all hospitals across New York, recover from the effects of responding to the COVID pandemic.

We often speak about ECMC's unique culture and the dedication and resilience of our caregivers. They are the cornerstone of our institution. Their accomplishments and nationally recognized clinical excellence supports and strengthens our recruitment efforts. ECMC has had tremendous success recruiting nurses in the past year, eliminating almost all agency nurses. Since the beginning of 2023, we brought on 768 new hires that includes 176 new RNs and 72 LPNs and 90 CNAs. We hear routinely that many of our new employees are attracted to ECMC based on their knowledge of our inclusive, diverse and talented workforce and supportive culture. Also, ECMC worked with our private and academic partners to recruit and onboard 118 new physicians during the year.

In 2023, our nurses ratified a five-year contract that runs to December 31, 2027. In addition to ensuring our ECMC nurses get competitively compensated for their complex nursing care, the new contract further acknowledged their steadfast determination over the past three years to provide hope and healing to the residents of Western New York during the most challenging periods of the COVID-19 pandemic. This contract also keeps ECMC registered nurses competitive in the market and will help support our successful recruitment and retention efforts. We also continue to recognize and support our nurses, and this year the ECMC Foundation Nursing Education and Professional Development Fund supported 43 nursing scholarships and 24 nursing certifications. From 2017 through 2023, over \$650,000 has been awarded from the Fund, resulting in 416 nursing scholarships and 264 nursing certifications.

In January 2023, ECMC earned full hospital accreditation – The Joint Commission's Gold Seal of Approval® Accreditation – by demonstrating continuous compliance with its performance standards. The Gold Seal is a symbol of quality that reflects a healthcare organization's commitment to providing safe and quality patient care. This accreditation surveys many clinical areas from behavioral health and ambulatory services to surgical services, inpatient care, and many others. It is a complete assessment of ECMC services and quality of care. ECMC underwent a rigorous, unannounced onsite survey in November 2022. During the review, a team of Joint Commission expert surveyors evaluated compliance with hospital standards related to several areas, including emergency management, environment of care, infection prevention and control, leadership, and medication management. Surveyors also conducted onsite observations and interviews. Throughout our nation's network of healthcare institutions, Joint Commission accreditation is universally regarded as the national standard of excellence.

The surveyors highlighted the inclusive, collaborative culture at ECMC and the kindness of our caregivers, while also stating on many occasions how we had very few findings for an organization as large and complex as ECMC. The survey team was extremely complimentary about the “passion” and “engagement” of everyone they encountered from clinical to non-clinical staff in the care of our patients.

Among our many clinical accomplishments, accreditations and national recognition in 2023, the Centers for Medicare and Medicaid Services (CMS), part of the U.S. Department of Health and Human Services (HHS), reaccredited ECMC’s Transplant program, housed in our Regional Center of Excellence for Transplantation and Kidney Care. Under the leadership of the Center’s Program Director Dr. Liise Kayler and her dedicated team of providers and support staff, the Center set a record this past year for the most transplants ever conducted at ECMC, performing a total of 151 kidney transplants, exceeding the previous annual record established last year (148).

ECMC Orthopedics was reported in Becker’s Hospital Review as only one of four orthopedic surgical services in New York State to be ranked as one of America’s 100 Best Hospitals for Orthopedic Surgery by Healthgrades, the nation’s leading marketplace connecting doctors and patients. This achievement reflected ECMC’s outstanding clinical outcomes for Orthopedic Surgery and put ECMC in the top 5% of hospitals nationwide for overall Orthopedic services. In addition, ECMC continues to provide new technology for all of its surgical programs and this year added Mako and DaVinci robotic surgery capabilities to provide state-of-the-art care for our patients.

In 2023, ECMC expanded and strengthened several off-campus outpatient facilities to provide greater healthcare services to the residents of our region, including: the ECMC Northtown Center for Specialty Care at 30 North Union Road in Amherst co-locates multiple specialty practices (e.g., Bariatric Surgery & Medical Weight Loss Management, Gastroenterology and Inflammatory Bowel Disease, Interventional Pain Management, & Plastic and Reconstructive Surgery) in a recently fully renovated facility. In March 2023, the ECMC Center for Dental Care opened at 800 Hertel in North Buffalo. This Center is the result of years of collaboration between Erie County Medical Center, the Health Resources and Services Administration, People Inc. and Evergreen Health.

For the fourth consecutive year, Terrace View Long-Term Care Facility was recognized on Newsweek’s Best Nursing Homes 2024 list. This prestigious award is presented by Newsweek and Statista Inc., the world-leading statistics portal and industry ranking provider. Only four percent of nursing homes nationwide received this distinction. Of the 600 skilled nursing facilities statewide that operate, 42 received this recognition. It is a distinct honor to be ranked amongst the best nursing homes within both the state and the nation.

The Commission on Accreditation of Rehabilitation Facilities (CARF) issued three-year accreditation to ECMC’s Acute Inpatient Rehabilitation Programs. And ECMC’s Laboratory Services received another two-year accreditation for ECMC’s Transfusion Services following bi-annual on-site assessment by the Association for the Advancement of Blood and Biotherapies (AABB). The American College of Emergency Physicians implemented the Geriatric Emergency Department Accreditation (GEDA) program to recognize those emergency departments that provide excellent care for older adults.

BRAVE (Buffalo Rising Against Violence at ECMC) achieved designation/certification as Western New York’s only Trauma Recovery Center. Our program is only the second NYS Office of Victims Services(OVS)-funded program in the state to attain that distinction from the National Alliance of Trauma Recovery Centers; the other is located across the state in Brooklyn. The goal is to meet people where they are and ensure they have basic needs met (stable housing, food, healthcare), so they can

move from surviving the trauma to healing. Developed in 2001, the evidence-based Trauma Recovery Center (TRC) model is designed to provide emergency support, clinical care, and wraparound case management to help survivors in communities most impacted by violence stabilize in moments of crisis, heal from trauma, and address their needs in the wake of victimization.

Announced December 14, 2023 by Governor Kathy Hochul, ECMC's SNUG program was awarded a \$2.8M state grant. ECMC's SNUG program was one of 16 different community-based organizations and hospitals funded across NYS. Administered and supported by the state Division of Criminal Justice Services, the SNUG Street Outreach program employs outreach workers, social workers, case managers and hospital responders who work in neighborhoods experiencing elevated levels of gun violence.

Further highlighting our successful commitment to broad-based Diversity, Equity and Inclusion efforts throughout our institution, ECMC was recognized by the Lown Institute, a highly regarded Boston-based national think tank, for outstanding social responsibility, receiving an "A" grade on the 2023-24 Lown Institute Hospitals Index. ECMC achieved this honor through strong performance across metrics of health equity, patient outcomes, and value of care, out of more than 3,600 hospitals nationwide. ECMC ranked 8 out of 138 hospitals in New York State and 350 of 3,637 hospitals nationally on the Social Responsibility metric.

And for the second time in three years, ECMC was honored by New York State for our continuing success in the procurement of goods and services from MWBEs, always exceeding the state's goals. We transformed our MWBE program under the leadership of our Executive Management leadership and VP of Materials Management by integrating it into our institution's procurement process. Our team received New York State's MWBE Champions Award in 2021 and again just a few months ago in Albany at the 2023 New York State MWBE Forum. Since 2020, ECMC has utilized over \$44 million in MWBE services on a variety of projects throughout our institution. In the state's fiscal year 2022-23, ECMC reached 47.05% utilization, well exceeding the NYS goal of 30%.

The dynamic culture of ECMC may be best reflected in the success of our Annual Giving Campaign. Because of our ECMC Family's generosity in 2023, we achieved the highest level of support from staff throughout our institution. By exceeding 50% participation in charitable giving, we realized the highest percentage ever (50.86%) for contributions to the Annual Giving Campaign. With \$472,390 in total support in 2023, the Foundation reinvests those proceeds back into the care our staff deliver through a variety of programs that support professional development for staff, equipment and technology to enhance our high-quality healthcare services and other initiatives to ensure they have all of the support and resources they need to provide lifesaving care to our patients.

As the one year anniversary of the May 14th tragedy approached in 2023, and to express our support and remembrance for the victims and survivors of the 5/14 racist attack at Tops on Jefferson Avenue, hundreds of our ECMC Family participated in a walk on Friday, May 12th on the ECMC health campus followed immediately by a brief memorial tree and plaque dedication at our Remembrance Garden. Mark Talley, son of victim Geraldine Talley and once a member of our Behavioral Health staff, and who since 5/14 has founded Agents for Advocacy, a not-for-profit organization dedicated to "... improving the lives of low-income communities by providing access to essential resources and services," joined us for this solemn ceremony. As we had done in 2022 days after this unspeakable act of hate and racism, our ECMC Family gathered in prayer and in solidarity against racism, bigotry, and hatred, showing our collective commitment to stand together and promote diversity, defend equity and ensure inclusivity. We have been and will continue to be committed to these principles, as we work to make ECMC and our community a place of belonging for all. This tragedy sadly reinforced that much work is left to be done,

but our commitment to these efforts and our fight against racism and discrimination has only been strengthened.

We continue to meet all of the challenges and opportunities we face with our partners at Kaleida Health and the University at Buffalo as we collaborate to strengthen our services to patients and support our mission as an academic hospital. These challenges of the past several years are well documented and widely acknowledged, but what the experiences throughout that time proved was how dedicated and resilient our ECMC caregivers are and how committed they are to fulfilling our institution's mission. As we navigated through circumstances that tested the most experienced among us, our caregivers' resolve and determination never wavered, helping ECMC to achieve success in 2023. As we continue to move forward and strengthen our capabilities to provide world-class healthcare services to the residents of Western New York, we will continue to build on the successes of 2023 to help ensure an even better future for our community and our institution.

Sincerely,



Thomas J. Quatroche Jr., PhD
President & Chief Executive Officer



Jennifer C. Persico, Esq.
Chair, Board of Directors



Jennifer Pugh, MD, MBA, FACEP
President, Medical Executive Committee

CERTIFICATION

The financial reports submitted in this Annual Report have been approved by the Board of Directors of the Erie County Medical Center Corporation and are hereby certified, as indicated by signatures below, by the Chief Executive Officer and Chief Financial Officer.

Specifically, the undersigned certify, based on knowledge and information provided to us that the financial reports and the information provided therein (1) are accurate, correct and do not contain any untrue statement of material fact; (2) do not omit any material fact which, if omitted, would cause the financial statements to be misleading in light of the circumstances under which such statements are made; and (3) fairly present, in all material respects, the financial condition and results of operations of the Erie County Medical Center Corporation as of, and for, the year ended December 31, 2023.

Respectfully submitted,



Thomas J. Quatroche, Ph.D.
President and Chief Executive Officer



Jonathan T. Swiatkowski, CPA
Chief Financial Officer

MISSION

To provide every patient the highest quality of care delivered with compassion.

VISION

ECMC WILL BE A LEADER IN AND RECOGNIZED FOR:

- High quality family centered care resulting in exceptional patient experiences.
- Superior clinical outcomes.
- The hospital of choice for physicians, nurses, and staff.
- Strong collaboration with community partners to improve access to healthcare and the quality of life and vitality of the region.
- Academic affiliations that provide the best education for physicians, dentists, nurses, and other clinical staff.

CORE VALUES

ACCESS

All patients get equal care regardless of their ability to pay or source of payment. We address the healthcare needs of each patient that we can appropriately serve, without bias or pre-judgment.

EXCELLENCE

Excellence is a standard that will never be lowered; there is an expectation of excellence in all areas.

DIVERSITY

We recognize the importance and value of diversity and the enrichment that diversity can bring to ECMCC.

FULFILLING POTENTIAL

We respect the value and potential of each individual as offering a significant contribution to the good of the whole organization. Personal growth and development is important for organizational success.

DIGNITY

Each individual, no matter his or her limitations, background or situation, has intrinsic dignity and unique capabilities.

PRIVACY

We honor each person's right to privacy and confidentiality.

FAIRNESS and INTEGRITY

Equity and fairness are guidelines for all decision-making. We demand personal and institutional integrity.

COMMUNITY

In accomplishing our mission we remain mindful of the public's trust and are always responsive to the immediate surrounding community and our natural environment. This commitment represents both our organization and us as individuals. A successful future for ECMCC depends on a vibrant community and a healthy environment.

COLLABORATION

Collaboration with other organizations is beneficial within the context of our mission and is fundamental to achieving our goals.

COMPASSION

All involved with ECMCC's service delivery demonstrate caring, compassion, and understanding for patients, employees, volunteers, and families.

STEWARDSHIP

We can only be successful in carrying out our mission through solid financial performance and by assuring that resources provided to us are used effectively, in the way they were intended, and for the benefit of our patients and community.



The difference between healthcare and true care™



Highlights ECMC – 2023

January

- The **Joint Commission** granted ECMC three-year Comprehensive Accreditation.

February

- The **New York State Division of Homeland Security and Emergency Services (DHSES)** has processed a payment in the amount of \$1,640,522.39 from FEMA. This payment is related to Disaster 4480 COVID-19 declared on Mar 20, 2020.
- Successful **reaccreditation by The Centers for Medicare and Medicaid Services (CMS), part of the Department of Health and Human Services (HHS) of Transplant program**, housed in ECMC's Regional Center of Excellence for Transplantation and Kidney Care.
- **NYSDOH survey of ECMC Laboratory** services successfully completed.

March

- Opened the new **ECMC Center for Dental Care** at the People Inc. Health Services Building on Hertel Avenue in North Buffalo. The new dental office was built with advanced equipment to support the complex dental health of special needs patients, from throughout Western New York. This practice will provide adult and pediatric dental care to the local community as well. The Division is the only large, accredited hospital-based dental residency program in Western New York.
- **Joint Commission survey** of ECMC Laboratory services successfully completed

April

- **NYSDOH survey of ECMC Radiology** successfully completed.

July

- **Commission on Accreditation of Rehabilitation Facilities (CARF) issued three-year accreditation to ECMC's Acute Inpatient Rehabilitation Programs** (through June 30, 2026) stating that this "achievement is an indication of [ECMC's] dedication to improving the quality of the lives of the persons served."
- ECMC's Laboratory Services received another two-year accreditation for ECMC's Transfusion Services following bi-annual on-site assessment by the **Association for the Advancement of Blood and Biotherapies (AABB)**.
- Erie County Medical Center has again been recognized by the Lown Institute for outstanding social responsibility, receiving an "A" grade on the **2023-24 Lown Institute Hospitals Index**. ECMC achieved this honor through strong performance across metrics of health equity, patient outcomes, and value of care, out of more than 3,600 hospitals nationwide. In 2021, ECMC was ranked among the top 100 hospitals in the United States for racial inclusivity by the Lown Institute; in 2022 ECMC was ranked in the top 50 hospitals in the country for racial inclusivity.

- ECMC launched a new summer internship opportunity for high school students in 10th, 11th and 12th grades called “**Healthcare Explorers.**” This immersive summer internship experience allows students to have hands-on learning opportunities across the ECMC health campus. Students explore such health system areas as: ambulatory services, critical care, emergency services, hospital public safety, inpatient pharmacy, IT security, laboratory medicine, medical/surgical nursing, radiology, surgical services, and transplantation services.

September

- Terrace View Long-Term Care Facility has been recognized on **Newsweek’s Best Nursing Homes 2024** list. This prestigious award is presented by Newsweek and Statista Inc., the world-leading statistics portal and industry ranking provider. Only four percent of nursing homes nationwide received this distinction. Of the 600 skilled nursing facilities state-wide that operate, 42 received this recognition. It is a distinct honor to be ranked amongst the best nursing homes within both the state and the nation. This is the fourth consecutive year Terrace View has received this recognition.
- Erie County Medical Center has been awarded the **Antimicrobial Stewardship Center of Excellence (CoE)** designation by the Infectious Diseases Society of America. The designation recognizes institutions that have created stewardship programs led by infectious disease-trained clinicians that advance science in antimicrobial resistance. The core criteria for the CoE program place emphasis on an institution’s ability to implement stewardship protocols by integrating best practices to slow the emergence of resistance, optimize the treatment of infections, reduce adverse events associated with antibiotic use and to address other challenging areas related to antimicrobial stewardship. A total of 179 programs nationwide have received the designation since the program’s launch.

October

- ECMC earned platinum recognition for its efforts to increase organ and tissue donor registrations across the country, through **the DoNation Campaign**. DoNation is a national initiative sponsored by the U.S. Department of Health and Human Services, Health Resources and Services Administration (HRSA), to educate our community about the crucial need for organ and tissue donation and to encourage people to sign up as organ and tissue donors. Since 2011, this campaign has encouraged more than 60,000 donor registrations nationwide. Between October 2022 and September 2023, ECMC has actively participated in this campaign to earn this federal recognition.
- ECMC announced it has again achieved numerous five-star ratings for specialty care, according to new research released by **Healthgrades**, the leading resource consumers use to find a hospital or doctor. ECMC was honored with a Five-Star rating in Total Knee Replacement for 3 years in a row (2022-2024), a Five-Star rating for Hip Fracture Treatment for 14 years in a row (2011-2024) and a Five-Star Distinction in Total Hip Replacement (2023-24).

November

- **The American College of Emergency Physicians**, implemented the Geriatric Emergency Department Accreditation (GEDA) program to recognize those emergency departments that provide excellent care for older adults. Communicating with our institution, representatives of GEDA stated, “...we are excited to announce that Erie County Medical Center’s Emergency Department has achieved the bronze standard – Level 3 GEDA accreditation.

- BRAVE (Buffalo Rising Against Violence at ECMC) achieved designation/certification as Western New York's only Trauma Recovery Center. Our program is only the second NYS Office of Victims Services(OVS)-funded program in the state to attain that distinction from the **National Alliance of Trauma Recovery Centers**; the other is located across the state in Brooklyn. It's a successful model that treats victims of violence holistically and proactively through comprehensive case management and assertive outreach. The goal is to meet people where they are and ensure they have basic needs met (stable housing, food, healthcare), so they can move from surviving the trauma to healing. Developed in 2001, the evidence-based Trauma Recovery Center (TRC) model is designed to provide emergency support, clinical care, and wraparound case management to help survivors in communities most impacted by violence stabilize in moments of crisis, heal from trauma, and address their needs in the wake of victimization.

December

- Announced December 14, 2023 by Governor Kathy Hochul, ECMC's **SNUG program** was awarded a \$2.8M state grant. ECMC's SNUG program was one of 16 different community-based organizations and hospitals funded across NYS. Administered and supported by the state Division of Criminal Justice Services, the SNUG Street Outreach program employs outreach workers, social workers, case managers and hospital responders who work in neighborhoods experiencing elevated

2023 PERFORMANCE GOALS/OUTCOMES

ECMC Strategic Plan Priorities and Goals

1. **Exceptional Quality and Experience** – Raise the standard of clinical care to improve quality, patient safety, and patient experience in the acute care and ambulatory environments.
2. **Cultural Identity** – Preserve ECMC’s strong cultural identity while further instilling a sense of urgency and genuine stewardship to achieve our organizational objectives.
3. **Campus Transformation** – Address our deferred maintenance issues, expand capacity, and integrate the development of Kensington Heights and the surrounding community.
4. **Performance Improvement** – Generate the margin necessary to meet our budgetary goals by lowering ECMC’s overall cost position, enhancing revenue cycle performance, and targeted growth.
5. **Population Health Capabilities** – Take greater responsibility for managing the overall health of our patient populations through a shift from fee-for-service to risk-based arrangements.
6. **Community Needs** – Through partnerships and targeted investments, be a leading corporate citizen by addressing socioeconomic challenges that impact our communities.
7. **Great Lakes Health Collaboration** – Further increase interconnectivity between ECMC, Kaleida and our partners through clinical and operational collaborations.
8. **Strengthen Relationship with Academic Partners** – Partner with the University at Buffalo and other local professional training programs to enhance our impact across the tripartite academic mission.

Progress Against Strategic Plan Priorities and Goals

1. Exceptional Quality and Experience

- Joint Commission granted ECMC three-year Comprehensive Accreditation.
- Medical Intensive Care, Trauma Intensive Care and Burn Units maintained American Association of Critical Care Nurses silver-level Beacon Award for Excellence.
- Maintained ANCC Pathway to Excellence designation.
- Launched Maxillofacial Prosthetics Fellowship, a CODA-accredited 12-month postgraduate certificate program devoted to maxillofacial prosthetics and dental oncology.
- ECMC selected as a study site for a new Phase 2 clinical trial to administer a novel gene therapy with the potential to help with dry mouth symptoms after radiation therapy for head and neck cancer.
- Presented ECMC’s “Primary Care’s Hypertension Remote Patient Monitoring Program,” highlighting the 47% increase in controlling enrolled participants blood pressure at the America’s Essential Hospitals Annual Conference, VITAL 2023.
- Named Top 5 percent in nation for Orthopedic Services by Healthgrades.

2. Cultural Identity

- Continued focus on Diversity, Equity & Inclusion across the organization.
- ECMC earned LGBTQ+ Healthcare Equality High Performer under the Human Rights Campaign Foundation.
- ECMC's Office of Diversity, Equity and Inclusion oversees six Employee Resource Groups, which facilitate a cultural awareness initiative to promote inclusion and belonging across our organization.

3. Campus Transformation

- Completion of OR lighting modernization program.
- Kensington Heights and Grider Street development initiatives.

4. Performance Improvement

- Continued expansion of Accelerating Excellence programs and projects.
- Oral Oncology & Maxillofacial Prosthetics acquired Artec Space Spider 3D Scanner and SprintRay Pro 95 S Printer, which is leading to more comfortable visits for patients, greater speed and accuracy in our laboratory work, and greater patient satisfaction.
- Daily bed huddles 7 days per week.
- Growth in both DaVinci and Mako robotic surgery systems.
- ECMC Center for Cardiovascular Care in collaboration with the ECMC Radiology Department added a new diagnostic service of Coronary CTA's.
- Expanded Intensive Outpatient Program and Help Center operations.
- Developed new patient tracking system called TeleProcedure.
- Added 768 new hires that includes 176 new RNs and 72 LPNs and 90 CNAs.
- Recruited 118 new physicians to the ECMC Medical Staff, including new surgeons in surgeons in Ortho, Neuro, GI, Urology.

5. Population Health Capabilities

- Conducted multiple lung cancer and head and neck cancer screening clinics in vulnerable communities throughout the city.
- Opened ECMC Northtown Center for Specialty Care that co-locates multiple specialty practices (e.g., Bariatric Surgery & Medical Weight Loss Management, Gastroenterology and Inflammatory Bowel Disease, Interventional Pain Management, & Plastic and Reconstructive Surgery).
- Opened ECMC Center for Dental Care at 800 Hertel in North Buffalo that meets the needs of our patients with intellectual and developmental disabilities.
- Accelerated the growth and infrastructure development for Great Lakes Integrated Network

6. Community Needs

- Exceeded MWBE goal for 2023, reaching 47.05% utilization.
- Received NYS MWBE Champions Award for second time in three years.
- Recognized by the Lown Institute, for outstanding social responsibility, receiving an "A" grade on the 2023-24.

- Maintained partnership with the Buffalo City Mission focused on its Recuperative Care Unit.
- Received over \$2.8 million dollars in state funding for ECMC's SNUG program, which, along with ECMC's BRAVE program, provides services to victims of all forms of violence and for those who have been impacted trauma.

7. Great Lakes Health Collaboration

- Continued growth of Great Lakes Cancer Care.
- Continued partnership and investment in Great Lakes Integrated Network
- Further expansion of collaborative value-analysis program.

8. Strengthen Relationship with Academic Partners

- Strengthened Neurological surgery with UB Neurosurgery. Dr. Hanna Algattas performing skull-based neurosurgery for tumors, which is only procedure of this kind currently in WNY.
- In 2023, 1,490 Nursing students rotated through ECMC as part of their clinicals.

CAPITAL PROJECTS IN PROCESS IN 2023

Mechanical, Electrical, Plumbing and Elevator Improvements	Began November 2018
Data Center Renovations	Began August 2019
Information Technology Disaster Recovery	Began November 2021

REAL PROPERTY ACQUISITIONS

Address of Location Purchased	Name of Seller	Purchase Price
465 Grider Street Buffalo NY 14215	Corinda Larkins Mayberry & Willie J. Mayberry	\$285,000.00

CODE OF ETHICS

See Appendix D. Article XI; Sections 1-8

INTERNAL CONTROL STRUCTURE AND PROCEDURES

Assessment of Effectiveness of Internal Controls

New York State Public Authority Reporting System (PARIS)

Erie County Medical Center Corporation

At and For the Year Ended December 31, 2023

The evaluation of the system of internal control is an ongoing process conducted throughout the year by myself in the capacity as the Chief Financial Officer of Erie County Medical Center Corporation. In this ongoing process there is engagement and oversight by the Audit Committee of the Board of Directors with support, advice and assistance provided by the Chief Executive Officer, the Chief Operating Officer, the General Counsel and a robust internal audit function.

The conclusions of the ongoing assessment were that no control deficiencies, significant deficiencies or material weaknesses, collectively as defined in generally accepted auditing standards, in internal controls were identified, however, performance improvement opportunities to enhance internal control were identified and implemented.

Based on my ongoing assessment, the work of the internal audit function and the work of the independent audit firm for ECMC there is an effective system of internal control to safeguard assets and to assure that transactions are properly authorized.

Respectfully submitted,



Jonathan T. Swiatkowski, CPA
Chief Financial Officer

PENDING LITIGATION

The corporation is involved in several matters related to medical malpractice, workers' compensation, and business disputes as discussed in Note 15 in the enclosed audited financial statements beginning on page 49. There are no other material matters pending litigation at this time.

CORPORATION AND BOARD STRUCTURE

ECMC Corporation's Board of Directors is comprised of 15 voting Directors, drawn from institutions and occupations across Western New York. Of these directors, eight are appointed by the Governor of New York – via the recommendations of the County Executive (3), County Legislature (3), the Temporary President of the NYS Senate (1) and the Speaker of the NYS Assembly (1) – and seven are appointed by the County Executive with the advice and consent of the Erie County legislature. In addition, the Board has four non-voting members: (1) appointed by Erie County Executive; (1) appointed by Erie County Legislature Majority; (1) appointed by Erie County Legislature Minority; (1) ECMCC President and CEO via Public Authorities Law.

ECMC CORPORATION BOARD OF DIRECTORS

OFFICERS

Jennifer C. Persico, Esq.
Chair

Eugenio Russi
Vice Chair

Sharon L. Hanson
Secretary

Darby Fishkin, CPA
Treasurer

Thomas J. Quatroche Jr., PhD
President & CEO

BOARD MEMBERS

Ronald P. Bennett, Esq.

Reverend Mark E. Blue

Ronald A. Chapin

Jonathan A. Dandes

Michael H. Hoffert

Christian Johnson

James L. Lawicki, II

Christopher J. O'Brien, Esq.

The Honorable John O'Donnell, J.S.C.

Reverend Kinzer M. Pointer

Michael A. Seaman

Philip Stegemann, MD

Benjamin Swanekamp

BOARD OF DIRECTORS REGULAR AND ANNUAL MEETINGS

Tuesday, January 24, 2023 (Annual and Regular Meeting)

Present: Reverend Mark Blue, Ronald A Chapin (virtual), Darby Fishkin, Sharon Hanson, Michael Hoffert (virtual), James Lawicki, Christopher O'Brien, Hon. John O'Donnell, Jennifer Persico, Reverend Kinzer Pointer, Thomas J. Quatroche, Eugenio Russi, Michael Seaman, Benjamin Swanekamp

Excused: Ronald Bennett, Jonathan Dandes, Christian Johnson

Also

Present: Samuel Cloud, MD, Anthony J. Colucci, III (virtual), Peter Cutler, Andrew Davis, Cassandra Davis, Joseph Giglia, Susan Gonzalez, Donna Jones, Pamela Lee, Charlene Ludlow, Jennifer Pugh, MD, Jonathan Swiatkowski, James Turner,

Tuesday, February 28, 2023

Present: Ronald Bennett*, Reverend Mark Blue, Ronald A Chapin*, Jonathan Dandes*, Darby Fishkin*, Sharon Hanson, Michael Hoffert*, Christian Johnson*, James Lawicki*, Christopher O'Brien, Hon. John O'Donnell, Jennifer Persico, Reverend Kinzer Pointer, Thomas J. Quatroche*, Michael Seaman

Excused: Eugenio Russi, Benjamin Swanekamp

Also

Present: Samuel Cloud, MD, Anthony J. Colucci, III*, Peter Cutler*, Andrew Davis, Cassandra Davis*, Joseph Giglia, Vanessa Hinderliter, Susan Gonzalez*, Pamela Lee*, Charlene Ludlow, Jennifer Pugh, MD, James Turner*

Tuesday, March 28, 2023

Present: Ronald Bennett*, Reverend Mark Blue*, Ronald A Chapin*, Jonathan Dandes, Sharon Hanson, Michael Hoffert*, James Lawicki*, Christopher O'Brien*, Jennifer Persico, Reverend Kinzer Pointer*, Thomas J. Quatroche, Eugenio Russi*, Michael Seaman*, Benjamin Swanekamp

Excused: Darby Fishkin, Christian Johnson, Hon. John O'Donnell

Also

Present: Samuel Cloud, MD, Anthony J. Colucci, III*, Peter Cutler*, Andrew Davis, Cassandra Davis*, Joseph Giglia, Susan Gonzalez*, Vanessa Hinderliter*, Donna Jones*, Pamela Lee*, Charlene Ludlow, Jennifer Pugh, MD, James Turner*

Tuesday, April 25, 2023

Present: Ronald Bennett*, Reverend Mark Blue, Ronald A Chapin*, Jonathan Dandes, Darby Fishkin*, Michael Hoffert*, Christian Johnson*, James Lawicki*, Hon. John

Tuesday, April 25, 2023 (cont.)

O'Donnell*, Jennifer Persico, Reverend Kinzer Pointer, Thomas J. Quatroche, Eugenio Russi, Michael Seaman, Benjamin Swanekamp

Excused: Sharon Hanson, Christopher O'Brien*

Also

Present: Samuel Cloud, MD, Anthony J. Colucci, III*, Peter Cutler, Andrew Davis, Cassandra Davis*, Joseph Giglia, Susan Gonzalez*, Vanessa Hinderliter*, Donna Jones*, Pamela Lee*, Charlene Ludlow, Jennifer Pugh, MD, James Turner*

Tuesday, May 23, 2023

Present: Ronald Bennett*, Reverend Mark Blue*, Ronald A Chapin*, Jonathan Dandes, Darby Fishkin*, Sharon Hanson, Michael Hoffert*, Christian Johnson*, James Lawicki*, Christopher O'Brien, Hon. John O'Donnell, Reverend Kinzer Pointer, Thomas J. Quatroche, Eugenio Russi, Michael Seaman, Dr. Philip Stegemann, Benjamin Swanekamp

Excused: Jennifer Persico

Also

Present: Samuel Cloud, MD, Anthony J. Colucci, III*, Peter Cutler, Andrew Davis, Cassandra Davis, Joseph Giglia, Susan Gonzalez, Vanessa Hinderliter*, Donna Jones, Pamela Lee, Charlene Ludlow, Jennifer Pugh, MD, James Turner

Tuesday, June 27, 2023

Present: Reverend Mark Blue, Darby Fishkin, Sharon Hanson, Michael Hoffert*, Christian Johnson*, James Lawicki*, Christopher O'Brien*, Hon. John O'Donnell, Jennifer Persico, Reverend Kinzer Pointer, Thomas J. Quatroche, Eugenio Russi, Michael Seaman, Benjamin Swanekamp

Excused: Ronald Bennett, Ronald A Chapin, Jonathan Dandes, Dr. Philip Stegemann,

Also

Present: Samuel Cloud, MD, Peter Cutler, Andrew Davis, Cassandra Davis, Joseph Giglia, Vanessa Hinderliter*, Donna Jones, Pamela Lee, Charlene Ludlow, Jennifer Pugh, MD, James Turner

Tuesday, July 25, 2023

Present: Reverend Mark Blue*, Ronald A Chapin*, Darby Fishkin*, Sharon Hanson, Michael Hoffert*, James Lawicki*, Hon. John O'Donnell, Jennifer Persico, Reverend Kinzer Pointer, Thomas J. Quatroche, Dr. Philip Stegemann, Benjamin Swanekamp

Tuesday, July 25, 2023 (cont.)

Excused: Ronald Bennett, Jonathan Dandes, Christian Johnson, Christopher O'Brien, Eugenio Russi, Michael Seaman

Also

Present: Samuel Cloud, MD, Antony J. Colucci, III*, Peter Cutler, Andrew Davis, Cassandra Davis, Joseph Giglia, Donna Jones, Pamela Lee*, Charlene Ludlow, Jennifer Pugh, MD, James Turner

Tuesday, September 26, 2023

Present: Ronald Bennett*, Reverend Mark Blue*, Ronald A Chapin*, Jonathan Dandes, Sharon Hanson, Michael Hoffert*, Christian Johnson*, James Lawicki*, Hon. John O'Donnell, Jennifer Persico, Reverend Kinzer Pointer, Thomas J. Quatroche, Eugenio Russi, Michael Seaman, Dr. Philip Stegemann, Benjamin Swanekamp

Excused: Darby Fishkin, Christopher O'Brien

Also

Present: Donna Brown, Samuel Cloud, MD, Antony J. Colucci, III*, Peter Cutler, Andrew Davis, Cassandra Davis, Joseph Giglia, Susan Gonzalez, Donna Jones, Pamela Lee, Charlene Ludlow, Jennifer Pugh, MD, Jonathan Swiatkowski, James Turner

Tuesday, October 24, 2023

Present: Ronald Bennett, Reverend Mark Blue, Jonathan Dandes, Sharon Hanson, Michael Hoffert*, Christian Johnson*, James Lawicki, Christopher O'Brien, Reverend Kinzer Pointer, Thomas J. Quatroche, Eugenio Russi*, Michael Seaman

Excused: Ronald Chapin, Darby Fishkin, Christian Johnson, Hon. John O'Donnell, Jennifer Persico, Dr. Philip Stegemann, Benjamin Swanekamp

Also

Present: Donna Brown, Samuel Cloud, MD, Peter Cutler, Andrew Davis, Cassandra Davis, Joseph Giglia, Susan Gonzalez, Donna Jones, Pamela Lee, Charlene Ludlow, Jennifer Pugh, MD, Jonathan Swiatkowski*, James Turner

Tuesday, November 28, 2023

Present: Ronald Bennett*, Ronald Chapin*, Jonathan Dandes, James Lawicki*, Hon. John O'Donnell, Jennifer Persico, Reverend Kinzer Pointer*, Thomas J. Quatroche, Eugenio Russi, Michael Seaman, Dr. Philip Stegemann, Benjamin Swanekamp

Tuesday, November 28, 2023 (cont.)

Excused: Rev. Mark Blue, Sharon Hanson, Michael Hoffert, Christian Johnson, Christopher O'Brien

Also

Present: Donna Brown, Samuel Cloud, MD, Peter Cutler, Andrew Davis, Cassandra Davis, Joseph Giglia, Susan Gonzalez, Donna Jones, Pamela Lee, Charlene Ludlow, Jennifer Pugh, MD, Jonathan Swiatkowski

**ERIE COUNTY MEDICAL CENTER
BOARD OF DIRECTORS
STANDING COMMITTEE APPOINTMENTS
2023**

STANDING COMMITTEE	# OF MEMBERS	BOARD MEMBERSHIP	STAFF
EXECUTIVE <i>Call of Chair</i>	5	<u>Jennifer Persico - Chair</u> Jonathan Dandes Darby Fishkin Sharon L. Hanson Eugenio Russi	A.J. Colucci Andrew L. Davis Jonathan Swiatkowski Samuel D Cloud, MD Thomas Quatroche Joseph Giglia Jeffra Wilson (Asst.) x4823
QUALITY IMPROVEMENT/ PATIENT SAFETY <i>Meets Monthly</i>	5	<u>MICHAEL HOFFERT - Chair</u> Kinzer Pointer Judge John O'Donnell Benjamin Swanekamp Christian Johnson	Andrew Davis Thomas Quatroche Donna Jones Samuel D. Cloud, MD Charlene Ludlow Pam Lee James Turner Jackie Wilson (Asst.) x5888
FINANCE <i>Meets Monthly</i>	4	<u>MICHAEL A. SEAMAN - Chair</u> Ronald A. Chapin Darby Fishkin Benjamin Swanekamp	A.J. Colucci, III Andrew Davis Jonathan Swiatkowski Thomas Quatroche Lynn Sacha (Asst.) x6331
AUDIT & COMPLIANCE <i>Call of Chair</i>	4	<u>DARBY FISHKIN - Chair</u> James Lawicki Christopher O'Brien Reverend Kinzer Pointer Joseph Giglia, ex-officio	A.J. Colucci, III Andrew Davis Jonathan Swiatkowski Thomas Quatroche Lynn Sacha (Asst.) x6331
EXECUTIVE COMPENSATION <i>Call of Chair</i>	3	<u>JONATHAN DANDES - Chair</u> Sharon Hanson Christopher O'Brien	A.J. Colucci, III Thomas Quatroche Joseph Giglia

**ERIE COUNTY MEDICAL CENTER
BOARD OF DIRECTORS
STANDING COMMITTEE APPOINTMENTS
2023**

STANDING COMMITTEE	# OF MEMBERS	BOARD MEMBERSHIP	STAFF
GOVERNANCE <i>Call of Chair</i>	3	<u>SHARON HANSON - Chair</u> Ronald Chapin Jennifer Persico Thomas Quatroche, Jr., ex officio Joseph Giglia, ex officio	A.J. Colucci, III Lori Hoffman (Asst.) x5684
HUMAN RESOURCES <i>Call of Chair</i>	3	<u>MICHAEL SEAMAN - Chair</u> Michael Hoffert Kinzer Pointer	She'Bria Gordon(Asst.) (shuh-bry-yuh) x 3266
INVESTMENT <i>Call of Chair</i>	3	<u>EUGENIO RUSSI - Chair</u> Sharon L. Hanson Judge John O'Donnell	Jonathan Swiatkowski Thomas Quatroche Lynn Sacha (Asst.) x6331
BUILDINGS & GROUNDS <i>Ad-Hoc Committee Call of Chair</i>	3	<u>RONALD BENNETT - Chair</u> Michael Hoffert Mark Blue James Lawicki	Andrew Davis Thomas Quatroche James Turner Michelle Kroupa(Asst.)x5273
WBE/MBE SUBCOMMITTEE <i>Call of Chair</i>	3	<u>REVEREND MARK BLUE - Chair</u> Ronald A. Chapin Christian Johnson	Diane Artieri Sarina Rohloff Joseph Giglia Thomas Quatroche Patty Chase (Asst.) x7595
POST-ACUTE QI <i>Call of Chair</i>	3	<u>RONALD CHAPIN - Chair</u> Michael Seaman Christophher O'Brien	Andrew Davis Stephen Woodruff Monica Hunjan (Asst.) x7279
CONTRACTS COMMITTEE	3	<u>CHRISTOPHER O'BRIEN - Chair</u> Ronald Bennett Jennifer Persico	Lori Hoffman (Asst.) x6584

Erie County Medical Center Corporation
Confidential Evaluation of Board Performance

Criteria	Agree	Somewhat Agree	Somewhat Disagree	Disagree
Board members have a shared understanding of the mission and purpose of ECMCC.				
The policies, practices and decisions of the Board are always consistent with this mission.				
Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principles.				
The Board has adopted policies, by-laws, and practices for the effective governance, management and operations of ECMCC and reviews these annually.				
The Board sets clear and measurable performance goals for ECMCC that contribute to accomplishing its mission.				
The decisions made by Board members are arrived at through independent judgment and deliberation, free of political influence or self-interest.				
Individual Board members communicate effectively with executive staff so as to be well informed on the status of all important issues.				
Board members are knowledgeable about ECMCC's programs, financial statements, reporting requirements, and other transactions.				
The Board meets to review and approve all documents and reports prior to public release and is confident that the information being presented is accurate and complete.				
The Board knows the statutory obligations of ECMCC and if ECMCC is in compliance with state law.				
Board and committee meetings facilitate open, deliberate and thorough discussion, and the active participation of members.				
Board members have sufficient opportunity to research, discuss, question and prepare before decisions are made and votes taken.				
Individual Board members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required.				
The Board exercises appropriate oversight of the CEO and other executive staff, including setting performance expectations and reviewing performance annually.				
The Board has identified the areas of most risk to ECMCC and works with management to implement risk mitigation strategies before problems occur.				
Board members demonstrate leadership and vision and work respectfully with each other.				

Date Completed: _____

ECMC CORPORATION EXECUTIVE ADMINISTRATION

Thomas J. Quatroche Jr., PhD
President and Chief Executive Officer

Andrew L. Davis, MBA
Chief Operating Officer

Samuel D. Cloud, MD
Chief Medical Officer

Jonathan T. Swiatkowski, CPA
Chief Financial Officer

Charlene Ludlow, MHA, RN, CIC
Senior Vice President of Nursing

James Turner, RN, BSN
Senior Vice President of Operations

Cassandra Davis
Senior Vice President, Ambulatory Services and Population Health

Pamela Lee, MBA, MS, RN
Senior Vice President of Operations

Joseph T. Giglia, II, Esq.
General Counsel

Anthony J. Colucci, III, Esq.
Executive Vice President

Donna M. Brown
Associate Hospital Administrator

Peter K. Cutler
Vice President of Communications and External Affairs

Donna Jones, MHA, MSN, RN, FACHE, CPHQ
Chief Quality Officer

Susan M. Gonzalez
Executive Director, ECMC Foundation

ECMC CORPORATION MEDICAL-DENTAL STAFF OFFICERS

Jennifer Pugh, MD, MBA, FACEP
President

Michael Cummings, MD
Immediate Past President

Michael A. Manka Jr., MD
President-Elect

Ashvin Tadakamalla, MD
Treasurer

James Lukan, MD, FACS
Secretary

PRIMARY CORPORATION

Erie County Medical Center Corporation

ECMC Corporation was established as a New York State Public Benefit Corporation and since 2004 has included an advanced academic medical center with 573 inpatient beds, on- and off-campus health centers, more than 30 outpatient specialty care services and Terrace View, a 390-bed long-term care facility. ECMC is Western New York's only Level 1 Adult Trauma Center, as well as a regional center for burn care, behavioral health services, transplantation, medical oncology and head & neck cancer care, rehabilitation and a major teaching facility for the University at Buffalo. Most ECMC physicians, dentists and pharmacists are dedicated faculty members of the university and/or members of a private practice plan. More Western New York residents are choosing ECMC for exceptional patient care and patient experiences – the difference between healthcare and true care™.

ECMC Corporation Employees: 3,919

ACTIVE SUBSIDIARY INFORMATION

PPC Strategic Services, LLC

ECMC Corporation is the sole owner of this enterprise, which was established to enable the Corporation to enter into various other business relationships, and to provide management services to them, as needed. The accounts of PPC Strategic Services LLC are consolidated into the accounts of the Corporation as of, and for the years ended, December 31, 2023 and 2022, respectively.

The sole member of this entity is Erie County Medical Center Corporation.

Employees: None

PPC Strategic Services LLC (formerly named ECMCC Strategic Services, LLC) owns Greater Buffalo Niagara SC Venture, LLC, a presently inactive entity. The ownership interest is accounted for utilizing the equity method of accounting.

The sole member of this entity is Erie County Medical Center Corporation.

Employees: None

Grider Community Gardens, LLC

This entity is wholly owned and controlled by the Corporation. The Corporation's net investment as of December 31, 2023 and 2022 is approximately \$1 million and \$748 thousand, respectively, and is reflected in other non-current assets of the parent company's financial statements.

The sole member of this entity is Erie County Medical Center Corporation.

Employees: None

Grider Support Services, LLC

This entity was formed to act as a Management Services Organization (“MSO”) for physician services for ECMC Hospital. The entity acts as a pass-through entity, and has no substantial assets or liabilities, or significant operating results. Its activity is consolidated into ECMC Corporation operations.

The sole member of this entity is Erie County Medical Center Corporation.

Employees: 29

1827 Fillmore, LLC

This entity was formed in order to purchase real estate adjacent to the current health campus for the purpose of future development. Its activities to date consist of remediating and improving land adjacent to the ECMC campus and is consolidated into ECMC Corporation.

Net position as of December 31, 2023 and 2022 is \$144 and \$491 thousand, respectively.

The sole member of this entity is Erie County Medical Center Corporation.

Employees: None

Erie County Medical Center Corporation

(A Component Unit of the County of Erie)

Financial Report
December 31, 2023

PRELIMINARY DRAFT
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Independent Auditor's Report

Board of Directors
Erie County Medical Center Corporation

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the aggregate discretely presented component units of Erie County Medical Center Corporation (the Corporation), a component unit of the County of Erie, as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units of Erie County Medical Center Corporation, as of December 31, 2023 and 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of ECMC Foundation, Inc., the Grider Initiative, Inc., and Research for Health in Erie County, Inc. were not audited in accordance with *Government Auditing Standards*.

Emphasis of Matter

As discussed in Note 8 to the financial statements, the Corporation restated the December 31, 2022 financial statements. The restatement was required to be made for the implementation of the Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 4 to 13 as well as the required supplementary information for certain pension and other postemployment benefits (OPEB) related data on pages 55 to 57 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated **DATE** on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

DATE

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**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Management's Discussion and Analysis
December 31, 2023
(Dollars in Thousands)**

Management's Discussion and Analysis

Erie County Medical Center Corporation (the Corporation or ECMCC) is a state public benefit corporation dedicated to provide every patient the highest quality of care delivered with compassion. The Corporation fully embraces its position as a safety net provider for the eight-county region of Western New York State (encompassing over 1.5 million residents), supporting persons in need who lack the ability to pay.

To assist the reader in understanding the operations of the Corporation, this annual report has been organized into three parts that should be read together:

- Management's discussion and analysis
- Financial statements and notes to the financial statements and
- Supplemental schedules

The purpose of the discussion and analysis is to provide the reader with objective data to evaluate the financial position and the activities of the Corporation for the year ended December 31, 2023. This narrative and the financial statements and footnotes are the responsibility of the Corporation's management.

The financial statements (the statements of net position, the statements of revenues, expenses and changes in net position and the statements of cash flows) present financial information in a form similar to that used by other government hospitals and have been prepared in accordance with accounting principles generally accepted in the United States of America.

In 2023, the Corporation implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This standard extends the right-of-use accounting concepts introduced in GASB Statement No. 87 to subscription-based information technology arrangements (SBITAs). Under GASB 96, governments are required to identify arrangements that qualify as SBITAs and recognize a right-to-use subscription asset, initially measured as the sum of the initial subscription liability amount, payments made to the vendor before commencement of the subscription term, and capitalizable implementation costs. The subscription asset is then amortized over the subscription term. The accompanying financial statements and management discussion and analysis information for the year ended December 31, 2022 have been restated to reflect the new accounting standard.

The accompanying financial statements of the Corporation include financial data of the Corporation's discretely presented component units: (i) ECMC Foundation, Inc., and (ii) The Grider Initiative, Inc. however, Management's Discussion and Analysis focuses on the Corporation.

Introduction

During 2023, the Corporation persevered through its fourth consecutive year of significant financial challenges, while continuing to provide high quality, compassionate care to the tens of thousands of Western New Yorkers who depend on ECMCC, serving as the region's community hospital, helping patients from the most influential to the most vulnerable. ECMCC's dedicated caregivers, support staff, executive leadership, as well as an involved and supportive Board of Directors, continue to advance the mission of the Corporation and its service to the greater Western New York area. The Corporation continues to be a provider of choice in our community as a result of its continual focus on high quality healthcare services, the patient experience and physician engagement.

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Management's Discussion and Analysis
December 31, 2023
(Dollars in Thousands)

Operations Analysis

The Corporation began a period of operational recovery through growth during 2023, providing a higher volume of services within inpatient and outpatient services to Western New York residents and as well as many others beyond this region. Patient volume encounters (not expressed in thousands) are as follows:

	2019	2020	2021	2022	2023	% Growth 2022-2023
Inpatients	19,996	19,110	18,903	17,412	17,643	1.3%
Surgeries	15,606	12,481	13,803	12,478	13,321	6.8%
Emergency	69,391	65,261	68,384	59,064	63,715	7.9%
Outpatients	306,891	299,297	280,611	274,402	297,168	8.3%
Dialysis	27,549	27,973	26,116	24,961	25,159	0.8%
Transplants	127	134	146	148	151	2.0%

The healthcare industry nationally and within this market continued to face challenges during 2023 and the Corporation was not immune to these headwinds. However, the Corporation worked hard to begin to address them and recover. In 2023, ECMCC inpatient volumes ended the year higher than prior year by 1.3% in terms of patient discharges and by 6.3% for inpatient surgeries while length of stay improved by 12.1%. Outpatient surgeries were 7.1% ahead of prior year with emergency department visits exceeding 2022 by 7.9%, leading to a growth in total outpatient visits from the prior year of 8.3%. As the Regional Center of Excellence for Transplantation and Kidney Care, continued growth in this program has been experienced over the last two years, providing life saving procedures to the residents of Western New York and beyond. 2023 saw the most transplants (kidney and pancreas) ECMCC has performed in it's history, with 151 transplant surgeries, an increase of 2.0% and 18.9% over 2022 and 2019 (pre-COVID levels), respectively.

The global outbreak of COVID-19, a new strain of coronavirus that can result in severe respiratory disease, was declared a pandemic by the World Health Organization in March of 2020. After three unprecedented years of managing COVID-19, the Department of Health and Human Services (HHS) declared an end to the public emergency on May 11, 2023, thus ending the pandemic. With a lot of time, energy, and unyielding teamwork during the pandemic, the Corporation was able to effectively manage through the pandemic by implementing operational improvements, successfully recruiting staff, and entering into partnerships to provide funding assistance in addition to the COVID Relief funding. ECMCC management took on all additional measures during the pandemic to protect the health of the community and promote the continuity of its mission and will continue to monitor the course of COVID-19 beyond the pandemic.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Management's Discussion and Analysis
December 31, 2023
(Dollars in Thousands)**

Operations Analysis (Continued)

In response to the impact on the healthcare environment from COVID-19, the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the American Rescue Plan (ARP) Act (Acts) were enacted by Congress during 2020 and 2021, respectively. These Acts included, among other things, support for healthcare providers and patients in the form of grants, payments for uninsured patients, and changes to Medicare and Medicaid payments. The Corporation to date has received \$72.4 million of Provider Relief Fund distributions provided under the CARES and ARP Acts. During 2020, the Corporation also received \$39.1 million and \$10 million in loans under the Medicare Accelerated and Advance Payment Program and the Paycheck Protection Program (PPP), respectively. During 2021, the PPP loan forgiveness application was approved by the U.S. Small Business Administration and, as such, the \$10 million loan was forgiven in full. As of December 31, 2022, the Medicare Accelerated and Advance Payments had been fully recouped.

The CARES Act also includes financial relief through the Federal Emergency Management Agency's (FEMA) Disaster Relief Fund. As of December 31, 2023, the Corporation has been awarded and received \$6.6 million from FEMA to reimburse eligible incremental expenses as a result of COVID-19. The Corporation will continue to submit for grant reimbursement for remaining eligible COVID-19 expenses under this program.

During 2022 and 2023, the industry and more specifically, the Western New York health care market experienced a cost inflation crisis. This crisis was driven nationally and locally by the lingering effects of staffing challenges across all healthcare industry stakeholders including suppliers, manufacturers, post-acute settings as well as providers. As costs continued to escalate to operate the business and care for the patients within the community, in order to maintain mission critical services, ECMCC has worked closely with the New York State Department of Health's various grant and operating assistance programs to bridge cash flow funding gaps. Simultaneously, ECMCC has implemented several operational improvement actions in an effort to mitigate as much of the cost escalation as possible. Although significant improvements have been made operationally, the New York State Department of Health has provided supplemental funding to the Corporation as well as many hospitals and nursing homes across New York State. As a result, the Corporation received \$51,998 for the year ended December 31, 2022. This benefit has been recorded as non-operating revenue within the statements of revenue, expenses and changes in net position. An additional \$27,000 was received in December 2022 for the year ended December 31, 2023, and was recorded as unearned revenue in the statements of net position as of December 31, 2022 and recorded as non-operating revenue within the statements of revenue, expenses and changes in net position for the year ended December 31, 2023. Two additional awards totaling \$76,368 were received and recognized as non-operating revenue during the year ended December 31, 2023.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Management's Discussion and Analysis
December 31, 2023
(Dollars in Thousands)**

Operations Analysis (Continued)

The continued volume and visit trends reflect the trust that the Western New York community has placed in ECMCC. Notable achievements in 2023 include:

- ECMCC earned its full hospital accreditation – The Joint Commission's Gold Seal of Approval Accreditation – by demonstrating continuous compliance with performance standards.
- Successful reaccreditation by The Centers for Medicare and Medicaid Services (CMS), part of the Department of Health and Human Services (HHS) of Transplant program, housed in ECMCC's Regional Center of Excellence for Transplantation and Kidney Care.
- Commission on Accreditation of Rehabilitation Facilities (CARF) issued three-year accreditation to ECMCC's Acute Inpatient Rehabilitation Programs (through June 30, 2026) stating that this "achievement is an indication of ECMCC's dedication to improving the quality of the lives of the persons served."
- ECMCC's Laboratory Services received the two-year accreditation for ECMCC's Transfusion Services following bi-annual on-site assessment by the Association for the Advancement of Blood and Biotherapies (AABB)
- Terrace View Long-Term Care Facility was named to *Newsweek's* 2024 Best Nursing Homes List for performance on key measures on health inspections, quality measures and staffing. This prestigious award is presented by Newsweek and Statista Inc., the world-leading statistics portal and industry ranking provider. Only four percent of nursing homes nationwide received this distinction. Of the 600 skilled nursing facilities state-wide that operate, 42 received this recognition. It is a distinct honor to be ranked amongst the best nursing homes within both the state and the nation. This is the fourth consecutive year Terrace View has received this recognition.
- ECMCC has been recognized by the Lown Institute for outstanding social responsibility, receiving an "A" grade on the 2023-24 Lown Institute Hospitals Index. ECMCC achieved this honor through strong performance across metrics of health equity, patient outcomes, and value of care, out of more than 3,600 hospitals nationwide. In 2021, ECMCC was ranked among the top 100 hospitals in the United States for racial inclusivity by the Lown Institute; in 2022 ECMCC was ranked in the top 50 hospitals in the country for racial inclusivity.
- ECMCC was recognized by the Buffalo Purchasing Initiative for superseding its goal in 2023 for spending with businesses owned by people of color.
- ECMCC's hip replacement surgery service ranked in the nation's top 7% by US News & World Report. ECMCC earned the highly respected publication's High Performing ranking, placing it among 437 hospitals out of 6,000 evaluated for the service.
- ECMCC earned platinum recognition for its efforts to increase organ and tissue donor registrations across the country, through the DoNation Campaign. DoNation is a national initiative sponsored by the U.S. Department of Health and Human Services, Health Resources and Services Administration (HRSA), to educate our community about the crucial need for organ and tissue donation and to encourage people to sign up as organ and tissue donors. Between October 2022 and September 2023, ECMCC has actively participated in this campaign to earn this federal recognition.
- The American College of Emergency Physicians, implemented the Geriatric Emergency Department Accreditation (GEDA) program to recognize those emergency departments that provide excellent care for older adults. ECMCC's Emergency Department has achieved the bronze standard – Level 3 GEDA accreditation. ECMCC named among one of America's 100 Best Hospitals for Orthopedic Surgery. This achievement reflects ECMCC's outstanding clinical outcomes for Orthopedic Surgery and puts ECMCC in the top 5% of hospitals nationwide for overall Orthopedic services.
- ECMCC was awarded the 2023 Orthopedic Surgery Excellence Award™, a Five-Star rating in Total Knee Replacement for two years in a row (2022-2023), a Five-Star rating for Hip Fracture Treatment for 13 years in a row (2011-2023) and a 2023 Five-Star Distinction in Total Hip Replacement.

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Management's Discussion and Analysis
December 31, 2023
(Dollars in Thousands)

Operations Analysis (Continued)

Financial Metric Analysis

The Corporation's total net position decreased in 2023 primarily due to the significant non-cash expenses related to the actuarial liability adjustments related to the New York State Pension Plan benefits and the unfavorable results from operations which were offset by grant funding assistance provided by New York State, recorded as non-operating revenue. Additional drivers of performance are discussed in further detail below.

Comparative financial ratios for the Corporation to the 2022 (most recent publicly available audited data) averages of other comparable New York State (NYS) Public Benefit Corporation (PBC) hospitals are presented in the following table. The financial statements used for the calculation of the following ratios, where appropriate, have been reclassified to conform to the presentation used in the development of the benchmarks, consistent with generally accepted accounting principles (U.S. GAAP) for entities not subject to the Governmental Accounting Standards Board (GASB) standards.

	ECMCC			PBC
	2023	2022	2021	Average 2022
Operating margin	-14.2%	-10.8%	-3.6%	-16.1%
Operating cash flow margin	-6.0%	4.6%	4.0%	-10.0%
Debt service coverage	2.7	1.5	1.1	-0.5
Unrestricted days cash on hand	14.1	29.2	48.7	48.9
Days cash on hand	90.5	118.7	140.2	65.1
Days in accounts receivable	66.0	53.9	49.5	34.1
Average age of plant	15.4	13.0	12.5	20.4

The operational performance ratios for 2023 generally represent unfavorable changes from the Corporation's 2022 performance ratios and favorable comparisons to the NYS Healthcare Public Benefit Corporations' ratios. Driving these unfavorable shifts during 2023 in large part is the large swing in the amortization component of the pension expense, shifting from a reduction in expense in 2022 of \$32.5 million to an increase in expense of \$39.8 million in 2023. Although these changes have no cash flows associated with them, the changes to the liabilities associated with them are included within the operating margin. The operating margin before the impact of the amortization components of the pension benefit and postemployment benefit is 11.6% and 20.3% for 2023 and 2022, respectively. This change before those actuarial impacts reflects a favorable movement in operating margin which is representative of the operational improvements and growth experienced during 2023. Additionally, grants received from the New York State Department of Health (NYSDOH) and FEMA have been recognized as non-operating revenue and are excluded from the operating ratio calculations as required under GASB accounting standards. Unrestricted days cash on hand decreased 15.1 days (51.7%) due to overall operating losses and the delay in the receipt of annual Disproportionate Share Hospital (DSH) Revenue to the first quarter of 2024. Days in accounts receivable increased by 12.1 days (22.5%) due to a delay in collections and an increase in unbilled accounts as a result of staffing shortages during the year. Average age of plant increased by 2.4 years (16.5%) as a result of reduced capital investment in an effort to manage ongoing operations and cash flow needs to maintain the services provided to the community while incurring operating losses.

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Management's Discussion and Analysis
December 31, 2023
(Dollars in Thousands)

Summary Financial Statements with Analysis

Management is providing the following summary financial statements and variance analysis for certain financial statement lines where it believes the readers understanding of the financial statements is enhanced.

Statements of Net Position

Net position is categorized as follows:

Net investment in capital assets: Consists of capital assets, net of accumulated depreciation and reduced by outstanding debt and deferred inflows and outflows of resources that are attributable to the acquisition, construction or improvement of those assets.

Restricted: Result when constraints placed on the use of the net position are either externally imposed by creditors, grantors, contributors, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted: Represents the resources derived primarily from services rendered to patients and other operating revenues and not meeting the previously listed criteria. These resources are used for transactions related to the general healthcare and academic operations of the Corporation and may be used at the discretion of the Board of Directors to meet current expenses for any purpose.

Condensed Statements of Net Position are as follows:

	2023	(Restated) 2022	2023-2022	
			\$ Change	% Change
Assets				
Current assets, excluding assets whose use is limited	\$ 189,816	\$ 210,427	\$ (20,611)	(9.8)
Assets whose use is limited	170,621	157,516	13,105	8.3
Capital assets, net	313,039	359,386	(46,347)	(12.9)
Net pension asset	-	77,538	(77,538)	100.0
Other assets	8,906	7,780	1,126	14.5
Total assets	682,382	812,647	(130,265)	(16.0)
Deferred outflows of resources	159,464	178,411	(18,947)	(10.6)
Total assets and deferred outflows of resources	\$ 841,846	\$ 991,058	\$ (149,212)	(15.1)
Liabilities				
Current liabilities	\$ 302,347	\$ 303,848	\$ (1,501)	(0.5)
Noncurrent liabilities	730,926	560,724	170,202	30.4
Total liabilities	1,033,273	864,572	168,701	19.5
Deferred inflows of resources	84,740	396,441	(311,701)	(78.6)
Net Position				
Net investment in capital assets	58,654	85,013	(26,359)	(31.0)
Restricted	95,555	80,719	14,836	18.4
Unrestricted	(430,376)	(435,687)	5,311	1.2
Total net position	(276,167)	(269,955)	(6,212)	(2.3)
Total liabilities, deferred inflows of resources and net position	\$ 841,846	\$ 991,058	\$ (149,212)	(15.1)

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Management's Discussion and Analysis
December 31, 2023
(Dollars in Thousands)**

Statements of Net Position (Continued)

Overall, total assets and deferred outflows of resources decreased \$149,212 from 2022 to 2023. The following variances in total assets are noteworthy:

Total current assets, excluding the current portion of assets whose use is limited, decreased by \$20,611 due to the following:

- Cash, cash equivalents and investments decreased by \$20,029 due to losses from operations and the timing of the annual DSH and Upper Payment Limit (UPL) cash receipts offset by earnings on investments.
- Patient accounts receivable, net, increased by \$18,820 as a result of current year decreases in collections due to an increase in unbilled accounts as a result of staffing shortages and increased patient volumes.
- Other receivables decreased by \$21,822 which is due to a \$21,856 decrease in Medicaid DSH and UPL program receivables, a decrease of \$286 in due from third party payors and a \$320 increase in other receivables.

The following variances in non-current assets are noteworthy:

- Assets whose use is limited, including current portion, increased by a net of \$13,105, which is due to a required deposit of collateral of \$11,015 related to a new line of credit agreement, unrealized gains on investments of \$3,786 and an increase in reserve account funding for actuarial liabilities and other limited use assets of \$2,311, offset by a decrease in assets designated for long-term investment of \$4,007.
- Capital assets, net, decreased by \$46,347 due to the shortfall in capital asset investments during 2023 as compared to the ongoing depreciation expense on all capital assets, which is a continued result of reduced cash flow availability driven by operating losses. Investments in capital assets are summarized in a following section.
- Net pension asset decreased \$77,538 and was eliminated due to changes in actuarial assumptions, which increased the liability thus creating a net pension liability, which is further discussed in the section below.

Overall, total liabilities and deferred inflows decreased \$143,000 and net position decreased \$6,212 from 2022.

The following variances in total liabilities are noteworthy:

- Accounts payable and accrued salaries and benefits decreased by \$17,339 due to timing of payments to vendors and employees at year-end.
- Accrued other liabilities increased by \$1,908 largely as a result of increases in amounts due to Erie County and third-party payors.
- Unearned revenue decreased by \$22,517 due to a decrease of \$27,000 related to the New York State grant received in late December 2022 for the calendar year 2023, thus recognized during 2023. Other unearned revenue increased \$4,483.
- The line of credit liability remained unchanged due to borrowings that remain outstanding at December 31, 2023.

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Management's Discussion and Analysis
December 31, 2023
(Dollars in Thousands)

Statements of Net Position (Continued)

- The long-term portion of self-insured obligations increased by \$3,238 due to changes in actuarial estimates for self-insured retentions for malpractice and workers' compensation claims greater than payments made on those claims. The current portion of these self-insured obligations decreased by \$148.
- Net pension liability, including current portion, was established at \$198,936 due to changes in actuarial assumptions used to value the plan as of December 31, 2023. As noted above, at December 31, 2022, the Corporation had recorded a net pension asset of \$77,538.
- The liability for Other Post-Employment Benefits (OPEB) increased by \$22,516 primarily as a result of the unfavorable impact of a change in actuarial assumptions related to unfavorable healthcare trend rates and a decrease in the discount rate used to measure the obligation.
- Net position decreased by \$6,212 due to unfavorable financial performance related to inflationary pressures on operating expenses continuing to outpace increases in patient volume and payor reimbursement rates.

Statements of Revenues, Expenses and Changes in Net Position

Condensed Statements of Revenues, Expenses and Changes in Net Position are as follows:

	2023	(Restated) 2022	2023-2022	
			\$ Change	% Change
Net patient service revenue	\$ 603,720	\$ 566,389	\$ 37,331	6.6
Disproportionate share (DSH) revenue	107,105	68,295	38,810	56.8
Other operating revenue	46,639	26,095	20,544	78.7
Total operating revenues	757,464	660,779	96,685	14.6
Operating expenses:				
Payroll and employee benefits	440,770	410,664	30,106	7.3
Professional fees	110,577	109,113	1,464	1.3
Purchased services	81,712	78,037	3,675	4.7
Supplies	132,197	117,877	14,320	12.1
Other operating expenses	30,529	29,185	1,344	4.6
Depreciation and amortization	49,812	49,872	(60)	(0.1)
Total operating expenses	845,597	794,748	50,849	6.4
Operating loss before pension and other post employment benefits amortization components	(88,133)	(133,969)	45,836	34.2
Pension (expense) benefit, amortization component	(39,752)	32,537	(72,289)	(222.2)
Other post employment benefits, amortization component	20,424	29,861	(9,437)	(31.6)
Operating loss	(107,461)	(71,571)	(35,890)	(50.1)
Non-operating revenues (expenses):				
Investment gain (loss)	6,283	(13,966)	20,249	(145.0)
Grant revenue	107,230	63,151	44,079	69.8
Interest expense	(12,264)	(12,028)	(236)	(2.0)
Total change in net position	(6,212)	(34,414)	28,202	81.9
Net position—beginning of year	(269,955)	(235,541)	(34,414)	(14.6)
Net position—end of year	\$ (276,167)	\$ (269,955)	\$ (6,212)	(2.3)

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Management's Discussion and Analysis
December 31, 2023
(Dollars in Thousands)**

Statements of Revenues, Expenses and Changes in Net Position (Continued)

Overall, total operating revenues increased by \$96,685 or 14.6% in 2023 with changes attributable to the following:

- Net patient service revenue increased \$37,331, or 6.6%, in 2023 as a result of a combination of overall increased patient volumes, an increase in contracted reimbursement rates, improvements in bad debt write-offs and improvements in ECMCC's ability to discharge patients into the community.
- DSH revenue increased by \$38,810, or 56.8%, in 2023 as a result of an increase in the nursing home upper payment limit of \$5,885 due to a significant increase in the pool size in the State Plan Amendment and a \$32,925 increase in federal DSH due to an increase in uncompensated care net of anticipated formula changes in the Medicaid DSH cap calculation enacted through legislation but not yet implemented which will exclude costs from services provided to Medicaid-eligible beneficiaries who are dually eligible for Medicare or any other coverage.
- Other operating revenue increased \$20,544, or 78.7% due to an increase in specialty pharmacy operations of \$20,777.

Total operating expenses including pension expense/benefit and other post-employment benefit expenses increased \$132,575 or 18.1% in 2023. Expense changes are attributable to the following:

- Payroll and employee benefit expenses have increased by \$30,106 or 7.3% as a result of increases in salaries due to new collective bargaining agreements' market rate adjustments and additional pay incentives offered to fill open shifts to meet New York State minimum staffing standards for both the hospital and the skilled nursing facility. Salaries and employee benefit expense as a percent of net patient service revenue increased by 0.5%, from 72.5% in 2022 to 73.0% in 2023.
- Pension expense increased by \$65,834 as a result of changes in actuarial assumptions used to value the plan including investment returns, discount rates and other demographic assumptions.
- Supplies expense increased by \$14,320 or 12.1% as a result of increased surgical volume, increased volume within the specialty pharmacy operations and pharmaceutical cost increases related to drug shortages.
- OPEB benefit decreased \$11,976 or 38.2% as a result of unfavorable differences between projected and actual experience of net claims cost and benefit payment made to current employees.

Capital Assets, Net

At December 31, 2023, the Corporation had capital assets, including lease and subscription-based information technology arrangement assets, net of accumulated depreciation of \$313,039 compared to \$359,386 at December 31, 2022, representing a decrease of \$46,347 or 12.9%.

During 2023, the Corporation invested \$15,047 in various capital assets (\$6,030), leases (\$4,668) and SBITAs (\$4,349). Noteworthy investments in capital assets include continued investment into the building exterior improvements of \$455 and purchases of other medical and non-medical equipment, furniture and fixtures, and information systems infrastructure investments. Noteworthy additions to capital leases include printers and copiers (\$2,552) and other various leased medical and non-medical equipment. Noteworthy additions to SBITAs includes MRI software (\$1,755) and other medical and non-medical software. GASB Statement No. 87, *Leases*, establishes the foundational principle that leases are financing of the right-to-use an underlying asset for a period of time. The Corporation recorded lease assets, net of accumulated depreciation, in the amount of \$26,371 and \$30,054 in 2023 and 2022, respectively. GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, extends the right-of-use accounting concepts introduced in GASB Statement No. 87, *Leases*, to SBITAs. The Corporation recorded SBITA assets in the amount of \$25,761 in 2023 and \$31,216 in 2022.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Management's Discussion and Analysis
December 31, 2023
(Dollars in Thousands)**

Forward-Looking Factors

Management has prepared the following forward-looking factors to assist the reader in understanding the financial, economic and market factors impacting the Corporation:

Collective Bargaining Agreements

The Corporation operates under three collective bargaining agreements that cover substantially all employees. Corporation employees of the Civil Service Employee Association (CSEA) are covered by a contract negotiated in concert with Erie County, New York, which contains a sub-bargaining unit representing only Corporation employees. The previous agreement ended in 2022, while a new agreement began January 1, 2023 and runs through December 31, 2027. Registered Nurses (RNs) are covered under an agreement with the New York State Nurses Association (NYSNA). This agreement began in 2019 and ran through December 31, 2022. The parties have mutually agreed to a new contract effective January 1, 2023 that runs through December 31, 2027. The Corporation's agreement with the American Federation of State, County and Municipal Employees (AFSCME), a contract negotiated in concert with the County of Erie, New York, and ratified with AFSCME employees in 2022 runs through December 31, 2026.

Transactions with the County of Erie

The Corporation is a component unit of the County of Erie, New York. The County has ongoing contractual and legal obligations to the Corporation and the Corporation has ongoing contractual and legal obligations to the County.

Medicare and Medicaid Reimbursement

The future state of both reimbursement levels and reimbursement methods related to the Medicare and Medicaid programs remains uncertain. Unimplemented formulaic changes as well as budget proposals related to both of these programs for the upcoming year and beyond may significantly alter reimbursements or methodologies, thus changing the environment in which we conduct business as the Corporation relies heavily on these programs for reimbursement for services. The impact of these state and federal rule changes and budget proposals are unknown at this time but could materially impact the Corporation.

Contacting the Corporation's Financial Management

This financial report is designed to provide our community and creditors with a general overview of Erie County Medical Center Corporation's finances and to demonstrate the Corporation's accountability for the resources it receives. If you have any questions about this report or need additional financial information, contact the Chief Financial Officer, Erie County Medical Center Corporation, 462 Grider Street, Buffalo, New York 14215.

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Statements of Net Position
December 31, 2023 and 2022
(Dollars in Thousands)

	2023	(Restated) 2022
Assets and Deferred Outflows of Resources		
Current assets:		
Cash and cash equivalents	\$ 20,773	\$ 44,195
Investments	10,646	7,253
Assets whose use is limited	113,986	99,078
Patient accounts receivable, net	102,389	83,569
Other receivables	40,608	62,430
Supplies, prepaids and other	15,400	12,980
Total current assets	303,802	309,505
Assets whose use is limited	56,635	58,438
Capital assets, net	313,039	359,386
Net pension asset	-	77,538
Other assets, net	8,906	7,780
Total assets	378,580	503,142
	682,382	812,647
Deferred outflows of resources:		
Pension	123,115	143,693
Other post employment benefits	25,670	22,684
Other	10,679	12,034
Total deferred outflows of resources	159,464	178,411
Total assets and deferred outflows of resources	\$ 841,846	\$ 991,058
Liabilities, Deferred Inflows of Resources and Net Position		
Current liabilities:		
Current portion of long-term debt	\$ 12,128	\$ 11,716
Line of credit	10,000	10,000
Current portion of lease and SBITA liability	16,409	14,770
Accounts payable	59,927	73,650
Accrued salaries, wages and employee benefits	39,603	43,219
Net pension liability	34,131	-
Other post employment benefits	12,326	12,061
Accrued other liabilities	42,021	40,113
Unearned revenue	75,802	98,319
Total current liabilities	302,347	303,848
Long-term debt, net	190,515	202,641
Long-term lease and SBITA liability, net	34,682	44,409
Net pension liability, net of current portion	164,805	-
Self-insured obligations	52,121	48,883
Other post employment benefits, net of current portion	281,585	259,334
Other	7,218	5,457
Total liabilities	1,033,273	864,572
Deferred inflows of resources:		
Pension	23,737	280,189
Other post employment benefits	59,337	114,812
Leases	1,666	1,440
Total deferred inflows of resources	84,740	396,441
Net Position:		
Net investment in capital assets	58,654	85,013
Restricted:		
Expendable	95,555	80,719
Unrestricted	(430,376)	(435,687)
Total net position	(276,167)	(269,955)
Total liabilities, deferred inflows of resources and net position	\$ 841,846	\$ 991,058

See notes to the financial statements.

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Statements of Revenues, Expenses and Changes in Net Position
Years Ended December 31, 2023 and 2022
(Dollars in Thousands)

	2023	(Restated) 2022
Operating revenues:		
Net patient service revenue, net of provision for bad debts of \$4,596 and \$15,474 for 2023 and 2022, respectively	\$ 603,720	\$ 566,389
Disproportionate share revenue (DSH)	107,105	68,295
Other operating revenue	46,639	26,095
Total operating revenues	757,464	660,779
Operating expenses:		
Payroll and employee benefits	440,770	410,664
Professional fees	110,577	109,113
Purchased services	81,712	78,037
Supplies	132,197	117,877
Other operating expenses	30,529	29,185
Depreciation and amortization	49,812	49,872
Total operating expenses	845,597	794,748
Operating loss before pension benefit and other post employment benefits amortization components	(88,133)	(133,969)
Pension (expense) benefit, amortization component	(39,752)	32,537
Other post employment benefits, amortization component	20,424	29,861
Operating loss	(107,461)	(71,571)
Nonoperating revenues (expenses):		
Investment gain (loss)	6,283	(13,966)
Grant revenue	107,230	63,151
Interest expense	(12,264)	(12,028)
Total nonoperating revenues (expenses)	101,249	37,157
Total change in net position	(6,212)	(34,414)
Net position—beginning of year	(269,955)	(235,541)
Net position—end of year	\$ (276,167)	\$ (269,955)

See notes to the financial statements.

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Statements of Cash Flows
Years Ended December 31, 2023 and 2022
(Dollars in Thousands)

	2023	2022
Cash flows from operating activities:		
Receipts from patients and third-party payors	\$ 608,472	\$ 585,894
Payments to Medicare Advance Payment Program	-	(20,879)
Payments to employees for salaries and benefits	(415,584)	(389,561)
Payments to vendors for supplies and other	(369,364)	(293,557)
Other receipts	119,572	31,591
Net cash used in operating activities	(56,904)	(86,512)
Cash flows from capital and related financing activities:		
Purchases of capital assets	(12,554)	(26,855)
Borrowings on line of credit	-	10,000
Payments on long-term debt	(11,714)	(11,317)
Interest paid on long-term debt	(12,264)	(10,928)
Net cash used in capital and related financing activities	(36,532)	(39,100)
Cash flows from noncapital financing activities:		
Grant funding	80,229	90,151
Net cash provided by noncapital financing activities	80,229	90,151
Cash flows from investing activities:		
(Purchases) sales of assets whose use is limited, net	(13,105)	11,047
Investment gain (loss)	6,283	(13,966)
(Purchases) sales of investments, net	(3,393)	13,111
Net cash (used in) provided by investing activities	(10,215)	10,192
Net change in cash and cash equivalents	(23,422)	(25,269)
Cash and cash equivalents:		
Beginning	44,195	69,464
Ending	\$ 20,773	\$ 44,195

Noncash capital and related financing activities:
Included in accounts payable at December 31, 2023 and 2022, was \$1,357 and \$2,737, respectively,
of invoices related to capital asset acquisitions.

(Continued)

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Statements of Cash Flows (Continued)
Years Ended December 31, 2023 and 2022
(Dollars in Thousands)

	2023	2022
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (107,461)	\$ (71,571)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization	49,812	49,872
Provision for bad debts	4,596	15,474
Changes in assets, deferred outflows, liabilities and deferred inflows:		
Patient accounts receivable	(23,416)	(22,328)
Medicare Advance Payment Program	-	(20,879)
Other receivables	21,822	26,070
Supplies, prepaids and other	(3,546)	17,218
Deferred outflows of resources	18,947	100,984
Accounts payable	(4,634)	21,955
Accrued liabilities	(9,785)	13,176
Unearned revenue	4,484	(62,799)
Estimated third-party payor settlements	1,750	289
Self-insured obligations	3,238	1,322
Net pension liability (asset)	276,474	(78,453)
OPEB	22,516	(107,711)
Deferred inflows of resources	(311,701)	38,689
Net cash used in operating activities	\$ (56,904)	\$ (86,512)

See notes to the financial statements.

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Statements of Net Position—Discretely Presented Component Units
December 31, 2023 and 2022
(Dollars in Thousands)

	2023				2022			
	ECMC Foundation, Inc.	The Grider Initiative, Inc.	Research for Health in Erie County, Inc.	Aggregate Total	ECMC Foundation, Inc.	The Grider Initiative, Inc.	Research for Health in Erie County, Inc.	Aggregate Total
Assets								
Current assets:								
Cash and cash equivalents	\$ 2,365	\$ 270	\$ -	\$ 2,635	\$ 2,337	\$ 271	\$ 2	\$ 2,610
Investments	-	-	-	-	-	-	1,092	1,092
Other receivables	938	-	-	938	1,634	-	-	1,597
Supplies, prepaids and other	259	-	-	259	408	-	-	408
Total current assets	3,562	270	-	3,832	4,379	271	1,094	5,707
Other receivables	887	-	-	887	1,030	-	-	1,030
Endowment and other investments	3,129	9,962	-	13,091	2,298	9,576	-	11,874
Equipment and vehicles, net	-	-	-	-	1	-	-	1
	4,016	9,962	-	13,978	3,329	9,576	-	12,905
Total assets	\$ 7,578	\$ 10,232	\$ -	\$ 17,810	\$ 7,708	\$ 9,847	\$ 1,094	\$ 18,612
Liabilities and Net Position								
Current liabilities:								
Accounts payable	\$ 11	\$ -	\$ -	\$ 11	\$ 22	\$ -	\$ -	\$ 22
Funds held in custody for others	596	-	-	596	596	-	-	596
Total current liabilities	607	-	-	607	618	-	-	618
Long-term liabilities:								
Related party	969	-	-	969	2,522	-	-	2,522
Unearned revenue	335	-	-	335	509	-	-	509
Total liabilities	1,911	-	-	1,911	3,649	-	-	3,649
Net Position								
Restricted:								
Nonexpendable	50	10,000	-	10,050	50	10,000	-	10,050
Expendable	2,634	232	-	2,866	1,510	(153)	-	1,357
Unrestricted	2,983	-	-	2,983	2,499	-	1,094	3,556
Total net position	5,667	10,232	-	15,899	4,059	9,847	1,094	14,963
Total liabilities and net position	\$ 7,578	\$ 10,232	\$ -	\$ 17,810	\$ 7,708	\$ 9,847	\$ 1,094	\$ 18,612

See notes to the financial statements.

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Statements of Revenues, Expenses and Changes in Net Position—Discretely Presented Component Units
Years Ended December 31, 2023 and 2022
(Dollars in Thousands)

	2023				2022			
	ECMC Foundation, Inc.	The Grider Initiative, Inc.	Research for Health in Erie County, Inc.	Aggregate Total	ECMC Foundation, Inc.	The Grider Initiative, Inc.	Research for Health in Erie County, Inc.	Aggregate Total
Operating revenues:								
Grants, contributions and special events	\$ 4,732	\$ -	\$ -	\$ 4,732	\$ 3,425	\$ -	\$ -	\$ 3,396
Total operating revenues	4,732	-	-	4,732	3,425	-	-	3,396
Operating expenses:								
Program services and grants	970	-	1,107	2,077	875	-	5	880
Fundraising	1,640	-	-	1,640	1,562	-	-	1,562
Other operating expenses	641	-	-	641	357	-	1	358
Total operating expenses	3,251	-	1,107	4,358	2,794	-	6	2,800
Operating income (loss)	1,481	-	(1,107)	374	631	-	(6)	596
Nonoperating revenue:								
Investment income (loss)	127	385	13	525	(145)	(347)	(31)	(531)
Change in net position	1,608	385	(1,094)	899	486	(347)	(37)	65
Net position—beginning of year	4,059	9,847	1,094	15,000	3,573	10,194	1,131	14,898
Net position—end of year	\$ 5,667	\$ 10,232	\$ -	\$ 15,899	\$ 4,059	\$ 9,847	\$ 1,094	\$ 14,963

See notes to the financial statements.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

Note 1. Organization

The Corporation: Erie County Medical Center Corporation (referred to as the Corporation or ECMCC) is a public benefit corporation created by the Erie County Medical Center Corporation Act, Chapter 143 of the Laws of New York State, 2003 (Title 6 of Article 10-C of the Public Authorities Law) (the Act) as amended in 2016. The Corporation was created under the Act to secure a form of governance which permits the Corporation to have the legal, financial, and managerial flexibility to operate its health care facilities for the benefit of the residents of New York State (the State), the County of Erie (the County), and Western New York, including persons in need who lack the ability to pay.

The Corporation's "Health Care Facilities" consist of the Medical Center, a 573-bed acute tertiary care facility providing inpatient, emergency, outpatient, primary care and specialty clinic services (Medical Center), a 390-bed residential health care facility (Terrace View) both located on Grider Street in the City of Buffalo and three chemical dependency and alcohol rehabilitation clinics located throughout the County. The Corporation serves as the region's only Level 1 Adult Trauma Center, burn center, comprehensive traumatic brain injury and spinal cord injury rehabilitative center, Comprehensive Psychiatric Emergency Program provider for acute psychiatric emergencies, Regional Center of Excellence for Transplantation and Kidney Care.

The Corporation has the power under the Act to acquire, operate, and manage its facilities and to issue bonds and notes to finance the costs of providing such facilities. The Act specifically provides that the Corporation's existence shall continue until terminated by law; provided, however, that no such termination shall take effect so long as the Corporation shall have bonds or other obligations outstanding unless adequate provision has been made for the payment or satisfaction thereof. The Corporation's primary purpose is the operation of the Medical Center and Terrace View, and its powers, duties and functions are as set forth in the Act, as amended, and other applicable laws.

The Corporation qualifies as a governmental entity and, accordingly, is exempt from federal income tax pursuant to Section 115 of the Internal Revenue Code of 1986.

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended, the Corporation's financial statements are included, as a discretely presented component unit, in the County's Annual Comprehensive Financial Report (ACFR). A copy of the ACFR can be obtained from the Erie County Comptroller's Office, 95 Franklin Street, Room 1100, Buffalo, New York 14202. The Corporation is subject to New York civil service law.

Governance: The Corporation is governed by its Board of Directors (the Board) consisting of fifteen (15) voting directors, eight (8) of whom are appointed by the Governor of the State of New York and seven (7) of whom are appointed by the Erie County Executive with the advice and consent of the Erie County Legislature. There are four non-voting representatives, as well. The directors and non-voting members serve staggered terms and continue to hold office until their successors are appointed. Directors have experience in the fields of health care services, quality and patient safety, human resources, strategic growth, law, and financial management and reflect a broad representation of the community served by the Corporation. Regular meetings of the Board are scheduled eleven (11) times per year. Board leaders are appointed by the Board.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

Note 1. Organization (Continued)

Great Lakes Health System: The Corporation is a member of Great Lakes Health System of Western New York (Great Lakes). Great Lakes is a not-for-profit, community-based corporation comprised of unified partners whose objective is to provide the highest quality of healthcare to the residents of Western New York. Great Lakes is comprised of the Corporation, Kaleida Health (KH), The Center for Hospice and Palliative Care and the State University of New York at Buffalo (the University).

Great Lakes Health Integrated Network: The Corporation, together with KH has formed Great Lakes Health Integrated Network (GLIN) with each maintaining a 50% ownership interest. As of December 31, 2023 and 2022, capital contributions due to GLIN totaled \$326 and \$767, respectively. Contributions are used to pay for care coordination services, information systems infrastructure and routine operating expenses to support community population health management.

Medical School Collaboration: The Corporation serves as a primary teaching hospital for the Jacobs School of Medicine and Biomedical Sciences of the State University of New York at Buffalo (the Medical School). An agreement governs the relationship between the Corporation and the Medical School. The Corporation serves as an integral part of the education and research mission of the Medical School by providing the clinical settings for the Medical School's public mission to educate and train physicians, nurses and other healthcare professionals, conduct clinical research programs and deliver healthcare services to patients. There are currently 187 full-time equivalent medical residents assigned to the Corporation in various Academic College of Graduate Medical Education accredited residency programs.

Component Units: Accounting principles generally accepted in the United States of America (U.S. GAAP) require the inclusion within the Corporation's financial statements of certain organizations as component units. The component units discussed below are included because the nature and significance of their relationship to the Corporation are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete under criteria set forth by the GASB.

The component unit information in the accompanying basic financial statements includes the financial data of the Corporation's three discretely presented component units. The three discretely presented component units are discussed in more detail below:

ECMC Foundation, Inc.: The ECMC Foundation, Inc. (the Foundation) is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC). The Foundation was formed for the purpose of supporting Corporation programs. The financial statements of the Foundation have been prepared on an accrual basis. The annual financial report can be obtained by writing to: Executive Director, ECMC Foundation, Inc., 462 Grider Street, Buffalo, NY 14215.

The Grider Initiative, Inc.: The Grider Initiative, Inc. (the Physician Endowment) is a not-for-profit organization exempt from federal income taxes under Section 501(c)(3) of the IRC. The Physician Endowment was funded in 2010, for the purpose of recruiting physicians who shall practice on the Grider Street campus of the Corporation. The entity was funded with an initial transfer of \$10,000 from the Corporation. Earnings from the investment of the initial transfer may be used only for physician recruitment and retention and necessary expenses of the entity. The financial statements of The Grider Initiative, Inc. have been prepared on an accrual basis. The annual financial report can be obtained by writing to: Chair, The Grider Initiative, Inc. 462 Grider Street, Buffalo, NY 14215.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

Note 1. Organization (Continued)

Research for Health in Erie County, Inc.: Research for Health in Erie County, Inc. (RHEC) was a not-for-profit organization dedicated to supporting research activities relating to the causes, nature, and treatment of diseases, disorders, and defects of particular importance to the public health in areas served by the Corporation. During 2023, RHEC was dissolved and the remaining net assets were contributed to the ECMC Foundation in order for ECMC Foundation to carry out the original RHEC mission.

In addition, the financial statements of the Corporation include the operations of the following component units, which are blended with the accounts of the Corporation:

PPC Strategic Services LLC (PPC): The Corporation is the sole owner of this enterprise, which was established to enable the Corporation to enter into various other business relationships.

Grider Support Services, LLC: The Corporation is the sole owner of this enterprise, which was formed to act as an MSO for physician practice services, which includes providing employees, management and administrative services.

Grider Community Gardens, LLC: This entity is wholly-owned and controlled by the Corporation and was formed for the purpose of purchasing and holding properties in proximity to the Corporation's Grider Street Campus.

1827 Fillmore, LLC: This entity is controlled by the Corporation and was formed for the purchase and development of property immediately adjacent to the Corporation's Grider Street campus.

Note 2. Summary of Significant Accounting Policies

Basis of accounting: The Corporation uses the accrual basis of accounting. Revenue is recognized in the period it is earned and expenses are recognized in the period incurred. Under this basis of accounting, all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the Corporation are included in the statements of net position.

For financial accounting and reporting purposes, the Corporation follows all pronouncements of the GASB. All references to relevant authoritative literature issued by the GASB with which the Corporation must comply are hereinafter referred to generally as U.S. GAAP. The discretely presented component units, as previously described, report under Financial Accounting Standards Board (FASB) standards. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features.

Use of estimates: The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. The reserve for uncollectible accounts, contractual allowances, estimated third-party payor settlements, workers compensation reserves, malpractice reserves, net pension assets/obligations, other post-employment benefit obligations, self-insured obligations, as well as, Disproportionate Share (DSH) revenue and certain other accounts, require the use of estimates. Actual results could differ from those estimates.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

Note 2. Summary of Significant Accounting Policies (Continued)

Included in net patient service revenue are adjustments to prior year estimated third-party payor settlements, and their related estimated receivables and payables that were originally recorded in the period the related services were rendered, as well as adjustments to the net realization rate for collections on patient accounts receivable. These adjustments are made in the normal course of operations and amounts reported are consistent with the approach in prior years. The adjustments to prior year estimates and other third-party reimbursement or recoveries that relate to prior years also impact DSH revenues as discussed in Note 5. The combined effect of changes related to prior years' estimates resulted in an increase of \$5,472 and \$196 in total operating revenues for the years ended December 31, 2023 and 2022, respectively.

Cash and cash equivalents: The Corporation's cash and cash equivalents include cash on hand and cash in checking and money market accounts as well as investments with a maturity of three months or less when purchased. Cash and cash equivalents designated for long-term purposes or received with donor-imposed restrictions limiting their use to long-term purposes are not considered cash and cash equivalents for purposes of the statements of cash flows. Monies deposited in Federal Deposit Insurance Corporation (FDIC) insured commercial banks are collateralized with specifically designated securities held by a pledging financial institution, as required by State regulations.

Patient accounts receivable: Patient accounts receivable are reported net of both an estimated allowance for contractual adjustments and an estimated allowance for uncollectible accounts. The contractual adjustments represent the difference between established billing rates and estimated reimbursement from Medicare, Medicaid and other third-party payor programs. Current operations are charged with an estimated provision for bad debts estimated based on the age of the account, prior experience and any other circumstances which affect collectability. The Corporation's policy does not require collateral or other security for patient accounts receivable and the Corporation routinely accepts assignment of, or is otherwise entitled to receive, patient benefits payable under health insurance programs, plans or policies. The allowance for estimated doubtful accounts at December 31, 2023 and 2022 was approximately \$64,577 and \$63,414, respectively.

Investments and assets whose use is limited: The Corporation generally records its investments at fair value. Such assets are comprised of cash and cash equivalents, including money market funds, fixed income securities, commercial paper and equity funds. Assets classified as investments are unrestricted. Assets classified as limited as to use are restricted under Board designation or terms of agreements with third parties and include debt service funds, funds for self-insured workers' compensation costs and medical malpractice costs, collateral for insured workers' compensation programs, patient and resident monies, funding for future retiree health costs, and funds limited as to use for the acquisition of property, plant and equipment.

Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the fair value of investment securities, it is at least possible that changes in risks in the near term could materially affect the net position of ECMCC.

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)

Note 2. Summary of Significant Accounting Policies (Continued)

Other receivables: The composition of other receivables, as of December 31 is as follows:

	2023	2022
DSH and Upper Payment Limit (UPL) (Note 5)	\$ 28,473	\$ 50,330
Due from affiliated organizations and joint ventures	1,233	1,928
Due from third-party payors	6,980	7,524
Other	3,922	2,648
	<u>\$ 40,608</u>	<u>\$ 62,430</u>

Capital assets: Capital assets are stated at cost. Depreciation is computed under the straight-line method over the estimated useful life of the asset. Estimated useful lives of assets have been established as follows:

Land and land improvements	5-25 years
Buildings and improvements	10-40 years
Fixed equipment	10-20 years
Major movable equipment	3-20 years

When assets are retired, or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected for the period. Maintenance and repairs are charged to expense as incurred with significant renewals and betterments being capitalized.

Capital assets that are donated (without restriction) are recorded at their fair market values as a direct increase to the component of net investment in capital assets.

Deferred outflows of resources: Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and therefore will not be recognized as an outflow of resources (expense) until that time. Deferred outflows of resources consist primarily of unrecognized items not yet charged to pension expense and retiree health expense related to the net pension (asset)/liability and post-employment benefit obligations, and items related to the 2017 financing transaction as described below, amongst other deferred resources.

The 2017 financing transaction included the payment of points, in the amount of \$17,040 to Erie County associated with the differential in interest rate on the 2017 financing using the credit rating of Erie County and the rate that the Corporation was projected to pay independent of a relationship with Erie County. The points are being amortized on the interest method over the term of the 2017 financing. The unamortized amount of points at December 31, 2023 and 2022, is \$8,712 and \$9,836, respectively. The 2017 financing transaction also included the advance refunding of the 2011 financing, the proceeds of which were used to finance the construction of the Terrace View Nursing Home on the Corporation's campus. The deposit required to the advance refunding escrow was greater than the balance outstanding on the 2011 financing in the amount of \$2,038 and is being amortized on the interest method over the life of the advance refunding component of the transaction. The unamortized portion of this advance refunding at December 31, 2023 and 2022 is \$652 and \$834, respectively.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

Note 2. Summary of Significant Accounting Policies (Continued)

Other assets: Amounts due from the County, as noted in Note 14, as well as ownership interests in various business enterprises are included in other assets.

Collaborative Care Ventures, LLC (Collaborative Care) was formed in 2014 by ECMCC and KH. Collaborative Care was created as a vehicle for ECMCC and KH to participate in various investments in the future consistent with their missions. At December 31, 2023 and 2022, the Corporation's share of the net assets of Collaborative Care amounted to \$1,022 and \$1,060, respectively.

Great Lakes Health Integrated Network (GLIN) was formed in 2018 by ECMCC and KH. GLIN was formed to support, manage and negotiate value-based contracts and/or risk-based contracts with third-party payors for the purpose of managing population health and anticipated payment reform. The Corporation's share of contributed capital supports organizational development and ongoing operations. The Corporation's share of GLIN's profit or loss is recognized as non-operating revenue. At December 31, 2023 and 2022, the Corporation's share of the net assets of GLIN amounted to \$4,324 and \$2,179, respectively.

Leases: The Corporation is a lessee for noncancellable leases of real estate and equipment. The Corporation recognizes a lease liability and an intangible right-to-use lease asset in the financial statements for leases. At the commencement of a lease, the Corporation measures the lease liability at the interest rate charged on the lease, if available, or otherwise discounted using the Corporation's incremental borrowing rate. The lease assets are amortized over the shorter of the lease term or the underlying asset useful life.

The Corporation is also a lessor for noncancellable leases of real estate. The Corporation recognizes a lease receivable and deferred inflow of resources in the financial statements for these leases. At the commencement of the lease, the Corporation measures the lease receivable at the interest rate charged on the lease, if available, or otherwise discounted using the Corporation's incremental borrowing rate.

Subscription Based Information Technology Arrangements (SBITAs): The Corporation recognizes an intangible subscription asset and corresponding subscription liability for its SBITAs. The subscription asset is measured as the subscription liability plus direct costs incurred in implementing the subscription asset. The subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying subscription asset. At the subscription commencement, the subscription liability is measured at the present value of payments expected to be made during the subscription term and utilizes the interest rate charged in the SBITA, if available, or otherwise discounted using the Corporation's incremental borrowing rate to calculate the present value of the payments.

Unearned revenue: Unearned revenue represents funds received by the Corporation for the DSRIP Program and health care transformation funds received that have not yet been earned.

Compensated absences: The Corporation has accrued liabilities for certain compensated absences earned by its employees, to include vacation, sick, and compensatory time. The Corporation's employees are permitted to accumulate unused vacation and sick leave time up to certain maximum limits. The Corporation accrues the estimated obligation related to vacation pay based on pay rates currently in effect. Sick leave credits, if accumulated above certain prescribed levels, may be the basis of a supplemental payment to employees upon retirement. The Corporation accrues an estimated liability for these estimated terminal payments. These amounts have been included in the statements of net position at December 31, 2023 and 2022, within the caption accrued salaries, wages and employee benefits in the amounts of \$17,496 and \$15,295, respectively.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

Note 2. Summary of Significant Accounting Policies (Continued)

Deferred inflows of resources: Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and therefore will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources consist primarily of the unamortized portion of certain items related to the Corporation's pension, other post-employment benefits and the value of leases receivable plus any payments received at or before the commencement of the lease term that relates to future periods.

Net position: Net position is classified into three categories according to external donor restrictions or availability of assets for satisfaction of the Corporation's obligations. The Corporation's net position is described as follows:

Net investment in capital assets: This represents the Corporation's total investment in capital assets, net of accumulated depreciation and reduced by outstanding debt and deferred inflows and outflows of resources that are attributable to the acquisition, construction or improvement of those assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

Restricted: The restricted expendable component of net position consists of constraints placed on net position through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. The restricted nonexpendable component of net position is permanently unavailable for use. The earnings on the nonexpendable net position are classified as restricted expendable.

Unrestricted: This component of net position consists of net position that does not meet the definition of other components of net position described above. These resources are used for transactions relating to the general health care operations of the Corporation and may be used at the discretion of the Board of Directors to meet current expenses for any purpose.

Net patient service revenue: Net patient service revenue is reported as services are rendered at estimated net realizable amounts, including estimated retroactive revenue adjustments under reimbursement agreements with third-party payors. Estimated settlements under third-party reimbursement agreements are accrued in the period the related services are rendered and adjusted in future periods as final settlements are determined. An estimated provision for bad debts is included in net patient service revenue.

Charity care: The Corporation provides care to patients who meet certain criteria under its charity care policy, without charge or at amounts less than established rates. Because the Corporation does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue in the accompanying statements of revenues, expenses and changes in net position. The estimated costs of caring for charity care patients were \$4,459 and \$4,602 for the years ended December 31, 2023 and 2022, respectively. Additionally, the Corporation provided approximately \$2,397 and \$2,517 in discounts to self-pay patients for the years ended December 31, 2023 and 2022, respectively.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

Note 2. Summary of Significant Accounting Policies (Continued)

Contributions: The Foundation reports gifts of cash or promises to give as restricted contributions when they are received with donor stipulations that limit the use of the donated assets. When the intent of the donor is that the assets are to remain in perpetuity and the Foundation does not have the right to invade the original principal, the assets are reported as with donor restrictions. When a donor restriction expires, restricted-expendable net positions are released to unrestricted net position. The Foundation conducted a capital campaign to raise funds to support the construction of a new Level 1 Adult Trauma Center, Emergency Department and other capital needs in support of the mission of the Corporation. Receivables for pledges associated with this campaign are recorded net of a reserve for uncollectible pledges and are discounted to present value using a 4.79% discount rate, over the expected collection period of the pledges.

Classification of revenues: The Corporation has classified its revenues as either operating or non-operating revenues according to the following criteria:

Operating revenues: Operating revenues include activities that have the characteristics of exchange transactions, such as payments for providing services and payments for goods and services received, for health care services provided to patients, net of contractual adjustments and provisions for bad debts.

Nonoperating revenues: Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as gifts and contributions, CARES Act funding, NYSDOH grant funding, Federal Emergency Management Agency (FEMA) funding, income from investments and contributions.

Income taxes: The Corporation is a Public Benefit Corporation of the State of New York and is exempt from federal income taxes under Section 115 of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements.

Contributed services: RHEC receives contributions from the Corporation consisting primarily of donated space, equipment, and personnel support. During 2023 and 2022, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

Certain immaterial amounts related to contributed rents have been reflected in the Foundation's financial statements as contribution revenue. The Foundation generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Foundation in meeting its goals and objectives. Such services are not recognized in the Foundation financial statements.

No amounts have been reflected in the Physician Endowment financial statements for contributed services, as the value of contributed services meeting the requirements for recognition in the financial statements was not material.

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)

Note 2. Summary of Significant Accounting Policies (Continued)

Recent and pending accounting pronouncements: Effective January 1, 2022, the Corporation adopted GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This Statement: (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*. A SBITA is defined as a contract that conveys control of the right to use another party's information technology software alone or in combination with tangible capital assets as specified in the contract for a period of time in an exchange or exchange-like transaction. See Note 8, for further details regarding the implementation of this Standard.

Effective January 1, 2023, the Corporation adopted GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this Statement are effective at various dates as outlined in the Statement. There was no significant impact on the Corporation's financial statements as a result of the adoption of this standard.

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections-An Amendment of GASB No. 62*. This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. The Corporation does not anticipate the adoption of this standard will have a significant impact on the financial statements.

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged. The Corporation does not anticipate adopting this standard will have a material impact on the financial statements.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

Note 2. Summary of Significant Accounting Policies (Continued)

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement defines a *concentration* as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A *constraint* is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. Earlier application is encouraged. The Corporation has not yet determined the impact this statement will have on the financial statements

Reclassifications: Certain prior-year amounts have been reclassified to conform to the current-year presentation. Such reclassifications had no effect on previously reported operating loss/income or changes in net position.

Subsequent events: The Corporation has evaluated subsequent events for potential recognition and/or disclosure through **DATE**, the date the financial statements were issued.

Note 3. Coronavirus Pandemic (COVID-19)

Under certain provisions in the CARES and American Rescue Plan (ARP) Acts, the Corporation recognized benefits totaling \$8,395, in its statements of revenues, expenses and changes in net position, for the year ended December 31, 2022 (\$0 in 2023). The benefit is entirely comprised of distributions from the Provider Relief Fund established under these Acts and is recognized as non-operating revenue. During 2020, the Corporation also deferred payment of \$10,926 for the employer portion of the Social Security payroll taxes as allowed by the CARES Act. In accordance with the CARES Act, 50% of the deferred payroll tax was paid on January 3, 2022, with the remainder paid on January 3, 2023.

Under the CARES Act, the Centers for Medicare & Medicaid Services (CMS) expanded the Medicare Accelerated and Advance Payment Program to provide necessary funds to Medicare providers to assist with the disruption in claims submission and claims processing. During 2020, the Corporation received advance payments under this program totaling \$39,101. As of December 31, 2022, Medicare had recouped the advance in its entirety with \$20,879 recouped during 2022 and \$18,222 recouped in prior years.

The CARES Act also includes financial relief through FEMA's Disaster Relief Fund. The Corporation has received \$3,829 and \$2,757 from FEMA to reimburse eligible incremental expenses as a result of COVID-19 during the years ended December 31, 2023 and 2022, respectively. The Corporation will continue to submit for grant reimbursement for any remaining eligible COVID-19 expenses under this program. Costs claimed under FEMA may not be reimbursed by any other funding source or payor, and may not be claimed through Provider Relief Funds (PRF) or other grants.

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)

Note 4. Net Patient Service Revenue and Patient Accounts Receivable

The Corporation has agreements with third-party payors that provide for payment to the Corporation at amounts different from its established rates. A summary of the payment arrangements for hospital services with major third-party payors is as follows:

Medicare: Inpatient acute care services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge and per patient day depending on the service. Acute care rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Certain inpatient and outpatient services, as well as defined organ acquisition, capital and medical education costs related to Medicare beneficiaries are paid based on regulatory proscribed formulae. The Corporation is reimbursed for such items at a tentative rate with final settlement determined after submission of annual cost reports by the Corporation and audits thereof by the Medicare fiscal intermediary. The Corporation's classification of patients under the Medicare program and the appropriateness of their admission are subject to an independent review by a peer review organization under contract with the Corporation. Most outpatient reimbursements are based on an Ambulatory Payment Classification weighting by acuity system, although some outpatient cost reimbursement still exists.

Medicaid: Inpatient services rendered to Medicaid program beneficiaries are reimbursed at prospectively determined rates in accordance with Part 86 of the New York Codes, Rules and Regulations and New York State Law which are promulgated by the New York State Department of Health (DOH). Outpatient services are similarly paid at either prospective rates or fee schedule amounts.

Under the New York Health Care Reform Act, the Corporation also enters into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Corporation under these agreements includes prospectively determined rates, discounts from charges, and prospectively determined per diem rates. Medicaid, Workers' Compensation and No-fault continue to have reimbursement rates determined based on New York's Prospective Reimbursement Methodology.

Terrace View provides services to residents under agreements with third-party payors (Medicaid, Medicare and HMO's) under provisions of their respective cost reimbursement formulas or contractually negotiated rates. If amounts received are less than established billing rates, the difference is accounted for as a reduction of revenue. Final determination of the reimbursement rates are subject to review by appropriate third-party payors. Provisions are made in the financial statements for anticipated adjustments that may result from such reviews. The difference between the estimated amounts accrued and final settlements are reported in operations in the year of settlement.

Net patient service revenue, as reported on the statements of revenues, expenses and changes in net position, is comprised of the following for the years ended December 31:

	2023	2022
Gross charges	\$ 1,673,523	\$ 1,514,854
Less:		
Discounts and allowances	1,064,847	932,991
Provision for bad debts	4,956	15,474
	<u>\$ 603,720</u>	<u>\$ 566,389</u>

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)

Note 4. Net Patient Service Revenue and Patient Accounts Receivable (Continued)

Net patient service revenue by payor for the years ended December 31 is as follows:

	2023		2022	
	Amount	%	Amount	%
Medicare*	\$ 247,282	41.0%	\$ 229,412	40.5%
Medicaid*	164,815	27.3%	156,183	27.6%
Commercial and other third-party payors	164,704	27.3%	153,322	27.1%
No-fault	20,452	3.4%	23,968	4.2%
Self-pay	6,467	1.0%	3,504	0.6%
	<u>\$ 603,720</u>	<u>100.0%</u>	<u>\$ 566,389</u>	<u>100.0%</u>

*Medicare and Medicaid include Managed Care plans.

Laws and regulations governing Medicare, Medicaid, and other third-party payor programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates could change by a material amount in future periods. The Corporation believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action including fines, penalties, and exclusion from the Medicare and Medicaid programs.

Patient accounts receivable consist of the following at December 31:

	2023	2022
Gross accounts receivable	\$ 295,805	\$ 271,115
Less:		
Discounts and allowances	128,839	124,132
Allowance for bad debts	64,577	63,414
	<u>\$ 102,389</u>	<u>\$ 83,569</u>

Concentration of credit risk: The Corporation grants credit without collateral to its patients, most of whom are insured under third-party payor arrangements. The mix of net receivables from patients and third-party payors at December 31 is as follows:

	2023	2022
Medicare*	33.2%	35.6%
Commercial and other third party payors	32.7%	27.7%
Medicaid*	27.8%	32.1%
No-fault	5.5%	3.7%
Self-pay	0.8%	0.9%
Total	<u>100.0%</u>	<u>100.0%</u>

*Medicare and Medicaid include Managed Care plans.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

Note 5. Disproportionate Share (DSH) Revenue

The Medicaid DSH program is designed to provide funds to certain hospitals to help offset the cost of uncompensated care provided to the uninsured. Each state has a specified Federal DSH allotment. In addition, New York State law authorizes the New York State Department of Health (DOH) to make supplemental DSH medical assistance payments to public hospitals located in Erie County, Nassau County, and Westchester County. For long term care facilities, DSH revenue is recognized in accordance with Upper Payment Limit (UPL) regulations promulgated by the Centers for Medicare and Medicaid Services (CMS).

In 2023 and 2022, DSH funding recorded by the Corporation totaled \$107,105 and \$68,295, respectively. The DSH funding process is complex and includes both tentative and final settlements for various state fiscal years which are subject to the availability of state and federal funding among other factors. As a result, DSH revenue is estimated and final settlements may vary significantly from the initial estimates.

For hospital services, DSH revenue of \$91,220 and \$58,295 was recognized in 2023 and 2022, respectively. In addition, during 2023 and 2022, the Corporation recognized \$15,885 and \$10,000, respectively, of UPL revenue for Terrace View. UPL revenue has been recognized based off New York State fiscal year 2023-2024, as determined by the DOH, using cost report year 2021 data.

CMS has indicated that cost reports dating back to the 2021 reporting year and the methodology employed to calculate DSH revenue are subject to audit for those years. Additionally, on February 24, 2024 CMS published the final rule addressing recent legislative changes to the Social Security Act, which changed hospital specific Medicaid DSH payment formulas. At this time, the impact of the CMS audit activity, and any DSH payment formula changes including implementation timing are not certain. Management has taken what it believes to be reasonable and appropriate steps to assure compliance with the CMS methodology.

Note 6. Cash and Cash Equivalents, Investments and Assets Whose Use is Limited

Cash and cash equivalents and investments: The Corporation's investments are made in accordance with State regulations and its own investment policy. The investment policy is regularly reviewed by an investment committee of the Board which evaluates the performance of investment managers and monitors compliance with the investment policy.

Erie County Medical Center Corporation
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Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)

Note 6. Cash and Cash Equivalents, Investments and Assets Whose Use is Limited
(Continued)

The Corporation's investments are generally reported at fair value, as discussed in Note 2. The carrying amounts of cash and cash equivalents, investments and assets whose use is limited are included in the Corporation's statements of net position as follows:

	2023	2022
Cash and cash equivalents	\$ 20,773	\$ 44,195
Investments	10,646	7,253
Assets whose use is limited—current	113,986	99,078
Assets whose use is limited—noncurrent	56,635	58,438
	<u>\$ 202,040</u>	<u>\$ 208,964</u>
Current portion of assets whose use is limited:		
Patient and residents trust cash	\$ 726	\$ 362
Restricted for debt service ^(a)	13,570	2,360
Designated for self-insurance obligations ^(b)	8,998	9,356
Designated for retiree health obligations ^(b)	12,326	12,061
Designated for DSRIP program ^(b)	71,684	68,534
NYS voluntary defined contribution plan escrow	49	129
Medical and dental staff funds	1,121	1,004
Restricted—self-insured workers' compensation collateral ^(d)	5,512	5,272
Total current portion of assets whose use is limited	<u>\$ 113,986</u>	<u>\$ 99,078</u>
Noncurrent portion of assets whose use is limited:		
Restricted for debt service ^(a)	\$ 10,302	\$ 9,825
Designated for long-term investment ^(b)	5,091	9,099
Designated for retiree health obligations ^(b)	12,505	12,770
Designated for self-insurance obligations ^(b)	24,075	21,808
Restricted—insured workers' compensation collateral ^(c)	4,662	4,936
Total noncurrent portion of assets whose use is limited	<u>\$ 56,635</u>	<u>\$ 58,438</u>

^(a) Funds restricted by operation of indenture agreement

^(b) Funds internally designated by operation of Board authority

^(c) Funds restricted—insured workers' compensation collateral agreement

^(d) Funds restricted—self-insured workers' compensation collateral agreements

**Erie County Medical Center Corporation
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**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

**Note 6. Cash and Cash Equivalents, Investments and Assets Whose Use is Limited
(Continued)**

The Corporation's cash and cash equivalents, as well as investments, are exposed to various risks, including credit, custodial credit, interest rate and market risks, as discussed in more detail below:

Deposits

All monies are deposited with banks or trust companies designated by the Corporation's investment committee of the Board of Directors. Funds not needed for immediate expenditure may be deposited in interest or non-interest-bearing accounts or invested in various marketable securities and bonds.

Custodial credit risk: Custodial credit risk is the risk that, in the event of bank failure, the Corporation's deposits might not be recovered. FDIC insurance through December 31, 2023 for funds held in interest bearing accounts is \$250 per depositor per category of legal ownership. New York law requires that deposits in excess of FDIC insured amounts are collateralized. The Corporation's bank deposits at December 31, 2023 and 2022, totaled \$27,068 and \$50,760, of which \$1,030 and \$1,043, respectively, were insured. Amounts over FDIC insured limits were fully collateralized with securities held by the pledging financial institution.

Investments

The Corporation's investment policy authorizes the Corporation to invest in accordance with New York State Finance Law Section 8(14), Section 201 and Public Authorities Law Article 9 Section 2800 to 2985, as well as the relevant provisions of the ECMCC Act. Compliance with the policy is monitored by the Corporation's investment committee and reported on regularly throughout the year by the Corporation's investment advisor.

Credit risk: Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligation, causing the Corporation to experience a loss of principal. The Corporation's investment policy limits investments in equity and fixed income securities with ratings only in the highest category. ECMCC's investments in government bonds carry the explicit guarantee of the U.S. government. The corporate bonds, short-term fixed income and government bonds are all rated AA+ or better by the Standards & Poor's rating agency.

Interest rate risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Corporation's cash equivalent securities are limited to maturities of no greater than eighteen months; short-term fixed income securities are limited to maturities of no greater than five years; and long-term fixed income securities are limited to maturities to no more than ten years. Substantially all of the Corporation's investments and assets whose use is limited have stated maturities of less than one year.

Custodial credit risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Corporation will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Corporation's investment policy does not address custodial credit risk.

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Note 6. Cash and Cash Equivalents, Investments and Assets Whose Use is Limited
(Continued)

Concentration of credit risk: Concentration of credit risk is the risk of loss attributable to the magnitude of investments in any single issuer. The Corporation's investment policy indicates the combined holdings of securities from one issuer shall not constitute more than 5.0% of the fund except for issues guaranteed directly or indirectly by the U.S. Government. The Corporation had no holdings in Federal National Mortgage Association (Fannie Mae) or Federal Home Loan Mortgage Corporation (Freddie Mac) issues at December 31, 2023 and 2022.

Fair value of financial instruments: Fair value is defined in the accounting standards as the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Management utilizes valuation techniques that maximize the use of observable inputs (Levels 1 and 2) and minimize the use of unobservable inputs (Level 3) within the fair value hierarchy established by GASB. Assets carried at fair value are required to be classified and disclosed in one of the following three categories:

Level 1: Valuations based on quoted prices in active markets for identical assets that the Corporation has the ability to access.

Level 2: Valuations based on quoted prices in active markets for similar assets, quoted prices in markets that are not active or for which all significant inputs are observable, directly or indirectly. The Corporation has no Level 2 assets.

Level 3: Valuations based on inputs that are unobservable and significant to the overall fair value measurement. These are generally company generated inputs and are not market-based inputs. The Corporation has no Level 3 assets.

	2023			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 20,773	\$ -	\$ -	\$ 20,773
Investments and assets whose use is limited:				
Cash and cash equivalents	115,448	-	-	115,448
Marketable equity securities:				
Small/Mid cap equities	4,423	-	-	4,423
Growth equities	1,447	-	-	1,447
Core equities	9,921	-	-	9,921
International equities	10,190	-	-	10,190
U.S. fixed income	39,838	-	-	39,838
Total investments and assets whose use is limited	181,267	-	-	181,267
Total	\$ 202,040	\$ -	\$ -	\$ 202,040

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Note 6. Cash and Cash Equivalents, Investments and Assets Whose Use is Limited
(Continued)

	2022			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 44,195	\$ -	\$ -	\$ 44,195
Investments and assets whose use is limited:				
Cash and cash equivalents	96,213	-	-	96,213
Marketable equity securities:				
Small/Mid cap equities	4,117	-	-	4,117
Growth equities	1,459	-	-	1,459
Core equities	9,070	-	-	9,070
International equities	10,330	-	-	10,330
U.S. fixed income	43,580	-	-	43,580
Total investments and assets whose use is limited	164,769	-	-	164,769
Total	\$ 208,964	\$ -	\$ -	\$ 208,964

Note 7. Capital Assets, Net

Capital asset activity for the years ended December 31 is as follows:

	2023			
	Beginning Balance	Additions	Disposals/ Transfers	Ending Balance
Capital assets—being depreciated:				
Land and land improvements	\$ 41,166	\$ 31	\$ -	\$ 41,197
Buildings and improvements	545,092	2,882	-	547,974
Fixed/major moveable equipment	151,523	5,096	(165)	156,454
Total capital assets—being depreciated	737,781	8,009	(165)	745,625
Less accumulated depreciation	(461,308)	(32,001)	165	(493,144)
Total capital assets—being depreciated, net	276,473	(23,992)	-	252,481
Capital assets—not being depreciated:				
Construction in progress	21,643	3,165	(16,382)	8,426
Capital assets, net, excluding lease and SBITA assets	\$ 298,116	\$ (20,827)	\$ (16,382)	\$ 260,907
Lease and SBITA assets, net (Note 8)				\$ 52,132
Total capital assets, net, as reported in statements of net position				\$ 313,039

Erie County Medical Center Corporation
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Notes to the Financial Statements
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Note 7. Capital Assets, Net (Continued)

	2022			
	Beginning Balance	Additions	Disposals/ Transfers	Ending Balance
Capital assets—being depreciated:				
Land and land improvements	\$ 41,624	\$ 525	\$ (983)	\$ 41,166
Buildings and improvements	547,713	4,763	(7,384)	545,092
Fixed/major moveable equipment	160,780	5,632	(14,889)	151,523
Total capital assets—being depreciated	750,117	10,920	(23,256)	737,781
Less accumulated depreciation	(448,779)	(34,911)	22,382	(461,308)
Total capital assets—being depreciated, net	301,338	(23,991)	(874)	276,473
Capital assets—not being depreciated:				
Construction in progress	19,699	8,216	(6,272)	21,643
Capital assets, net, excluding lease and SBITA assets	\$ 321,037	\$ (15,775)	\$ (7,146)	\$ 298,116
Lease and SBITA assets, net (Note 8)				\$ 61,270
Total capital assets, net, as reported in statements of net position				\$ 359,386

Construction in progress at December 31, 2023 and 2022, includes costs associated with various mechanical, electrical and information-technology security projects. The costs associated with an ambulatory electronic medical records system project of \$11,239 were written off during the year ended December 31, 2023 and recorded within purchased services expenses within the statements of revenues, expenses and changes in net position.

Depreciation expense amounted to \$32,001 and \$34,911 for the years ended December 31, 2023 and 2022, respectively.

Note 8. Leases and Subscription-Based Information Technology Arrangements

The Corporation is a lessee for various noncancellable leases of real estate and equipment. The expected lease payments are discounted using the interest rate charged on the lease, if available, and are otherwise discounted using the Corporation's incremental borrowing rate. The right-to-use assets are amortized over the shorter of the lease term or the underlying asset useful life. Lease assets are reported within capital assets and lease and SBITA liabilities are reported separately in the statements of net position.

Effective January 1, 2022, the Corporation adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*. This Statement provides guidance on the accounting and financial reporting for SBITAs for government end users. The implementation of this Statement required the restatement of certain expenses and the change in net position in the December 31, 2022 financial statements.

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Note 8. Leases and Subscription-Based Information Technology Arrangements (Continued)

The Corporation recognizes an intangible subscription asset and corresponding subscription liability for its subscription-based information technology agreements with others. These arrangements have terms requiring monthly, quarterly or annual payments. The expected payments are discounted using the interest rate charged on the arrangement, if available, or are otherwise discounted using the Corporation's incremental borrowing rate.

Right-to-use assets by major class and the related accumulated amortization for the years ended December 31 is summarized as follows:

	2023				
	Beginning Balance	Additions	Remeasurements	Retirements	Ending Balance
Lease assets being amortized:					
Real estate	\$ 13,969	\$ 718	\$ -	\$ 2,760	\$ 11,927
Equipment	34,696	3,950	1,413	-	40,059
Total lease assets being amortized	48,665	4,668	1,413	2,760	51,986
Less accumulated amortization:					
Real estate	2,603	1,156	-	1,069	2,690
Equipment	16,008	6,917	-	-	22,925
Total accumulated amortization	18,611	8,073	-	1,069	25,615
Lease assets, net	30,054	(3,405)	1,413	1,691	26,371
Subscription-based information technology assets	39,473	4,349	-	-	43,822
Accumulated amortization	8,257	9,804	-	-	18,061
Subscription-based information technology assets, net	31,216	(5,455)	-	-	25,761
Lease and SBITA assets, net of accumulated amortization	\$ 61,270	\$ (8,860)	\$ 1,413	\$ 1,691	\$ 52,132

	2022				
	Beginning Balance	Additions	Remeasurements	Retirements	Ending Balance
Lease assets being amortized:					
Real estate	\$ 13,541	\$ 428	\$ -	\$ -	\$ 13,969
Equipment	26,194	8,502	-	-	34,696
Total lease assets being amortized	39,735	8,930	-	-	48,665
Less accumulated amortization:					
Real estate	1,410	1,193	-	-	2,603
Equipment	10,546	5,462	-	-	16,008
Total accumulated amortization	11,956	6,655	-	-	18,611
Lease assets, net	27,779	2,275	-	-	30,054
Subscription-based information technology assets	34,370	5,103	-	-	39,473
Accumulated amortization	-	8,257	-	-	8,257
Subscription-based information technology assets, net	34,370	(3,154)	-	-	31,216
Lease and SBITA assets, net of accumulated amortization	\$ 62,149	\$ (879)	\$ -	\$ -	\$ 61,270

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Notes to the Financial Statements
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Note 8. Leases and Subscription-Based Information Technology Arrangements (Continued)

As of December 31, 2023, the principal and interest requirements to maturity for the lease liability are as follows:

	Principal	Interest	Total
2024	\$ 7,685	\$ 923	\$ 8,608
2025	5,794	655	6,449
2026	3,916	447	4,363
2027	2,549	303	2,852
2028	1,543	205	1,748
2029-2033	3,669	538	4,207
2034-2038	1,484	59	1,543
	<u>\$ 26,640</u>	<u>\$ 3,130</u>	<u>\$ 29,770</u>

As of December 31, 2023, the principal and interest requirements to maturity for the SBITA liability are as follows:

	Principal	Interest	Total
2024	\$ 8,724	\$ 800	\$ 9,524
2025	7,129	475	7,604
2026	5,568	218	5,786
2027	2,846	49	2,895
2028	135	3	138
2029-2033	49	1	50
	<u>\$ 24,451</u>	<u>\$ 1,546</u>	<u>\$ 25,997</u>

Lessor: The Corporation leases real estate to external parties. In accordance with GASB Statement No. 87, *Leases*, the Corporation records lease receivables and deferred inflows of resources based on the present value of expected receipts over the term of the respective leases. The Corporation recognized lease receivables (reported within other assets in the statements of net position) of \$753 and \$501 at December 31, 2023 and 2022, respectively, deferred inflows of resources of \$1,666 and \$1,440 at December 31, 2023 and 2022, respectively, and lease revenue of \$632 and \$931 during the years ended December 31, 2023 and 2022, respectively.

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Note 9. Accrued Other Liabilities

The composition of accrued other liabilities as of December 31 is as follows:

	2023	2022
Due to Erie County	\$ 12,767	\$ 11,880
Due to joint venture	326	767
Medical malpractice claims	1,792	1,800
Estimated third-party payor settlements	4,486	2,736
Asset retirement obligations	2,167	2,118
Workers compensation claims	7,416	7,556
Other	13,067	13,256
Total	<u>\$ 42,021</u>	<u>\$ 40,113</u>

GASB Statement No. 83, *Certain Asset Retirement Obligations*, establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. In accordance with this Statement, the Corporation completes an analysis of assets meeting the criteria of an ARO for specific types of medical equipment such as medical imaging equipment (e.g., MRIs, CT scanners, and PET scanners), X-Rays, and ultrasounds as well as computers containing information protected by HIPAA laws, and certain types of laboratory equipment. In addition, the Corporation evaluates the requirements for disposal of underground fuel and lab acid tanks. The Corporation determined, based on industry standards for disposition of similar assets, the total asset retirement obligation totaled \$2,167 and \$2,118 at December 31, 2023 and 2022, respectively. The assets have a remaining useful life ranging from 0 to 30 years. This obligation is discounted using a rate of 4.0% and an inflation factor of 3.0% at December 31, 2023 and 2022.

Note 10. Indebtedness

Long-term debt consisted of the following at December 31:

	2023				
	Beginning Balance	Additions	Payments/ Forgiveness	Ending Balance	Due Within One Year
Erie County—Guaranteed Senior Revenue Bonds, Series 2004	\$ 61,135	\$ -	\$ (4,165)	\$ 56,970	\$ 4,390
Erie County—2017 loan payable	90,154	-	(2,780)	87,374	2,849
Erie County—2017 loan payable	53,235	-	(4,159)	49,076	4,271
Erie County—2017 capitalized interest assumption obligation	7,505	-	(231)	7,274	237
Finance obligations	2,328	-	(379)	1,949	381
Total debt	<u>\$ 214,357</u>	<u>\$ -</u>	<u>\$ (11,714)</u>	<u>\$ 202,643</u>	<u>\$ 12,128</u>

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Note 10. Indebtedness (Continued)

	2022				
	Beginning Balance	Additions	Payments/ Forgiveness	Ending Balance	Due Within One Year
Erie County—Guaranteed Senior Revenue Bonds, Series 2004	\$ 65,080	\$ -	\$ (3,945)	\$ 61,135	\$ 4,165
Erie County—2017 loan payable	92,867	-	(2,713)	90,154	2,780
Erie County—2017 loan payable	57,286	-	(4,051)	53,235	4,159
Erie County—2017 capitalized interest assumption obligation	7,731	-	(226)	7,505	231
Finance obligations	2,710	-	(382)	2,328	381
Total debt	<u>\$ 225,674</u>	<u>\$ -</u>	<u>\$ (11,317)</u>	<u>\$ 214,357</u>	<u>\$ 11,716</u>

Future annual principal payments applicable to long-term debt for the years subsequent to December 31, 2023 are as follows:

2024	\$ 12,128
2025	12,565
2026	13,025
2027	13,507
2028	14,008
2029-2033	76,818
2034-2038	54,603
2039-2042	5,989
Total	<u>\$ 202,643</u>

The Series 2004 Bonds are secured by a pledge of the gross receipts of the Corporation and amounts on deposit in certain debt service reserve funds. Interest rates on the bonds range from 5.5% to 5.7%, with principal payments ranging from \$4,165 to \$7,220 due annually on November 1 with interest payments due semi-annually on May 1 and November 1.

Pursuant to a Guaranty Agreement, the County has unconditionally guaranteed to the Corporation, the punctual payment of the principal, interest, and redemption premium, if any, on the Series 2004 Bonds, as the same shall become due and payable, and has pledged the faith and credit of the County for the performance of such guaranty. A municipal bond insurance policy has been purchased by the Corporation to guarantee all debt service payments in case of default by the Corporation and the County.

**Erie County Medical Center Corporation
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Note 10. Indebtedness (Continued)

In 2017, the Corporation entered into a loan agreement and a capitalized interest liability assumption agreement with the County of Erie, with the assistance of the Erie County Fiscal Stability Authority. The proceeds of the loan were used to finance the construction of a new Level 1 Adult Trauma Center and Emergency Department, fund various other capital projects on the Corporation's campus as well as refinance a 2011 loan. The loan has an interest rate of 3.377% with monthly principal and interest payments ranging from \$474 to \$930 during the term of the loan. In addition to the loan, the Corporation assumed the liability related to funds borrowed to pay capitalized interest during construction on the various projects noted above. The capitalized interest liability assumption has an interest rate of 3.377% with monthly principal and interest payments ranging from \$40 to \$77 during the term of the loan. The new money portion of the loan and the capitalized interest assumption agreement is fully amortized and matures in 2039. The refinancing component of the loan has an interest rate of 2.649% with monthly principal and interest payments ranging from \$300 to \$460 during the term of the loan and is fully amortized and maturing in 2034.

During 2018, the Corporation entered into a finance obligation agreement in the amount of \$2,044, the proceeds of which were used to purchase various equipment. The agreement requires principal and interest payments (cost of capital is estimated at 5.5%) of \$29 and matures September 2025.

During 2018, the Corporation entered into a second finance obligation agreement in the amount of \$409, the proceeds of which were used to purchase various suite improvements. The agreement required principal and interest payments (cost of capital is estimated at 3.8%) of \$4 and was paid in full during 2023.

During 2019, the Corporation entered into a finance obligation agreement in the amount of \$1,805, the proceeds of which were used to finance various cafeteria improvements. The agreement requires principal and interest payments (cost of capital ranges from 0% to 9.0%) of \$17 and matures March 2029.

During 2020, the Corporation entered into a finance obligation agreement in the amount of \$2,555, the proceeds of which were used to purchase various equipment. The agreement requires principal and interest payments (cost of capital is estimated at 5.5%) of \$39 and matures July 2026.

During 2021, the Corporation entered into a finance obligation agreement in the amount of \$1,552, the proceeds of which were used to finance a new food service line. The agreement requires principal and interest payments (cost of capital is 4.0%) of \$19 and matures in December 2028.

During 2021, the Corporation signed an agreement for an unsecured revolving line of credit with an original maturity date of November 2022 and was amended and extended to May 2024. The Corporation has available \$10,000 with interest payable at a variable rate of daily Secured Overnight Financing Rate (SOFR) plus 183 basis points. There was \$10,000 of outstanding borrowings against the line at December 31, 2023 and 2022, respectively. Management is currently negotiating an extension for the maturity date of this agreement.

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Note 11. Pension Plan

Retirement plan: The Corporation participates in the New York State and Local Retirement System (NYSLRS or the System), which is a cost-sharing, multiple-employer public employees' retirement system. There are more than 515,000 pensioners and beneficiaries in the System with over 1.2 million participants.

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense/benefit, information about the fiduciary net position of the NYSLRS and additions to/deductions from NYSLRS' fiduciary net position have been determined on the same basis as they are reported by NYSLRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The net pension liability (asset) is measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the pension plan's fiduciary net position. The net pension liability (asset) should be measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

Obligations of employers and employees to contribute and benefits to employees are governed by the New York State Retirement and Social Security Law (RSSL). As set forth in the RSSL, the Comptroller of the State of New York (the Comptroller) serves as sole trustee and administrative head of the System. The Comptroller shall adopt and may amend rules and regulations for the administration and transaction of the business of the System and for custody and control of its funds. The System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New York State and Local Retirement System, 110 State Street, Albany, NY 12244.

NYSLRS provides three main types of retirement benefits: service retirements, ordinary disability retirements (non-job-related disabilities), and accident disability retirements (job-related disabilities) to members who are in different Tiers. The members' Tier is determined by the date of membership. Subject to certain conditions, members generally become fully vested as to benefits upon the completion of five years of service depending on their Tier. Employees may be required to contribute a percentage of their salary to the pension plan based on their Tier, determined by their date of membership in the plan. Annual pension benefits can be calculated as a percentage of final average salary times number of years of service and changes with the number of years of membership within the plan.

At December 31, 2023 and 2022, the Corporation reported a liability of \$198,936 and an asset of \$77,538, respectively, for its proportionate share of the NYSLRS net pension liability (asset). The total pension liability (asset) used to calculate the net pension liability (asset) is determined by an actuarial valuation as of April 1st each year and rolled forward to March 31st. The Corporation's proportion for the net pension liability (asset) for each fiscal year was based on the Corporation's indexed present value of future compensation to NYSLRS of all participating employers for 2023 and 2022, which was 0.9277% and 0.9485%, respectively.

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Notes to the Financial Statements
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Note 11. Pension Plan (Continued)

(a) Actuarial Assumptions

The total pension liability for the March 31, 2023 measurement date was determined using an actuarial valuation as of April 1, 2022, with update procedures used to roll-forward the total pension liability to March 31, 2023. The actuarial valuations used the following actuarial assumptions:

Inflation	2.9%
Salary increases	4.4%, including inflation
Investment rate of return	5.9%, net of pension plan investment expense
Cost of living adjustments	1.5%
Mortality improvement	Society of Actuaries Scale MP-2021

The total pension asset for the March 31, 2022, measurement date was determined using an actuarial valuation as of April 1, 2021, with update procedures used to roll-forward the total pension liability to March 31, 2022. The actuarial valuations used the following actuarial assumptions:

Inflation	2.7%
Salary increases	4.4%, including inflation
Investment rate of return	5.9%, net of pension plan investment expense
Cost of living adjustments	1.4%
Mortality improvement	Society of Actuaries Scale MP-2020

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Note 11. Pension Plan (Continued)

(b) Expected Rate of Return on Investments

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following tables at December 31:

Asset class	2023	
	Target Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity	32.0%	4.3%
International equity	15.0%	6.9%
Private equity	10.0%	7.5%
Real estate	9.0%	4.6%
Fixed income	23.0%	1.5%
Credit	4.0%	5.4%
Real assets	3.0%	5.8%
Opportunistic/absolute return strategy	3.0%	5.4%
Cash	1.0%	0.0%
	<u>100.0%</u>	

Asset class	2022	
	Target Asset Allocation	Long-Term Expected Real Rate of Return
Domestic equity	32.0%	3.3%
International equity	15.0%	5.9%
Private equity	10.0%	6.5%
Real estate	9.0%	5.0%
Fixed income	23.0%	0.0%
Credit	4.0%	3.8%
Real assets	3.0%	5.6%
Opportunistic/absolute return strategy	3.0%	4.1%
Cash	1.0%	-1.0%
	<u>100.0%</u>	

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)

Note 11. Pension Plan (Continued)

(c) Discount Rate

The discount rate used to measure the total pension liability (asset) as of December 31, 2023 and 2022 was 5.9%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the NYSLRS fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on NYSLRS investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

Sensitivity of the Net Pension Liability (Asset) to the Discount Rate

The following presents the Corporation's proportionate share of the net pension liability (asset) calculated using the discount rate of 5.9% at December 31, 2023 and 2022, as well as what the Corporation's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	2023		
	1% Decrease (4.9%)	Discount Rate (5.9%)	1% Increase (6.9%)
Corporation's proportionate share of the net pension liability (asset)	\$ 480,743	\$ 198,936	\$ (36,546)
	2022		
	1% Decrease (4.9%)	Discount Rate (5.9%)	1% Increase (6.9%)
Corporation's proportionate share of the net pension (asset) liability	\$ 199,582	\$ (77,538)	\$ (309,335)

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)

Note 11. Pension Plan (Continued)

(d) Deferred Outflows and Inflows of Resources

At December 31, 2023 and 2022, the Corporation reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2023	2022
Deferred outflows of resources:		
Differences between expected and actual actuarial experience	\$ 21,188	\$ 5,872
Changes in assumptions	96,616	129,402
Other	5,311	8,419
Total	<u>\$ 123,115</u>	<u>\$ 143,693</u>
Deferred inflows of resources:		
Difference between expected and actual experience	\$ 5,587	\$ 7,616
Change in assumptions	1,068	2,184
Difference between projected and actual investment earnings on pension plan investments	1,168	253,904
Changes in proportion and differences between Corporation contributions and proportionate share of contributions	15,914	16,485
Total	<u>\$ 23,737</u>	<u>\$ 280,189</u>

The change in employer proportionate share is the difference between the employer proportionate share of net pension liability (asset) in the prior year compared to the current year. Changes in these amounts are amortized over a five-year closed period, reflecting the average remaining service life of plan members.

The net deferred outflows and inflows of resources of resources related to pensions, excluding contributions made subsequent to the measurement date, will be recognized in pension expense as follows:

	Amount
Years ending December 31:	
2024	\$ 22,475
2025	(13,480)
2026	37,621
2027	52,762
	<u>\$ 99,378</u>

Annual Pension Expense (Benefit)

The Corporation's annual pension expense (benefit) for calendar years ended 2023 and 2022, which includes contributions toward the actuarially determined asset or liability and the amortization of deferred outflows and inflows of resources, was approximately \$65,509 and \$(47), respectively.

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)

Note 12. Other Post-Employment Benefits (OPEB)

Plan description: The Corporation provides OPEB that include basic medical and hospitalization plan coverage to eligible retirees. Eligible retirees may only be covered under the indemnified plan of the Corporation. To qualify, a retiree must meet various eligibility requirements as agreed to in collective bargaining agreements. The Corporation pays varying amounts based on specific union agreements.

Funding the plan: Currently, there is no New York State statute that expressly authorizes local governments to create a trust for OPEB purposes. Additionally, New York State's General Municipal Law does not allow for a reserve fund to accumulate funds for OPEB obligations. The Corporation's Board of Directors and management believe it is prudent to reserve funds for the Plan and have therefore internally designated \$24,831 in 2023 and 2022, for purposes of funding future post-employment benefits. These internally designated funds are included within assets whose use is limited in the statements of net position. In addition to the funding for future post-employment benefits, the Corporation continues to finance current benefits on a pay-as-you-go basis.

Annual OPEB cost and net OPEB obligation: The Corporation's total OPEB liability measured at December 31, 2023 and 2022, of \$293,911 and \$271,395, was determined by an actuarial valuation as of January 1, 2023 and 2022, respectively. The measurement date of the obligation is December 31, 2023 and 2022.

(a) Actuarial Assumptions

The total OPEB liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	3.3% per annum
Pre-Medicare Plans	7.8% for 2023, 4.0% ultimate trend rate in 2075
Medicare Plans	4.6% for 2023, 4.0% ultimate trend rate in 2075
Pre-Medicare Prescription Plan	7.8% for 2023, 4.0% ultimate trend rate in 2075
Medicare Prescription Plan	7.0% for 2023, 4.0% ultimate trend rate in 2075
Mortality	Society of Actuaries Scale MP-2021

The total OPEB liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	3.7% per annum
Pre-Medicare Plans	7.8% for 2022, 4.0% ultimate trend rate in 2075
Medicare Plans	4.5% for 2022, 4.0% ultimate trend rate in 2075
Pre-Medicare Prescription Plan	7.8% for 2022, 4.0% ultimate trend rate in 2075
Medicare Prescription Plan	6.5% for 2022, 4.0% ultimate trend rate in 2075
Mortality	Society of Actuaries Scale MP-2021

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)

Note 12. Other Post-Employment Benefits (OPEB) (Continued)

(b) Changes in the OPEB Liability

	2023	2022
Changes in the OPEB obligation:		
Projected OPEB obligation at the beginning of year	\$ 271,395	\$ 379,106
Service cost	2,620	4,528
Interest cost	9,722	6,959
Difference between expected and actual experience	232	(34,085)
Change in assumptions	26,546	(69,430)
Actual benefit payments	(16,604)	(15,683)
Projected OPEB obligation at the end of year	<u>\$ 293,911</u>	<u>\$ 271,395</u>

(c) Discount Rate

The discount rate used to measure the total OPEB liability was 3.3% and 3.7%, based on the Bond Buyer 20-year Bond GO index rate as of December 31, 2023 and 2022, respectively.

Sensitivity of the OPEB Liability to the Discount Rate

The following presents the Corporation's total OPEB liability calculated using the discount rate of 3.3%, as well as what the Corporation's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.3%) or one percentage point higher (4.3%) than the current rate.

	2023		
	1% Decrease (2.3%)	Discount Rate (3.3%)	1% Increase (4.3%)
The Corporation's total OPEB liability	\$ 337,382	\$ 293,911	\$ 258,462

The discount rate used to measure the total OPEB liability as of December 31, 2022, was 3.7%, based on the Bond Buyer 20-year Bond GO index rate.

The following presents the Corporation's total OPEB liability calculated using the discount rate of 3.7%, as well as what the Corporation's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.7%) or one percentage point higher (4.7%) than the current rate.

	2022		
	1% Decrease (2.7%)	Discount Rate (3.7%)	1% Increase (4.7%)
The Corporation's total OPEB liability	\$ 310,620	\$ 271,395	\$ 239,334

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)

Note 12. Other Post-Employment Benefits (OPEB) (Continued)

Sensitivity of the OPEB Liability to the Healthcare Cost Trend Rates

The following presents the Corporation's total OPEB liability calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates.

	2023		
	Healthcare		
	1% Decrease	Cost Trend Rates	1% Increase
The Corporation's total OPEB liability	\$ 255,222	\$ 293,911	\$ 341,658

	2022		
	Healthcare		
	1% Decrease	Cost Trend Rates	1% Increase
The Corporation's total OPEB liability	\$ 236,278	\$ 271,395	\$ 314,630

(d) Deferred Outflows and Inflows of Resources

The following are components of deferred outflows and inflows at December 31, 2023 and 2022:

	2023	
	Deferred Outflows	Deferred Inflows
Differences between expected and actual actuarial experience	\$ 544	\$ (27,754)
Changes in assumptions	25,126	(31,583)
Total	<u>\$ 25,670</u>	<u>\$ (59,337)</u>

	2022	
	Deferred Outflows	Deferred Inflows
Differences between expected and actual actuarial experience	\$ 96	\$ (58,636)
Changes in assumptions	22,588	(56,176)
Total	<u>\$ 22,684</u>	<u>\$ (114,812)</u>

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

Note 12. Other Post-Employment Benefits (OPEB) (Continued)

The net deferred outflows and inflows of resources at December 31, 2023, will be recognized as follows:

	Amount
2024	\$ (24,297)
2025	(12,810)
2026	3,440
	<u>\$ (33,667)</u>

(e) Annual OPEB Benefit

The Corporation's annual OPEB benefit for the years ended December 31, 2023 and 2022, was \$19,343 and \$31,319, respectively.

Note 13. New York State Department of Health (NYSDOH) Grant Programs

The NYSDOH offers the Vital Access Provider Assurance Program (VAPAP) program. Funding under this program is made to public or safety net hospitals and health systems that meet certain criteria or that have been designated as critical access or sole community hospitals and is awarded to enable these facilities to maintain operations and provision of vital services while they implement longer-term solutions to achieve sustainable health care service delivery. During the years ended December 31, 2023 and 2022, the Corporation received grant payments under this program in the amount of \$76,838 and \$78,998, respectively. Specifically related to these grants, during the years ended December 31, 2023 and 2022, \$103,838 and \$51,998, respectively, was recognized in the statement of revenues, expenses and changes in net position as non-operating revenue.

Note 14. Transactions With the County of Erie

On December 30, 2009, the Corporation and the County entered into a Settlement Agreement. The Settlement Agreement resulted in the Corporation and the County entering into a number of transactions to resolve litigation and prepare for implementing the Corporation's master facility plan.

In October 2012, the Corporation and the County signed an amendment to the 2009 Settlement Agreement (the Amendment). The terms of the Amendment provide for the County to be reimbursed from the Corporation for certain workers' compensation claims incurred by Corporation employees that were paid by the County. The Amendment also provides for the County to reimburse the Corporation, over time, for post-retirement health expenses that the Corporation incurred for Corporation employees with service time at the County.

In 2017, the Corporation entered into a loan agreement and a capitalized interest liability assumption agreement with the County of Erie. A component of the loan agreement included the payment of points by the Corporation to the County of Erie in the amount of \$17,040 as further described in Note 2 and 10.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

Note 14. Transactions With the County of Erie (Continued)

Other transactions: Amounts that are included in operating revenues and expenses in the statements of revenues, expenses and changes in net position, which represent related-party transactions that occurred between the Corporation and the County during the years ended December 31, 2023 and 2022, are as follows:

The Corporation earned revenue totaling \$3,902 and \$3,856 for the years ended December 31, 2023 and 2022, respectively, from the County. Revenue earned relates to services provided to School 84, mental health services and various other charges related to County departments located within the Corporation's physical plant.

The net amount due to the County of approximately \$12,661 and \$11,393 at December 31, 2023 and 2022, respectively, is non-interest bearing and reflect the Corporation's net amount owed to the County as a result of various transactions and services between parties. This balance is reported as a component of accounts payable and accrued other liabilities in the statements of net position at December 31, 2023 and 2022, respectively.

Note 15. Self-Insured Obligations

The Corporation is self-insured for all medical malpractice claims for occurrences on or after January 1, 2004. Additionally, the Corporation began purchasing excess stop-loss insurance on a claims made basis for medical malpractice effective November 2008. The current policy provides \$35,000 of coverage in excess of a self-insured retention (SIR) of \$4,000 of individual claims or \$12,000 in aggregate claims effective November 19, 2018. Immediately previously, the policy provided \$35,000 of coverage in excess of a SIR \$3,000 of individual claims or \$10,000 in aggregate claims.

Effective April 1, 2016, the Corporation became self-insured for workers' compensation claims through a combination of self-insurance and a high-deductible plan for certain periods as follows: The Corporation maintains a stop-loss insurance policy for the claims in excess of \$750. As required by the NYS Workers' Compensation Board, ECMCC maintains a security deposit on its self-insured workers' compensation obligations. The value of the security deposit was \$30,689 and \$26,128 as of December 31, 2023 and 2022, respectively. The deposit is maintained through a surety bond. The surety requires a collateral deposit to maintain the bond. The value of the collateral held by the surety was \$5,512 and \$5,272 as of December 31, 2023 and 2022, respectively. Effective January 1, 2012, the Corporation insured a portion of its workers' compensation exposure through an occurrence basis high-deductible plan. The Corporation remains responsible for the first \$750 of an individual claim payment after December 31, 2011. The Corporation is required to pledge certain assets under this arrangement. As of December 31, 2023 and 2022, \$4,662 and \$4,936, respectively, has been designated to service workers' compensation claims and included as part of assets whose use is limited. The Corporation remains self-insured for workers' compensation claims prior to January 1, 2012. The County has assumed a portion of liabilities for all occurrences originating prior to 2004.

Losses from asserted and unasserted medical malpractice and workers' compensation claims are accrued based on actuarial estimates that incorporate the Corporation's past experience, the nature of each claim or incident, relevant trend factors, and estimated recoveries, if any, on unsettled claims.

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)

Note 15. Self-Insured Obligations (Continued)

The Corporation has accrued \$33,407 and \$30,975 at December 31, 2023 and 2022, respectively, for medical malpractice related exposures. Such amounts have been discounted at 2.0% for 2023 and 2022 and the accrued liabilities are included within the accrued other liabilities and self-insured obligations caption of the accompanying statements of net position. Charges to expense for medical malpractice costs are included within the other operating expenses caption of the accompanying statements of revenues, expenses and changes in net position.

The Corporation has accrued \$27,922 and \$27,264 at December 31, 2023 and 2022, respectively, for workers' compensation related exposures. Such amounts have been discounted at 1.75% for 2023 and 2022, and the liabilities are included within the accrued other liabilities and self-insured obligations captions of the accompanying statements of net position. Charges to expense for workers' compensation costs approximated \$7,376 and \$7,884 in 2023 and 2022, respectively, and are included within the payroll, employee benefits and contract labor caption of the accompanying statements of revenues, expenses and changes in net position.

Eligible retirees are provided basic medical and hospitalization coverage by the Corporation as more fully described in Note 12.

The composition of self-insured obligations as of December 31, is as follows:

2023					
	Beginning Balance	Actuarial Estimate of Claims Incurred	Claims Paid	Ending Balance	Due Within One Year
Medical malpractice	\$ 30,975	\$ 4,750	\$ (2,318)	\$ 33,407	\$ 1,792
Workers' compensation	27,264	6,145	(5,487)	27,922	7,416
	<u>\$ 58,239</u>	<u>\$ 10,895</u>	<u>\$ (7,805)</u>	<u>\$ 61,329</u>	<u>\$ 9,208</u>
2022					
	Beginning Balance	Actuarial Estimate of Claims Incurred	Claims Paid	Ending Balance	Due Within One Year
Medical malpractice	\$ 28,159	\$ 3,797	\$ (981)	\$ 30,975	\$ 1,800
Workers' compensation	28,348	6,378	(7,462)	27,264	7,556
	<u>\$ 56,507</u>	<u>\$ 10,175</u>	<u>\$ (8,443)</u>	<u>\$ 58,239</u>	<u>\$ 9,356</u>

Medical malpractice and workers' compensation amounts due within one year are management's estimates based on historical claims.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to the Financial Statements
Year Ended December 31, 2023
(Dollars in Thousands)**

Note 16. Commitments and Contingencies

The health care industry is subject to numerous laws and regulations of federal, state and local governments. Compliance with these laws and regulations is subject to future government review and interpretation as well as regulatory actions unknown or unasserted at the time. Government activity, in recent years, has increased with respect to investigations and allegations concerning possible violations by health care providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. While no regulatory allegations have been made against the Corporation, compliance with such laws and regulations can be subject to future government review and interpretations, as well as regulatory actions unknown or unasserted at this time. Management and its counsel are not aware of any such actions that will have a material adverse effect on the Corporation's financial statements.

Loss contingency liabilities are recorded in accordance with U.S. GAAP, which requires recognition of a loss when it is deemed probable that an asset has been impaired or a liability has been incurred, and the amount of the loss can be reasonably estimated. As of December 31, 2023 and 2022, the Corporation has recorded no loss contingencies except as disclosed in Note 15.

The Corporation formed 1827 Fillmore, LLC (1827) for the purpose of acquiring and developing land immediately adjacent to its Grider Street campus. A condition of the acquisition was that 1827 demolish a building on the site with known asbestos abatement requirements. This condition was met in 2018. The Corporation has undertaken a community planning process to determine the future use(s) of the site. The site requires the environmental remediation expenditures; however, the amount of such expenditures is dependent on the ultimate use of the site and requirements from regulators. Through December 31, 2023, approximately \$4,600 has been spent on remediating and improving the land.

Required Supplementary Information

PRELIMINARY DRAFT
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Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Required Supplementary Information
Schedule of Corporation's Contributions
NYSLRS Pension Plan
December 31, 2023
(Dollars in Thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 25,153	\$ 31,946	\$ 30,167	\$ 27,343	\$ 26,447	\$ 25,803	\$ 25,235	\$ 26,722	\$ 29,771	\$ 29,835
Contributions in relation to the contractually required contribution	25,153	31,946	30,167	27,343	26,447	25,803	25,235	26,722	29,771	29,835
Contribution deficiency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ECMCC covered-employee payroll	\$ 245,606	\$ 244,519	\$ 235,767	\$ 216,871	\$ 204,007	\$ 193,386	\$ 183,540	\$ 166,691	\$ 175,409	\$ 163,395
Contributions as a percentage of covered-employee payroll	10.2%	13.1%	12.8%	12.6%	13.0%	13.3%	13.7%	16.0%	17.0%	18.3%

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Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Required Supplementary Information
Schedule of Corporation's Proportionate Share of Net Pension Liability (Asset)
NYSLRS Pension Plan
December 31, 2023
(Dollars in Thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015
ECMCC proportion of the net pension (asset) liability	0.9277%	0.9485%	0.9187%	0.8504%	0.8079%	0.7646%	0.7614%	0.7228%	0.7137%
ECMCC proportionate share of the net pension (asset) liability	\$ 198,936	\$ (77,538)	\$ 915	\$ 225,197	\$ 57,240	\$ 24,677	\$ 71,544	\$ 116,006	\$ 24,112
ECMCC covered-employee payroll	245,606	273,555	249,490	246,772	235,284	216,044	183,540	166,691	175,409
ECMCC proportionate share of the net pension liability as a percentage of its covered-employee payroll	81.0%	-28.3%	0.4%	91.3%	24.3%	11.4%	39.0%	69.6%	13.7%
Plan fiduciary net position as a percentage of the total pension liability	90.8%	103.7%	100.0%	86.4%	96.3%	98.2%	94.7%	90.7%	97.9%

Note: GASB requires 10 years of information to be presented in this table. However, until a full 10-year trend is compiled, the Corporation will present information for those year for which information is available.

Change in Benefit Terms

The New York State Legislature lowered the vesting requirement for Tier 5 and Tier 6 from ten years to five years (Chapter 56 Of the Laws of 2022), prior to the April 1, 2022 actuarial valuation.

Changes of Assumptions

2023: The mortality improvement assumption was updated to the Society of Actuaries' Scale MP-2021, inflation was updated to 2.9%, cost-of-living updated to 1.5%, for the April 1, 2022 actuarial valuation.

2022: The mortality improvement assumption was updated to the Society of Actuaries' Scale MP-2020, inflation was updated to 2.7%, cost-of-living updated to 1.4%, and the interest rate assumption was reduced to 5.9% for the April 1, 2021 actuarial valuation.

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Required Supplementary Information

Schedule of Corporation's Changes in Total OPEB Liability and Related Ratios

December 31, 2023 and 2022

(Dollars in Thousands)

	2023	2022
Total OPEB liability:		
Service cost	\$ 2,620	\$ 4,528
Interest cost	9,722	6,959
Differences between expected and actual experience	232	(34,085)
Changes of assumptions	26,546	(69,430)
Benefit payments	(16,604)	(15,683)
Net change in total OPEB liability	22,516	(107,711)
Total OPEB liability—beginning	271,395	379,106
Total OPEB liability—ending	<u>\$ 293,911</u>	<u>\$ 271,395</u>
Covered employee payroll	\$ 87,249	\$ 87,719
Total OPEB liability as a percentage of covered employee payroll	336.86%	309.39%
Discount rate	3.3%	3.7%

Change in Benefit Terms

There were no significant changes in benefits during 2023 and 2022.

Changes of Assumptions

2023: The discount rate was decreased from 3.7% to 3.3%, while salary increases were adjusted from 3.7% to 3.3% as well as an update to the medical and prescription trend rates.

2022: The annual rate of increase in healthcare costs were revised to better reflect future expectations.

Erie County Medical Center Corporation

(A Component Unit of the County of Erie)

Uniform Guidance Audit Requirements
December 31, 2023

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**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
U.S. Department of Health and Human Services Health Resources and Services Administration Direct Programs				
COVID-19: Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution	93.498	N/A	\$ -	\$ 8,394,858
Training in General, Pediatric, and Public Health Dentistry	93.059	N/A	-	370,983
Ryan White HIV/AIDS Dental Reimbursement and Community Based Dental Partnership Grants	93.924	N/A	-	50,607
Oral Diseases and Disorders Research	93.121	N/A	-	186,894
Total U.S. Department of Health and Human Services Health Resources and Services Administration Direct Programs			-	9,003,342
U.S. Department of Health and Human Services pass-through program from: Health Research Inc.				
National Bioterrorism Hospital Preparedness Program	93.889	2430-18	-	40,000
New York State Office of Mental Health COVID-19: Block Grants for Community Mental Health Services	93.958	C21661GG	-	373,988
Total U.S. Department of Health and Human Services Pass-Through Programs			-	413,988
U.S. Department of Justice Pass-Through Program From:				
New York State Office of Victim Crime Services Crime Victim Assistance	16.575	OVS01-C10952GG-1080200	-	390,981
New York State Division Criminal Justice Services Crime Victim Assistance	16.575	OVS01-T11152GG-1080200	-	212,673
New York State Division Criminal Justice Services Crime Victim Assistance	16.575	N/A	-	426,815
			-	1,030,469
New York State Office of Victim Crime Services Crime Victim Assistance/Discretionary Grants	16.582	15POVC-22-GK-01799-NONF	-	159,983
New York State Division Criminal Justice Services Violence Against Women Formula Grants	16.588	C00256GG-1090000	-	50,000
Total U.S. Department of Justice Pass-Through Program			-	1,240,452
U.S. Department of Homeland Security (Federal Emergency Management Agency) COVID-19: Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	N/A	-	3,861,791
Total Expenditures of Federal Awards			\$ -	\$ 14,519,573

See notes to the schedule of expenditures of federal awards.

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2023**

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Erie County Medical Center Corporation (the Corporation) under programs of the federal government for the year ended December 31, 2023. The information on this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

For purposes of the Schedule, federal awards include all federal assistance entered into directly between the Corporation and the federal government and sub-awards from nonfederal organizations made under federally sponsored agreements. The Schedule does not include payments received under Medicare and Medicaid reimbursement programs. Because the Schedule presents only a selected portion of the activities of the Corporation, it is not intended to, and does not, present the financial position, changes in net position and cash flows of the Corporation.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Corporation has elected to not exercise its option to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3. Other Federal Awards

There were no federal awards expended for noncash assistance, insurance, or any loans, loan guarantees, or interest subsidies outstanding at December 31, 2023.

Note 4. Subrecipients

The Corporation did not provide federal awards to any subrecipients during the year ended December 31, 2023.

**Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed
in Accordance With Government Auditing Standards**

Independent Auditor's Report

Board of Directors
Erie County Medical Center Corporation

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the business-type activities and the aggregate discretely presented component units of Erie Medical Center Corporation (the Corporation), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements, and have issued our report thereon dated DATE.

The financial statements of ECMC Foundation, Inc., the Grider Initiative, Inc. and Research for Health in Erie County, Inc. were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal controls over financial reporting or instances of reportable noncompliance associated with ECMC Foundation, Inc., the Grider Initiative, Inc. and Research for Health in Erie County, Inc.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the basic financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

DATE

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Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

Board of Directors
Erie County Medical Center Corporation

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Erie County Medical Center Corporation's (the Corporation) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Corporation's major federal programs for the year ended December 31, 2023. The Corporation's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Corporation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Corporation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Corporation's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Corporation's federal programs.

Auditor's Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Corporation's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Corporation's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Corporation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the Corporation as of and for the year ended December 31, 2023 and have issued our report thereon dated **DATE**, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the basic financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Firm Signature

DATE

Erie County Medical Center Corporation
(A Component Unit of the County of Erie)

Schedule of Findings and Questioned Costs
Year Ended December 31, 2023

Section I—Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:

Internal control over financial reporting:

Material weakness(es) identified?

Significant deficiency(ies) identified?

Noncompliance material to financial statements noted?

Unmodified

<u> </u> yes	<u> </u> X	no
<u> </u> yes	<u> </u> X	none reported
<u> </u> yes	<u> </u> X	no

Federal Awards

Internal control over major programs:

Material weakness(es) identified?

Significant deficiency(ies) identified?

Type of auditor's report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?

<u> </u> yes	<u> </u> X	no
-----------------------	---------------------	----

Identification of major federal programs:

Federal Assistance Listing Number(s)

Name of Federal Program or Cluster

93.498

COVID-19: Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution

93.059

Training in General, Pediatric, and Public Health Dentistry

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as a low risk auditee?

<u> </u> X	yes	<u> </u> no
---------------------	-----	----------------------

(Continued)

**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Schedule of Findings and Questioned Costs (Continued)
Year Ended December 31, 2023**

Section II—Financial Statement Findings

No findings noted.

Section III—Findings and Questioned Costs for Federal Awards

No findings noted.

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**Erie County Medical Center Corporation
(A Component Unit of the County of Erie)**

**Summary Schedule of Prior Year Findings and Questioned Costs
Year Ended December 31, 2023**

Section I—Financial Statement Findings

No findings noted.

Section II—Findings and Questioned Costs for Federal Awards

No findings noted.

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Erie County Medical Center Corporation



Operating and Capital Budgets For the year ending 2024

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Management Discussion and Analysis

September 30, 2023

The 2024 Budget maintains a path along the ECMCC Strategic Plan while focusing on both short and long-term financial and operational recovery efforts resulting from the devastating ongoing significant and lasting effects of the COVID-19 Pandemic along with the impacts of ECMCC's efforts to stabilize the workforce. ECMCC's long-term goals will continue to be measured through the achievement of the ECMCC mission: improving clinical quality, service excellence, and the continued provision of health services to the communities ECMCC serves with compassion. In the short-term a renewed focus has been placed on retention of staff through investments in our people and steady growth through improved patient access.

Management Discussion and Analysis

The industry is experiencing similar financial and operational challenges both locally and nationally. Given the extent of the financial impact these challenges have had, ECMCC has recognized that time along with future external support are needed to properly recover. Given the time needed, the 2024 goal is to achieve improved operating and investing cash flow through the improvement in operating results through efficiency improvements and programmatic changes without sacrificing quality or the critical services we provide. The proposed 2024 operating budget reflects an operating loss of \$35 million, an improvement of over 57% from the projected 2023 operating results before grant support. The proposed budget has been developed with the following goals in mind:

Budget Goals

- ✓ Maintain the highest quality of care provided
- ✓ Maintain critical services provided to the community
- ✓ Continue a stepped approach to recovery with a significant reduction in operating loss from 2023
- ✓ Maintain routine capital and equipment upgrades
- ✓ Maximize retention of staff, improve staffing efficiency and meet NYS minimum standards
- ✓ Prepare the budget to accomplish the goals without significant job actions

Management Discussion and Analysis

Budgetary assumptions are a key component of the process that was followed in developing the Budget. The following summarizes Management's perspective in the development of these assumptions

Activity Levels

The Budget has been prepared consistent with actual volume seen during 2023. Further consideration was given to the changes internally related to recent trends in volume and activity, an improvement in the ability to discharge patients and ultimately reduced length of stay, the shift of inpatient cases into the outpatient setting as a result of changing regulations and payer payment policies, new physician recruitment, as well as other factors. Management believes that the levels of activity contained within the Budget are achievable.

Management Discussion and Analysis

Revenue and Reimbursement

Projected reimbursement from government payers is based on current and proposed regulations where Management has evaluated as probable. Reimbursement from commercial payers is based on current contracts or at rates that Management has evaluated as probable for contracts currently being negotiated. Increases in net revenue associated with revenue cycle improvement initiatives related to contract underpayments and payer denial management have also been incorporated at levels that Management believes are attainable.

Other operating revenue has been budgeted based on historical experience while taking into account the recent growth in the operation of ECMCC's Specialty Pharmacy.

Disproportionate share and upper payment limit payments have been budgeted based on the most current information available to Management.

Management Discussion and Analysis

Operating Expenses

Projected operating expenses are budgeted based on the volume of anticipated activity, along with adjustments for salary rate increases consistent with current collective bargaining agreements, estimated benefit costs as adjusted for actuarially projected gains or losses, supply and other expense inflation rates as well as impacts of performance improvement initiatives. Management believes that the overall growth in expenses of approximately 3.7% contained in the budget are reasonable and attainable.

Non-Operating Revenue

Non-Operating Revenues have been budgeted consistent with the recent historical trends related to investment income. The reduction is the result of a reduction in available investments in 2023. Although ECMCC expects to continue to work closely with NYS on future funding needs both for the remainder of 2023 and 2024 as a participant in the Vital Access Provider Assurance grant program, Management has elected not to include any additional Federal or New York State operational support for planning purposes in the 2024 operating budget.

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Management Discussion and Analysis

Cash Flows

2024 cash flow will remain a key focus of Management given the challenges. Cash flows have been budgeted based on the results of operations, investments in routine and non-routine capital assets, principal payments on long-term debt, continued investments in a clinically integrated network and the funding of employee benefit plans. In an effort to avoid reducing critical services the budget reflects losses which will result in a need for operational cash flow support from governmental agency partners including New York State.

Range of Outcomes and Contingency Plans

Management has considered the sensitivity of each material assumption within the Budget. Management believes that the Budget is reasonably positioned within the range of potential outcomes and recognizes its responsibility for achieving these results. Given the uncertainty of certain material assumptions related to uncertain inflationary pressures, community post-acute capacity, staffing and retention challenges, future governmental reimbursement and benefit cost fluctuation, Management acknowledges that it may have to adjust operationally during 2024.

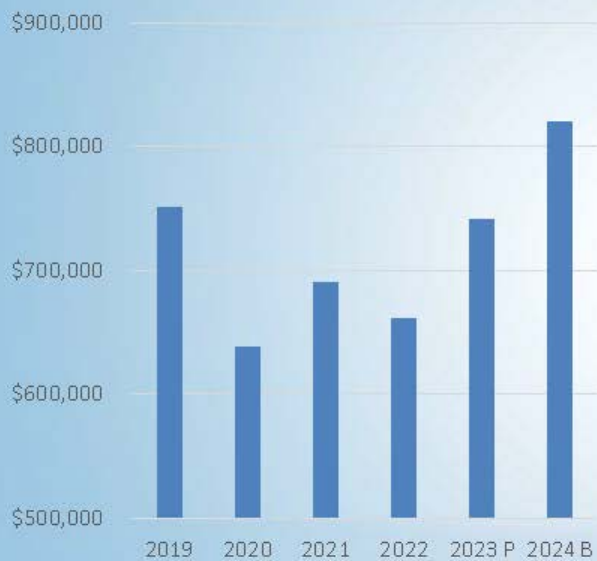
Regulatory Budget Reporting Requirements

- All requirements have been met
 - NYCRR, Part 203, Chapter V, Title 2
 - This package communicates each of the 18 requirements
- New York State Office Of The State Comptroller
- Authority Budget Office
- PARIS submission and certification

Budget Process

- Executive Leadership Team (ELT) adopt budget schedule and goals
- Using 2023 year-to-date performance and known or anticipated budget variances, a baseline budget and financial projections were prepared
- Department managers worked with ELT to develop departmental targets and performance improvement initiatives
- ELT budget recommendation reviewed and approved by Finance Committee of ECMCC Board
- Budget recommendation reviewed and approved by ECMCC Board

Revenue



Operating Margin



Footnotes:

- 2019 Revenue Includes DSRIP Pass-Through funds and CREPS Grants
- For comparability purposes in this chart, operating margins exclude all investment gains, CARES/ARP/PPP/FEMA and NYS grants



Key Financial Ratios

	<u>2021</u>	<u>2022</u>	<u>Projected</u> <u>2023</u>	<u>Budget</u> <u>2024</u>
Operating Margin %	-10.60%	-12.42%	-11.07%	-4.27%
NYS PBC Average %	-9.40%	-8.00%		
Operating EBITDA %	-2.66%	-4.47%	-4.15%	1.45%
NYS PBC Average %	-3.20%	-2.20%		
FTE's	3,453	3,473	3,676	3,700
Days Operating Cash On Hand	47.8	24.6	29.0	13.4
NYS PBC Average	26.9	41.6		
Debt Service Coverage	1.1	1.5	(0.4)	0.3
NYS PBC Average	1.4	3.1		
Salaries, Wages & Benefits % of Revenue	63.60%	61.49%	73.77%	69.21%
Supply Expense % of Revenue	19.90%	20.81%	21.48%	20.23%
Benefit % of Salaries and Wages	31.20%	12.93%	30.88%	27.22%
Days In Accounts Receivable, net	49.5	53.9	63.0	59.1

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Statements of Revenues and Expenses (Thousands)

	<u>2022 Audited</u>	<u>2023 Projection</u>	<u>2024 Budget</u>	<u>Increase / (Decrease)</u>	
Net Patient Revenue	\$ 566,389	\$ 583,869	\$ 645,857	\$ 61,988	10.6%
Disproportionate Share / IGT and UPL Payments	68,295	114,851	123,280	8,428	7.3%
Other Operating Revenues	<u>26,095</u>	<u>42,576</u>	<u>49,890</u>	<u>7,314</u>	<u>17.2%</u>
Total Operating Revenues	<u>660,779</u>	<u>741,297</u>	<u>819,027</u>	<u>77,730</u>	<u>10.5%</u>
Operating Expenses					
Salaries and Benefits	348,266	430,721	446,981	16,260	3.8%
Physician Fees and Professional Services	194,970	187,212	199,443	12,231	6.5%
Supplies	117,877	125,413	130,625	5,212	4.2%
Other Expenses	<u>81,728</u>	<u>80,009</u>	<u>76,982</u>	<u>(3,027)</u>	<u>-3.8%</u>
Total Operating Expenses	<u>742,841</u>	<u>823,355</u>	<u>854,032</u>	<u>30,677</u>	<u>3.7%</u>
Operating Income before grants	(82,062)	(82,058)	(35,005)	47,053	-57.3%
Grant revenue	<u>63,151</u>	<u>29,469</u>	<u>-</u>	<u>(29,469)</u>	<u>-100.0%</u>
Income/(Loss) from Operations with grants	(18,911)	(52,589)	(35,005)	17,584	-33.4%
Other Non-Operating Revenues	<u>(13,967)</u>	<u>4,814</u>	<u>1,205</u>	<u>(3,609)</u>	<u>-75.0%</u>
Excess of Revenues Over Expenses	<u>\$ (32,878)</u>	<u>\$ (47,776)</u>	<u>\$ (33,800)</u>	<u>\$ 13,975</u>	<u>-29.3%</u>

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Statements of Net Position

(Thousands)

	2022 Audited		2023 Projection		2024 Budget		Increase (Decrease)	
Assets								
Current Assets								
Cash and Investments	44,195	4.6%	62,284	6.4%	29,848	3.3%	(32,436)	-52.1%
Patient Accounts Receivable, Net	83,569	8.7%	100,777	10.4%	104,371	11.5%	3,594	3.6%
Other Current Assets	85,197	8.9%	88,670	9.1%	90,555	10.0%	1,885	2.1%
Total Current Assets	212,961	22.1%	251,731	26.0%	224,774	24.8%	(26,957)	-10.7%
Assets Whose Use Is Limited	157,515	16.4%	159,704	16.5%	159,951	17.6%	247	-0.4%
Property and Equipment, Net	328,170	34.1%	295,976	30.5%	266,876	29.4%	(29,099)	-9.8%
Other Assets	263,731	27.4%	261,854	27.0%	254,780	28.1%	(7,074)	-2.7%
Total Assets	962,377	100.0%	969,265	100.0%	906,381	100.0%	(62,883)	-6.5%
Liabilities and Net Assets								
Current Liabilities								
Current Portion of Long Term Debt	28,795	3.0%	28,586	2.9%	27,568	3.0%	(1,018)	-3.6%
Accounts Payable, Third-Party & Accrued	267,492	27.8%	344,776	35.6%	328,724	36.3%	(16,051)	-4.7%
Total Current Liabilities	296,287	30.8%	373,362	38.5%	356,292	39.3%	(17,070)	-4.6%
Long Term Debt	225,833	23.5%	218,783	22.6%	201,215	22.2%	(17,568)	-8.0%
Deferred Inflows	395,002	41.0%	396,144	40.9%	396,002	43.7%	(142)	0.0%
Other Post Employment Benefits	259,334	26.9%	250,051	25.8%	257,553	28.4%	7,502	3.0%
Self Insurance Liabilities	54,340	5.6%	47,118	4.9%	45,313	5.0%	(1,805)	-3.8%
Total Liabilities	1,230,796	127.9%	1,285,459	132.6%	1,256,375	138.6%	(29,084)	-2.3%
Net Position	(268,419)	-27.9%	(316,194)	-32.6%	(349,994)	-38.6%	(33,800)	10.7%
Total Liabilities and Net Assets	962,377	100.0%	969,265	100.0%	906,381	100.0%	(62,884)	-6.5%

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Statements of Cash Flow

(Thousands)

	Audited 2022	Projected 2023	Budget 2024	Increase (Decrease) %	
Cash Flows From Operating Activities					
Excess of Revenues Over Expenses	(32,878)	(47,776)	(33,800)	13,975	-29%
Depreciation & Amortization	41,615	40,195	37,100	(3,095)	-8%
Provision for Bad Debt	15,474	12,537	12,674	137	1%
Medicare Advanced Payment Program	(20,879)	-	-	-	N/A
(Increase) Decrease in Non-operating revenues	(38,256)	(23,188)	8,542	31,730	-137%
(Increase) Decrease in Patient Accounts Receivable, Net	(22,328)	(29,745)	(16,267)	13,478	-45%
(Increase) Decrease in Current and Other Assets	144,272	(1,596)	5,189	6,785	-425%
Increase (Decrease) in Accounts Payable, Third-Party & Accrued	(105,832)	77,284	(16,051)	(93,335)	-121%
Increase (Decrease) in Deferred In-Flows	(69,022)	1,142	(142)	(1,284)	-112%
Increase (Decrease) in Self Insurance Liabilities	1,322	(16,505)	5,696	22,201	-135%
Net Cash Provided By (Used In) Operating Activities	<u>(86,512)</u>	<u>12,347</u>	<u>2,939</u>	<u>(9,408)</u>	<u>-76%</u>
Cash Flows From Investing Activities					
Other Investing Activities, Net	<u>10,192</u>	<u>2,625</u>	<u>959</u>	<u>(1,666)</u>	<u>-63%</u>
Net Cash Provided By (Used In) Investing Activities	<u>10,192</u>	<u>2,625</u>	<u>959</u>	<u>(1,666)</u>	<u>-63%</u>
Cash Flows From Financing Activities					
Additions to Property and Equipment	(26,856)	(8,000)	(8,000)	-	0%
Non-operating grants	90,152	29,469	-	(29,469)	-100%
Changes in Long Term Debt	<u>(12,245)</u>	<u>(18,353)</u>	<u>(28,333)</u>	<u>(9,980)</u>	<u>54%</u>
Net Cash Provided By (Used In) Financing Activities	<u>51,051</u>	<u>3,116</u>	<u>(36,333)</u>	<u>(39,449)</u>	<u>-126%</u>
Net Increase (Decrease) in Cash and Investments	<u>(25,269)</u>	<u>18,089</u>	<u>(32,435)</u>	<u>(50,524)</u>	<u>-279%</u>
Cash and Investments, Beginning	<u>69,464</u>	<u>44,195</u>	<u>62,284</u>	<u>18,089</u>	<u>41%</u>
Cash and Investments, Ending	<u>44,195</u>	<u>62,284</u>	<u>29,849</u>	<u>(32,435)</u>	<u>-52%</u>

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Operating Performance Reconciliation (Thousands)

	<u>2023 Budget</u>	<u>2024 Budget</u>	<u>Increase / (Decrease)</u>
2023 Budgeted Income from Operations			(34,997)
Operating Revenues			
Net Patient Service Revenue	611,984	645,857	33,873
Disproportionate Share, IGT and UPL Revenue	116,351	123,280	6,929
Other Operating Revenue	<u>37,635</u>	<u>49,890</u>	<u>12,255</u>
Total Operating Revenues	<u>765,970</u>	<u>819,027</u>	<u>53,057</u>
Operating Expenses			
Salaries and Benefits	409,792	446,981	37,189
Physician Fees and Professional Services	182,590	199,443	16,853
Supplies	128,714	130,625	1,911
Other Expenses	36,271	30,136	(6,135)
Depreciation and Amortization	34,142	37,100	2,958
Interest	<u>9,458</u>	<u>9,747</u>	<u>289</u>
Total Operating Expenses	<u>800,967</u>	<u>854,032</u>	<u>53,065</u>
2024 Budgeted Loss from Operations	<u>(34,997)</u>	<u>(35,005)</u>	<u>(35,005)</u>

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Principal Budget Assumptions

- Volume
- Patient Revenue and Reimbursement
- IGT / UPL Payments
- Other Revenues
- Staffing Costs / Vacancy Management
- Other Expenses
- Cash Flows

Volume Summary

	<u>2022 Actual</u>	<u>2023 Projection</u>	<u>2024 Budget</u>	<u>Increase (Decrease)</u>	
				<u>24 - 23</u>	<u>%</u>
Discharges					
Acute	12,266	12,249	12,534	285	2.3%
Other	<u>5,146</u>	<u>5,155</u>	<u>5,466</u>	<u>311</u>	<u>6.0%</u>
Total	<u>17,412</u>	<u>17,404</u>	<u>18,000</u>	<u>596</u>	<u>3.4%</u>
Average Length of Stay					
Acute	8.2	8.4	7.5	(0.9)	-10.9%
Other	<u>10.9</u>	<u>12.0</u>	<u>10.8</u>	<u>(1.2)</u>	<u>-10.1%</u>
Total	<u>9.5</u>	<u>10.2</u>	<u>8.5</u>	<u>(1.7)</u>	<u>-16.5%</u>
Observation Cases	2,342	2,808	3,008	200	7.1%
Outpatient Visits	274,530	297,426	306,613	9,187	3.1%
Clinics	138,044	152,206	159,124	6,918	4.5%
Behavioral Health	32,674	36,730	37,316	586	1.6%
Chemical Dependency	22,258	23,270	23,314	44	0.2%
Dialysis	24,962	25,258	26,269	1,011	4.0%
Other	56,592	59,962	60,590	628	1.0%
Surgical Cases					
Inpatient	5,145	5,343	5,598	255	4.8%
Outpatient	<u>7,334</u>	<u>7,723</u>	<u>7,865</u>	<u>142</u>	<u>1.8%</u>
Total	<u>12,479</u>	<u>13,066</u>	<u>13,463</u>	<u>397</u>	<u>3.0%</u>
Case Mix Index - Acute	<u>1.83</u>	<u>1.76</u>	<u>1.78</u>	<u>0.02</u>	<u>1.2%</u>
Emergency Visits	50,473	52,202	55,040	2,838	5.4%
CPEP Visits	9,606	9,812	10,239	427	4.4%
Terrace View ADC	345.5	364.3	378.1	13.7	3.8%

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Revenue

- Net average revenue rate increase of 8% (includes all payers)
 - Larger increase is driven by add-ons for Medicare Wage Index, Behavioral Health and other Medicaid rate increases and Essential Plan increases
- Acute – IP Discharges increase from 2023 levels
 - Growth in inpatient cases related to improved community skilled nursing facility access, average length of stay management, and the improving trends in 2023
- Outpatient volume slight increase from 2023 levels
 - Increases in clinic visits (Dialysis, primary care, transplant and rehab medicine)
- Terrace View average daily census increase to 378 residents
 - Staffing levels have increased and will allow for increased census.
- IGT – Year over year growth based upon estimated net changes in allowable costs net of increases in associated Medicaid revenue.
- Revenue cycle process improvements of \$5M included within contract underpayments, professional billing, denials and bad debt expense

IGT and UPL Revenue (Accrual Basis Revenue)

	Budget <u>2023</u>	Projected <u>2023</u>	Budget <u>2024</u>
DSH	107,962	106,462	107,280
UPL	8,389	8,389	16,000
Total	<u>116,351</u>	<u>114,851</u>	<u>123,280</u>

Expenses

- **Salaries**
 - Increase in overall FTE's to 3,700 (3,686 - @ 8/21/23)
 - Vacancy management
 - Reduced premium costs (OT and shift bonuses)
 - Contracted salary increases total an average of 4.0%
 - Non-Union wage increases total 3%
 - Implementation of other contracted enhancements (step changes, other shift pay changes)
- **Benefits**
 - Increased health insurance costs, workers compensation, unemployment related costs and pension expense
 - Decrease in post-retiree health benefit cost as a result of actuarial assumption impact estimates

Expenses (cont'd)

- **Physician & Residents**
 - Notable increases
 - Contracted fee and certain rate increases
 - University faculty (GME) and resident salary inflation
 - New physicians – Neurosurgery, ED, Family Medicine, Oncology and Gastroenterology
 - Increase in GPPC total cost related to new physicians, physicians transitioned from ECMC, and expanded practice operations (volume and revenue also included)
- **Contractual Fees/Purchased Services**
 - Reduction in contractual fees associated with temporary agency nursing personnel, while maintaining desired staffing
 - Continued at Terrace View but with reduced contracted staffing

Expenses (cont'd)

- **Supplies**
 - Increase in volume from projected 2023 volume levels including an increase in total surgeries
 - Inflationary increases in all supply categories, most significant in pharmacy costs partially offset by savings initiatives (physician preference, pricing, joint contracting)
 - Increase in specialty pharmacy drug costs related to volume due to growth
 - Supply chain cost savings initiatives of \$2.5 million
- **Depreciation and Interest**
 - Decreased overall depreciation and interest costs
 - Expense based upon remaining depreciation on existing assets plus new capital anticipated.
 - Reduced non-project capital expenditures during 2020 - 2023.

Cash Flow Assumptions

- Net change in cash of (\$32.4) Million without any 2024 NYS operating grants
 - Days operating cash on hand decreased to 13 days from projected 2023 (excludes designated funds)
- Days in accounts receivable improving to 59.3 days
- Days in accounts payable at 60 days
- Routine capital budget spend consistent with 2022 and 2023 at \$8.0 million
- Line of credit balance remains outstanding

Performance Improvement Initiatives

- Length of stay improvements
- Revenue cycle improvements
- Vacancy management / premium time reduction
- Value analysis program growth reducing supply costs
- Reduction in certain purchased services
- Continued inpatient and outpatient growth strategies
- Continued infrastructure investment and accelerated growth in population health strategies
- Outpatient service line improvements (efficiency and focused growth)
- Insurance plan relationships, increased rates through contracting, MCR wage index, improved governance

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Emerging Issues and Risk Areas

- Timing of future DSH/IGT payments
- Operating performance improvements
 - Market driven length of stay risks
 - Recruitment and retention risks
 - FTE vacancy management risks
- Continued inflationary pressures on non-salary operating costs and pharmaceutical shortages
- Federal and NYS operational support uncertainty
- Federal and NYS reimbursement uncertainty
- Inpatient and outpatient volume sensitivity
 - Ambulatory surgery market
- Benefit expense and contribution changes
 - Pension and OPEB
- Medical malpractice regulatory environment
- Technology limitations - EHR

2024 Capital Budget Summary

Given stepped recovery, ECMCC must limit capital spending and remain consistent with 2023

- \$8.0 Million routine capital spend
 - \$8M from internal operating funds

5 Year Financial Projections

- Reimbursement rate increases adjusted to usual historical net rate increases, excluding one-time increases
- IGT/UPL at current projections
- Salary expense consistent with current collective bargaining agreements
- Benefits % of salary expense steady throughout projection period
- Supply and other expense inflation reduced from 2023 and 2024 to reflect more reasonable growth after 2024
- Reflects need for additional operational Federal and/or New York State support in addition to management's achievement of ongoing operational improvements

Statements of Revenues and Expenses – Projected (Thousands)

	<u>Audited</u> <u>2022</u>	<u>Projected</u> <u>2023</u>	<u>Budget</u> <u>2024</u>	<u>2025</u>	<u>2026</u>	<u>Projected</u> <u>2027</u>	<u>2028</u>	<u>2029</u>
Operating Revenues								
Net Patient Service Revenue	566,389	583,869	645,857	676,083	707,089	738,464	770,218	802,360
Disproportionate Share, IGT and UPL Revenue	68,295	114,851	123,280	123,280	123,280	123,280	123,280	123,280
Other Operating Revenue	26,095	42,576	49,890	50,389	50,893	51,402	51,916	52,435
Total Operating Revenues	660,779	741,297	819,027	849,752	881,262	913,146	945,414	978,076
Operating Expenses								
Salaries and Benefits	348,266	430,721	446,981	487,255	510,698	535,236	560,920	587,803
Physician Fees and Professional Services	194,970	187,212	199,443	203,432	207,501	211,651	215,884	220,201
Supplies	117,877	125,413	130,625	136,811	142,168	147,635	153,216	158,915
Other Expenses	29,185	28,720	30,136	31,972	33,919	35,984	38,176	40,501
Depreciation and Amortization	41,615	40,195	37,100	30,407	30,104	31,023	32,158	33,493
Interest	10,928	11,095	9,747	8,315	7,717	7,166	6,480	5,744
Total Operating Expenses	742,841	823,355	854,032	898,192	932,106	968,695	1,006,834	1,046,656
	(82,062)	(82,058)	(35,005)	(48,440)	(50,844)	(55,548)	(61,420)	(68,581)
Operational Support / Performance Improvements	-	-	-	30,940	40,844	50,548	61,920	69,081
Income/(Loss) from Operations	(82,062)	(82,058)	(35,005)	(17,500)	(10,000)	(5,000)	500	500
Grant revenue	63,151	29,469	-	-	-	-	-	-
Income/(Loss) from Operations with Grants	(18,911)	(52,589)	(35,005)	(17,500)	(10,000)	(5,000)	500	500
Non Operating Revenues & Capital Contributions	(13,967)	4,814	1,205	1,205	1,205	1,205	1,205	1,205
Excess of Revenues Over Expenses	(32,878)	(47,776)	(33,800)	(16,295)	(8,795)	(3,795)	1,705	1,705

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Statements of Financial Position – Projected (Thousands)

	Audited 2022	Projected 2023	Budget 2024	2025	2026	Projected 2027	2028	2029
ASSETS								
Current Assets								
Cash & Investments	44,195	62,284	29,848	32,635	33,710	33,411	38,484	45,412
Patient Accounts Receivable	83,569	100,777	104,371	100,008	96,850	101,150	105,500	109,900
Other Current Assets	85,197	88,670	90,555	91,287	91,974	92,625	95,342	98,125
Total Current Assets	<u>212,961</u>	<u>251,731</u>	<u>224,774</u>	<u>223,931</u>	<u>222,534</u>	<u>227,186</u>	<u>239,326</u>	<u>253,437</u>
Assets Whose Use Is Limited	157,515	159,704	159,951	159,607	159,258	159,904	160,558	161,219
Property and Equipment	328,170	295,976	266,876	246,469	241,365	235,342	228,184	219,691
Other Assets	<u>263,731</u>	<u>261,854</u>	<u>254,780</u>	<u>253,222</u>	<u>252,014</u>	<u>250,886</u>	<u>249,875</u>	<u>249,090</u>
Total Assets	<u>962,377</u>	<u>969,264</u>	<u>906,381</u>	<u>883,229</u>	<u>875,171</u>	<u>873,318</u>	<u>877,942</u>	<u>883,437</u>
LIABILITIES AND NET ASSETS								
Current Liabilities								
Current Portion of Long Term Debt	28,795	28,586	27,568	15,604	14,934	14,507	14,207	13,757
Accounts Payable, Third-Party & Accrued	<u>267,492</u>	<u>344,776</u>	<u>328,724</u>	<u>337,734</u>	<u>343,869</u>	<u>350,258</u>	<u>356,906</u>	<u>363,822</u>
Total Current Liabilities	<u>296,287</u>	<u>373,362</u>	<u>356,292</u>	<u>353,338</u>	<u>358,803</u>	<u>364,765</u>	<u>371,113</u>	<u>377,579</u>
Long Term Debt	225,833	218,783	201,215	185,611	170,677	156,170	141,963	128,206
Deferred Inflows	395,002	396,144	396,002	397,002	398,002	399,002	400,002	401,002
Other Post Employment Benefits	259,334	250,051	257,553	265,280	273,238	281,435	289,878	298,575
Self Insurance Reserves	<u>54,340</u>	<u>47,118</u>	<u>45,313</u>	<u>48,288</u>	<u>49,535</u>	<u>50,826</u>	<u>52,162</u>	<u>53,545</u>
Total Liabilities	<u>1,230,796</u>	<u>1,285,459</u>	<u>1,256,375</u>	<u>1,249,518</u>	<u>1,250,255</u>	<u>1,252,198</u>	<u>1,255,117</u>	<u>1,258,907</u>
Net Position	<u>(268,419)</u>	<u>(316,194)</u>	<u>(349,994)</u>	<u>(366,290)</u>	<u>(375,085)</u>	<u>(378,880)</u>	<u>(377,175)</u>	<u>(375,470)</u>
Total Liabilities and Net Assets	<u>962,377</u>	<u>969,264</u>	<u>906,381</u>	<u>883,228</u>	<u>875,170</u>	<u>873,318</u>	<u>877,942</u>	<u>883,436</u>

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Statements of Cash Flow - Projected

(Thousands)

	Audited <u>2022</u>	Projected <u>2023</u>	Budget <u>2024</u>	<u>2025</u>	<u>2026</u>	Projected <u>2027</u>	<u>2028</u>	<u>2029</u>
Cash Flows From Operating Activities								
Excess of Revenues Over Expenses	(32,878)	(47,776)	(33,800)	(16,295)	(8,795)	(3,795)	1,705	1,705
Depreciation & Amortization	41,615	40,195	37,100	30,407	30,104	31,023	32,158	33,493
Provision for bad debt	15,474	12,537	12,674	13,206	13,236	13,266	13,297	13,328
Medicare Advanced Payment Program	(20,879)	-	-	-	-	-	-	-
(Increase) Decrease in Non-operating revenues	(38,256)	(23,188)	8,542	7,110	6,512	5,961	5,275	4,539
(Increase) Decrease in Patient Accounts Receivable, Net	(22,328)	(29,745)	(16,267)	(8,843)	(10,078)	(17,566)	(17,647)	(17,728)
(Increase) Decrease in Current and Other Assets	144,272	(1,596)	5,189	826	522	476	(1,706)	(1,998)
Increase (Decrease) in Accounts Payable, Third-Party & Accrued	(105,832)	77,284	(16,051)	9,009	6,136	6,388	6,648	6,917
Increase (Decrease) in Deferred In Flows	(69,022)	1,142	(142)	1,000	1,000	1,000	1,000	1,000
Increase (Decrease) in Self Insurance Liabilities	1,322	(16,505)	5,696	10,702	9,205	9,488	9,779	10,079
Net Cash Provided By (Used In) Operating Activities	(86,512)	12,347	2,939	47,121	47,842	46,242	50,510	51,335
Cash Flows From Investing Activities								
Other Investing Activities, Net	10,192	2,625	958	1,549	1,554	559	551	544
Net Cash Provided By (Used In) Investing Activities	10,192	2,625	958	1,549	1,554	559	551	544
Cash Flows From Financing Activities								
Additions to Property and Equipment	(26,856)	(8,000)	(8,000)	(10,000)	(25,000)	(25,000)	(25,000)	(25,000)
Non-operating grants	90,152	29,469	-	-	-	-	-	-
Changes in Long Term Debt	(12,245)	(18,353)	(28,333)	(35,883)	(23,321)	(22,100)	(20,987)	(19,951)
Net Cash Provided By (Used In) Financing Activities	51,051	3,116	(36,333)	(45,883)	(48,321)	(47,100)	(45,987)	(44,951)
Net Increase (Decrease) in Cash and Investments	(25,269)	18,089	(32,436)	2,787	1,075	(299)	5,073	6,928
Cash and Investments, Beginning	69,464	44,195	62,284	29,848	32,635	33,710	33,411	38,484
Cash and Investments, Ending	44,195	62,284	29,848	32,635	33,710	33,411	38,484	45,412

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Appendix A

Outstanding Bonds and Notes

Erie County Guaranteed Senior Revenue Bonds, Series 2004

No bonds were issued, called, or re-financed during 2023.

\$4,165,000 of bonds matured or were redeemed in 2023.

\$56,970,000 of 2004 bonds remain outstanding on December 31, 2023.

Erie County Loan Payable-2017 (Refinance)

During 2017, the Corporation refinanced its 2011 Loan with a \$74,366,859 loan from the County of Erie.

\$4,158,603 in principal payments were made in 2023.

\$49,076,847 of debt is outstanding on December 31, 2023.

Erie County Loan Payable-201 (New Money)

During 2017, the Corporation entered into a \$99,492,034 loan with the County of Erie.

\$2,780,391 in principal payments were made in 2023.

\$87,374,270 of debt is outstanding on December 31, 2023.

Erie County Capitalized Interest Assumption Obligation-2017

During 2017, the Corporation entered into an \$8,281,141 capitalized interest assumption obligation with the County of Erie.

\$231,424 in principal payments were made in 2023.

\$7,272,529 of debt is outstanding on December 31, 2023.

Line of Credit

During 2021, the Corporation signed an agreement for an unsecured revolving line of credit.

\$0 in principal payments were made in 2023.

\$10,000,000 of outstanding borrowings against the line of credit on December 31, 2023.

Metz Culinary Management Food Service Improvements Loan

During 2019, the Corporation entered into a \$1,805,430 loan with Metz Culinary Management.

\$180,543 in principal payments were made in 2023.

\$947,860 of debt is outstanding on December 31, 2023.

During 2021, the Corporation entered into a \$1,552,000 loan with Metz Culinary Management.

\$200,258 in principal payments were made in 2023.

\$1,001,290 of debt is outstanding on December 31, 2023.

Name	Job Title	2023 Gross Earnings	Annual Salary
Abafita, Aziza	General Duty Nurse	122,268	102,186
Addison, Jessica	Charge Nurse	170,206	110,700
Aiad, Jean	Dentist ECMC RPT	117,237	117,237
Albanese, Pamela	Identity & Access Accounts Control Coord	100,928	101,005
Albert, Alison	Director of Admissions Medical Rehabilit	127,717	119,974
Almeter, Katherine	Charge Nurse	125,540	104,337
Ambrose, Keith	Director of Capital Projects	114,587	113,815
Amendola, Amy	General Duty Nurse	110,349	102,186
Anders, Mark	Medical Specialist	180,646	168,808
Anderson, Jennifer	Charge Nurse	137,917	110,700
Andrews, Kristin	Assistant Head Nurse	124,440	110,700
Artieri, Diane	Vice President of Materials Management	180,048	180,250
Augostini, Anna	Pharmacist ECMC	142,395	139,258
Austin, Cheryl	Director of Imaging Services	139,292	139,156
Baetzhold-Fabiniak, Karen	Physician Assistant	145,481	145,643
Bailen, Matthew	Director of Nursing Education-CC	135,128	131,840
Bailey, Steven	Nursing Supervisor LTC RPT	142,977	119,672
Baker, Aimee	General Duty Nurse	103,335	102,186
Baker, Shawn	General Duty Nurse	108,568	102,186
Balk, Andrew	Healthcare Information Security Analyst	108,555	101,005
Ballard, Katrina	Nurse Case Manager - Behavioral Health	127,154	123,583
Bandoh, Anthony	Healthcare Information Security Analyst	109,769	101,005
Barr-Buday, Tamara	Clinical Documentation Specialist	118,921	101,290
Barry, Jennifer	PROGRAM DIRECTOR-BEHAVIORAL HEALTH	110,401	105,000
Basher, William	Nursing Team Leader Dialysis Services	126,965	119,276
Bass, Cynthia	Director of Diversity and Inclusion	141,097	133,900
Bass, Edmond	Nursing Informatics Mgr.	140,667	137,565
Bastian, Michele	General Duty Nurse	110,416	102,186
Bauer, Christine	Charge Nurse	99,793	101,290
Beaver, Michael	Pharmacist ECMC	140,535	136,186
Becker, Cynthia	General Duty Nurse	103,473	102,186
Becker, Melissa	Unit Manager Operating Room	160,116	128,567
Becker, Paula	Pharmacist ECMC	148,993	148,439
Beiter, Sean	Director of Labor & Employee Relations	150,382	149,350
Bell, Shentelle	Director of Nursing Services Ambulatory	128,605	128,750
Bellido-Clark, Dana	Unit Manager MedicalSurgical	135,048	132,429
Bennett, Murnita	General Duty Nurse	103,881	102,186
Benson, Amanda	Charge Nurse	110,699	107,457
Bermingham, Morgan	Pharmacist ECMC	49,978	136,186
Bernier, Deborah	Operations Manager LTC	122,874	118,450
Bethea, Marquita	Director of Admissions LTC	139,183	130,491
Bielicki, Kim	General Duty Nurse	123,595	102,186
Bielmann, Beth	General Duty Nurse	103,924	102,186
Biersbach, Bret	Anesthesiologist	529,769	475,000

Bisulca, Amanda	General Duty Nurse	76,967	102,186
Bittner, Michelle	Charge Nurse	118,420	110,700
Blair, Lawrence	Behavioral Health Clinical Manager	127,864	118,450
Blair, Lindsey	Nursing Inservice Instructor ECMC	124,741	119,276
Blair, Sean	Nurse Case Manager	142,552	131,102
Blecha, Kortney	Charge Nurse	176,991	110,700
Boice, Allison	Nurse Case Manager	131,209	127,296
Bolden, Taywanda	Behavioral Health Clinical Manager	121,018	118,450
Bonito, Nicole	Anesthetist	274,353	236,023
Borton, Angela	Pharmacist ECMC	141,672	139,258
Brennan, Melinda	Unit Manager MedicalSurgical	133,413	128,567
Brennan, Stephanie	Pharmacist ECMC	146,087	139,258
Brian, Stephanie	Pharmacist ECMC	5,238	136,186
Brindisi, Joseph	Nurse Practitioner ECMC	136,075	137,825
Brinker, Debra	Charge Nurse	131,969	110,700
Brinkworth, Jennifer	Charge Nurse	162,111	110,700
Broeneman, Kourtney	Nurse Case Manager	134,502	131,102
Brooks, Latoya	Unit Manager MedicalSurgical	130,086	136,386
Brown, Alesha	Charge Nurse	128,256	101,290
Brown, Dana	Anesthetist	307,801	236,023
Brown, Donna	Associate Hospital Administrator	137,615	137,769
Brown, Jillian	VP of Behavioral Health Services	175,814	163,894
Brundin Jr, Douglas	Anesthetist	257,882	236,023
Brunner, Stephanie	Transplant Coordinator	107,072	116,478
Bryant, Monica	Nursing Team Leader	102,071	109,173
Buckley, Peter	Nursing Team Leader LTC	121,386	109,173
Budde, Ronald	PROGRAM DIRECTOR-BEHAVIORAL HEALTH	35,455	105,000
Bufalino, Rosalia	General Duty Nurse	124,881	102,186
Bulinski, Alexis	Charge Nurse	166,004	101,290
Buono, Deanne	General Duty Nurse	115,657	102,186
Burgio, Susan	Clinical Laboratory Quality Coordinator	142,732	114,895
Burke, Mark	Attending Physician	772,460	737,032
Burnett, Wayne	Senior Physical Therapist	107,709	103,091
Burridge, Suzanne	Pharmacist ECMC RPT	105,273	101,626
Burt, Mary	Nursing Team Leader	180,949	119,276
Calicutt, Steven	Chief Healthcare Information Security Of	65,538	213,000
Calire, Gina	Clinical Documentation Specialist	129,034	104,337
Canallatos, Jessica	Dentist ECMC RPT	133,506	121,892
Canallatos, Paul	Dentist ECMC	224,362	228,093
Cantie, Shawn	Anesthesiologist	534,353	504,000
Capozzi, Nicole	General Duty Nurse	127,940	102,186
Carl, Karen	Nursing Team Leader	126,948	119,276
Carnevale, Marinela	Emergency Department Patient Flow TL	144,674	119,276
Carpenter, Cheryl	Director of Medical Dental Staff Svcs	122,455	122,592
Carroll, Jennifer	Behavioral Health Clinical Manager	129,838	123,600
Casali, Colleen	General Duty Nurse	135,886	102,186
Castonguay, Andrea	Physician Assistant	117,425	115,000

Cavo, Paul	Clinical Systems Analyst	127,008	105,498
Cheng, Yi Shun	Attending Physician	297,566	288,400
Chikaraishi, Juli	Director of Outpatient Opers & Oncolog	121,938	119,995
Chilbert, Kevin	Clinical Pharmacy Specialist	154,130	151,199
Ciancone, Gabriella	Infection Prevention Practioner	124,518	119,276
Cicchinelli, Salvatore	Project Manager HIT	106,359	102,531
Cieri, Margaret	Nursing Care Coordinator	159,425	141,669
Cirillo, Joseph	Director of Public Relations Communic.	144,434	138,898
Ciurczak, Tiffany	Emergency Department Patient Flow TL	137,044	119,276
Clark, Cynthia	Nurse Case Manager	138,899	131,102
Cleckley, Shonda	General Duty Nurse	200,741	102,186
Cloud, Samuel	Medical Director ECMC	537,545	550,000
Colebeck, Amanda	Dentist ECMC	309,437	313,120
Colucci, Anthony	Executive Vice President	652,602	652,463
Comstock, Scott	Charge Nurse	128,244	110,700
Coniglio, Julia	Anesthetist	251,303	236,023
Conley, Meghan	Charge Nurse	115,008	107,457
Connors, Marchelle	Charge Nurse	112,022	110,700
Contino, Alyse	Charge Nurse	115,872	101,290
Cornelius, Rhonda	Nursing Care Coordinator	57,568	127,496
Cretacci, Nicole	Unit Manager MedicalSurgical	139,350	136,386
Culligan, Tanya	Clinical Documentation Specialist	124,303	110,700
Cumbo, John	Vice President of Information Technology	254,857	236,900
Currin, Shawntres	Unit Manager MedicalSurgical	144,803	132,429
Cutler, Peter	VP of Communications & External Affairs	271,100	267,800
Cutting, Karen	Healthcare Business Sys Analyst	103,091	103,243
Czerwinski-Brown, Lynn	General Duty Nurse	112,045	102,186
Dalton, Wendy	Nursing Team Leader LTC	138,096	112,455
D'Angelo, Dino	Charge Nurse	114,969	107,457
Daniels, Steven	Sr. Human Resources Info System Admin	128,215	123,600
Daoust, Jeffrey	Physician Assistant	102,161	132,009
Davis, Andrew	Chief Operating Officer ECMC	682,320	657,758
Davis, Cassandra	Senior Vice President of Operations-Outp	300,208	293,550
Davis, Karen	Charge Nurse	123,042	107,457
Dean, Rachel	Charge Nurse	118,481	101,290
DeFilippo, Jenna	Assistant Head Nurse	162,218	107,457
Deguire, Janelle	Assistant Nurse Case Manager	106,840	107,457
DeGuidice, Natalie	Clinical Pharmacy Specialist	152,796	154,565
DelPrince, Becky	VP of Systems and Integrated Care	200,482	193,905
DeVecchio, Regina	Staff Counsel ECMC	201,146	193,905
DePlato, Anthony	Anesthesiologist	591,867	553,340
Derenda, Nicole	Director of Nursing Education Med/Surg	54,744	133,738
DeSantis-Evans, Leigh	General Duty Nurse	120,156	102,186
Dettman, Brittany	Nursing Supervisor LTC	106,118	107,353
DeYoung, Candice	Nursing Team Leader	117,553	119,276
Diez, Tyler	Senior Director Outpatient Operations	82,789	123,000
Diina, David	Nurse Practitioner Transplant	306,815	155,116

Dillabough, Andrew	Point of Care Clinical Laboratory Coord	94,966	110,644
DiOrio, Leigh-Anne	Nurse Practitioner Transplant	173,881	124,016
Dishunts, Olga	Clinical Informatics Educator	119,528	103,243
Dobson, Judy	VP Medical Surgical Nursing Services	188,543	188,153
Dolansky, Evan	Pharmacist ECMC	150,389	148,439
Dombrowski, Jennifer	Senior Occupational Therapist	105,499	100,225
Donegan, Shawn	Charge Nurse	114,511	104,337
Donovan, Kevin	General Duty Nurse	100,069	102,186
Dove, Theresa	General Duty Nurse	100,438	102,186
Dowdell, Anne	General Duty Nurse	106,899	102,186
Draper, Cristina	General Duty Nurse	120,087	102,186
Drysdale, Michelle	InService Education Coordinator	170,256	123,583
Duell, Susan	Minimum Data Set Director	139,161	119,974
Duffin, Joy	Transplant Coordinator	202,221	131,102
Duffy, Brian	Anesthesiologist	102,175	395,391
Duman, Eileen	Administrative Director of Laboratory Se	161,184	156,560
Durant, Jason	Systems Administrator	135,847	111,234
Dvinova, Larisa	Charge Nurse	165,705	110,700
Dwyer, Lisa	General Duty Nurse	112,721	102,186
Dyson, Alicia	General Duty Nurse	98,478	102,186
Eccleston, Bobby	NURSING INSERVICE INSTRUCTOR (EMERGENCY	48,786	105,993
Eck, Brooke	Director of Respiratory Therapy Services	113,685	114,729
Egan, Carol	Charge Nurse	122,618	110,700
Eleey, Lynnette	Charge Nurse	126,146	110,700
Elliott, Karen	Senior Clinical Laboratory Technologist	24,838	102,066
Erhardt, Laurie	Minimum Data Set Specialist	115,048	112,455
Erhardt, Robert	Chief Hospital Public Safety Officer	167,631	123,768
Ervolina, Daryl	Senior Pharmacist ECMC	176,150	164,717
Eustace, Amy	General Duty Nurse	121,711	102,186
Evans, Maureen	Pharmacist ECMC RPT	115,911	114,061
Evans, Michele	Nursing Team Leader LTC	143,996	119,276
Falco, Mark	Attending Physician	527,310	494,400
Fanning, Rozalyn	Charge Nurse	122,652	104,337
Farrell, Amanda	Population Health Clinical Data Analyst	126,670	123,583
Fenner, Nicholas	Pharmacist ECMC	146,699	139,258
Ferguson, Richard	Director of Neurology RPT	438,240	392,256
Fezer III, Stephen	Anesthetist	259,236	236,023
Fiden, Donna	General Duty Nurse	133,851	102,186
Firestone, Lisa	Nurse Case Manager - Ambulatory Services	126,984	123,583
Flaherty, Amy	Staff Counsel - Risk Management	163,710	163,894
Fleming, Laura	Privacy Officer	112,529	109,051
Fletcher, Lynn	Nursing Care Coordinator	114,313	133,553
Flett, Deborah	Nursing Team Leader LTC	127,942	119,276
Floyd, Kaitlin	Nursing Team Leader	40	110,583
Flynn, William	Director of Surgery RPT	259,164	255,564
Forgensi, Stacey	Anesthetist	226,176	236,023
Fowler, Julia	Nursing Care Coordinator	159,246	141,669

Fox, Heather	Nurse Case Manager - Ambulatory Services	135,121	131,102
Frey, Jordan	Attending Physician	524,537	498,623
Friend, Dawn	Director of Nursing Service LTC	65,186	144,612
Frustino, Jennifer	Dentist ECMC	263,287	265,407
Furlani, Lisa	Anesthetist	248,708	236,023
Furnari, Graziella	Clinical Pharmacy Specialist	150,994	151,199
Gallagher, Heather	Senior Director Of Comp. Benefits HRIS	148,943	144,612
Galley, Sarah	Charge Nurse	114,307	101,290
Gallineau, Anne-Marie	Nursing Care Coordinator	171,285	141,669
Gan, Dalong	Anesthetist	87,138	218,753
Gant, Ramona	Director of Nursing Service LTC	122,784	152,500
Gardy-Batson, Marcell	Assistant Director Nursing LTC	130,105	128,750
Garfoot, John	Attending Physician	383,000	350,000
Garvey, Benjamin	RN Renal/Hemo Data Reviewer	100,689	104,337
Gary, Stephen	Consultant IV	411,829	411,829
George, Kristin	Charge Nurse Ambulatory Care	105,846	104,337
Gian, Kathleen	General Duty Nurse	189,705	102,186
Giglia, Joseph	General Counsel	522,229	530,000
Gill, Elise	Physician Assistant	117,518	115,000
Gloss, Margaret	Technical Director Echocardiography	106,498	101,005
Gomez, Melissa	Director of Clin. Coding Record Qual Mg	104,086	104,204
Gompah, Santosha	Unit Manager MedicalSurgical	143,070	136,386
Gonzalez, Susan	Executive Director ECMC Lifeline Foundat	204,279	200,905
Gorczyński II, Thomas	Director of Technical Services	156,142	155,000
Gozdalski, Nicole	Charge Nurse	146,515	110,700
Grabski, Meghan	Charge Nurse	215,099	101,290
Grantham, Ayanna	Assistant Director Nursing LTC	130,105	128,750
Green, Kimberly	Nursing Team Leader	120,604	112,455
Greenaway, Wanda	Nurse Practitioner Surgical Services	124,733	150,615
Greene Clark, Maria	Director of CPEP	128,605	128,750
Gregorio, Tara	Unit Manager MedicalSurgical	146,667	136,386
Grimm, Jessica	Nursing Team Leader	118,678	109,173
Grolemund, Stephanie	Anesthetist	266,155	236,023
Grzebinski, Jane	Pharmacist ECMC	157,350	151,574
Grzybowski, Helen	InService Education Coordinator	160,673	131,102
Gulczewski, Michelle	General Duty Nurse	106,497	102,186
Habonimana, Colette	Charge Nurse	140,526	110,700
Haefner, Lori	Charge Nurse	122,970	110,700
Haefner, Paula	Project Manager HIT	110,061	108,104
Haines, Tracey	Charge Nurse	148,176	104,337
Halladay, Nicholas	Charge Nurse	129,007	104,337
Halloran, Ashley	Vice President of Pharmacy Operations	195,826	195,700
Hamilton, Catherine	Director of Patient Financial Services	128,021	128,164
Hamilton, Holly	Pharmacist ECMC	137,490	139,258
Handley, Sarah	Pharmacist ECMC	43,364	139,258
Hanlon, Barbara	Assistant Head Nurse	117,701	110,700
Hanna, Jennifer	Charge Nurse	134,398	104,337

Harhara, Ameen	Nursing Care Coordinator	139,475	115,931
Harris, Rachel	Nurse Practitioner Plastic Recon Surgeon	140,281	137,825
Hartman, Nancy	Registered Nurse Trauma Registrar	119,230	119,276
Hartman, Sandra	Nursing Supervisor LTC	152,293	131,102
Hartmann, Erica	Dentist ECMC	176,488	180,250
Haseley, Nicole	Nurse Practitioner Transplant	231,273	155,116
Hatten, Khadija	Nursing Care Coordinator	147,364	133,553
Haus, Lisa Marie	Nurse Case Manager	83,626	131,102
Havers, Amy	Charge Nurse	121,978	107,457
Hayes, Renee	Charge Nurse	218,047	104,337
Healy, Jaclyn	Pharmacist ECMC	139,792	136,186
Herdman, Jennifer	General Duty Nurse	100,395	102,186
Herr, Alexandra	Staff Counsel ECMC	118,707	123,600
Hidalgo, Francisco	Code Compliance Manager	129,974	126,325
Hierl, Michele	Charge Nurse	97,455	107,457
Highway, Lisa	Director of Recruitment and Retention	128,215	123,600
Hinckley, Debra	General Duty Nurse	117,060	102,186
Hinderliter, Vanessa	VP of Finance ECMC	201,385	195,700
Hines, Holly	Nurse Case Manager	133,198	131,102
Hodan, Patricia	Infection Prevention Practitioner	122,508	119,276
Hodgson, Matthew	Nurse Practitioner Plastic Recon Surgeon	151,683	155,116
Hoerner, Audrey	Senior Nurse Practitioner - Burn Unit	185,493	173,663
Hoerner, Nadine	Clinical Documentation Specialist	109,489	110,700
Honkomp, Cheryl	Assistant Head Nurse	127,826	110,700
Horesh, Fayelyn	Anesthetist RPT	178,476	177,772
Hovak, Melissa	Nurse Practitioner Transplant	240,067	155,116
Hughes, Christopher	Attending Physician RPT	279,265	269,108
Hulme, Christine	General Duty Nurse	114,824	102,186
Hunley, Kizzie	Clinical Patient Care Liaison	154,365	137,565
Hunt, Benjamin	Nursing Inservice Instructor Psych	122,364	115,835
Hunter, Renee	Charge Nurse	144,893	101,290
Hunter, Thameena	Unit Manager Ambulatory Care	133,955	136,386
Hutchings, Michelle	Nurse Case Manager	129,934	131,102
Hyman, Daniel	Assistant VP of Operations	5,000	130,000
Iancu, Adriana	Charge Nurse	4,518	102,584
Ireland, Shari	Charge Nurse	375	105,681
Isch, Pamela	Assistant Director Ambulatory Services	112,569	111,234
Jack, Dennis	Nurse Practitioner Transplant	244,950	129,913
Jack, Jennifer	Charge Nurse	150,782	107,457
Jackson, Seanessa	Nurse Case Manager	138,877	131,102
Jacob, Avneet	Nursing Team Leader	122,416	105,993
Jamison, Shannon	Charge Nurse	119,586	110,700
Janetzke, David	Charge Nurse	129,159	104,337
Jellinick, Lori	Supervisor of Rehab Medicine	111,863	110,485
Jenney, Kevin	Supervisor of Rehab Medicine	118,405	110,485
Jensen, Erik	Anesthesiologist	574,177	516,816
Jerzewski, Stephanie	Clinical Systems Analyst	116,009	101,005

Jimerson, Mary	Nursing Team Leader Ambulatory Services	143,831	109,173
Jocoy, Angela	Rehab Services Quality Coordinator-ECMCC	109,239	103,091
Johnson, Desiree	Charge Nurse	141,500	101,290
Johnson, Marie	Vice President of Rehab Services	169,210	169,399
Johnson, Maureen	Charge Nurse	198,832	110,700
Jones, Donna	Chief Quality of Care Officer and Operat	267,500	267,800
Jones, Veronica	Charge Nurse	135,632	110,700
Jonmaire, Kenneth	Senior Director Outpatient Operations	140,539	132,010
Julyan, Erika	Senior Occupational Therapist	106,854	101,648
Juncewicz, Edmund	Anesthesiologist	520,682	477,544
Kabayiza, Thamar	General Duty Nurse	115,301	102,186
Kaid, Rafiq	Charge Nurse	131,768	104,337
Kalinka, Lisa	Nurse Practitioner Transplant	253,847	146,209
Kaminska, Stephanie	Physician Assistant	115,822	115,000
Kane, Justin	General Duty Nurse	138,239	102,186
Kapral, Elizabeth	Dentist ECMC	209,480	213,029
Karl, Stephanie	Nurse Case Manager	125,623	127,296
Kaurich, Justine	Vice President of Operations	205,946	206,178
Kawka, April	General Duty Nurse	116,892	102,186
Kayler, Liise	Attending Physician RPT	203,750	168,750
Keenan-USchold, Lisa	Chief Clinical Psychologist	142,134	142,314
Keeney, Alicia	Nursing Inservice Instructor Ambulatory	119,863	119,276
Kelly-Planter, Jan-Marie	General Duty Nurse	114,419	102,186
Kemp, Amanda	Charge Nurse	145,551	101,290
Kemp, Michelle	Nurse Case Manager	125,732	123,583
Kent, Joanne	Charge Nurse	132,128	104,337
Killion, Valerie	Assistant Director Nursing Sub Acute Ser	103,514	118,450
Kimble, Karen	Behavioral Health Clinical Manager	121,018	118,450
Kinkade, Phillip	General Duty Nurse	126,838	102,186
Kinney, Elizabeth	Charge Nurse	142,661	110,700
Kitson, Rebecca	General Duty Nurse	103,979	102,186
Kleinhans, Shannon	Quality Care Coordinator	121,901	116,478
Klinger, Cathy	General Duty Nurse	99,748	102,186
Koch, Elizabeth	Anesthesiologist	513,266	468,180
Kocz, Remek	Anesthesiologist	492,443	452,574
Kolb, Beth	Charge Nurse	144,647	101,290
Kolber, Brooke	Dentist ECMC RPT	112,107	112,107
Kolbert, Cynthia	Charge Nurse	135,003	110,700
Konikoff, Karen	VP Critical Care & Emergency Services	191,922	183,856
Kordasiewicz, Lynn	Nurse Practitioner Wound Care	165,792	155,116
Korff, Kathryn	Dentist ECMC	201,285	201,510
Kostek, Heather	Nursing Team Leader	115,824	115,835
Koszuta, Ceilia	Nurse Case Manager	136,743	131,102
Kotoroka-Yiadam, Martin	Charge Nurse	143,424	101,290
Krakiowiak, Daryl	Assistant Director of Social Work BH	111,796	110,015
Krawczyk, Heather	Charge Nurse	135,961	104,337
Kuechle, Claire	Staff Counsel ECMC	48,942	172,744

Kurek, Alecia	Unit Manager MedicalSurgical	158,686	136,386
Kuropatwinski, David	Nursing Team Leader	116,860	115,835
Kwiatkowski, Andrew	Director of Project Management HIT	170,307	160,706
La Porta, Kathleen	Senior Clinical Laboratory Technologist	104,523	102,066
Labelle, Jamie	Unit Manager Hemodialysis	142,186	136,386
Labelle, Marc	VP Surgical Services	178,352	177,351
LaMacchia, Brandy	Charge Nurse	119,601	107,457
Lang, Julie	Project Manager HIT	107,982	108,104
Larkin, Rachel	Nursing Team Leader	122,677	119,276
Lauer, Sandra	Director of Continuum Care	145,858	135,519
Lavarney, Nicole	Nursing Supervisor LTC	156,035	131,102
Lawley, Melinda	Unit Manager Critical Care	157,763	136,386
Leas, Adam	General Duty Nurse	123,447	102,186
Leas, Christie	Unit Manager Critical Care	131,217	128,567
Lee, Pamela	Senior VP of Operations ECMC	317,346	321,415
Leitten, Deborah	General Duty Nurse	123,000	102,186
Lenhard, Eric	Pharmacist ECMC	147,577	142,314
Leonard, Jamie	Charge Nurse	126,266	104,337
Lewandowski, Emily	Pharmacist ECMC	139,159	136,186
Lewis, Jennifer	Charge Nurse	143,651	101,290
Lezynski, Sharon	General Duty Nurse	141,347	102,186
Lilic, Dijana	Charge Nurse	174,352	110,700
Linneborn, Tracey	Assistant Director Social Work Servs	104,670	103,243
Lipiarz, Jennifer	Charge Nurse	111,803	101,290
Logel, Cassandra	Charge Nurse	120,812	104,337
Lorden, Bernard	Network Analyst	137,661	107,761
Loree, Thom	Attending Physician	1,004,478	962,261
Loughran, Vicki	General Duty Nurse	105,753	102,186
Lucas, Paul	General Duty Nurse	120,714	102,186
Ludlow, Charlene	Senior VP of Nursing	360,096	360,500
Lydo, Kaitlin	Registered Nurse Trauma Registrar	113,338	112,455
Macaluso, Ann	Pharmacist ECMC	57,860	136,186
Mack, Markita	Unit Manager Critical Care	139,697	132,429
MacNeil, Sarah	General Duty Nurse	141,779	102,186
MacTurk, Nancy	General Duty Nurse	115,337	102,186
Madison, Mark	General Duty Nurse	104,449	102,186
Madoo, Kevin	Director of Plant Operations	126,130	126,271
Madore, Donat	General Duty Nurse	122,071	102,186
Maggio, Sarah	ASSISTANT VP of BH, Nrsing & Edu	154,962	149,350
Maloney, Jennifer	Unit Manager MedicalSurgical	138,304	136,386
Manning, Jeremy	Charge Nurse	103,138	107,457
Marasco, Marjorie	Nurse Case Manager - Behavioral Health	71,396	121,522
Marczak, Juliet	Nurse Practitioner ECMC	153,217	155,116
Markiewicz, Anthony	VP Clinical Business Intelligence and In	201,367	190,649
Marks, Jack	General Duty Nurse	113,769	102,186
Marshall, Michelle	PROGRAM DIRECTOR-BEHAVIORAL HEALTH	122,216	120,000
Marso, Lisa	Anesthetist	263,650	236,023

Martin, Alana	Pharmacist ECMC	139,756	136,186
Martin, Donna	General Duty Nurse	106,919	102,186
Martina, Kristin	Nursing Team Leader	143,945	112,455
Martinez, Kristen	Director of Rehabilitation Services	107,685	103,515
Masters, Raymond	Anesthetist	236,046	218,753
Mattina, Adrienne	General Duty Nurse	120,812	102,186
Matyjasik, Robin	Clinical Resource Nurse Emerg Services	141,154	104,337
Maul, Sara	Charge Nurse	115,282	104,337
Maxson, Karen	General Duty Nurse	117,010	102,186
Mayer, John	Director of System Health and Safety	123,977	124,115
Mazur, Christopher	Senior Pharmacist ECMC	170,523	154,565
McAndrews, Lisa	Charge Nurse	136,137	110,700
McCartan, Daniel	Emergency Preparedness Manager	107,836	106,756
McCloud, Arletha	Charge Nurse	126,406	110,700
McCullor, Sandra	Charge Nurse	130,449	110,700
Mcdougall, Sarah	Pharmacist ECMC	139,118	139,258
McDuffie, Ann	Nursing Team Leader Orthopedics	125,096	119,276
McGuigan, Jessica	Unit Manager MedicalSurgical	143,212	136,386
McGuire, Julie	General Duty Nurse	105,119	102,186
McKeever, Ashley	Anesthetist	262,394	236,023
McLaughlin, Gloria	General Duty Nurse	113,822	102,186
McLean, Terrence	Dentist ECMC	458,934	459,710
McRae, Jennifer	Nursing Team Leader LTC	128,387	105,993
Mehmedovic, Andrea	Chief Clinical Laboratory Technologist	146,472	112,748
Mendola, Kathryn	Director of Campaigns & Major Gifts	107,120	105,060
Menter, Danielle	Charge Nurse	161,709	110,700
Merineau, Rock	Project Manager HIT	105,275	102,531
Metz, Martha	Clinical Nurse Specialist Crit Care ER	128,728	129,913
Metzler, Ashley	Unit Manager Post Anesthesia Care	143,563	136,386
Meyers, Tracy	Nursing Team Leader	130,652	119,276
Miano, Joanne	Nurse Case Manager	131,520	131,102
Milbrand, Alison	Pharmacist ECMC	15,870	139,258
Miller, Crystal	General Duty Nurse RPT	151,161	105,700
Miller, Kelly	Emergency Department Patient Flow TL	141,818	115,835
Miller, Loretta	Safe Patient Handling Coordinator	120,868	110,485
Miller, Melissa	General Duty Nurse	110,442	102,186
Minhas, Parveen	Nurse Practitioner Transplant	268,168	155,116
Mitchell, Alexandria	Unit Manager MedicalSurgical	139,385	136,386
Mitchell, Shawn	General Duty Nurse	194,206	102,186
Mogavero, Joseph	Healthcare Business System Manager	133,073	133,270
Mondoux, Jessica	Director of Transplantation	131,610	131,758
Monnier, Thomas	Director of Biomedical Services	111,453	108,150
Montague, Victoria	Nursing Inservice Instructor ECMC	115,944	112,455
Mooney, Michelle	Nurse Case Manager	133,629	131,102
Moore-Haley, Maureen	General Duty Nurse	123,444	102,186
Morrissey, Colin	Anesthetist	247,607	218,753
Moses, Beth	Trauma Injury Prevention & Education Co	126,719	119,276

Mosley, Steven	Healthcare Information Security Analyst	98,612	101,005
Mullen, Meghan	Trauma Program Manager	157,885	155,116
Mulvenna, Tina	Admissions Coordinator LTC	104,249	104,337
Mund, Nadine	Director of Corporate Compliance RPT	135,379	135,379
Murawski, Phyllis	VP Transplantation & Renal Care	215,574	208,978
Murphy, Evelyn	General Duty Nurse	106,023	102,186
Murray, Brian	Medical Director ECMC	641,182	551,719
Nagai, Michael	Attending Physician	648,566	581,950
Najmowski, Kellie	Nursing Team Leader	133,026	102,881
Nance, Michele	Assistant Nurse Case Manager	121,301	110,700
Napierala, Randal	Pharmacist ECMC	140,873	139,258
Nasca, Maureen	Chief of Service Dentistry	469,844	470,371
Nawojski, Kari	Charge Nurse	250,269	110,700
Nawojski, Michelle	Minimum Data Set Specialist	104,686	102,881
Nazzarett, Jody	Nursing Team Leader	120,906	119,276
Neff, Melissa	Unit Manager Cardiac Cath Lab	216,901	136,386
Nesbitt, David	Asst VP of Compliance and Senior Counsel	216,057	216,300
Newell, William	Charge Nurse	114,357	101,290
Niemira, Brittany	Manager of Revenue Capture and Integrity	72,014	105,498
Nieswiadomy, Kayla	Nurse Practitioner Transplant	116,550	141,966
Noble, Phillip	Anesthetist	97,756	218,753
Noller, Dawn	General Duty Nurse	105,021	102,186
Nowak, Kevin	Anesthesiologist	515,414	448,800
Nowak, Kristine	Behavioral Health Clinical Manager	126,660	118,450
Nowak, Lisa	Nursing Team Leader LTC	133,935	112,455
Nye, Maria	Charge Nurse	136,184	110,700
Obstarczyk, Valerie	Nursing Team Leader Ambulatory Services	113,145	112,455
Occhino, Erin	Clinical Pharmacy Specialist	148,492	151,199
O'Connor, Brendan	Clinical Resource Nurse Emerg Services	123,072	107,457
Ordon, Cheryl	Nurse Case Manager	133,347	131,102
Orloff, Patrick	Director of Internal Audit	128,400	128,544
Orta, Adrian	Clinical Systems Analyst	112,619	103,243
Ott, Michael	Clinical Coord Pharmacy Services	155,073	154,565
Ott, Sarah	RN Behavioral Health Data Reviewer	115,157	112,455
Pacelli, Kathleen	Senior Speech Pathologist	27,681	103,091
Pagano, Christina	Physician Assistant	142,690	132,009
Pajek, Lisa	Charge Nurse Ambulatory Care	36	105,681
Paladino, Matthew	Anesthesiologist	535,376	477,544
Palermo, Loretta	Emergency Department Patient Flow TL	157,735	119,276
Panesar, Mandip	Chief Medical Information Officer	469,789	470,457
Paolini, Cherise	General Duty Nurse	86,132	102,186
Park-Brooks, Jessica	General Duty Nurse	119,632	102,186
Parker, Adam	Assistant Director of Pharmacy	153,551	148,750
Parks, Mary	Charge Nurse	145,280	107,457
Parmenter, Tonya	General Duty Nurse	18,387	102,186
Patterson, Caralyn	Nursing Team Leader LTC	138,782	112,455
Patterson, Sandra	Nursing Team Leader Ambulatory Services	124,749	119,276

Pawar, Ravinder	General Duty Nurse	106,244	102,186
Payne, Angela	Unit Manager Emergency	146,358	121,172
Peals, Letrice	Charge Nurse	116,686	110,700
Pellicane, Stephen	General Duty Nurse	161,709	102,186
Pelton, Lisa	General Duty Nurse	102,822	102,186
Perkins, Melissa	Unit Manager MedicalSurgical	143,076	136,386
Pesta, Joslyn	Pharmacist ECMC	138,538	136,186
Petransky, William	Senior Rad Techonologist Imaging Spec	114,186	101,712
Petry, Christina	Nursing Team Leader Ostomy WC	133,768	119,276
Phillips, Kristen	Anesthetist	133,116	218,753
Picciano, Cathleen	Lead Clinical Documentation Specialist	121,444	119,276
Picciano, Thomas	Manager - Care Management	135,250	133,900
Pierce, Erin	General Duty Nurse	123,611	102,186
Pietrzyk, Mathew	Clinical Teacher	109,319	133,553
Pilat, Cynthia	Charge Nurse	143,218	110,700
Piniewski, Jillian	Nurse Practitioner Orthopedic Services	151,862	137,825
Piscatelli, Nicole	Dentist ECMC	190,531	191,227
Pittman, Courtney	Director of Patient Access Services	125,455	122,592
Pitz, Anita	Charge Nurse	139,370	110,700
Plueckhahn, Jennifer	Minimum Data Set Specialist	109,634	109,173
Pollock, Michael	Info Technology Operations Manager	145,474	133,270
Poodry, Abby	Charge Nurse	132,657	110,700
Popat, Saurin	Attending Physician RPT	487,908	450,203
Porter, Bradley	Nursing Team Leader LTC	113,605	105,993
Porter, Tricia	General Duty Nurse	148,308	102,186
Powers, Paul	Information Systems Analyst	121,758	105,498
Powers, Shawntey	Nursing Team Leader	122,415	115,835
Pressley III, Charles	Staff Counsel ECMC	131,688	132,829
Principe, Tamara	Charge Nurse	132,167	101,290
Pulka, Ashley	Pharmacist ECMC	139,078	139,258
Quatroche Jr., Thomas	Chief Executive Officer ECMC	1,682,168	1,220,035
Queener, Fontella	General Duty Nurse	117,479	102,186
Radovic, Vladan	Attending Physician	413,129	376,764
Rassman, Jeffrey	Physician Assistant	130,645	129,289
Rathgeber, Pandora	General Duty Nurse	119,704	102,186
Reamsnyder, Cynthia	General Duty Nurse	133,447	102,186
Reed, Karen	Anesthesiologist	559,530	516,815
Reeners, Eric	Director of Finance ECMC	142,692	140,000
Reeves, Sandra	Charge Nurse	41,198	105,681
Regelin, Lucas	Pharmacist ECMC	97,942	136,186
Reigle, Corey	Charge Nurse	129,523	110,700
Reilly, Mary	Assistant VP of Critical Care & Emergenc	152,733	149,350
Reinhardt, Julie	General Duty Nurse	93,855	102,186
Reinhardt, Kaitlyn	Pharmacist ECMC	104,159	136,186
Resetarits, Christopher	Chief Anesthetist	251,185	280,000
Reynolds, Katrina	General Duty Nurse	102,285	102,186
Richardson, Eden	Charge Nurse	83,876	107,457

Riley, Peggy-Sue	Charge Nurse	144,591	110,700
Ring, Alan	Anesthetist	237,615	218,753
Riter, Debra	Assistant Director of Social Work BH	111,354	110,015
Rizzo, Ann	General Duty Nurse	111,085	102,186
Rizzo, Heather	Anesthetist RPT	190,374	189,670
Rizzo, John	Unit Manager MedicalSurgical	134,807	128,567
Robb, Noel	Charge Nurse	122,368	110,700
Roberts, Sara	Clinical Documentation Specialist	118,046	104,337
Robertson, Heather	Charge Nurse	133,483	110,700
Roblee, Chelsey	Nursing Team Leader	136,513	119,276
Rodriguez, Erin	Charge Nurse	115,618	110,700
Roeder, Anastasia	Director of Development & Marketing ECMC	114,833	114,962
Rogers, Angeline	Nurse Case Manager	131,748	131,102
Rohl, Kathleen	Assistant Head Nurse	122,169	110,700
Rohloff, Sarina	Director of Procurement Compliance	104,642	104,760
Rohrbacher, Bernhard	Medical Specialist RPT	130,162	128,162
Roman, Julie	Clinical Documentation Specialist	137,269	110,700
Roof, Angela	Nurse Case Manager	117,849	119,974
Roof, Donald	Director of Materials Management	116,871	114,792
Roopchand, John-Paul	Network Analyst	99,112	101,005
Root, Sarah	Infection & Wound Care Preventionist LTC	131,126	131,102
Ross, Nicole	Pharmacist ECMC	141,533	136,186
Rossi, Lucia	VP of Ambulatory Svs & Population Health	170,954	164,800
Rossitto, Rachael	Dentist ECMC	335,271	334,335
Ross-McComb, Holly	Clinical Nurse Specialist Behavioral Hea	131,554	141,966
Rubin, Kari	Nurse Case Manager	133,677	131,102
Rudyk, Jenine	Unit Manager Critical Care	142,392	136,386
Ruh, Christine	Assistant Director of Pharmacy	162,595	162,740
Rust, Shawna	Charge Nurse	134,980	110,700
Rutkowski, Tammy	General Duty Nurse	117,042	102,186
Rutty, Amy	General Duty Nurse	109,266	102,186
Sammarco-Delmont, Renee	Unit Manager MedicalSurgical	153,722	136,386
Sands, Robert	Anesthesiologist	552,389	516,816
Santillo, Alexis	Physician Assistant	117,149	110,000
Santo, Angela	Charge Nurse	129,019	101,290
Sarkisian, Kevin	Sr Healthcare Info Reporting Specialist	120,167	103,243
Sauer, Jillian	Unit Manager MedicalSurgical	133,568	128,567
Scherer, Paul	Healthcare Business Sys Analyst	114,485	110,015
Schoelerman, Ronald	VP of Behavioral Health Services	159,449	155,000
Schubbe, Jayson	Healthcare Data Warehouse Architect	125,469	120,953
Schubbe, Michele	Healthcare Business Sys Analyst	125,797	107,761
Schummer, Abby	General Duty Nurse	120,654	102,186
Schunke, Katrina	Pharmacist ECMC	155,541	151,574
Schurr, Karen	Clinical Asst to VP Surg & Card. Svcs	144,456	140,000
Schwanekamp, Karen	Anesthetist	263,580	236,023
Schwenk, Kurt	Director of Budget ECMCC	128,605	128,750
Scrocco, Mary Carol	Nurse Practitioner Cardiovascular Lab	195,919	155,116

Scruggs, Tammie	General Duty Nurse	106,096	102,186
Seay, Michelle	Assistant Vice President CPEP	151,952	149,350
Semrau, Jeffrey	Senior Pharmacist ECMC	176,298	151,199
Senchoway, Laura	Anesthetist	228,876	218,753
Serafin, Laura	General Duty Nurse RPT	145,047	102,793
Shanahan, Robert	Network Analyst	135,551	107,761
Shaw, Patrick	Clinical Resource Nurse	117,234	110,700
Sheppard, Judith	Nursing Supervisor LTC	159,370	131,102
Simon, Alexander	Clinical Application Systems Manager	124,988	117,019
Simone, Jessica	Nursing Inservice Instructor Crit Care	112,106	109,173
Sitgreaves, Theresa	Charge Nurse	111,988	104,337
Skomra, Richard	Chief Anesthetist	139,717	285,082
Smith, Andrew	Nurse Case Manager	138,309	131,102
Smith, Jennifer	General Duty Nurse	118,106	102,186
Smith, Sandra	Clinical Documentation Specialist	121,580	110,700
Smith, Taneca	Nurse Case Manager	124,157	123,583
Smolen, Ashley	General Duty Nurse	41,981	102,186
Snyder, Gina	General Duty Nurse	117,306	102,186
So, Timmy	Assistant Director of Social Work BH	115,405	107,761
Sole, Jennifer	Nursing Team Leader	133,910	119,276
Sorce, Lynn	Charge Nurse	114,023	110,700
Sousis, Julie	Assistant Director Ambulatory Services	119,434	116,245
Sperry, Howard	Clinical Director Medicine	339,140	328,638
Stanford, Benjamin	Unit Manager MedicalSurgical	135,733	132,429
Staniorski, Paula	General Duty Nurse	107,452	102,186
Steffen, Tracy	Nurse Case Manager	120,377	131,102
Stegemann, Philip	Chief of Orthopedic Surgery	117,148	117,148
Steward, Kevin	Nursing Care Coordinator	161,180	141,669
Stobnicki, Cortney	Anesthetist	259,720	236,023
Stokes, Laura	Point of Care Clinical Laboratory Coord	113,193	119,319
Stroud, Kerry	Nursing Care Coordinator	154,701	141,669
Sturtz, Janice	Nursing Team Leader Ostomy WC	130,934	119,276
Suchy III, Thomas	Attending Physician	487,982	484,100
Sullivan, Michele	General Duty Nurse	129,284	102,186
Sutkowski, Jordan	Charge Nurse	118,311	104,337
Sutton, Danielle	Charge Nurse	127,934	110,700
Swain, Anthony	Charge Nurse	118,282	110,700
Swain, Maureen	Charge Nurse	126,294	110,700
Sweetland, Jennifer	Nursing Informatics Mgr.	143,056	141,669
Swiatkowski, Jonathan	Chief Financial Officer ECMC	573,695	575,000
Szejnar, Michael	Charge Nurse	6,637	105,681
Tadak, Monica	Director of Revenue Capture and Integrit	141,889	138,841
Tadt, Stephanie	Nurse Case Manager	131,761	131,102
Tague, Dana	Nurse Practitioner Rehab Services	174,995	155,116
Tait, Christopher	Nurse Case Manager	141,183	131,102
Thanki, Pamela	Senior Financial Analyst	113,828	109,731
Thomas, Dylan	Pharmacist ECMC	141,632	136,186

Thomas, Katheleen	Infection Prevention Practitioner	142,019	119,276
Thomas, Sherry	General Duty Nurse	106,038	102,186
Thompson, Denise	Nursing Care Coordinator	154,357	141,669
Thoms, Amy	Clinical Documentation Specialist	123,611	110,700
Thorpe, Lisa	Director of Rehabilitation Services	145,590	138,898
Tiwana, Harwinder	General Duty Nurse	114,828	102,186
Toal, Emily	Charge Nurse	125,531	110,700
Tomljanovich, Paul	Attending Physician PT	137,145	128,395
Tornambe, Lynne	Pharmacist ECMC	155,479	145,373
Torres, Carmen	Nurse Practitioner ECMC	154,088	155,116
Toy, Amy	Charge Nurse	122,847	110,700
Troise, Emily	Nursing Inservice Instructor Crit Care	118,100	115,835
Turner, Charlaina	Assistant Head Nurse	193,139	110,700
Turner, Jacqueline	General Duty Nurse	113,139	102,186
Turner, James	Senior VP of Surgical and Ambulatory Ser	312,426	344,374
Twichell, Jerome	Senior Director Outpatient Operations	136,939	132,010
Urban, Paul	Assistant Info Tech Sys Architect	128,021	128,164
Vacanti, Angela	Manager Infection Control	152,586	141,669
Vacanti, Charles	Nursing Team Leader	230,722	119,276
Vaccaro, Jessica	Charge Nurse	125,263	104,337
Vail, Robert	Healthcare Information Security Officer	11,235	150,507
Vazquez, Alexandra	Charge Nurse	119,743	104,337
Villacorta, Maria	Charge Nurse	154,492	110,700
Vullo, Lori	General Duty Nurse	121,225	102,186
Walden, Jenna	Nurse Practitioner Transplant	138,766	141,966
Wallace, Lauren	Nursing Team Leader LTC	118,795	102,881
Walsh, Evelyn	Attending Physician	257,192	267,800
Walter, Robert	Chief Clinical Laboratory Technologist	151,752	119,319
Walters, Amy	General Duty Nurse	133,107	102,186
Walters, Kimberly	General Duty Nurse	158,043	102,186
Wang, Nana	Pharmacist ECMC	138,554	136,186
Warmus, Renelle	Nurse Case Manager	135,929	131,102
Warne, Matthew	General Duty Nurse	119,416	102,186
Warren, Daniel	Manager of Financial Reporting	103,695	100,000
Warren, Susan	General Duty Nurse	120,861	102,186
Weaver, Stephanie	Clinical Dedicated Edu Unit Instructor	133,637	123,583
Weber, Joseph	Network Analyst	132,761	107,761
Weiss, Katherine	Pharmacist ECMC	180,073	151,574
Weiss, Nicole	Pharmacist ECMC	49,295	136,186
Weld, Tiffani	Charge Nurse	131,430	101,290
Welka, Andrew	Anesthesiologist	500,530	457,011
West, Ashley	Nurse Case Manager	130,948	131,102
West, Lindsey	Unit Manager Medical/Surgical	130,683	128,567
Whipkey, Colleen	Charge Nurse	112,908	110,700
Wik, Michelle	Nursing Inservice Instructor ECMC	118,565	112,455
Wilde, Michelle	General Duty Nurse	127,236	102,186
Williams, Sonia	Assistant Director Ambulatory Services	127,448	123,768

Williams, Stephanie	Charge Nurse	152,656	107,457
Williamson, Katrina	General Duty Nurse	103,020	102,186
Wilson, Karyn	Assistant Director Ambulatory Services	113,130	111,234
Wilson, Nicolette	VP Revenue Cycle	183,682	183,888
Wilson, Tiffany	Charge Nurse	123,943	107,457
Wing, Kathryn	General Duty Nurse	103,534	102,186
Wittenbrink, Timothy	Charge Nurse	112,956	104,337
Wittmann, Paula	Charge Nurse	126,033	110,700
Wojtowicz, Jean	General Duty Nurse	103,521	102,186
Wolf, Joann	Assistant Vice President Surgical Nursin	150,024	149,350
Wood, Jamie	General Duty Nurse	118,366	102,186
Wood, Rebecca	Charge Nurse	112,611	104,337
Woodruff, Stephen	Administrator LTC	169,759	169,950
Woods, Kara	Physician Assistant	135,462	132,010
Wright, Shaunda	Unit Manager Behavioral Health	146,890	136,386
Yak, Joseph	Chief Clinical Laboratory Technologist	136,504	110,644
Yates, Robert	Anesthetist	236,637	218,753
York-Renaud, Jamie	Nursing Inservice Instructor OR	133,299	119,276
Yotter, Emily	Charge Nurse	120,743	104,337
Young, Amanda	Junior Staff Counsel ECMC	57,693	100,000
Zajac, Jamie	Emergency Department Patient Flow TL	157,092	119,276
Zak, Katherine	General Duty Nurse	116,486	102,186
Zanghi, Marie	Assistant Nurse Case Manager	113,633	110,700
Zayac, Jason	Anesthesiologist	148,750	325,000
Zdon, Glen	Unit Manager Hemodialysis	128,651	132,429
Zimmer, Michelle	Charge Nurse	155,110	110,700
Zolnowski, Kimberly	Charge Nurse	145,728	107,457
Zynda, Elizabeth	Nurse Practitioner Transplant	223,901	150,615

Vendor Name	Payments
McKESSON DRUG CO	\$ 41,588,826
GENERAL PHYSICIAN, P.C.	\$ 20,298,743
METZ CULINARY MANAGEMENT	\$ 14,500,561
CARDINAL HEALTH	\$ 13,021,777
UNIVERSITY MEDICAL RESIDENT SERVICES, P.C.	\$ 12,522,884
UBMD PSYCHIATRY	\$ 12,247,778
APOGEE MEDICAL MANAGEMENT	\$ 12,006,934
UPSTATE NEW YORK TRANSPLANT	\$ 10,866,343
ACADEMIC MEDICAL SERVICES, INC.	\$ 9,006,855
UNIVERSITY AT BUFFALO SURGEONS, INC.	\$ 8,842,979
THE RESEARCH FOUNDATION	\$ 8,524,327
GREAT LAKES MEDICAL IMAGING, LLC	\$ 8,112,541
ZIMMER US INC	\$ 7,195,528
MORRISON MANAGEMENT SPECIALISTS	\$ 7,012,364
BUFFALO INTERNIST AND ASSOCIATES	\$ 5,169,265
UNIVERSITY EMERGENCY MEDICAL SERVICES, INC.	\$ 4,412,224
SUPPLEMENTAL HEALTH CARE	\$ 4,322,400
SYNTHES	\$ 4,116,893
ROCHE DIAGNOSTICS CORPORATION	\$ 3,594,995
TRELLIS RX, LLC	\$ 3,405,914
CARDINAL HEALTH MED PRODUCTS & SERVICES	\$ 3,372,171
STRYKER ORTHOPAEDICS	\$ 3,338,914
SMITH & NEPHEW ORTHOPAEDICS	\$ 3,285,724
KALEIDA HEALTH	\$ 2,923,484
ERIE COUNTY COMPTROLLER'S OFFICE	\$ 2,767,541
GLOBUS MEDICAL INC	\$ 2,755,024
UNIVERSITY ORTHOPAEDIC SERVICES	\$ 2,342,420
UB FAMILY MEDICINE INC.	\$ 2,275,701
CARDINAL HEALTH	\$ 2,179,683
KALEIDA HEALTH	\$ 2,148,295
GRIDER SUPPORT SERVICES, LLC	\$ 2,082,844
ARTHREX INC	\$ 2,019,621
CROTHALL HEALTHCARE	\$ 1,900,325
CLEAN CARE LINEN	\$ 1,798,075
DELL FINANCIAL SERVICES LLC	\$ 1,751,711
UNIVERSITY AT BUFFALO PATHOLOGISTS	\$ 1,727,300
UNIVERSITY AT BUFFALO NEUROSURGERY, INC.	\$ 1,722,515
AMERISOURCE BERGEN DRUG CORP	\$ 1,607,778
THE MARTIN GROUP LLC	\$ 1,504,771
LAB CORP OF AMERICA	\$ 1,497,307
INTUITIVE SURGICAL INC	\$ 1,476,795
GILBANE BUILDING COMPANY	\$ 1,379,867
ABBOTT LABORATORIES, INC.	\$ 1,339,056
KSL DIAGNOSTICS, INC	\$ 1,247,025
J&J DETAILS & MAINTENANCE LLC	\$ 1,215,800

STERIS CORPORATION	\$ 1,134,409
CHANGE HEALTHCARE	\$ 1,132,605
BUFFALO PAPER AND TWINE CO	\$ 1,125,534
TORNIER INC	\$ 1,117,126
FAVORITE HEALTHCARE STAFFING INC	\$ 1,115,548
PHILIPS MEDICAL SYSTEMS	\$ 1,101,135
INTEGRA LIFESCIENCES CORP	\$ 1,097,925
CREEKRIDGE CAPITAL-LB	\$ 1,075,868
MEDICAL INFO TECH INC	\$ 1,050,118
UNIVERSITY DENTAL RESIDENT SERVICES, P.C.	\$ 1,032,432
IMMCO DIAGNOSTICS INC	\$ 1,026,755
CORE BTS INC	\$ 1,003,187
DELL MARKETING LP / DELL USA LP	\$ 993,775
PHARMERICA	\$ 960,548
HP, INC.	\$ 959,533
MEDLINE INDUSTRIES INC	\$ 923,788
FERGUSON ELECTRIC SVC	\$ 909,763
ALLSCRIPTS LLC	\$ 896,326
DEPUY SYNTHES JOINT RECONSTRUCTION	\$ 891,722
MEDTRONIC SD USA INC	\$ 888,533
STRYKER SALES CORP	\$ 844,678
NATIONAL GRID	\$ 808,277
PHILIPS MEDICAL SYSTEMS NA CO	\$ 804,120
JOHNSON & JOHNSON HLTH CARE SYS INC	\$ 799,479
BOSTON SCIENTIFIC CORPORATION	\$ 793,547
EXPERIAN HEALTH, INC.	\$ 793,025
WILLIAM BELLES, M.D., PC	\$ 778,379
FRESENIUS USA MARKETING, INC.	\$ 750,909
JOHNSON CONTROLS FIRE PROTECTION LP	\$ 730,677
FFF ENTERPRISES	\$ 726,801
BIOCARE SD	\$ 719,205
BUFFALO TRANSPORTATION INC.	\$ 706,464
ABBOTT LABORATORIES DIAGNOSTIC DIV	\$ 705,466
CITY OF BUFFALO	\$ 698,350
W L GORE & ASSOC INC	\$ 693,203
3M HEALTH INFORMATION SYSTEMS, INC	\$ 681,364
INSPIRE MEDICAL SYSTEMS, INC.	\$ 672,250
MERIDIAN IT INC.	\$ 658,162
STERICYCLE INC	\$ 651,142
SIEMENS MEDICAL SOLUTIONS USA	\$ 648,322
MANUFACTURERS & TRADERS TRUST	\$ 644,033
WNY UROLOGY ASSOCIATES LLC	\$ 624,542
STRYKER SPINE	\$ 624,012
SUICIDE PREVENTION & CRISIS SERVICES, INC.	\$ 584,009
BECTON, DICKINSON AND COMPANY	\$ 579,922
MERGE HEALTHCARE	\$ 572,573
MAGAVERN, MAGAVERN & GRIMM LLP	\$ 562,480

UB FOUNDATION ACTIVITES	\$ 539,792
STANSBERRY AND KNIGHT	\$ 529,553
KEYSTONE PERFUSION SERVICES, PC	\$ 512,958
AMER RED CROSS	\$ 509,905
STRYKER CRAINOMAXILLOFACIAL	\$ 476,320
KCI USA, INC.	\$ 467,185
HEALTH SYSTEM SERVICE	\$ 442,119
CRS NUCLEAR SERVICES LLC	\$ 434,605
GRAYLINE NIAGARA FALLS/BUFFALO	\$ 433,135
BRITE COMPUTERS	\$ 426,107
UNIVERSITY GYNECOLOGISTS	\$ 422,496
MEDTRONIC USA INC	\$ 422,373
RUPP BAASE PFALZGRAF	\$ 406,212
WRIGHT MEDICAL TECHNOLOGY INC	\$ 404,652
KYRUUS, INC	\$ 397,781
FREED MAXICK CPAs PC	\$ 387,314
PATTERSON DENTAL INC	\$ 384,211
UNIVERISTY AT BUFFALO ORAL AND MAXILLOFACIAL	\$ 371,118
HILL-ROM	\$ 370,376
HEALOGICS WOUND CARE	\$ 369,462
SWISSLOG HEALTHCARE SOLUTIONS	\$ 368,420
B.E. SMITH LLC	\$ 364,394
NUANCE COMMUNICATIONS INC	\$ 360,247
PARTS SOURCE	\$ 360,113
NXSTAGE	\$ 358,914
ROACH, BROWN	\$ 358,021
UNIVERSITY OPHTHALMOLOGY SERVICE, INC.	\$ 356,647
TREACE MEDICAL CONCEPTS, INC	\$ 352,306
CARAHSOFT TECHNOLOGY CORPORATION	\$ 337,839
ARTHUR E. ORLICK MD PLLC	\$ 323,475
KRONOS	\$ 317,554
AXOGEN INC	\$ 316,386
DCB ELEVATOR CO INC	\$ 316,029
US POSTAL SERVICE	\$ 315,000
RICOTTA & VISCO	\$ 314,860
INTIVITY, INC.	\$ 307,417
KIDENEY ARCHITECTS PC	\$ 307,009
SUMMIT HEALTH CARE	\$ 306,100
MAXIM STAFFING SOL	\$ 302,613
CAREFUSION 2200, INC.	\$ 299,302
MEDTRONIC MIDAS REX	\$ 298,920
BROOK, INC	\$ 295,070
FREE UP MD, LLC	\$ 291,212
INTERIM PHYSICIANS LLC	\$ 288,569
1 ACCORD SERVICES INC	\$ 288,113
LAWLEY AGENCY, LLC	\$ 284,540
SYNTHESES MAXILLOFACIAL	\$ 283,021

OFFICE DEPOT	\$ 282,316
DRFIRST.COM INC.	\$ 279,333
TRI-DELTA RESOURCES CORP	\$ 278,520
SYSMEX AMERICA INC	\$ 276,741
PMA COMPANIES	\$ 275,770
ORTHOFIX, INC.	\$ 266,951
WNY TRANSPORTATION SERVICES,	\$ 263,491
AMER EXPRESS CPC	\$ 261,928
CDW GOVERNMENT INC	\$ 261,343
CROWN CASTLE FIBER, LLC.	\$ 260,471
STRYKER ENDOSCOPY	\$ 256,227
THIRD PARTY REIMBURSEMENT	\$ 258,313
HEALTH CATALYST, INC	\$ 252,500
ASPIRE TECHNOLOGY PARTNERS	\$ 249,810
ARC BUILDING PARTNERS, LLC	\$ 247,829
WELLSKY CORPORATION	\$ 245,203
CARESTREAM HEALTH	\$ 243,607
AQUA SCIENCES INC	\$ 242,000
KARL STORZ ENDOSCOPY-AMERICA INC	\$ 237,307
OLYMPUS AMERICA INC	\$ 236,351
OPTUM360 LLC	\$ 233,704
BAXTER HEALTHCARE CORP	\$ 230,167
BAYER HEALTHCARE LLC	\$ 229,979
INTERNATIONAL INSTITUTE OF BUFFALO	\$ 225,597
FISHER HEALTHCARE	\$ 220,904
CTM BIOMEDICAL, LLC	\$ 218,573
RISKONNECT, INC.	\$ 214,580
INTELLIGENT MEDICAL OBJECTS, INC.	\$ 214,024
KLS MARTIN L P	\$ 213,804
CERAPEDICS, INC.	\$ 210,597
SIEMENS INDUSTRY INC	\$ 207,596
PRESS GANEY ASSOCIATES INC	\$ 203,838
VERIZON WIRELESS	\$ 202,933
AIRGAS USA, LLC	\$ 202,426
BUFFALO CITY MISSION	\$ 200,570
GREYCASTLE SECURITY, LLC	\$ 198,746
NAT'L ASSOC PUBLIC HOSPITALS	\$ 198,250
PENTAX MEDICAL	\$ 197,696
DENTSPLY IMPLANTS DEPT IMP	\$ 197,507
INARI MEDICAL, INC.	\$ 197,000
PARTS SOURCE	\$ 196,097
UNITED NETWORK FOR ORGAN SHARING	\$ 193,583
HEALTHCARE ASSOC OF NYS	\$ 192,698
QIAGEN	\$ 187,637
GENERAL PHYSICIAN SUB II, PLLC	\$ 187,440
TELEFLEX LLC	\$ 186,129
COCHLEAR AMERICAS	\$ 177,658

RSM US LLP	\$ 176,000
GOVERNMENT MARKETING & PROCUREMENT, LLC	\$ 175,517
MOHAMMAD REZA SAMIE, M.D., PLLC	\$ 173,515
GLAXOSMITHKLINE FINANCIAL INC	\$ 173,449
ARTERIOCYTE MEDICAL SYSTEMS	\$ 172,175
LARRY'S DENTAL LAB, INC.	\$ 172,026
PARAGON 28, INC.	\$ 171,793
RWO MEDICAL CONSULTING	\$ 169,057
MENTAL HEALTH ADVOCATES	\$ 168,125
WNY INDEPENDENT LIVING	\$ 167,973
ORTHO CLINICAL DIAGNOSTICS, INC	\$ 165,923
WESCO DISTRIBUTION INC.	\$ 199,690
BIOFIRE DIAGNOSTICS LLC	\$ 158,143
INTELLIPRINT SOLUTIONS, INC.	\$ 157,004
ABBVIE INC	\$ 155,880
UNITED UNIFORM CO INC	\$ 153,629
PENUMBRA, INC. DEPT. 34153	\$ 151,372
DRAEGER MEDICAL	\$ 149,755
LAUNCHTECH	\$ 149,670
LIFENET HEALTH	\$ 148,126
BAXTER	\$ 147,918
GREAT LAKES BUILDING SYSTEMS INC.	\$ 147,577
MID-CITY OFFICE FURNITURE	\$ 146,642
HYRO AI INC	\$ 145,000
C R BARD BARD PHERIPHERAL VASCULAR	\$ 144,967
PRAXAIR DIST INC	\$ 138,995
VOYCE, INC.	\$ 138,899
COOK INC	\$ 135,879
UNIVERSITY NEUROLOGY, INC.	\$ 135,496
CARINGTON HOME SAFETY, INC	\$ 135,487
QUICK INTERNATIONAL COURIER	\$ 134,350
VERITY SOLUTIONS GROUP, INC.	\$ 132,000
CONSORTIUM INFORMATION SERVICES INC HEALTH SCIENCES LIBRARY	\$ 130,333
ALLOSOURCE	\$ 128,794
CONVERGINT TECHNOLOGIES LLC	\$ 127,747
MCG HEALTH LLC	\$ 127,526
BUFFALO CANVAS	\$ 125,755
GE HEALTHCARE OEC	\$ 125,716
MLP PLUMBING & MECHANICAL INC.	\$ 125,569
ISECURE, LLC	\$ 125,271
WNY CLINICAL	\$ 122,500
STANDARD BARIATRICS, INC	\$ 118,329
BE WELL HEALTHCARE MEDICINE	\$ 120,585
CANON MEDICAL SYSTEMS USA, INC.	\$ 118,169
UP TO DATE	\$ 117,280
ANGIO DYNAMICS INC	\$ 117,044
ALERE INC. DBA ABBOTT RAPID DX NORTH AMERICA, LLC	\$ 116,465

TELETRACKING	\$ 116,150
METRO COMMUNICATIONS	\$ 116,030
ECOLAB/MICROTEK MEDICAL	\$ 115,993
BIO RAD LABORATORIES	\$ 115,570
SPOK, INC.	\$ 113,959
SCHAEFER PLUMBING SUPPLY INC	\$ 113,806
NALCO CO	\$ 112,707
FOXY DELIVERY SERVICE INC	\$ 112,059
PEOPLE INC	\$ 111,042
SIEMENS MEDICAL	\$ 110,710
WINDSTREAM PAETEC	\$ 106,416
JOHN W DANFORTH CO	\$ 106,302
SIRTEX MEDICAL, INC.	\$ 106,050
BUFFALO CPR	\$ 105,940
EAST COAST ORTHOTIC	\$ 105,199
MICROSOFT CORPORATION	\$ 105,000
TRI-ANIM HEALTH SERVICES INC	\$ 104,803
MED-METRIX, LLC	\$ 104,000
SYMPLR	\$ 103,396
CANON MEDICAL SYSTEMS USA, INC.	\$ 103,323
SYNOVIS MICRO COMPANIES ALLIANCE	\$ 102,560
XEROX CORPORATION	\$ 102,370
MEDICAL SOLUTIONS, LLC	\$ 102,181
IMPRIVATA INC	\$ 101,928
FORWARD ADVANTAGE	\$ 101,273
ALPHATEC SPINE INC	\$ 100,915
HENRY SCHEIN PRACTICE SOLUTIONS	\$ 100,675

00k Procurement Report ECMCC

Reporting Year	Contract Start	Contract End
2023	3/19/2019	3/18/2024
2023	11/28/2020	11/30/2028
2023	4/6/2019	8/31/2027
2023	12/1/2012	6/30/2027
2023	1/4/2019	1/3/2029
2023	Various	Evergreen
2023	9/1/2015	3/31/2024
2023	8/2/2016	Evergreen
2023	Various	Evergreen
2023	Various	Evergreen
2023	Various	Evergreen
2023	9/1/2015	Evergreen
2023	12/29/2022	6/30/2026
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2023	4/30/2015	9/30/2026
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2023	1/1/2016	4/8/2024
2023	Various	Evergreen
2023	3/1/2012	Evergreen
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2023	Various	Evergreen
2023	2/5/2021	2/4/2028
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2023	9/11/2009	Evergreen
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2023	7/11/2001	Evergreen
2023	1/3/2012	Evergreen
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2023	10/1/2018	Evergreen
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2023	1/4/2019	1/3/2029
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2023	11/9/2018	Evergreen
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2023	9/30/2021	9/30/2026
2023	11/1/2020	10/31/2026
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2023	1/31/2022	1/30/2025
2023	10/29/2021	10/28/2024
2023	11/4/2021	11/3/2024
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2023	3/24/2022	Evergreen
2023	6/15/2018	6/14/2024
2023	7/2/2001	Evergreen
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2023	6/15/2018	6/20/2024
2023	4/1/2018	7/31/2025
2023	6/21/2012	Evergreen

Purpose
Commodities/Supplies
Other Professional Services
Commodities/Supplies
Commodities/Supplies
Other Professional Services
Other Professional Services
Other Professional Services
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Other Professional Services
Other Professional Services
Other Professional Services
Other Professional Services
Commodities/Supplies
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Other Professional Services
Other Professional Services
Staffing Services
Commodities/Supplies
Commodities/Supplies
Other Professional Services
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Other
Other
Commodities/Supplies
Other Professional Services
Other Professional Services
Commodities/Supplies
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Commodities/Supplies
Other Professional Services
Other Professional Services
Commodities/Supplies
Other Professional Services
Other Professional Services
Commodities/Supplies
Telecommunication Equipment or Services
Other Professional Services
Commodities/Supplies
Design and Construction/Maintenance
Commodities/Supplies
Other Professional Services
Other Professional Services

Commodities/Supplies
Financial Services
Commodities/Supplies
Commodities/Supplies
Staffing Services
Commodities/Supplies
Commodities/Supplies
Financial Services
Technology - Software
Other Professional Services
Other Professional Services
Technology - Software
Technology - Hardware
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Design and Construction/Maintenance
Technology - Software
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Other
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Technology - Software
Other Professional Services
Commodities/Supplies
Design and Construction/Maintenance
Commodities/Supplies
Commodities/Supplies
Other Professional Services
Commodities/Supplies
Other
Commodities/Supplies
Technology - Software
Commodities/Supplies
Technology - Software
Other Professional Services
Other Professional Services
Financial Services
Other Professional Services
Commodities/Supplies
Other Professional Services
Commodities/Supplies
Technology - Software
Legal Services

Other Professional Services
Other Professional Services
Other Professional Services
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Other Professional Services
Technology - Software
Other Professional Services
Commodities/Supplies
Legal Services
Commodities/Supplies
Technology - Software
Consulting Services
Commodities/Supplies
Other Professional Services
Commodities/Supplies
Consulting Services
Other
Other Professional Services
Technology - Software
Commodities/Supplies
Commodities/Supplies
Legal Services
Other Professional Services
Commodities/Supplies
Technology - Software
Other Professional Services
Technology - Software
Commodities/Supplies
Design and Construction/Maintenance
Commodities/Supplies
Legal Services
Commodities/Supplies
Design and Construction/Maintenance
Other Professional Services
Other Professional Services
Commodities/Supplies
Commodities/Supplies
Other Professional Services
Other Professional Services
Other Professional Services
Other Professional Services
Other Professional Services
Commodities/Supplies

Commodities/Supplies
Technology - Software
Technology - Software
Commodities/Supplies
Financial Services
Commodities/Supplies
Other Professional Services
Other
Commodities/Supplies
Other
Commodities/Supplies
Other Professional Services
Other Professional Services
Technology - Software
Design and Construction/Maintenance
Other Professional Services
Technology - Software
Other Professional Services
Commodities/Supplies
Commodities/Supplies
Technology - Software
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Commodities/Supplies
Other Professional Services
Commodities/Supplies
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Technology - Software
Technology - Software
Other
Commodities/Supplies
Commodities/Supplies
Other Professional Services
Other
Commodities/Supplies
Other
Technology - Software
Other
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
other
Other
Staffing Services
Commodities/Supplies
Commodities/Supplies

Other Professional Services
Technology - Consulting/Development or Support
Other Professional Services
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Other
Other Professional Services
Other
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Technology - Hardware
Commodities/Supplies
Commodities/Supplies
Design and Construction/Maintenance
Commodities/Supplies
Technology - Software
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Commodities/Supplies
Other Professional Services
Technology - Software
Other
Technology - Software
Technology - Software
Commodities/Supplies
Technology - Software
Technology - Software
Commodities/Supplies
Technology - Consulting/Development or Support
Design and Construction/Maintenance
Technology - Software
Technology - Software
Commodities/Supplies
Other Professional Services
Other Professional Services
Technology - Software
Commodities/Supplies
Commodities/Supplies

Technology - Software
Telecommunication Equipment or Services
Commodities/Supplies
Commodities/Supplies
Technology - Software
Commodities/Supplies
Commodities/Supplies
Other Professional Services
Other Professional Services
Commodities/Supplies
Telecommunication Equipment or Services
Design and Construction/Maintenance
Commodities/Supplies
Other Professional Services
Commodities/Supplies
Technology - Software
Commodities/Supplies
Financial Services
Technology - Software
Other Professional Services
Other
Other
Other Professional Services
Technology - Software
Technology - Software
Commodities/Supplies
Commodities/Supplies

BY-LAWS
OF
ERIE COUNTY MEDICAL
CENTER CORPORATION

As Amended Through
September 23, 2022

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BY-LAWS
OF
ERIE COUNTY MEDICAL CENTER CORPORATION

PREAMBLE

The State of New York has enacted legislation, codified at Article 10-C of the Public Authorities Law of the State of New York (the “Act”), creating the Erie County Medical Center Corporation (“ECMCC” or the “Corporation”). These by-laws are intended to supplement the requirements of the Act.

ARTICLE I
OFFICES

ECMCC may maintain offices at such places within or without Erie County, New York as the Board of Directors may, from time to time, determine.

ARTICLE II
PURPOSE OF BY-LAWS

Pursuant to the broad powers granted by the Act, the Board of Directors of ECMCC (the “Board”) has adopted these By-Laws, to govern and manage its proceedings and affairs and for the advice and guidance of its members, and nothing contained in these By-Laws shall be deemed, nor are they intended in any manner or degree, to limit or restrict the power and right of the Board under existing law, to manage, control, operate and administer ECMCC and its personnel, patients and medical staff.

ARTICLE III
CORPORATE PURPOSE

To continue as a general, municipal hospital and provide health care services and health facilities for the benefit of the residents of the State of New York and the County of Erie, including persons in need of health care services without the ability to pay, as required by law.

ARTICLE IV
ERIE COUNTY MEDICAL CENTER CORPORATION BOARD OF DIRECTORS

Section 1. General Powers.

In addition to the powers and authorities expressly conferred by these By-laws, the Board may exercise all such general and special powers of the Corporation and do all such lawful acts and things as enumerated by the Act.

Section 2. Hiring Powers.

The Board shall hire, determine the compensation and benefits, and annually review the performance of the Chief Executive Officer (“CEO”) and President of the Corporation. Appointments made to fill the roles of the Chief Operating Officer (“COO”), Chief Financial Officer (“CFO”), Chief Medical Officer (“CMO”), Administrator of Terrace View, Chief Nursing Officer (“CNO”), Chief Strategy Officer, and General Counsel of the Corporation shall be made by the CEO of the Corporation, who shall thereafter also be responsible for determining the compensation and benefits of the persons occupying these positions and for the annual review of the incumbents. The Board shall have the authority to discharge the CEO with or without cause; provided that the removal shall not prejudice the contract rights, if any, of such executive. The CEO shall have the authority to discharge the COO, CFO, CMO, Administrator of Terrace View, Chief Nursing Officer, Chief Strategy Officer, and General Counsel with or without cause, provided that the removal shall not prejudice the contract rights, if any, of such executive.

Section 3. Voting Directors.

The Corporation shall be governed by fifteen voting Directors. The membership, term of office, selection of the voting Directors and the powers and duties of the Board shall be in accordance with the Act and these By-laws.

Section 4. Nonvoting Representatives.

The Corporation shall have four nonvoting Representatives. The term of office, selection and powers and duties of the nonvoting Representatives shall be in accordance with the Act and these By-laws. For the purpose of these By-Laws, the term “member” or “Board member” shall refer to both voting Directors and non- voting Representatives.

Section 5. Resignation.

Any Director or Representative may resign at any time by giving written notice to the Chairperson of the Board. Such resignation shall take effect at the time specified therein and unless otherwise specified therein the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Removal.

Members of the Board may be removed from office by the Board for inefficiency, neglect of duty, or misconduct of any kind, including but not limited to violation of the law, after the Board has given such member a copy of the charges against him or her and an opportunity to be heard in person or by counsel in his or her defense, upon not less than ten days’ notice.

Section 7. Vacancies.

Vacancies occurring other than by expiration of term shall be filled for the unexpired terms in the manner provided for original appointment in accordance with the Act.

Section 8. Monthly Meetings.

The Board shall hold regular monthly meetings at the ECMCC offices or other convenient locations as designated by the Board at such time as the Board may designate. In the event that a previously scheduled regular monthly meeting may not be required for a particular month, the Board may cancel that meeting.

Section 9. Annual & Special Meetings.

A meeting of the Board shall be held annually at which time officers of the Corporation shall be elected. A special meeting may be called by the Chairperson or Vice Chairperson acting in the Chairperson's absence, or by any three (3) members of the Board at any time upon proper notice under the Public Officers Law. The only action that can be taken at a special meeting is the consideration of the subject or subjects designated in the notice for the special meeting.

Section 10. Open Meetings Law.

All meetings of the Board shall comply with the requirements of Article 7 of the Public Officers Law. In a regular, annual or special meeting, the Board may request an Executive Session pursuant to Article 7 of the Public Officers Law or applicable sections of the Act.

Section 11. Quorum.

The powers of the Corporation shall be vested in and shall be exercised by the Board at a duly called and held meeting, where a quorum of eight Directors is present. No action shall be taken by the Corporation except pursuant to the favorable vote of at least eight Directors present at the meeting at which such action is taken.

Section 12. Telephone Meetings.

The members of the Board or any committee thereof may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Section 13. Action by Written Consent.

To the extent permitted by law, any action required or permitted to be taken by the Board or any committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the members of the Board or committee shall be filed with the minutes of the proceedings of the Board or committee.

Section 14. Minutes of Meetings.

The Board shall keep a written record of all business conducted, including resolutions, findings, conclusions and recommendations that shall be filed with the minutes of the proceedings of the Board or committee.

Section 15. Compensation.

Neither the voting Directors nor the nonvoting Representatives shall receive compensation for their services but shall be reimbursed for all their actual and necessary expenses incurred in connection with their duties under the Act and these By-laws.

Section 16. Defense and Indemnification.

The Corporation shall defend and indemnify the Directors of the Corporation and its officers for any and all lawful actions executed in the performance of their duties, to the full extent to which indemnification is permitted under the laws of the State of New York.

Section 17. Extension of Credit.

Pursuant to New York Public Authorities Law Section 2824(5), the Corporation shall not, directly, or indirectly, including through any subsidiary, extend or maintain credit, arrange for the extension of credit, or renew any extension of credit, in the form of a personal loan to or for any Director, officer, or employee (or equivalent thereof) of the Corporation.

ARTICLE V
OFFICERS

Section 1. General.

The officers of the Corporation shall be elected by the Board and shall be comprised of a Chairperson of the Board, a Vice Chairperson of the Board, a CEO, a Secretary, and a Treasurer. The Board may also appoint an Assistant Secretary and such other officers as the Board shall from time to time provide. All such officers shall exercise the duties as described in the Act, applicable law, by these By-Laws, and/or by Board resolution.

Section 2. Election, Term of Office.

The officers of the Corporation shall be elected by the Board at its annual meeting. Each officer elected shall hold office until his successor has been duly chosen and has qualified or until his or her earlier resignation or removal.

Section 3. Resignation.

Any officer may resign at any time by giving written notice thereof to the Board, provided that the resignation shall not prejudice the contract rights, if any, of the Corporation. Any such resignation shall take effect at the time specified therein and unless otherwise specified therein the acceptance of such resignation shall not be necessary to make it effective.

Section 4. Removal.

The Directors shall have the authority to discharge any officer with or without cause; provided that the removal without cause shall not prejudice the contract rights, if any, of the officer.

Section 5. Vacancies.

In the event of a vacancy occurring in the office of the Chairperson or Vice Chairperson, any member designated by the Board shall serve as Acting Chairperson for that meeting. In the event of a vacancy occurring in any other office, any member designated by the Board shall serve as an Acting officer for that meeting.

Section 6. Chairperson of the Board.

The Directors shall, by majority vote, select one of the fifteen Directors as the Chairperson of the Board. The Chairperson shall preside over all meetings of the Board, shall chair the Executive Committee of the Board, and shall have such other duties as the Directors may provide. Other than the Governance Committee, the Chairperson shall serve ex officio on all Board committees with full voting rights. The Chairperson shall serve for a two-year term of office. No member of the Board shall be permitted to serve more than two consecutive two-year terms as Chairperson of the Board.

Section 7. Vice-Chairperson(s) of the Board.

The Directors shall, by majority vote, select one or more of the fifteen Directors as the Vice-Chairperson of the Board. The Vice-Chairperson shall preside over all meetings where the Chairperson of the Board is absent and shall have such other duties as the Directors may provide. The Vice-Chairperson shall serve for a two-year term of office. At least one Vice-Chairperson shall be designated by a majority vote of the Board as “Vice-Chair, Chair-Elect” in the second year of that Vice-Chairperson’s term of office. At the conclusion of the term of the Vice-Chair, Chair-Elect, the Board shall retain authority to appoint the Vice-Chair, Chair-Elect or any other member of the Board of Directors as Chairperson of the Board of Directors.

Section 8. Chief Executive Officer.

The Board shall hire, set the compensation of, execute direct oversight of, and annually review the performance of the CEO. The CEO shall carry out the policies of the Board, provide services to the Board; and shall be subject to the By-Laws, rules and regulations of the Board. He or she shall have all the general powers and duties of a Superintendent of a public general municipal hospital as set forth and enumerated in the General Municipal Law of the State of New York, Section 129, sub. 1 through 9 as amended and of a chief executive officer as set forth in Title 10, subpart 405.3 of the New York Codes, Rules and Regulations and the Act. The CEO shall provide leadership, direction, and administration in all aspects of the Corporation’s activities and other corporate entities to ensure compliance with established objectives and the realization of quality, economical health care services, and other related lines of business. The CEO shall ensure the Corporation’s compliance with all applicable laws and regulations. The CEO shall submit monthly and special reports to the Board and its committees regarding strategic, operational and financial performance, along with the current status of ECMCC services and facilities. The CEO shall be expected to provide feedback to the Board regarding those employees which report directly to the CEO. The CEO shall ensure that subordinate officers provide meaningful reports to the Board regarding the previous month’s activities. The CEO shall coordinate with the Board, Medical Staff, and other Corporation personnel to respond to the community’s needs for quality healthcare services and monitor the adequacy of the Corporation’s medical activities.

Section 9. President.

The Board shall hire, set the compensation and annually review the performance of the President. The duties of the President shall be distinct from the duties of other officers of the Corporation and shall be enumerated in a job description reviewed by the Executive Committee of the Board.

Section 10. Secretary & Assistant Secretary.

The Board shall, by majority vote, select either Directors or Representatives to serve as the Secretary and Assistant Secretary, if applicable. The Secretary shall send notices for all meetings of the Board. The Secretary shall act as custodian for all records and reports and shall be responsible for keeping and reporting of adequate records of all meetings of the Board. The Secretary may delegate these duties to another officer or employee of the Corporation to act on his/her behalf. The Secretary will approve and sign the minutes of all meetings of the Board which shall be kept in an official record book. In the absence of the Secretary at any meeting, the Assistant Secretary, if applicable, or any member designated by the Chairperson shall act as the Secretary for that meeting.

Section 11. Treasurer.

The Board shall, by majority vote, select either a Director or a Representative to serve as the Treasurer. The Treasurer shall monitor the financial affairs of ECMCC as managed by the officers of the Corporation. The Treasurer will also have the power to establish bank accounts in the name of the Corporation. He or she shall do and perform all other duties incident to the office of Treasurer as may be prescribed by the Board from time to time.

Section 12. Immediate Past Chair.

The Immediate Past Chair of the Board shall remain available to the Board and the Chair for purposes of transitional continuity and may be appointed to serve as a member of any Standing or Special Committee of the Board, assuming his or her term of office as a Director has not expired.

ARTICLE VI
COMMITTEES

General Rules

Section 1. General.

The Standing Committees of the Board shall be: the Executive Committee, the Quality Improvement Committee, the Finance Committee, the Audit and Compliance Committee, the Building and Grounds Committee, the Human Resources Committee, the Executive Compensation Committee, the Terrace View Quality Improvement Committee, the Governance Committee, the Investment Committee and the Contracts Committee. At the discretion of the Chairperson, and upon the advice of the Board, additional special committees may be appointed to address specific issues.

Section 2. Appointment of Committees.

The Chairperson of the Board shall appoint all members of standing and special committees. Appointments will be made at the first regular meeting following the annual election of officers, or at such other time deemed necessary by the Chairperson. The Chairperson of the Board shall appoint a Chairperson for each committee. Committee Chairpersons shall serve one-year terms of office but are not prohibited from serving consecutive one-year terms. The Chairperson may appoint individuals other than Board members to committees either standing or special, except the Executive Committee.

Section 3. Structure of Committees.

In addition to the individual Committee duties set forth below, each Committee shall be tasked annually with reviewing their applicable charter and recommending changes thereto, as well as setting forth goals for the Committee for the upcoming year. Such goals shall be determined in consultation with the Chairperson of the Board.

Section 4. Resignation.

A committee member may resign at any time by giving written notice to the Chairperson of the Board. Such resignation shall take effect at the time specified therein and unless otherwise specified therein the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Removal.

Committee members may be removed from committee membership by the Board for inefficiency, neglect of duty, or misconduct of any kind, including but not limited to, violation of the law, after the board has given such member a copy of the charges against him or her and an opportunity to be heard in person or by counsel in his or her defense, upon not less than ten days' notice.

Section 6. Vacancies.

Vacancies occurring otherwise than by expiration of term of office shall be filled for the unexpired terms by appointment from the Chairperson of the Board.

Section 7. Quorum.

At a committee meeting, a quorum shall be one-half the number of members of the committee.

Section 8. Voting.

Only the members of the Board serving on a Standing or Special Committee, or an appointed non-member of the Board serving on a Standing or Special Committee, and the Chairperson of the Board serving ex officio, shall have a vote.

Section 9. Minutes.

Each committee meeting shall have an agenda, time convened and adjourned recorded, and shall submit minutes of its meeting to the Secretary of the Board in advance of the regular monthly meeting.

Standing Committees

Section 10. The Executive Committee.

The Executive Committee shall consist of four (4) Board members. The Corporation's General Counsel and Chief Executive Officer shall serve ex officio as members of the Executive Committee. Other members of the Board may be added when advisable. The Chairperson shall preside at all meetings of the Committee. The Executive Committee shall meet at least quarterly, or upon the call of the Chairperson.

Section 11. The Quality Improvement Committee.

The Quality Improvement Committee shall consist of three (3) members. The Chairperson of the Committee may, in his or her discretion, request the presence of other persons, as the issues before the Committee may dictate. The Committee shall meet at least quarterly, or upon the call of the Chairperson. The Committee shall be responsible for the following:

- a. Inform the Board of patient safety, performance improvement and quality assurance issues of relevance to ECMCC.
- b. Establishment, maintenance and operation of a coordinated quality assurance program integrating the review of activities of all hospital services in order to enhance the quality of patient care and to identify and prevent professional malpractice. The specific responsibilities of the Committee are further set forth in the quality assurance plan of the hospital.
- c. Other duties and responsibilities as may be assigned from time to time by the Board.

Section 12. The Finance Committee.

The Finance Committee shall consist of five (5) financially literate members of the Board. The Chairperson of the Committee may, in his or her discretion, request the presence of other persons, as the issues before the Committee may dictate. The Finance Committee shall meet at least quarterly, or upon the call of the Chairperson. The Committee shall be responsible for the following:

- a. Review relevant budgets of the Corporation and maintain ongoing oversight of the financial situation of the Corporation.
- b. Oversee, evaluate, and where appropriate, make recommendations with respect to financial operations of the Corporation.
- c. Other duties and responsibilities as may be assigned from time to time by the Board.

Section 13. The Audit & Compliance Committee.

The Audit & Compliance Committee shall consist of at least four (4) members. At least three (3) of the Committee's members shall be independent, as that term is defined by state law. The Corporation's General Counsel shall serve *ex officio* as a member of the Audit & Compliance Committee. The Chairperson of the Committee may, in his or her discretion, request the presence of other persons, as the issues before the committee may dictate. The Audit & Compliance Committee shall meet at least quarterly, or upon the call of the Chairperson. The Committee shall be responsible for the following:

- a. Oversight of any independent auditors engaged by ECMCC.
- b. Oversight of all ECMCC internal audit processes.
- c. Collaboration with the Quality Improvement Committee in the establishment and maintenance of a coordinated quality assurance program.
- d. Collaboration with the Compliance Officer on the establishment, maintenance and operation of a comprehensive compliance program, which shall comply with the Office of the Inspector General Compliance Program Guidance for Hospitals. Specifically, the Committee shall:
 1. Analyze the legal requirements and specific risk areas of the health care industry,
 2. Assess existing policies that address legal requirements and risk areas for possible incorporation into the ECMCC compliance program,
 3. Work with ECMCC departments to develop standards of conduct and policies and procedures to promote compliance with the ECMCC compliance program,
 4. Recommend and monitor the development of internal systems and controls to carry out ECMCC's standards, policies and procedures as part of its daily operations,
 5. Determine appropriate strategy to promote compliance with the ECMCC compliance program and detection of possible violations, including fraud reporting mechanisms,
 6. Develop a system to solicit, evaluate and respond to complaints and problems, and
 7. Promote ethics, integrity, and compliance with laws, policies, and procedures.
- e. Other duties and responsibilities as may be assigned from time to time by the Board.

Section 14. Buildings and Grounds Committee.

The Buildings and Grounds Committee shall consist of three (3) members. The Corporation's General Counsel shall serve ex officio as a member of the Buildings and Grounds Committee. The Chairperson of the Committee may, at his or her discretion, request the presence of other persons, as the issues before the Committee may dictate. The Buildings and Grounds Committee shall meet at least quarterly, or upon the call of the Chairperson. The Committee shall be responsible for the following:

- a. Evaluation and provision of recommendations with respect to proposed and ongoing construction and renovation projects and budgets.
- b. Other duties and responsibilities as may be assigned from time to time by the Board.

Section 15. The Human Resources Committee.

The Human Resources Committee shall consist of three (3) members. The Chairperson of the Committee may, in his or her discretion, request the presence of other persons, as the issues before the Committee may dictate. The Committee will meet at least quarterly or upon the call of the Chairperson. The Committee shall be responsible for the following:

- a. Establishment of a formal channel of communication among the Board, ECMCC management and the Labor Unions.
- b. Responsibility for assuring that appropriate guidelines are in place and monitored to ensure and maintain open communication.
- c. Discussion of issues that arise in the operation of the hospital as they affect all parties.
- d. Other duties and responsibilities as may be assigned from time to time by the Board.

Section 16. The Executive Compensation/Evaluation Committee.

The Executive Compensation/Evaluation Committee shall consist of no more than four (4) members of the Board. No person whose compensation is determined by the Executive Compensation/Evaluation Committee may serve as a member of the Committee. The Chairperson of the Committee may, in his or her discretion, request the presence of other persons, as the issues before the committee may dictate. The Executive Compensation/Evaluation Committee shall meet at least quarterly, or upon the call of the Chairperson. The Committee shall be responsible for the following:

- a. Evaluation, at least annually, of the CEO and President of the Corporation.
- b. Determination of the compensation, including benefits, of the above listed Corporation executives.
- c. Other duties and responsibilities as may be assigned from time to time by the Board.

Section 17. The Terrace View Quality Improvement Committee.

The Terrace View Quality Improvement Committee shall consist of at least three (3) members. The Committee shall meet at least quarterly, or upon the call of the Chairperson. The Committee shall be responsible for the following:

- a. Establishment and maintenance of a coordinated quality assurance program as specifically applicable to Terrace View.
- b. Other duties and responsibilities as may be assigned from time to time by the Board.

Section 18. The Governance Committee.

The Governance Committee shall consist of at least four (4) independent members, as that term is defined in New York Public Authorities Law §2825. The Chief Executive Officer and the General Counsel for the Corporation shall serve ex officio as members of the Committee, and the Chairperson of the Board may attend Committee meetings but will not be a member of the Committee and will not vote. The Committee Chairperson may, at his or her discretion, request the presence of other persons as issues before the Committee may dictate. The Governance Committee shall meet at least semi- annually, or upon the call of the Committee Chairperson. The Committee shall be responsible for the following:

- a. Provision of information to the Board regarding current best governance practices.
- b. Review of corporate governance trends.
- c. Recommend updates to the Corporation's governance principles.
- d. Provision of advice to the Governor and to the Erie County Executive in their appointment of potential Board members regarding the skills and experience required of Board members.
- e. Annually review and, as necessary, make recommendations to the Board regarding updating of the Corporation's Bylaws; annually review and, as necessary, make recommendations to the applicable Committees regarding updates to Committee charters.
- f. Other duties and responsibilities as may be assigned from time to time by the Board.

Section 19. The Investment Committee.

The Investment Committee shall consist of at least three (3) members. The Chair of the Finance Committee and the Chief Executive Officer shall serve ex officio as members of the Investment Committee and the Chief Financial Officer shall serve as staff to the Committee. The Committee Chairperson may, at his or her discretion, request the presence of other persons as issues before the Committee may dictate. The Investment Committee shall meet at least semi-annually, or upon the call of the Committee Chairperson. The Committee shall be responsible for the following:

- a. Recommendations regarding the designation of the Corporation's investment officer.
- b. Recommendations regarding investment policies and procedures consistent with applicable law and the needs of the Corporation.
- c. Implementation of appropriate internal controls for investments.
- d. Recommendations regarding the selection of the Corporation's investment advisors and investment managers.
- e. Review of independent audits of the investment program.
- f. Review of quarterly reports from the Corporation's investment advisors and investment managers.
- g. Reports to the Board on a quarterly basis.
- h. Monitoring the Corporation's system of internal controls and the performance of the Corporation's investment advisors and investment managers.
- i. Other duties and responsibilities as may be assigned from time to time by the Board.

Section 20. The Contracts Committee.

The Contracts Committee shall consist of at least three (3) members. The Contracts Committee shall review and make recommendations to the Board with respect to the approval of all contracts required to be approved by the Board pursuant to Corporation policy and applicable law, including Section 2879(3)(b)(ii) of the Public Authorities Law. The Contracts Committee shall meet at least quarterly or upon the call of the Committee Chairperson. The Committee shall be responsible for the following:

- a. Review of contracts of the Corporation requiring Board approval and make recommendations to the Board regarding such contracts.
- b.
- c. Annually review contracts requiring such review pursuant to Corporation policy and/or applicable law.
- d. Redacting sensitive information from contracts before presentation to the Board to ensure compliance with the Corporation's contractual and confidentiality requirements.
- e. Report to the Board on a quarterly basis regarding the foregoing subsections.
- f. Other duties and responsibilities as may be assigned from time to time by the Board.

ARTICLE VII

MEDICAL/DENTAL STAFF

Section 1. Organization.

The Board shall cause to be created a medical staff organization to be known as the ECMC Medical Dental Staff ("Medical Staff") whose membership shall be comprised of certain categories of health care practitioners, as determined by the Board. Members of the Medical Staff may only practice within the scope of privileges granted by the Board.

Section 2. Medical Staff Governance Documents.

The Medical Staff shall develop, adopt and at least once every three years review the following Medical Staff Governance Documents: By-Laws; Rules & Regulations; Credentials Procedures Manual; and Collegial Intervention, Peer Review, Fair Hearing & Appellate Review Procedures. These Governance Documents shall establish controls that are designed to ensure the achievement and maintenance of the highest quality medical care and high standards of professional and ethical practice. The Board shall approve all such Medical Staff Governance Documents.

Section 3. Appointment of Medical Staff.

Appointments and reappointments to the Medical Staff shall be made by the Board. The Board shall be responsible for granting and defining the scope of the clinical privileges to be exercised by each member of the Medical Staff, including but not limited to providing approval of modifications, suspensions and termination of such privileges and Medical Staff membership in accordance with the Medical Staff Governance Documents and written ECMCC policies. In acting on matters of Medical Staff membership and scope of privileges, the Board shall consider the recommendations of the Medical Staff's Medical Executive Committee. The procedures for Medical Staff appointment are more specifically outlined in the Medical Staff's Credentials Procedure Manual.

Section 4. Authority for Medical Staff Conduct.

Ultimate responsibility for the conduct of the Medical Staff remains with the Board. The Board shall enforce compliance with all medical staff Governance Documents by all members of the Medical Staff. No assignment, referral or delegation of authority by the Board to the Medical Director, COO, CEO, the Medical Staff or any other person shall preclude the Board from exercising the authority required to meet its responsibility for the conduct of the Corporation. The Board retains the right to rescind any such delegation.

Section 5. Duties of the Medical Staff.

The Board shall delegate to the Medical Staff the authority to monitor, evaluate and document professional performance of Medical Staff members in accordance with its Governance Documents. The Board shall hold the Medical Staff accountable, through the chiefs of service of the departments and the Medical Director, for making recommendations based on well-defined and written criteria related to the goals and standards of the Corporation concerning Medical Staff appointments, reappointments and clinical privileges.

Section 6. Quality of Patient Care.

The Medical Staff is accountable to the Board for the quality of care provided to patients.

Section 7. Rights at Meetings.

Members of the Medical Staff shall be entitled to be heard at all public meetings and committee meetings of the Board.

ARTICLE VIII
STANDARDS OF PATIENT CARE

The Board shall require that the following patient care practices are implemented, shall monitor ECMCC's compliance with these patient care practices, and shall take corrective action as necessary to attain compliance:

- a. Every patient of ECMCC, whether an in-patient, emergency patient, or out-patient, shall be provided care that meets generally accepted standards of professional practice.
- b. Every patient is under the care of a health care practitioner who is a member of the medical staff.
- c. Patients are admitted to ECMCC only on the recommendation of a member of the medical staff permitted by the State law and Medical Staff Governance Documents to admit patients to the hospital.
- d. A physician, a registered physician's assistant or a nurse practitioner, under the general supervision of a physician, is on duty at all times in the hospital.
- e. A physician shall be responsible for the care of each patient with respect to any medical or psychiatric problem that is present on admission or develops during hospitalization.
- f. In the event that human research is conducted within ECMCC, written policies and procedures shall be adopted and implemented pursuant to the provisions of Public Health Law Article 24-A for the protection of human subjects.
- g. ECMCC shall have available at all times personnel sufficient to meet patient care needs.

ARTICLE IX
THE SCHOOL OF MEDICINE
STATE UNIVERSITY OF NEW YORK AT BUFFALO

The Board strongly supports the relationship between ECMCC and the School of Medicine and Biomedical Sciences of the State University of New York at Buffalo through an affiliation agreement. The Board shall take all appropriate action to retain and enhance the benefits arising from said relationship provided that the Board shall hold uppermost the discharge of its legal and fiduciary duties to ECMCC.

ARTICLE X
SUBSIDIARY CORPORATIONS AND ENTITIES

Except as expressly limited by law, the Corporation may exercise and perform all or part of its purposes, powers, duties, functions or activities through one or more subsidiary corporations or companies owned or controlled wholly or in part by the Corporation, which shall be formed pursuant to the Business Corporation Law, the Limited Liability Company Law, or the Not-For-Profit Corporation Law. Any such subsidiary may be authorized to act as a general or limited partner in a partnership or as a member of a limited liability company and to enter into an arrangement calling for an initial and subsequent payment by such subsidiary in consideration of an interest in revenues or other contractual rights. The Board has the exclusive authority to create subsidiaries or other entities related to the Corporation.

ARTICLE XI
CODE OF ETHICS AND CONFLICTS OF INTEREST

Section 1. Responsibility of Members of the Board and Employees.

This Code of Ethics shall apply to all officers and employees of the Corporation. These policies shall serve as a guide for official conduct and are intended to enhance the ethical and professional performance of the Corporation's directors and employees and to preserve public confidence in the Corporation's mission. It is accordingly the responsibility of each member of the Board and each employee to perform in accordance with the following:

- a. Each member of the Board and all employees of the Corporation shall perform their duties with transparency, without favor and refrain from engaging in outside matters of financial or personal interest, including other employment, that could impair independence of judgment, or prevent the proper exercise of one's official duties.
- b. Each member of the Board and all employees shall not directly or indirectly, make, advise, or assist any person to make any financial investment based upon information available through the director's or employee's official position that could create any conflict between their public duties and interests and their private interests.
- c. Each member of the Board and all employees shall not accept or receive any gift or gratuities where the circumstances would permit the inference that: (a) the gift is intended to influence the individual in the performance of official business or (b) the gift constitutes a tip, reward, or sign of appreciation for any official act by the

individual. This prohibition extends to any form of financial payments, services, loans, travel reimbursement, entertainment, hospitality, thing or promise from any entity doing business with or before the Corporation.

- d. Each member of the Board and all employees shall not use or attempt to use their official position with the Corporation to secure unwarranted privileges for themselves, members of their family or others, including employment with the Corporation or contracts for materials or services with the Corporation.
- e. Each member of the Board and all employees must conduct themselves at all times in a manner that avoids any appearance that they can be improperly or unduly influenced, that they could be affected by the position of or relationship with any other party, or that they are acting in violation of their public trust.
- f. Each member of the Board and all employees may not engage in any official transaction with an outside entity in which they have a direct or indirect financial interest that may reasonably conflict with the proper discharge of their official duties.
- g. Each member of the Board and all employees shall manage all matters within the scope of the Corporation's mission independent of any other affiliations or employment. Directors, including ex officio board members, and employees employed by more than one government entity shall strive to fulfill their professional responsibility to the Corporation without bias and shall support the Corporation's mission to the fullest.
- h. Each member of the Board and all employees shall not use Corporation property, including equipment, telephones, vehicles, computers, or other resources, or disclose information acquired in the course of their official duties in a manner inconsistent with State or local law or policy and the Corporation's mission and goals.
- i. Each member of the Board and all employees are prohibited from appearing or practicing before the Corporation for two (2) years following employment with the Corporation consistent with the provisions of Public Officers Law.

Section 2. Implementation of Code of Ethics.

This Code of Ethics shall be provided to all members of the Board and all employees upon commencement of employment or appointment and shall be reviewed annually by the Governance Committee.

Section 3. Compliance.

The members of the Board agree to comply with all applicable local and state regulations and laws regarding conflicts of interest.

Section 4. Conflict of Interest Policy.

The Board shall develop, implement, and update as needed a written policy governing conflict of interest by members of the Board. The policy shall be reviewed annually by the Governance Committee and included and incorporated into these By-Laws as Appendix A.

Section 5. Disclosure of Personal Interest and Abstention.

It is the responsibility of every Board member to disclose to the Chairperson of the Board any personal or business interest in any matter that comes before the Board for consideration. Each member of the Board shall abstain from voting on any matter in which he or she has a personal or business interest.

Section 6. Self-Dealing.

The Corporation shall not engage in any transaction with a person, firm, or other business entity in which one or more of the Board members has a financial interest in such person, firm or other business entity, unless such interest is disclosed in good faith to the Board, and the Board authorizes such transaction by a vote sufficient for such purpose, without counting the vote of the interested Board member.

Section 7. Influence of Decision Makers.

No member of the Board shall use his or her position to influence the judgment or any decision of any Corporation employee concerning the procurement of goods or services on behalf of the Corporation.

Section 8. No Forfeit of Office or Employment.

Except as provided by law, no officer, member, or employee of the state or of any public corporation shall forfeit his or her office or employment by reason of his or her acceptance of appointment as a director, nonvoting representative, officer, or employee of the Corporation, nor shall such service as such a director, nonvoting representative, officer or employee be deemed incompatible or in conflict with such office or employment; and provided further, however, that no public officer elected to his or her office pursuant to the laws of the state or any municipality thereof may serve as a member of the governing body of the Corporation during his or her term of office.

ARTICLE XII
AMENDMENTS

These By-Laws of the Board may be amended by the affirmative vote of a quorum of members at the annual meeting, special or regular meetings of the Board, provided that a full presentation of such proposed amendment(s) shall have been presented to the Board at least thirty (30) days prior to the meeting, unless waived by majority of the whole number of the members of the Board.