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STATE OF NEW YORK  
OFFICE OF THE STATE COMPTROLLER

January 3, 2020

Mitchell Katz, MD  
President and Chief Executive Officer  
New York City Health and Hospitals Corporation  
125 Worth Street  
New York, NY 10013

Re: Oversight of Nurse Hiring and  
Retention  
Report 2019-F-45

Dear Dr. Katz:

Pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution and to McKinney's Unconsolidated Laws of New York, Section 7384(9) and Section 7403 (New York City Health and Hospitals Corporation Act, as added by L 1969, ch 1016, Section 1), we have followed up on the actions taken by officials of the New York City Health and Hospitals Corporation (Health and Hospitals) to implement the recommendations contained in our audit report, *Oversight of Nurse Hiring and Retention* (Report [2017-N-2](#)).

**Background, Scope, and Objective**

Health and Hospitals is a public benefit corporation created by the New York City Health and Hospitals Corporation Act of 1969 to oversee the provision and delivery of comprehensive health care in New York City's public hospitals and clinics. As the largest public health care system in the nation, it provides essential inpatient, outpatient, and home-based services to more than 1 million New York City residents annually in more than 70 locations across the five boroughs, including 11 acute care hospitals, 6 diagnostics and treatment centers, and 5 nursing homes.

For the fiscal year ended June 30, 2019, Health and Hospitals reported total operating revenue of approximately \$7.9 billion and total operating expenses of approximately \$8 billion, with personal service expenses (e.g., health care professionals' salaries and benefits) accounting for about half (\$3.8 billion) of that amount. To provide care for its patients, Health and Hospitals relies on a large network of nurses, both direct hire (hired by the facilities) and temporary (hired as needed through temporary staffing agencies via Vizient, Inc., Health and Hospitals' staffing resource contractor). As of December 20, 2019, Health and Hospitals employed 9,420 direct hire nurses throughout its health care

system and, as of December 23, 2019, 814 temporary nurses. As a condition of their hiring, Health and Hospitals requires that nurse candidates undergo various screenings (e.g., criminal history, verification of work eligibility) to ensure they are in compliance with relevant hiring policies and procedures, including fingerprinting.

Our initial audit report, issued July 16, 2018, found that, while Health and Hospitals generally complied with its policies for the screening of direct hire and temporary nurses, it had not taken action to ensure that direct hire nurses who began before 2002 or any of its temporary nurses were fingerprinted. Tighter controls are warranted to ensure that all currently employed nurses, regardless of hire date, are fingerprinted so they can be properly monitored for potential criminal activity. We also identified numerous instances of deficient screening and monitoring.

The objective of our follow-up review was to assess the extent of implementation, as of December 18, 2019, of the recommendations included in our initial audit report.

### **Summary Conclusions and Status of Audit Recommendations**

Of the four recommendations, we found that two had been implemented and two had been partially implemented.

### **Follow-Up Observations**

#### **Recommendation 1**

*Ensure all temporary and direct hire nurses are electronically fingerprinted so they can be properly monitored for potential criminal activity.*

Status – Partially Implemented

Agency Action – While Health and Hospitals has taken steps to ensure that direct hire nurses who began after 2002 are electronically fingerprinted, officials stated that they have not taken any action to ensure that direct hire nurses who began before 2002 are fingerprinted. As noted in our initial audit report, it is crucial that all nurses with direct access to patients – temporary or direct hire – be fingerprinted to allow for ongoing monitoring of potential criminal activity.

We selected random samples of 20 direct hire nurses employed since 2002 at each of three Health and Hospitals facilities (Certified Home Health Agency [CHHA], Kings County, and Gouverneur). We found that Health and Hospitals had fingerprint results for all but 4 of the 60 nurses.

We also selected a random sample of 25 temporary staffing agency nurses (10 each from CHHA and Kings County and 5 from Gouverneur) to determine if they had been digitally fingerprinted. We found that Health and Hospitals had independent third-party confirmation of fingerprinting for seven of the temporary nurses. For 12 others, while Health and Hospitals had attestations on file that they were fingerprinted, it did not provide independent third-party confirmation. Consequently, we cannot conclude that Health and Hospitals took sufficient steps to ensure that these nurses were

fingerprinted. For the remaining six nurses, Health and Hospitals officials did not provide any fingerprinting information.

### **Recommendation 2**

*Require facilities to complete and maintain documentation supporting that all background check requirements for nurses are met prior to their hiring.*

Status – Implemented

Agency Action – Health and Hospitals officials stated that they conduct annual background check training for Health and Hospitals human resources personnel. They provided documentation substantiating that these training sessions had been conducted on various dates in 2018 and 2019.

We also reviewed background check documentation for the 60 sampled direct hire nurses from CHHA, Kings County, and Gouverneur. Our verification focused on employment eligibility verification forms and background checks with the Office of the Inspector General (OIG), the Office of the Medicaid Inspector General (OMIG), and the U.S. General Services Administration System for Award Management (SAM). We found that these background checks were on file; however, for one nurse, we noted that the OMIG search was done after she was hired. We found that all sampled direct hire nurses were licensed at the time of hire.

### **Recommendation 3**

*Ensure facilities maintain complete, readily available files for temporary nurses, and document evidence that staffing agencies' background investigations have been reviewed by Health and Hospitals officials.*

Status – Partially Implemented

Agency Action – Health and Hospitals officials indicated that they are now maintaining background information for their temporary staffing agency nurses. However, we found files are not complete: Health and Hospitals had employment eligibility verification documentation on file for 16 of the 25 sampled temporary nurses and had background check reports (OIG, OMIG, and SAM) on file for 22. We found evidence that Health and Hospitals employees reviewed background information for 15 of the 25 sampled temporary nurses. We found that all sampled temporary nurses were licensed at the time they worked at Health and Hospitals facilities.

### **Recommendation 4**

*Require facilities to complete and maintain evidence of annual performance evaluations of direct hire and temporary nurses assigned for more than one year.*

Status – Implemented

Agency Action – Health and Hospitals officials have implemented this recommendation. Our review of the 60 sampled direct hire nurses found that each had current

performance evaluations on file. Our review of the 25 sampled temporary nurses found only one evaluation was missing.

Major contributors to this report were Cheryl May, Jasbinder Singh, and Lillian Fernandes.

We would appreciate your response to this report within 30 days, indicating any actions planned to address the unresolved issues discussed in this report. We thank the management and staff of Health and Hospitals for the courtesies and cooperation extended to our auditors during this review.

Very truly yours,

Gene Brenenson  
Audit Manager

cc: George Davis, Mayor's Office of Operations  
Christopher Telano, Health and Hospitals