



New York City Council

Hon. Adrienne Adams, Speaker of the Council

Hon. Justin Brannan, Chair, Finance Committee

Hon. Mercedes Narcisse, Chair, Hospitals Committee

Report on the Fiscal 2026 Executive Plan and the Fiscal 2026 Executive Capital Commitment Plan for the New York City Health and Hospitals Corporation

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Fiscal 2026 Executive Plan

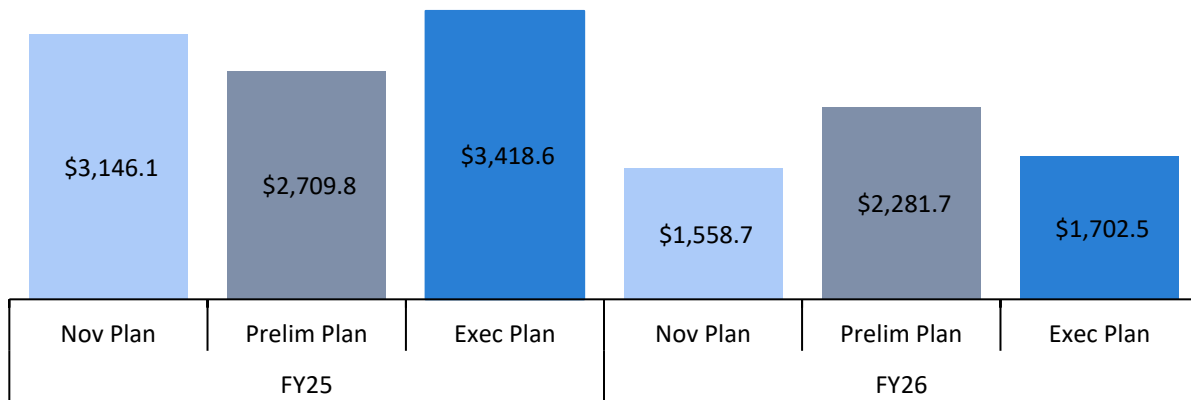
New York City Health and Hospitals Corporation Budget Overview

The Health and Hospitals Corporation (H+H or the System) is the largest municipal health system in America. The System provides medical, mental health and substance use services to New York City residents regardless of their ability to pay or immigration status. Services are provided across 11 acute care locations, five post-acute care or skilled nursing facilities, and over 30 community health centers. The changes to H+H's budget since the release of the Fiscal 2026 Preliminary Plan in January are mostly related to Asylum Seeker spending and funding for Medicaid. These two areas continue to be high-profile public health concerns in New York City.

The Executive Financial Plan for Fiscal 2025-2029 (Executive Plan), includes a proposed Fiscal 2026 Budget of \$1.70 billion for H+H. The System's projected Fiscal 2026 Budget represents 1.5 percent of the City's proposed Fiscal 2026 Budget in the Executive Plan. H+H's Fiscal 2025 Budget in the Executive Plan is \$708.8 million (26.2 percent) more than its \$2.71 billion Fiscal 2025 budget in the Preliminary Plan, and the Fiscal 2026 Budget in the Executive Plan is \$579.2 million (25.4 percent) less than its \$2.28 billion Fiscal 2026 Budget in the Preliminary Plan. The current Fiscal 2026 Budget is \$1.45 billion less than the \$3.16 billion Fiscal 2025 Budget at adoption. For additional information on H+H's Preliminary Budget, please refer to the Fiscal 2026 Preliminary Budget report.¹

¹ New York City Council, "[Report on the Fiscal 2026 Preliminary Plan and the Fiscal 2025 Preliminary Mayor's Management Report for the NYC Health and Hospitals Corporation](#)", as of March 2025.

Comparison of the Last Three Financial Plans

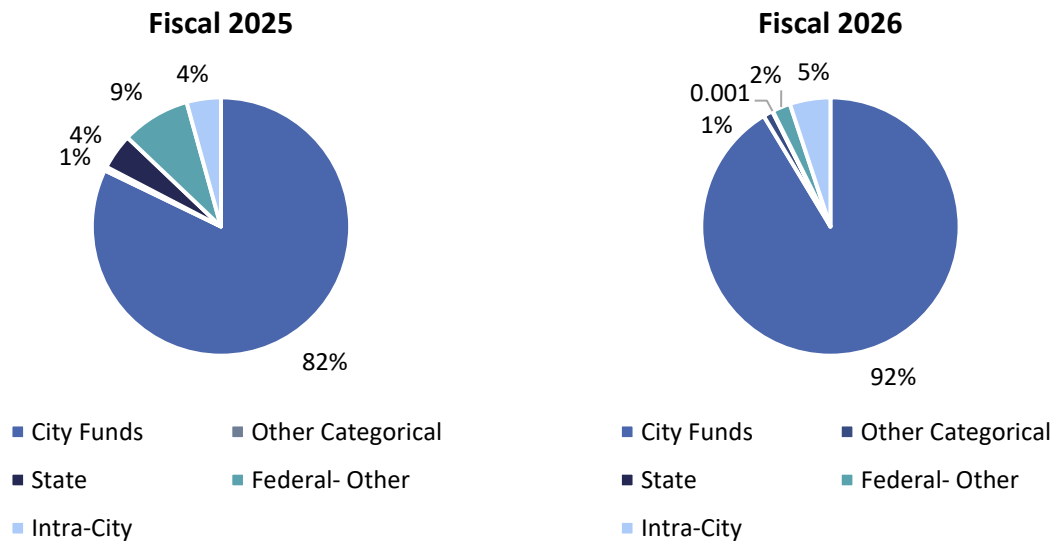


Dollars in Millions

Source: New York City Office of Management and Budget

Budget by Funding Source

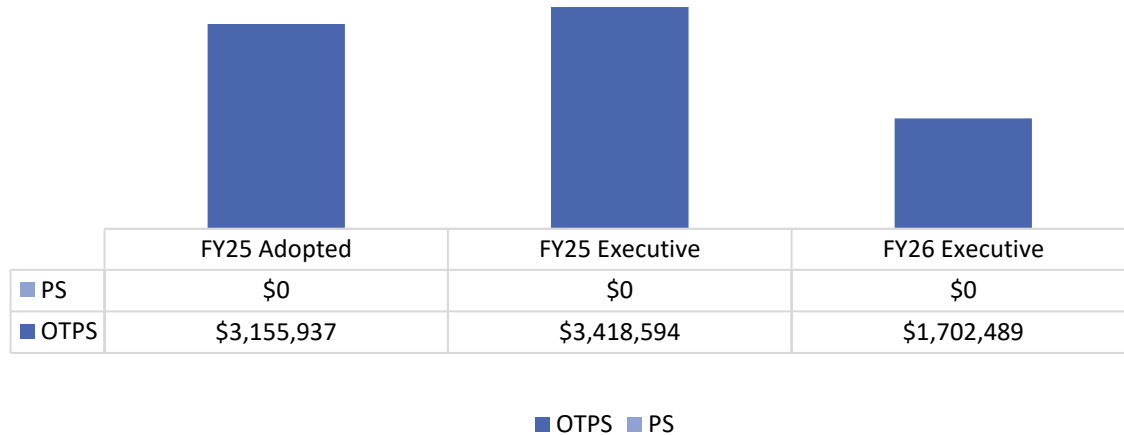
Fiscal 2026 City Funds: 92.0 percent



Source: New York City Office of Management and Budget

Personal Services (PS) and Other Than Personal Services (OTPS)

The City's H+H Budget is fully allocated to the OTPS budget line.



Dollars in Thousands

Source: New York City Office of Management and Budget

FY23 through FY25 Headcount

42,503 full-time positions in FY25 Q3

Budgeted Headcount by Title	FY23	FY24	FY25	FY25	FY25	Difference
Category	Quarter 4	Quarter 4	Quarter 1	Quarter 2	Quarter 3	FY25 Q3- FY24 Q4
Aides/Order	4,613	5,117	5,194	5,256	5,307	190
Clerical	5,498	5,643	5,733	5,818	5,897	254
Environmental/Hotel	4,397	4,632	4,605	4,735	4,810	178
Private Nurses	403	357	353	357	356	(1)
Manager/Supervisor	2,606	2,824	2,867	2,930	3,014	190
Physicians	224	207	203	201	198	(9)
Registered Nurses	7,912	9,775	9,982	10,234	10,384	609
Residents	2,359	2,392	2,529	2,529	2,524	132
Tech/Specialists	8,729	9,428	9,590	9,808	10,013	585
Total	36,741	40,375	41,056	41,868	42,503	2,128

Executive Plan Changes

<u>FY25 = \$708.8</u>	<u>FY26 = (\$579.2)</u>	<u>FY27 = \$6.4</u>	<u>FY28 = \$2.5</u>	<u>FY29 = \$2.5</u>
New Needs = \$4.1	New Needs = \$3.6	New Needs = \$0	New Needs = \$0	New Needs = \$0
Other Adjustments = \$770.2	Other Adjustments = (\$532.8)	Other Adjustments = \$6.4	Other Adjustments = \$2.5	Other Adjustments = \$2.5
Savings = (\$65.5)	Savings = (\$50.0)	Savings = \$0	Savings = \$0	Savings = \$0

Dollars in Millions

Savings in this chart are the sum of all expense savings, from all revenue sources, including but not limited to, City, State, and federal savings.

Significant Executive Plan Changes

New Needs

- **Medical Malpractice Contract Adjustment.** The Executive Plan includes a one-time City funding adjustment of \$4.1 million in Fiscal 2025 for medical malpractice defense contracts. H+H contracts outside firms for its medical malpractice defense needs, and this funding will support that expense.
- **Mental Health Continuum.** The Executive Plan includes an additional \$3.6 million of City funding in Fiscal 2026 only to support school-based mental health clinics.

Other Adjustments

- **Medicaid Initiative Adjustment.** The Executive Plan includes an additional one-time City funding reallocation of \$614.3 million in Fiscal 2025 to support the system's cash flow. This funding was originally intended to fund the local share of H+H's supplemental Medicaid, however, according to H+H, supplemental payments are no longer expected to be made as part of the Fiscal 2025 budget on an accrual basis. Therefore, this funding is reallocated within H+H's budget to support their cash flow.
- **Asylum Seeker Funding.** H+H's Executive Plan includes reductions of \$94.7 million in Fiscal 2025 and \$538.7 million in Fiscal 2026 of City and State funding for the response to the asylum seeker crisis. The decrease in City funds is because of a re-estimate of available funding following the closure of H+H-run asylum seeker sites. The decrease in State funds represents a revenue adjustment following the closure of asylum seeker sites at Floyd Bennett Field, Randall's Island, and the Creedmoor Psychiatric Center, which were either fully or partially ran by the State.

- **FEMA COVID.** The Executive Plan includes an additional \$212.2 million of federal stimulus funding reimbursement in Fiscal 2025 only for COVID-related costs incurred during the COVID-19 public emergency period.
- **Right Source Nurses Contract.** The Executive Plan includes \$21.0 million additional Intra-City funding in Fiscal 2025 for costs associated with temporary nurses. The City's Department of Education (DOE) utilizes temporary nurses through their Right Source contract with H+H. This funding represents DOE's reimbursement to H+H for their utilization of temporary nurses through this contract.

Savings

- **Asylum Seeker Savings.** The Executive Plan includes City funds savings of \$65.5 million in Fiscal 2025 and \$50.0 million in Fiscal 2026. These savings are the result of the closure of the City-funded Asylum Seeker sites which were closed in January 2025.

Budget Response

*Fiscal 2026 Expense Proposal Estimate: **\$22.1 million***

*Expense Proposals Included in the Fiscal 2026 Executive Budget: **\$3.6 million***

In the City Council's Fiscal 2026 Preliminary Budget Response, the Council identified several areas of concern relating to H+H. The budget response called on the Administration to add \$22.1 million in expense funding and \$65.0 million in capital funding for programs related to hospital infrastructure upgrades, residential treatment beds, and mental health support.² The Executive Plan includes the following, as shown in the table.

FY26 Budget Response Items			
#	Response Priorities	Amount Requested	Amount in the Exec Budget
1	Metropolitan Hospital Emergency Room*	\$65,000	\$0.0
2	Residential Treatment Beds	6,300	0.0
3	Bellevue Hospital Equipment*	5,300	0.0
4	Maternal Mental Health Support at Each H+H Hospital	5,000	0.0
5	Mental Health Continuum	5,000	3,600
6	Peer Specialists Staffing	4,500	0.0
7	EMS Wellness and Peer Support Pilot	1,000	0.0
8	Women's Concussion Clinic	300	0.0
9	Lincoln Hospital Outpatient Building*	N/A	0.0

Dollars in Thousands

** Capital proposal, not included in the total above.*

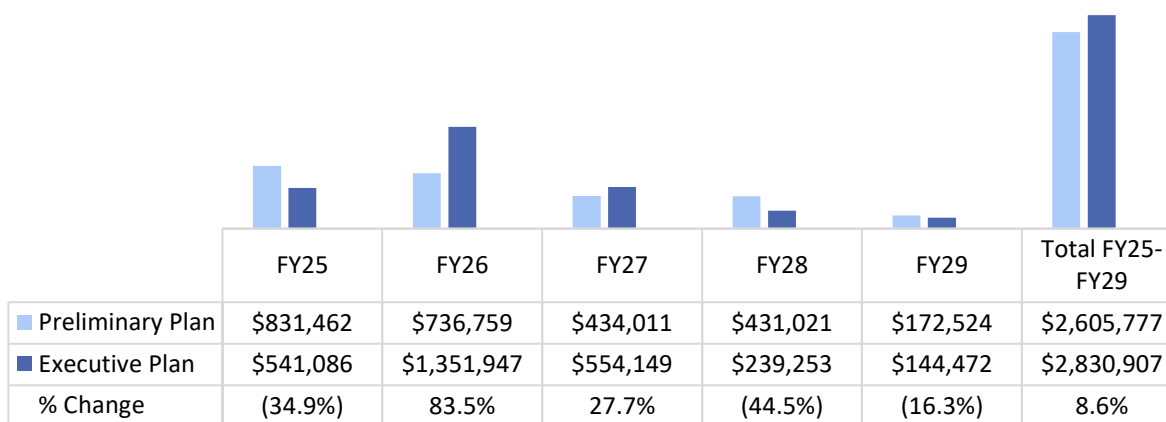
² New York City Council, "[Response to the Fiscal 2026 Preliminary Budget and Fiscal 2025 Preliminary Mayor's Management Report](#)", as of April 2025.

Capital Plan Overview

- H+H's commitments, as presented in the Executive Capital Commitment Plan for Fiscal 2025-2029 (the Executive Commitment Plan), total \$2.83 billion, 8.6 percent more than the total for the same period presented in the Preliminary Capital Commitment Plan released in January.
- The System's planned commitments comprise 2.6 percent of the City's total \$110.98 billion in Fiscal 2025-2029.

Capital Commitment Plan

Fiscal 2025-2029 Capital Commitment Plan



Dollars in Thousands

Source: New York City Office of Management and Budget

- Woodhull Outposted Therapeutic Unit.** The Executive Commitment Plan includes \$306.8 million for the Woodhull Outposted Therapeutic Unit, an increase of \$32.0 million from the 2025-2029 Preliminary Capital Commitment Plan (Preliminary Commitment Plan). This \$32.0 million was transferred from the Correctional Health Services Holding Code to Woodhull; it is not newly allocated funding.
- Coler Flood Mitigation.** The Executive Commitment Plan includes \$114.5 million for flood mitigation efforts at Coler Hospital, an increase of \$104.5 million from the Preliminary Commitment Plan. The goal of these improvements is to safeguard critical operations and prevent service disruptions in the event of flooding.
- Bellevue Hospital Flood Wall.** The Executive Commitment Plan includes an additional \$90.0 million for a flood wall at Bellevue Hospital. There is currently no timeline for the construction of the flood wall.
- South Brooklyn Health: Major Mitigation Project.** The Executive Commitment Plan includes \$24.4 million for a flood mitigation project at South Brooklyn Health, an increase of \$18.2 million from the Preliminary Commitment Plan. This project will include the construction of a new storm-resilient acute care building, among other flood-proofing infrastructure upgrades.
- Rockaway Trauma Center.** The Executive Commitment Plan includes \$50.0 million for the planned Rockaway Trauma Center. This funding amount is unchanged from the Preliminary Commitment Plan.

Budget Action Chart

<i>Dollars in Thousands</i>	FY25			FY26		
	City	Non-City	Total	City	Non-City	Total
H+H Budget as of the FY26 Preliminary Plan	\$2,237,848	\$471,934	\$2,709,782	\$2,175,860	\$105,791	\$2,281,651
Changes Introduced in the FY26 Executive Plan						
New Needs						
Medical Malpractice Contract Adjustment	\$4,100	\$0	\$4,100	\$0	\$0	\$0
Mental Health Continuum	0	0	0	3,638	0	3,638
Subtotal, New Needs	\$4,100	\$0	\$4,100	\$3,638	\$0	\$3,638
Other Adjustments						
Asylum Seeker Funding Reallocation	\$0	\$0	\$0	(\$576,107)	\$0	(\$576,107)
Asylum Seeker Funding Reallocation	0	0	0	0	37,398	37,398
Asylum Seeker State Rev Adjust	0	(66,420)	(66,420)	0	0	0
Asylum Seeker State Revenue Adjustment	0	(28,272)	(28,272)	0	0	0
DC37 Collective Bargaining Adjustment.	419	0	419	419	0	419
FEMA COVID	0	212,223	212,223	0	0	0
From 1705/643 to 1705/40X	0	2,888	2,888	0	0	0
FY25_Pysch_1	0	1,154	1,154	0	2,784	2,784
HUD Enhanced IC	0	2,785	2,785	0	0	0
I/C NYCHH FY25 Right Source	0	21,005	21,005	0	0	0
IC W/H+H - Lab Supplies	0	191	191	0	0	0
IC W/H+H - Medications	0	489	489	0	0	0
IC W/H+H Clinical Services	0	2	2	0	0	0
IC w/H+H: BEFO Antivirals	0	320	320	0	0	0
IC w/H+H: CC Hepatitis B&C Nav	0	436	436	0	0	0
IC w/H+H: Cerner & Correction	0	1,000	1,000	0	0	0
IC w/H+H: Cerner & Correction	0	0.720	0.720	0	0	0
IC w/H+H: Continuing Education	0	9	9	0	0	0
IC w/H+H: Harlem Asthma Center	0	42	42	0	0	0
IC w/H+H: Lab Supplies	0	1,078	1,078	0	0	0
IC w/H+H: OAS	0	1,118	1,118	0	0	0
IC w/H+H: OAS & Lab Supplies	0	160	160	0	0	0
IC w/H+H: OAS & Lab Supplies	0	1	1	0	0	0
IC w/H+H: Rikers/CHS MOU	0	285	285	0	0	0
IC w/H+H: Unity LGBTQ Care	0	430	430	0	0	0
IC w/H+H: Breast Cancer Cascade	0	150	150	0	0	0
ICE25PM027A	0	657	657	0	0	0
ICE25PM053A	0	(181)	(181)	0	0	0
Medicaid Initiative Adjustment	614,278	0	614,278	0	0	0

Budget Action Chart

<i>Dollars in Thousands</i>	FY25			FY26		
	City	Non-City	Total	City	Non-City	Total
MOD FOR TEMP NURSE	\$0	\$1,330	\$1,330	\$0	\$0	\$0
Project Casa IC	0	1,115	1,115	0	1,115	1,115
SEIU 1199 Collective Bargaining Adjustment	1,544	0	1,544	1,591	0	1,591
Subtotal, Other Adjustments	\$616,241	\$153,996	\$770,237	(\$574,097)	\$41,297	(\$532,800)
Savings						
FY25 Asylum Seeker Savings	(\$65,524)	\$0	(\$65,524)	\$0	\$0	\$0
FY26 Asylum Seeker Savings	0	0	0	(50,000)	0	(50,000)
Subtotal, Savings	(\$65,524)	\$0	(\$65,524)	(\$50,000)	\$0	(\$50,000)
TOTAL, All Changes in the FY26 Executive Plan	\$554,817	\$153,996	\$708,813	(\$620,459)	\$41,297	(\$579,162)
H+H Budget as of the Executive Plan	\$2,792,665	\$625,930	\$3,418,595	\$1,555,401	\$147,088	\$1,702,489

Source: New York City Office of Management and Budget

Budget by Program Area OR Unit of Appropriation

<i>Dollars in Thousands</i>	FY23	FY24	FY25	Executive Plan		*Difference
	Actual	Actual	Adopted	FY25	FY26	FY26 - FY25
Spending						
Personal Services						
N/A	\$0	\$0	\$0	\$0	\$0	\$0
Other Than Personal Services						
Fixed & Misc. Charges	\$1,916,595	\$3,129,093	\$3,153,608	\$3,416,265	\$1,700,145	(\$1,453,462)
Other Services & Charges	5,187	2,002	2,329	2,329	2,344	14
TOTAL	\$1,921,782	\$3,131,094	\$3,155,937	\$3,418,594	\$1,702,489	(\$1,453,448)
Funding						
City Funds			\$2,726,789	\$2,808,569	\$1,555,400	(\$1,171,389)
Other Categorical			16,800	16,800	20,300	3,500
State			328,237	152,324	1,380	(326,856)
Federal - Other			1,380	294,085	38,778	37,398
Intra-City			82,730	146,816	86,630	3,899
TOTAL	\$1,921,782	\$3,131,094	\$3,155,937	\$3,418,594	\$1,702,489	(\$1,453,448)

**The difference between the Fiscal 2026 Executive Budget and the Fiscal 2025 Adopted Budget.*

Source: New York City Office of Management and Budget