

## FINANCE COMMITTEE AGENDA

**Date:** June 07, 2021  
**Time:** 12:00 pm  
**Location:** Virtual Meeting

- |  |                              |
|--|------------------------------|
| <b>I. Call to Order</b><br>Adoption of the May 10, 2021 Minutes  | Freda Wang                   |
| <b>II. Executive Session</b>   | Freda Wang                   |
| <b>III. Action Item: Cardinal Health Contract Renewal</b><br>Authorizing New York City Health and Hospitals Corporation (the “ <b>System</b> ”) to sign a three-year best interest renewal contract with Cardinal Health 200, LLC (the “ <b>Vendor</b> ”) for distribution of Medical, Surgical and Laboratory products for the System, providing forward purchasing of products, warehousing, and shipping with two one-year options to renew the contract exercisable only by the System and with the total cost of the contract over its full potential five-year term not to exceed \$608,800,000.00.  | Paul Albertson<br>Joe Wilson |
| <b>IV. Action Item: DOE and Mobile Unit Testing Expansion</b><br>Authorizing New York City Health and Hospitals Corporation (the “System”) to amend its contracts for school and mobile Covid-19 testing with each of Rapid Reliable Testing, Inc. (“RRT”), Bio Reference Laboratories, Inc. (“BRL”), Fulgent Genetics, Inc. (“Fulgent”), Somos Healthcare Inc. D/B/A Somos Community Care (“Somos”), MedRite LLC (“Medrite”) and Premier Assist LLC (“Premier”) (together, the “Vendors”) to increase the not-to-exceed limit on the five by \$17M from \$189M to a total amount not to exceed \$206M.  | Chris Keeley                 |
| <b>V. Action Item: Testing and Vaccination Outreach and Education for FY22 – Request to Extend Agreements with 36 CBOs</b><br>Authorizing New York City Health and Hospitals Corporation (the “System”) to sign contract renewals through December 31, 2021 with the 36 not-for-profit, community-based organizations listed on Attachment 1 to this Resolution (the “CBOs”) to continue their community outreach work promoting COVID-19 prevention, testing and vaccination messaging with an option, exercisable solely by the System for an additional six months for a total amount not to exceed \$27.5M for the entire group and with sub-limits by tier of CBO as indicated in Attachment 1. | Ted Long                     |
| <b>VI. Old Business</b>  | Freda Wang                   |
| <b>VII. New Business</b>   |                              |
| <b>VIII. Adjournment</b>   |                              |

## MINUTES

### **Finance Committee Board of Directors**

**Meeting Date: May 10, 2021**

The meeting of the Finance Committee of the Board of Directors was held on May 10, 2021 virtually with Freda Wang presiding as Chairperson.

### **ATTENDEES**

#### **COMMITTEE MEMBERS**

Freda Wang, José Pagán, Mitchell Katz, Sally Hernandez-Piñero, Feniosky Peña-Mora, Barbara Lowe

#### **H+H STAFF**

John Ulberg, Krista Olson, James Cassidy, Michline Farag, Linda DeHart, Marji Karlin, Tasha Philogene, Megan Thompson, Salema Tyler, Colicia Hercules, Sarah Lum, Matthew Siegler, Jay Weinman, Nina Lauro

### **CALL TO ORDER**

Ms. Wang called the meeting of the New York City Health + Hospitals Board of Directors Finance Committee Meeting to order at 11:08 a.m.

Upon motion passed and duly seconded the minutes of the Finance Committee meeting held on March 15, 2021 was adopted.

Ms. Wang then deferred to John Ulberg, Senior Vice President, Chief Financial Officer to begin the financial report.

### **FINANCIAL REPORT**

Mr. Ulberg began the financial report for FY-21 Q3 by reviewing the March closing cash balance of \$350M. We are beating the budget by \$65M or 1%. This is slightly lower than last quarter because we have reached an inflection point where our COVID spending has surpassed the amount we have received from Provider Relief Fund. We have taken the T-2 revenue out of the budget picture. Patient care receipts came in \$331M higher than Q3 FY-20. Volume is returning to the pre-COVID levels in Q3 FY-21, but is still below Q3 FY-20. Despite COVID, we maintain our focus on our strategic initiatives, which are generating \$431M with a line of sight of \$530M. Staffing investments are still in focus – we have developed an inpatient nursing model and are working on an ED model. We continue to work on developing models for EVS and environmental services as well as revenue cycle.

Mr. James Cassidy reported, that we closed March with \$350M cash-on-hand (16 days). This includes \$109M in DSH funds. The system is expected to close April with approximately \$300M cash-on-hand (13 days). The April balance is lower due to three payrolls and a delay in receiving the DSH payments; however, we received one DSH payment just this morning which will help us to end May with a strong cash balance of around \$550M cash-on-hand (26 days). Even with the receipt of the DSH funds, we will continue to face cash-flow challenges by the end of the fiscal year. To mitigate these challenges we have written a letter to FEMA requesting expedited processing of our next reimbursement package.

Ms. Michline Farag provided a summary of our cash receipts. Compared to FY20 Q3, FY-21 Q3 cash receipts are 11% higher despite service volume being lower. This includes enhanced COVID reimbursement, revenue and other initiatives, case mix index, Medicare rate increases, and volume variances.

Ms. Nina Lauro reported on volume changes: Outpatient volume in Q3 has reached pre-COVID volume. ED treat and release volume reduction has resulted in smaller proportion of lower intensity visits. Although inpatient volume is down, average daily census remains steady due to longer lengths of stay.

Mr. Ulberg reported on managing external risks – the check mark on the slide means the risk has been averted. The State budget had numerous cuts proposed that have all been restored. There is a benefit within the State budget for us, including increases in the Essential Plan program. The City budget included increases to the Capital budget. Finally, we are focused on FEMA reimbursement over the next 6 weeks.

Ms. Farag reported on FY-21 thru March net budget variance compared to prior period. March FY-TD closed with a positive net budget variance of \$65M where receipts exceeded budget by \$447M due to COVID patients, Medicare rates, and risk payment catch-up and better performance. Year over year patient care revenue is up \$646M due to increased patient acuity including COVID patients, increased rates, higher Medicare advance, as well as revenue cycle, managed care, and other revenue improvement initiatives. Case mix index is up by 25% from 1.18 in FY-20 to 1.47 in FY-21. Disbursements overall are \$378M higher mainly due to \$368M COVID spending that was not offset in FY-TD. Ms. Farag elaborated on the FY-21 Q3 revenue.

Ms. Tasha Philogene reported on the progress of the strategic initiatives in Q3. All of our initiative categories are on track to achieve the FY-21 revenue targets and have a line of sight to exceed the targets. Our stronger performers for revenue cycle and managed care initiatives include our high-cost outliers, enrolling the uninsured, and one-time settlements. Our growth and other service line improvements includes strong performance in 340b contract pharmacies, system efficiencies around EITS initiatives. VBP initiatives are strongly performing as well, especially our HARP membership conversions. The line of sight has slightly decreased from our previous quarter by \$2.8M, which is due to COVID testing revenue.

Mr. Matt Siegler reported on the FY-22 budget development strategy. FY-21 budget was developed with limited clarity on the COVID financial impact and the City/State/Federal policy direction. It also focused on executing on the basics and improvement system/facility budget accountability, which helped to limit the risk and preserve flexibility given COVID and the policy environment. Our FY-21 strategic priorities were very successful even in the midst of the second surge, T-2, and vaccinations. FY-22 budget includes clearer assumptions around the COVID financial impact and a more positive City/State/Federal policy picture. We are also seeing post-vaccine utilization trends evolve. The FY-22 budget is seeking to build on the successes from FY-21 and learn from opportunities and initiatives that were delayed due to COVID. We will continue to support the City-wide COVID recovery and advance the overall H+H Vision, Mission, and Values.

Mr. Siegler continued by detailing our FY-21 strategic focus areas, the result of them, and how we are building on those for FY-22 initiatives. The first area of focus was to improve our surgical efficiency and margin to grow surgical volume. This resulted in system-wide performance improvement and

accountability, meaningful revenue even despite COVID surge and OR reductions, and improved incoming referral processing and scheduling.

For FY-22, we will continue operating room efforts with updated targets and facility-level outpatient specialty and radiology performance improvement and growth targets. The second area of focus was a success in value-based payment. This resulted in growing attributed membership, increases HARP and HIV SNP enrollment, and better managing our performance in our quality programs. For FY-22, we will focus more on panel management, growing primary care patient panel sizes, retaining substantial membership growth, and building on other efforts and incorporate into standard work.

The third area of focus in FY-21 was revenue cycle and managed care. The result was continued improvement in operations and contracting as well as more closely focusing on denials. In FY-22 multi-disciplinary teams will form to focus on key denial types and insurance enrollment. In addition we will continue to work on contract renegotiations and additional oversight on contracts.

The fourth FY-21 area of focus was on ambulatory care and telehealth. The result was increases to MyChart enrollment, successes in testing and vaccinations, improvement to the Gotham margin, and improvement in ambulatory care efficiency. For FY-22 we will continue to focus on optimizing in-person vs. video vs. phone visit mix, growing virtual express care, and improving our MyChart enrollment, engagement, and overall performance.

Our fifth area of focus for FY-21 was to be great at the basics, which resulted in post-acute care margin improvement, IT savings, lab efficiencies, and achieving our pharmacy revenue target. For FY-22 we will focus on developing a strategic plan for Community Care and continue improvements to pharmacy and supply chain.

Finally, the last area of focus for FY-21 was on MRTII and special populations' opportunities, which resulted in the UPL conversion being signed. For FY-22 we will focus on advancing our special populations proposal.

Ms. Farag walked through the FY-22 budget phases. The budget development is a collaboration between Finance, Growth, Executive Leadership, and Hospital leadership. Phase I budget includes developing the base-level budget, which includes base assumptions, approved facility growth and business plans, and approved strategic initiatives. Phase II budget includes the financial impact of externalities from City, State, or Federal policy or executive budgets or financial plans. Phase III budget includes FY-22 post-COVID recovery plans, FY-22 new service and strategic opportunities, and finally the budget roll-out.

Mr. Cassidy reviewed COVID-19 Federal relief. H+H has paid out approximately \$1.7B on COVID-19 through March 2021. Current commitments are about \$2.0B. We have received \$266M in FEMA advances to-date. A second drawdown package is under FEMA review and we have submitted a letter requesting an expedited payment. To date, H+H has received \$1.2B thus far, largely from the High Impact (\$754M), Safety-Net (\$359M), and General Allocation Provider Relief Fund (\$69M). Unallocated Provider Relief Funds from the \$175B CARES Act Allocation remain. We continue to advocate for any unallocated funds to prioritize and any new funds should prioritize high-Medicaid and safety-net hospitals.

Ms. Sarah Lum reviewed the Test and Trace financial update. Through March, H+H paid out approximately \$745 million of \$1.5 billion estimated expenses. The City has provided H+H with sufficient

funding to cover expenses to date. Additional Federal funds for New York City have been announced for Test and Trace Corps. H+H was awarded \$270 million for a CDC ELC Expansion Grant to cover testing and tracing. H+H was awarded \$251 million for a CDC ELC School Testing Grant. FEMA is expected to reimburse eligible T-2 testing and vaccine costs at 100%. OMB expects there will be additional Federal funding allocated for the American Rescue Plan.

Ms. Wang commended the team on their work and opened up to the committee members for questions.

Ms. Barbara Lowe asked about the impact on long-term care.

Mr. Siegler replied that overall our post-acute facilities are well-run and well-staffed. They are 4 and 5 Star facilities with CMS and even throughout the pandemic have continued to perform well. They are adapting to the new testing and vaccination requirements, which is some additional expenses that are manageable. We are in compliance with the required staffing ratios from the State and staff retention is strong.

Ms. Lowe asked if long-term care admissions requirements are concerns for the budget.

Mr. Siegler replied that patient satisfaction is one we are carefully monitoring but at this stage there are no budget concerns.

Ms. Sally Hernandez-Piñero asked what our cash balance will look like if we do not achieve FEMA relief by the end of the fiscal year.

Mr. Ulberg replied that we need to achieve at least one of the external risks we listed in the managed external risks slide, and that our financial plan assumes we achieve all of them.

Ms. Wang followed-up on this question by asking Mr. Ulberg if the UPL conversion will be a stabilizing factor for our cash flow.

Mr. Ulberg replied that yes, the UPL conversion will be an ongoing stabilizing force for our revenue stream.

Ms. Hernandez-Piñero asked if our T-2 vendors are getting paid on time for the services they are delivering.

Mr. Ulberg replied that we do not hold payments to vendors.

Ms. Hernandez-Piñero commended the team for their efforts.

Mr. Feniosky Peña-Mora asked about the lessons we have learned during the past few years that can help us as we look into the future.

Mr. Ulberg replied that turning unpredictable lump sum payments into scheduled and ongoing payments going forward is important. One example of this is the UPL payments. We are working to do this on DSH as well to have a more predictable schedule of payments. Another is that for the first time because of EPIC we can see into the data and go after the larger opportunities. For example, revenue cycle denials.

Mr. Siegler also replied to Mr. Peña-Mora's question adding that he thinks the level of transparency that we have built with the facilities on how they are performing financially is essential to our success in the future.

Mr. José Pagán commended the team on their efforts.

Dr. Mitchell Katz had no questions.

**ADJOURNMENT**

There being no further business the meeting was adjourned at 11:56 a.m.

## **RESOLUTION**

Authorizing New York City Health and Hospitals Corporation (the “**System**”) to sign a three-year best interest renewal contract with Cardinal Health 200, LLC (the “**Vendor**”) for distribution of Medical, Surgical and Laboratory products for the System, providing forward purchasing of products, warehousing, and shipping with two one-year options to renew the contract exercisable only by the System and with the total cost of the contract over its full potential five-year term not to exceed \$608,800,000.00.

**WHEREAS**, the System benefits from having a prime distributor of Medical, Surgical and Laboratory products for the System, providing forward purchasing of products, warehousing, and shipping that permits them to provide customers with one comprehensive supply delivery platform; and

**WHEREAS**, in 2020 the System extended its contract with the Vendor to provide distribution of Medical, Surgical and Laboratory products for one additional year, with a term to expire July 31, 2021;

**WHEREAS**, under OP 100-5, the System can renew an agreement where it is in the System’s best interest provided it performed a cost benefit analysis and has received the approval of the Contract Review Committee; and

**WHEREAS**, the System has built a significant investment in the partnership through the Vendor’s existing agreement, which remains net negative in total costs, and switching to another vendor would involve abandoning such investment, where no additional value would be realized.

**WHEREAS**, the Vice President of Supply Chain will manage the proposed contract.


**NOW THEREFORE, BE IT RESOLVED**, that New York City Health and Hospitals Corporation be and it hereby is authorized to sign a three-year best interest renewal contract with Cardinal Health 200, LLC to provide services of prime distributor of Medical, Surgical and Laboratory products for the System, providing forward purchasing of products, warehousing, and shipping that permits them to provide customers with one comprehensive supply delivery platform, with two one-year options to renew the contract exercisable only by the System and with the total cost of the contract over its full potential five-year term not to exceed \$608,800,000.

**EXECUTIVE SUMMARY**  
**AWARD OF CONTRACT TO**  
**CARDINAL HEALTH 200, LLC FOR**  
**ENTERPRISE WIDE MEDICAL SURGICAL DISTRIBUTION**

- BACK-GROUND:** In May 2020, the Board of Directors approved a contract extension between NYC Health and Hospitals Corporation and Cardinal Health 200, LLC. The Vendor has been the prime distributor for Medical Surgical products since 2008, with a core competency in support of the pre-purchase, warehousing, and shipment of daily use medical items to all facilities. Cardinal Health 200, LLC has played an essential role in managing supplies during multiple pandemics and natural disasters by utilizing world class sourcing efforts to procure products from various parts of the world, setting up temporary storage locations, and expediting shipping. They have also played a pivotal role in supporting efforts to move to Logical Unit of Measure inventory planning in support of the two-bin inventory system implementation.
- PROCUREMENT:** Proposed renewal is on the basis of its being in the System’s best interest. The best interest case was presented, including a cost benefit analysis, to the Contract Review Committee which approved of the renewal.
- TERMS:** The Vendor will provide prime distribution of Medical, Surgical and Laboratory products for the System, providing forward purchasing of products, warehousing, and shipping that permits them to provide customers with one comprehensive supply delivery platform. The Vendor will also provide a 3<sup>rd</sup> Party Logistics (3PL) program to support the storage and management of medical products essential to pandemic response. The total cost for Medical Surgical Distribution and 3PL is not to exceed \$608,800,000. Medical Surgical Distribution spend is contracted directly between NYC Health and Hospitals Corporation and the manufacturer of each product, whereby Cardinal Health 200, LLC charges a markup of 1.1% per item. The 3PL component is charged monthly based on number of pallets utilized for storage.
- FUNDING:** All expenses are OTPS and will be paid from operating funds.
- MWBE:** The Vendor is self-performing through employees for 91.5% of the work under this agreement. The Vendor has committed the remaining 8.5% (\$52,040,160) to MWBE vendors and has implemented a program dedicated to growth in this space.



To: Colicia Hercules  
Chief of Staff, Office of the Chair

From: Keith Tallbe   
Senior Counsel  
Office of Legal Affairs

Re: Vendor responsibility, EEO and MWBE status

Vendor: Cardinal Health 200, LLC

Date: April 28, 2021

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The below chart indicates the vendor's status as to vendor responsibility, EEO and MWBE:

<b><u>Vendor Responsibility</u></b> Approved	<b><u>EEO</u></b> Pending	<b><u>MWBE</u></b> 8.5% Utilization Plan
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The above status is consistent and appropriate with the applicable laws, regulations, and operating procedures to allow the Board of Directors to approve this contract.

# **Medical Surgical Distribution**

## **Application for Best Interest Contract Renewal Cardinal Health**

**Finance Committee  
June 7, 2021**

**Paul Albertson – Vice President Supply Chain  
Joe Wilson – Senior AVP Strategic Sourcing**

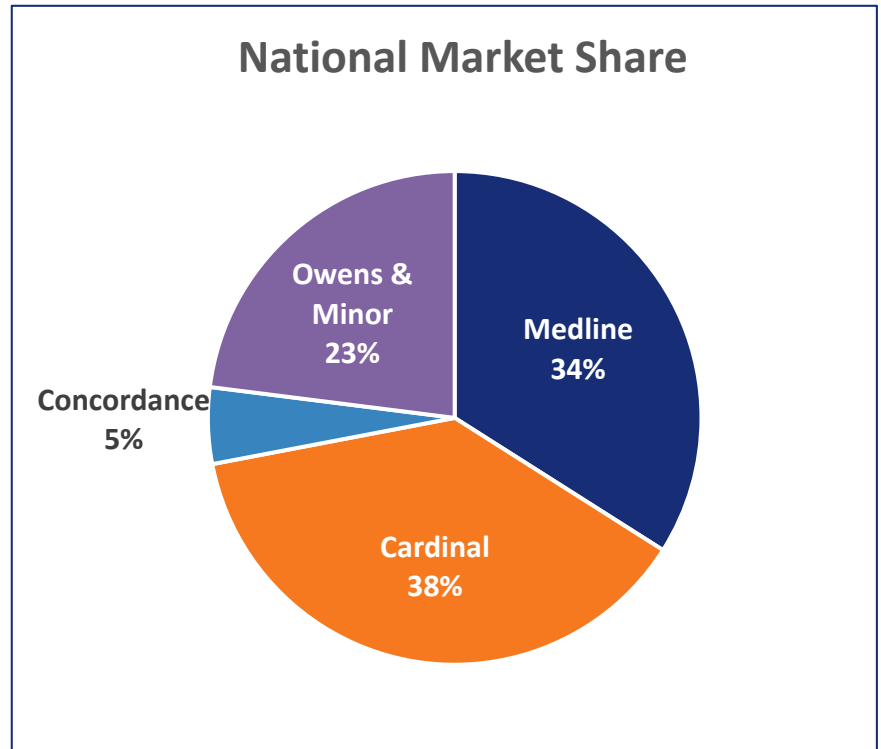
# Background

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- The standard practice of all health systems is to utilize a distribution partner to warehouse and distribute Medical Surgical products.
- Cardinal Health is the prime distributor of Medical, Surgical and Laboratory products for the System, providing forward purchasing of products, warehousing, and shipping that permits them to provide customers with one comprehensive supply delivery platform.
- The services are provided to Acute, Post-Acute, Gotham, and Correctional Health
- The original agreement was awarded by RFP in 2008, and a 3-year best interest extension was executed in August 2017
  - Subsequent one-year renewal was executed on August 1, 2020
- Estimated Annual Spend: \$110,000,000
  - Current Spend: \$154,146,881
  - 1.1% Markup on National Brand products
  - 0% Markup on Cardinal brand products
  - All products are selected and sourced directly by the System
  - \$1,168,860 of the \$154,146,881 is the Cardinal annual distribution fee
- Contract Expiration: July 31, 2021

## Highlights

- Three Suppliers represent 95% of Distribution Market
- Cardinal is only supplier that can provide Medical Surgical, Lab, and Pharmacy Distribution
- Cardinal provides dedicated on-site resources as part of support model
- Owens & Minor has been for sale since 2019
- Medline has been for sale since March 2021



## **Distribution**

- Pre-purchase, warehousing/3PL of products contracted/ordered by the system
- Deliveries five days per week, weekend courier service available
- Dedicated full time employees for daily support of facilities

## **COVID Support**

- Preferred allocation of difficult to source stock, e.g. PPE, Critical Care, Vent supplies
- 24/7 access to warehouse and logistics support, moved product overnight to ensure availability, performed courier service between facilities so limited product could be shared
- Cardinal worked with manufacturers to review H+H sourced product to ensure authenticity
- On-site clinical support team to build custom kits from alternate sourced products to ensure OR procedures were not interrupted

## **Operations**

- Transition from bulk ordering to just-in-time ordering
- ValueLink Program
- Essential to daily operations and implementation of the BlueBin inventory system
- 3,300 items ordered through the ValueLink Logical Unit of Measure (LUM) program
- Reduces inventory on the shelves and streamlines ordering processes
- Utilizes barcode reading/touchless ordering, and unit-based deliveries of supplies

## Financial

- Estimated \$2,000,000 in rebates on Cardinal brand products, realized annually against an estimated annual \$1,100,000 in fees provides a net negative cost of goods for distribution of products
- \$13,201,830 savings since August 2017
- Continuation of industry low cost-plus markups of 1.1% National Brand and 0% Cardinal Brand products

## Partnership

- Impactful Investments
  - Emergency Response
  - BlueBin/ValueLink Implementation
  - Inventory Management Support
  - Seven dedicated resources providing daily support

## Additional Synergies

- Pharmacy Distribution
- Lab Distribution
- 3rd Party Logistics (COVID Medical and PPE Supply Warehouses)
- Optifreight-Freight Management
- Surgical Custom Pack Program

## Operational Continuity

- Pandemic Response
  - Supply stabilization and future readiness
  - Greater access to global manufacturing related to essential supplies
  - Pandemic reserve supply managed in Cardinal warehouses
- BlueBin Implementation in process
  - ValueLink LUM essential to success of program
  - Ensures product readiness
  - Drives operational efficiency
  - Current processes are designed to function with current program with Cardinal
- Supplier Transition Considerations
  - Potential supply disruptions influencing patient care
  - Temporary staff necessary to support a conversion
  - Custom Surgical Pack disruptions

# Contract Renewal Justification

A best interest renewal under the system’s procurement operating procedure, OP 100-05, is where the system determines it is in its best interest to renew a contract rather than re-procure it. This is permissible under OP 100-05 when the best interest determination is supported by a cost-benefit analysis.

The cost-benefit analysis to support the renewal below shows that there would be a significant negative value in terms of dollars and services were we to switch to another vendor. We conservatively estimate the total additional hard dollar costs to switch to a new vendor would be a minimum of ~\$18.13 million. It would take about twelve months to switch to another vendor.

<u>Benefits of Renewing</u>	<u>Costs of Switching</u>
Multi-faceted relationship with Distribution and 3PL Program in addition to Pharmacy Program, Optifreight, etc.	Temporary Staff required to support transition at facilities 22 <b>FTE – 8 months</b> <b>~\$733,000</b>
Industry low cost-plus markups of 1.1% National Brand and 0% Cardinal Brand products	Clinical Temporary Staff to support OR Custom Packs transition and Med Surg product transition review 4 RN FTE – 12 months <b>~\$600,000</b>
Net neutral cost with annual rebate agreement compared to cost-plus markup. <b>~\$7 million</b>	Temporary Resource – Contract re-work <b>~\$400,000</b>
The Vendor is currently providing substantial benefits through its commitment of resources	Optifreight Program Removal <b>~\$6.5 million</b>
3PL program for Pandemic Supply to support essential products	3PL Program Conversion <b>Freight ~\$2 million</b> <b>Data Support ~\$400,000</b>
	Clinical staff time (Product approval) <b>~\$1.5 million</b>
	Lost opportunity cost <b>~\$6 million</b>



## Premier Group Purchasing Organization

Premier is the Group Purchasing Organization (GPO) used by the System. GPOs use aggregated spend across their members to negotiate best pricing for goods and services.

- Premier has 3,600 member hospitals, including NYU, Mt Sinai, and Northwell
- Premier conducted an RFP for Medical Surgical Distribution in 2017
- Committee made up of 19 members of hospital and GPO executives from across the country
- Service considerations were used to determine suppliers who participated in the final negotiation process
  - Minimum qualifications were established based on fee transparency, class of trade inclusions, price protection against manufacturer cost increases, etc.
- Final awards were based on offering value and savings opportunities to membership
- Acute Care RFP Awarded 4 Suppliers
- NYC Health and Hospitals' Cardinal markup of 1.1%, 60% greater discount than the best negotiated GPO tier for all suppliers
- Premier's contract with Cardinal Health contains a markup of 3.75% with a minimum annual spend commitment of \$15,000,000.

# Vendor Diversity

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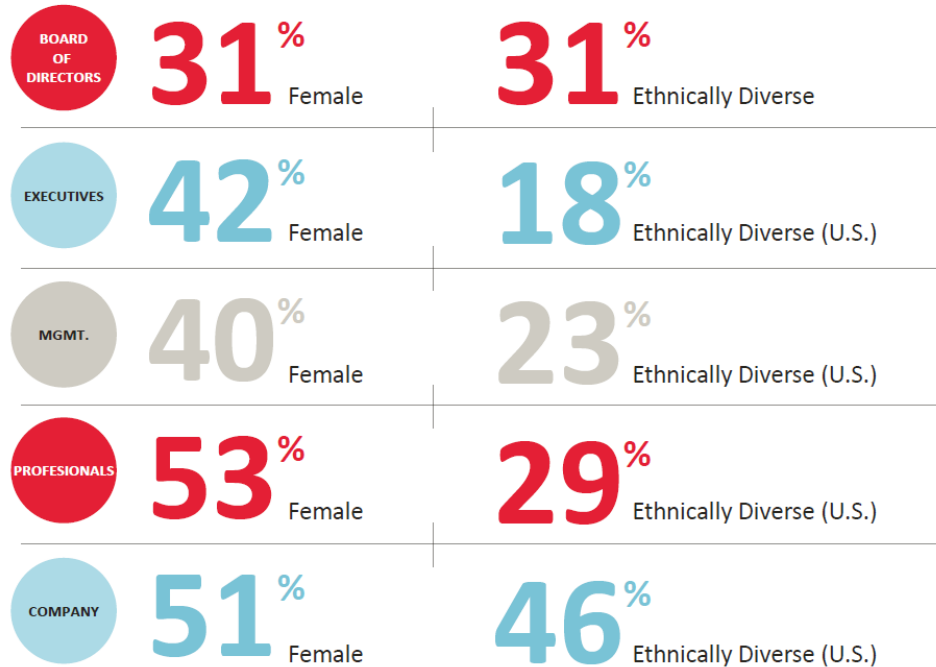
- Goods account for 99% of costs with this agreement
  - 74% of products are contracted through third parties
  - Clinical regulation impacts quantity of diverse suppliers available
  - Historically, NYC Health + Hospitals has excluded this contract from MWBE participation based on the lack of availability of diverse vendors able to provide clinical goods.
- Opportunity Review
  - Cardinal has worked to increase MWBE participation for NYS/NYC certified firms by adding 18 vendors since July 2020
    - Additional 10 vendors in process for certification
  - Total annual MWBE spend is \$957,762 combining H+H purchases and Cardinal subcontracted spend
  - In addition, 5% of the annual contract spend is with certified diverse vendors other than NYC or NYS – approximately \$5,500,000
- Based on the 8.12% currently achieved, and additional open opportunities, we recommend an MWBE goal of 8.52%. Cardinal has committed to a 17.04% MWBE goal by year five of the agreement.

## Cardinal Commitment

- MWBE Growth – Vendor Purchases/Subcontracting
  - Since Extension in August 2020 Cardinal has grown MWBE spend with the system by 78.6%
- Global Presence
  - 2,700+ Diverse Supplier Partner Relationships Inclusive of small businesses, HUB zone-based businesses and businesses owned by minorities, women, veterans, service-disabled veterans, lesbian, gay, bisexual or transgender individuals
  - \$847 million annual spend with diverse suppliers across Medical, Pharmacy, and Corporate
    - Minority Spend: \$178,882,556
    - Women-Owned Spend: \$220,047,333
- Supplier Engagement
  - Relationship driven
    - National Minority Supplier Development Council
    - Inner City Capital Connections
  - Marketing realignment
  - Education and Training programs
  - Investment of **\$36,000,000** over five years in MWBE supplier development and outreach

## Corporate Structure

- Workforce Diversity Commitment – United States



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- NYC Health + Hospitals Direct Support
  - 57% Female
  - 50% Ethnically Diverse

# Finance Committee Approval Request

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- We are seeking approval to enter into contract under the Best Interest Renewal provision in OP 100-05, with Cardinal Health 200, LLC for Medical Surgical Distribution services:
  - Three-year contract with two one-year options exercisable at the discretion of NYC Health and Hospitals
  - Effective 8/1/21
  - Not-to-exceed: \$608,800,000
  - MWBE Goal of 8.52% (\$10,373,952) increasing to 17.04% (\$20,747,904) by year five of the agreement

## RESOLUTION

Authorizing New York City Health and Hospitals Corporation (the “**System**”) to amend its contracts for school and mobile Covid-19 testing with each of Rapid Reliable Testing, Inc. (“**RRT**”), Bio Reference Laboratories, Inc. (“**BRL**”), Fulgent Genetics, Inc. (“**Fulgent**”), Somos Healthcare Inc. D/B/A Somos Community Care (“**Somos**”), MedRite LLC (“**Medrite**”) and Premier Assist LLC (“**Premier**”) (together, the “**Vendors**”) to increase the not-to-exceed limit on the five by \$17M from \$189M to a total amount not to exceed \$206M.

**WHEREAS**, the System manages Covid-19 testing in all of the City of New York (the “**City**”) schools and in City communities at various temporary locations and mobile units; and

**WHEREAS**, on December 10, 2020 the System’s Board of Directors approved contracts with the Vendors with a collective not-to-exceed limit of \$189M with BRL, Fulgent, Somos and Medrite doing school testing and RRT, Medrite and Premier doing community testing; and

**WHEREAS**, the contracts with the Vendors will expire December 31, 2021; and

**WHEREAS**, the System has issued an RFP for the award of a new set of contracts for the work now being performed by the Vendors with the expectation that new contracts will be in place as of October 1, 2021; and

**WHEREAS**, \$17M of additional funding for the work of the Vendors is needed through the expiration of the current contracts to raise the not-to-exceed limit on the five Vendors from \$189M to a total amount not to exceed \$206M; and

**WHEREAS**, the Sr. Vice President of Ambulatory Care will manage the proposed contracts.

**NOW THEREFOR, BE IT RESOLVED**, that New York City Health and Hospitals Corporation be and it hereby is authorized to amend its contracts for school and mobile Covid-19 testing with each of Rapid Reliable Testing, Inc. (“**RRT**”), Bio Reference Laboratories, Inc. (“**BRL**”), Fulgent Genetics, Inc. (“**Fulgent**”), Somos Healthcare Inc. D/B/A Somos Community Care (“**Somos**”), MedRite LLC (“**Medrite**”) and Premier Assist LLC (“**Premier**”) (together, the “**Vendors**”) to increase the not-to-exceed limit on the five by \$17M from \$189M to a total amount not to exceed \$206M.

**EXECUTIVE SUMMARY**  
**AWARD OF CONTRACTS TO**  
**FIVE VENDORS TO PERFORM COVID-19 TESTING**

**BACK-GROUND:** The System manages Covid-19 testing in all of the City schools and in City communities at various temporary locations and mobile units. In November, 2020 the System's Board of Directors approved contracts with the Vendors with a collective not-to-exceed limit of \$189M with BRL, Fulgent, Somos and Medrite doing school testing and RRT, Medrite and Premier doing community testing.

School testing is performed on a regular cycle at all schools and has cost approximately \$16M/month. Community testing is performed at a variety of locations including large operations at CitiField, the Brooklyn Army Terminal and at the Bathgate Industrial Center as well as at many smaller sites. Testing is also performed at 40 mobile units with the Community testing represents 10,000-20,000 tests weekly costing approximately \$8M/month.

At the above rate of spending, the authorized funding will be exhausted by the end of June 2021.

**PERFORMANCE:** The Vendors have all performed satisfactorily and the over-all initiative has been hugely successful. T2's testing regimen has allowed NYC's public school system, the largest in the Country to remain open throughout the 2020-2021 school year. More than 1.2M tests conducted since October 2020. The mobile units have been effective in reaching areas with high positivity rates.

**MWBE:** Somos, Medrite, Premier and RTR each had 30% MWBE subcontracting goals. Somos has met or exceeded this goal Each of these other has been working to raise their MWBE levels.

To: Colicia Hercules  
Chief of Staff, Office of the Chair

From: Keith Tallbe Tallbe, Keith  
Senior Counsel Keith  
Office of Legal Affairs

Re: Vendor responsibility, EEO and MWBE status

Vendor: Rapid Reliable Testing NY, LLC (Ambulnz)

Date: May 26, 2021

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Digitally signed by  
Tallbe, Keith  
Date: 2021.05.26  
13:03:50 -04'00'

The below chart indicates the vendor 's status as to vendor responsibility, EEO and MWBE:

**Vendor Responsibility**

Approved

**EEO**

Approved

**MWBE**

30% MWBE Utilization Plan

The above status is consistent and appropriate with the applicable laws, regulations, and operating procedures to allow the Board of Directors to approve this contract.



To: Colicia Hercules  
Chief of Staff, Office of the Chair

From: Keith Tallbe Tallbe,  
Senior Counsel Keith  
Office of Legal Affairs

Re: Vendor responsibility, EEO and MWBE status

Vendor: BioReference Laboratories, Inc.

Date: May 26, 2021

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Digitally signed by  
Tallbe, Keith  
Date: 2021.05.26  
13:05:35 -04'00'

The below chart indicates the vendor 's status as to vendor responsibility, EEO and MWBE:

**Vendor Responsibility**

Approved

**EEO**


Approved

**MWBE**

30% MWBE Utilization Plan

The above status is consistent and appropriate with the applicable laws, regulations, and operating procedures to allow the Board of Directors to approve this contract.

To: Colicia Hercules  
Chief of Staff, Office of the Chair

From: Keith Tallbe      Tallbe,  
Senior Counsel      Keith  Digitally signed by  
Tallbe, Keith  
Date: 2021.05.26  
13:10:04 -04'00'

Re: Vendor responsibility, EEO and MWBE status

Vendor: Fulgent Genetics. Inc.

Date: May 26, 2021

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The below chart indicates the vendor 's status as to vendor responsibility, EEO and MWBE:

**Vendor Responsibility**

Approved

**EEO**

Approved

**MWBE**

15% MWBE Utilization Plan

The above status is consistent and appropriate with the applicable laws, regulations, and operating procedures to allow the Board of Directors to approve this contract.

To: Colicia Hercules  
Chief of Staff, Office of the Chair

From: Keith Tallbe Tallbe,  
Senior Counsel Keith  
Office of Legal Affairs

Re: Vendor responsibility, EEO and MWBE status

Vendor: MedRite, LLC

Date: May 26, 2021

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Digitally signed by  
Tallbe, Keith  
Date: 2021.05.26  
13:07:00 -04'00'

The below chart indicates the vendor 's status as to vendor responsibility, EEO and MWBE:

**Vendor Responsibility**

Approved

**EEO**

Approved

**MWBE**

30% MWBE Utilization Plan

The above status is consistent and appropriate with the applicable laws, regulations, and operating procedures to allow the Board of Directors to approve this contract.

To: Colicia Hercules  
Chief of Staff, Office of the Chair

From: Keith Tallbe Tallbe, Keith  
Senior Counsel Keith  
Office of Legal Affairs

Re: Vendor responsibility, EEO and MWBE status

Vendor: Premier Assist, LLC

Date: May 26, 2021

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Digitally signed by  
Tallbe, Keith  
Date: 2021.05.26  
13:11:18 -04'00'

The below chart indicates the vendor 's status as to vendor responsibility, EEO and MWBE:

**Vendor Responsibility**

Approved

**EEO**

Approved

**MWBE**

30% MWBE Utilization Plan

The above status is consistent and appropriate with the applicable laws, regulations, and operating procedures to allow the Board of Directors to approve this contract.

To: Colicia Hercules  
Chief of Staff, Office of the Chair

From: Keith Tallbe Tallbe,  
Senior Counsel Keith  
Office of Legal Affairs

Re: Vendor responsibility, EEO and MWBE status

Vendor: SOMOS Healthcare, Inc.

Date: May 26, 2021

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Digitally signed by  
Tallbe, Keith  
Date: 2021.05.26  
13:08:22 -04'00'

The below chart indicates the vendor 's status as to vendor responsibility, EEO and MWBE:

**Vendor Responsibility**

Approved

**EEO**

Approved

**MWBE**

30% MWBE Utilization Plan

The above status is consistent and appropriate with the applicable laws, regulations, and operating procedures to allow the Board of Directors to approve this contract.

# **Citywide Testing Capability Expansion: DOE and Mobile Unit Testing**

**Request to Increase NTE  
Finance Committee  
June 7, 2021**

**Chris Keeley, COO  
Test & Trace Corps**

- New York City faced some of the harshest and earliest impacts of COVID-19
- To meet an expanding need of testing capacity, T2 solicited proposals and awarded contracts to conduct COVID-19 testing through two modalities:
  1. DOE Testing
    - Testing in all of NYC's public schools on a routine basis (i.e., weekly, monthly)
    - Currently performed by BioReference Labs (BRL), Fulgent Genetics, SOMOS Community Care, and MedRite at \$16M/month
  2. Community Testing
    - Testing on mobile units and other types of testing outside of public schools, such as through mobile units that can do testing on sidewalks
    - Currently executed by Rapid Reliable Testing, MedRite, and Premier Assist at \$8M/month
- Vendor performance has been satisfactory
- Based on best information/projections, the Board authorized the requested \$189M for this work on December 10, 2020, as T2 expected it would pay for all needed testing for 6 months
- We are nearing the NTE in June and are requesting an increase of \$17M to the NTE to take us through the next round of contracts
- We have issued and are finalizing a new solicitation for these services

# Community Impact

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- DOE testing: T2's testing regimen has allowed NYC's public school system to remain open throughout the 2020-2021 school year
  - More than 1.2M tests conducted since October 2020
  - Positivity rate has been consistently low (less than 1%)
  - Largest school district in the country has remained open
- Mobile testing: Via mobile and other community-based methods of testing, T2 has made testing accessible and widespread throughout the five boroughs and particularly in areas with high positivity rates
  - 40+ mobile units deployed daily
  - Dozens of community testing teams conducting 10,000-20,000 tests weekly
  - Community-driven model where we go to locations identified by community partners



# Request to Increase NTE

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- DOE and community testing are critical components of the City's COVID-19 response
- Existing approvals allow for an NTE of \$189M for DOE and community testing
- We will near the approved NTE of \$189M by the end of June 2021 due to robust DOE and community testing, although the agreements are active through December 2021
- A new solicitation for proposals was approved by the System's Contract Review Committee. Solicitations were due May 28; we received 29 applications. The evaluation committee will finalize vendor selection in early June.
- In July, we will present for approval to the Board the result of that solicitation
- To permit uninterrupted testing and not exceed the NTE, we are seeking to increase the NTE for the current contracts by \$17M, increasing it from \$189M to \$206M
- Funding will come from NYC under an existing T2-MOU with OMB, which is effective for expenses through June 30, 2022

# MWBE Spend

- Vendors were required to start operations immediately upon selection in order to meet the City's COVID testing demands
  
- Some had existing MWBE partnerships, others committed to establishing them
  - 4 of 6 vendors have established partnerships with MWBE firms in order to make progress toward their goals
    - **MedRite, \$8M paid to date:** New subcontractor for staffing, Spend began in month 3-4, currently 8% of \$8M
    - **Fulgent, \$30M paid to date:** New subcontractor for staffing, Spend began in month 6
    - **Premier, \$760K paid to date:** New subcontractor for staffing, Spend began in month 6
    - **Rapid Reliable Testing, \$18M paid to date:** Existing subcontractor for staffing pending certification, NYC SBS is engaged to expedite; Spend began in month 1, expects ~10% of \$20M and looking for opportunities on the mobile unit space
  - 2 of 6 vendors have exceeded target
    - **SOMOS: \$4.9M of \$5.8M, or 85%**
    - **BRL: \$16M of \$40.9M, or 39%**
  
- Overall contract MWBE spend: **\$22.5M of \$104M, or 22%**

## Finance Committee Approval Request

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- We are seeking approval to increase the Not-To-Exceed by \$17M for the current pool of T2 DOE and mobile testing contracts
  - BioReference (BRL) Labs
  - Fulgent Genetics
  - SOMOS Community Care
  - MedRite
  - Rapid Reliable Testing
  - Premier Assist
  
- This will increase the NTE from \$189M to \$206M
  
- The contract terms will stay unchanged
  
- Funding will come from NYC under an existing T2-MOU with OMB, which is effective for expenses through June 30, 2022

## RESOLUTION

Authorizing New York City Health and Hospitals Corporation (the “**System**”) to sign contract renewals through December 31, 2021 with the 36 not-for-profit, community-based organizations listed on Attachment 1 to this Resolution (the “**CBOs**”) to continue their community outreach work promoting COVID-19 prevention, testing and vaccination messaging with an option, exercisable solely by the System for an additional six months for a total amount not to exceed \$27.5M for the entire group and with sub-limits by tier of CBO as indicated in Attachment 1.

**WHEREAS**, in the COVID response of City of New York (the “**City**”), direct communication with New Yorkers from trusted messengers such as community-based organizations have played an essential and irreplaceable role; and

**WHEREAS**, in July, 2020, DOHMH collaborated with the System through the Test + Trace Unit to issue an RFP targeting not-for-profit community-based organizations;

**WHEREAS**, out of scores of proposals, an Evaluation Committee recommended 41 CBOs to be awarded contracts not to exceed \$8.1M through October 2020 with the explicit goals, stated in the RFP, to ensure specific language and cultural competence and the ability to cover all 33 Taskforce Racial Inclusion and Equity (TRIE) priority neighborhoods using 17 languages including American Sign Language; and

**WHEREAS**, due to the persistence of the epidemic and with additional funding from the City’s OMB, the System renewed the contracts of 39 of the CBOs through June 2021 with increased funding of \$15.8M; and

**WHEREAS**, the System continues to lead the City’s effort to promote COVID-19 vaccination, testing and public health measures to contain the epidemic; and

**WHEREAS**, the CBOs are the System’s main avenue to reach hard to engage New Yorkers whose trust of government is low but need for services high; and

**WHEREAS**, the CBOs have contributed to the City’s high testing rate and can now turn their attention to helping New Yorkers access the vaccine with tough one-on-one conversations to increase confidence in the vaccine; and

**WHEREAS**, while nearly 60% of City adults have received at least one dose of the vaccine, fewer than 35% of Black New Yorkers, and fewer than 45% of Latino New Yorkers have. These CBOs are uniquely positioned to continue their successful work to increase testing and vaccine rollout; and

**WHEREAS**, the Sr. Vice President of Ambulatory Care will manage the proposed contracts.

**NOW THEREFOR, BE IT RESOLVED**, that New York City Health and Hospitals Corporation be and it hereby is authorized to sign contract renewals through December 31, 2021 with the 36 not-for-profit, community-based organizations listed on Attachment 1 to this Resolution (the “**CBOs**”) to continue their community outreach work promoting COVID-19 prevention, testing and vaccination messaging through street canvassing, virtual engagements, phone and text banking and social media posts with an option, exercisable solely by the System for an additional six months for a total amount not to exceed \$27.5M for the entire group and with sub-limits by tier of CBO as indicated in Attachment 1.

**ATTACHMENT 1**  
**NEW YORK CITY HEALTH AND HOSPITALS CORPORATION**  
**RESOLUTION PRESENTED TO BOARD OF DIRECTORS**

**LIST OF CBOs FOR CONTRACT EXTENSIONS**

**Tier 1 (6) Contract Limit \$1,125,000 For Renewal Period (\$1,125,000 for Option period)**

- Community Health Action of Staten Island (CHASI)
- National Black Leadership Commission on Health
- Public Health Solutions
- SCO
- The Child Center
- The Osborne Association

**Tier 2 (19) Contract Limit \$300,000 For Renewal Period (\$300,000 for Option period)**

- African Communities Together
- Brooklyn Public Library
- CIANA
- Central Family Life Center
- Common Point Queens
- Community Mediation Services
- Harlem Community Justice Center
- Health People
- Housing Works
- India Home
- Jewish Community Council of Greater Coney Island
- Make the Road New York
- Maspeth Town Hall
- Mexican Coalition
- Mosholu Montefiore Community Center
- Project Hospitality
- SCAN-Harbor
- The Fortune Society
- The Hebrew Educational Society of BK

**Tier 3 (11) Contract Limit \$75,000 For Renewal Period (\$75,000 for Option period)**

- African Services Committee
- Fifth Avenue Committee
- Hetrick-Martin Institute
- Jacob A. Riis Neighborhood Settlement
- Korean American Family Service Center
- Mixteca Organization
- NY Immigration Coalition
- Pride Center of Staten Island
- Sure We Can
- The Institute for Family Health
- YAI

## EXECUTIVE SUMMARY

**BACK-GROUND:** Throughout the epidemic direct communication with New Yorkers from messengers they trust has been an essential strategy of the City's response. Community based organizations have existing relationships in neighborhoods and serve across many areas as trusted sources of information – often far more trusted than city agencies. Because epidemic response has relied so heavily on informing New Yorkers on individual actions they need to take – like wearing masks, maintaining social distance, seeking a test often even when not symptomatic, answering the call when a tracer reaches out, and getting vaccinated – the conversations CBOs have led and continue to lead are a critical and irreplaceable piece of the City's overall response.

**SELECTION OF VENDORS:** In July 2020, Test and Trace Corps issued an RFP seeking non-profit CBOs for community outreach. 41 CBOs were awarded contracts from July-November, 2020 to conduct outreach across 167 zip codes for wider neighborhood, cultural, language, and demographic reach. \$8.1M of funding was distributed to the 41 CBOs. Total awards amounts were \$750,000 for Tier 1, \$200,000 for Tier 2, and \$50,000 for Tier 3 based on CBO size and capacity. Based on satisfactory performance and the persistence of the epidemic, renewals of agreements and continued funding were arranged for 39 CBOs from November 2020-June 2021. \$15.8M of additional funding was distributed to the 39 CBOs. Total awards amounts were \$1.3M for Tier 1, \$350,000 for Tier 2, and \$87,500 for Tier 3 based on CBO size and capacity.

Since July 2020, the System has continuously monitored the CBOs' performance. On this proposed renewal, only 36 are now proposed for contract renewals.

**TERMS:** During the term of the CBO contracts, the CBO's have been given performance metrics to meet including number of staff deployed, number of contacts made, number of events held, etc. If the CBOs meet their metrics, they receive the stated compensation at regular intervals during the term.

**MWBE:** As a requirement of the RFP all of the CBOs were required to be non-profit entities, as well as any of their subcontractors. Non-profit entities cannot be certified as MWBEs under NYS or NYC law. Therefore, this pool of non-profit CBOs agreements is exempt from MWBE goals.

# **COVID-19 Testing & Vaccination Outreach & Education for FY'22**

**Request to Extend Agreements with  
36 Community Based Organizations**

**Finance Committee Meeting - June 7, 2021**  
**Dr. Theodore Long – Senior Vice President for  
Ambulatory Care and Executive Director of  
Test and Trace**

# Background/Current State

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- In the City's COVID response, direct communication with New Yorkers from trusted messengers is critical. Community Based Organizations (CBOs) have longstanding neighborhood relationships and are trusted sources of COVID related information.
- CBO Outreach involves promoting COVID-19 prevention, testing and vaccination messaging through street canvassing, virtual engagements such as town halls, phone and text banking and social media posts
- Outreach is conducted in all the 33 Taskforce Racial Inclusion and Equity (TRIE) priority neighborhoods using 17 languages including American Sign Language.
- As of the end of April, over 1,760,460 community members have been reached through City-wide in-person engagements.
- Test and Trace Corps (T2) is seeking approval to extend CBO funding through FY22 for \$27.5M.
- Funding will come from NYC under the existing T2-MOU with OMB, which is effective for expenses through June 30, 2022



# Overview of Procurement

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- In July 2020, Test and Trace Corps issued an RFP seeking non-profit CBOs for community outreach and issued such contracts under the President's emergency declaration.
- 41 CBOs were awarded contracts from July-November, 2020 to conduct outreach across 167 zip codes for wider neighborhood, cultural, language, and demographic reach.
  - \$8.1M of funding was distributed to the 41 CBOs.
  - Total awards amounts were \$750,000 for Tier 1, \$200,000 for Tier 2, and \$50,000 for Tier 3 based on CBO size and capacity.
- Based on satisfactory performance and the persistence of the epidemic, renewals of agreements and continued funding were arranged for 39 CBOs from November 2020-June 2021 as they met and exceeded milestones set for them.
  - \$15.8M of additional funding was distributed to the 39 CBOs.
  - Total awards amounts were \$1.3M for Tier 1, \$350,000 for Tier 2, and \$87,500 for Tier 3 based on CBO size and capacity.
- As of April 30, 2021, NYC Health + Hospitals has paid out \$13.9M to the contracted CBOs.

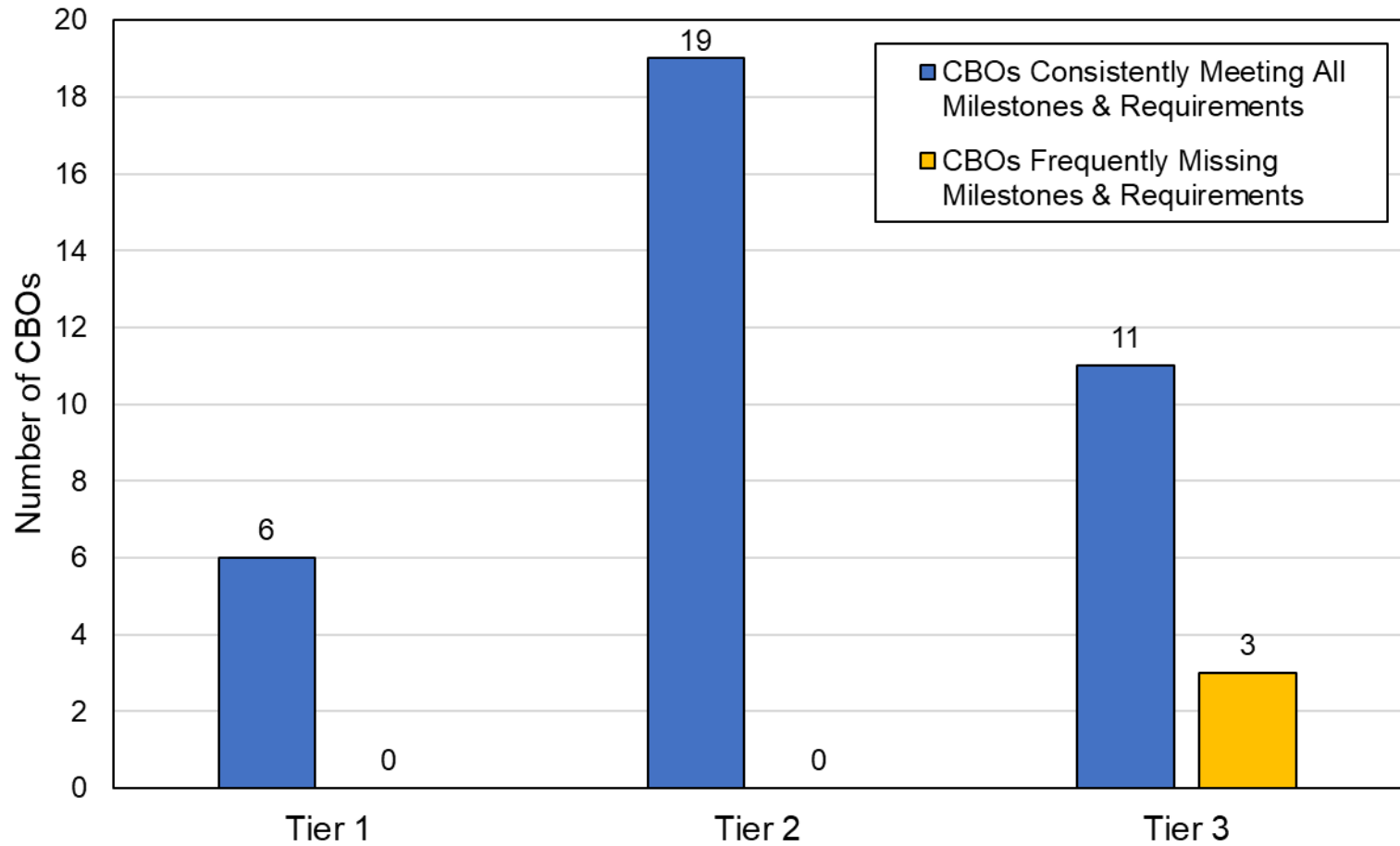
# T2 CBO Milestone Completion

	Expected	Actual	% Completion
<b>Leafleting Shifts</b>	1,110	9,199	829%
<b>Virtual Town Halls &amp; Meetings</b>	444	883	199%
<b>Contacts from Phone &amp; Text Bank or Call Line</b>	95,400	1,375,423	1,442%
<b>Regular Email Updates</b>	774	4,856	627%
<b>Social Media Posts</b>	2,928	11,351	388%

**Data Notes:**

- Across all 39 CBOs
- November, 20 – April '21

# T2 CBO Performance by Tier



# Proposal for Next Steps

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- Test and Trace Corps is seeking to renew the contracts of 36 CBOs that have consistently met all milestones.
- Over the next 12 months there is a continued need for:
  - Encouraging vaccination
  - Encouraging testing and appropriate mask wearing when needed
  - Responding to geographic hotspots and hyperlocal deployments
- Geographic focus areas for contract extension will be the 33 TRIE Neighborhoods
  - While nearly 60% of NYC adults have received at least one dose of the vaccine, fewer than 35% of Black New Yorkers, and fewer than 45% of Latino New Yorkers have.
  - These CBOs are uniquely positioned to continue their successful work to increase testing and vaccine rollout.
- Timeline: July 1, 2021 – December 31, 2021, with optional extension to June 30, 2022
- Total requested amount for extension of 36 CBOs up to \$27.5M.

## 36 CBOs to Extend

### **Tier 1 (6) – \$1.125M for Renewal Period (\$1.125M for Option Period)**

- Community Health Action of Staten Island (CHASI)
- National Black Leadership Commission on Health
- Public Health Solutions
- SCO
- The Child Center
- The Osborne Association

### **Tier 3 (11) - \$75K for Renewal Period (\$75K for Option Period)**

- African Services Committee
- Fifth Avenue Committee
- Hetrick-Martin Institute
- Jacob A. Riis Neighborhood Settlement
- Korean American Family Service Center
- Mixteca Organization
- NY Immigration Coalition
- Pride Center of Staten Island
- Sure We Can
- The Institute for Family Health
- YAI

### **Tier 2 (19) - \$300K for Renewal Period (\$300K for Option Period)**

- African Communities Together
- Brooklyn Public Library
- CIANA
- Central Family Life Center
- Common Point Queens
- Community Mediation Services
- Harlem Community Justice Center
- Health People
- Housing Works
- India Home
- Jewish Community Council of Greater Coney Island
- Make the Road New York
- Maspeth Town Hall
- Mexican Coalition
- Mosholu Montefiore Community Center
- Project Hospitality
- SCAN-Harbor
- The Fortune Society
- The Hebrew Educational Society of BK

## Diversity of the CBOs

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- As a requirement of the RFP all of the CBOs were required to be non-profit entities, as well as any of their subcontractors.
- Non-profit entities cannot be certified as MWBEs under NYS or NYC law. Therefore, this pool of non-profit CBOs agreements is exempt from MWBE goals.
- As to their workforce diversity, the CBOs have, with their grant funding, hired diverse staff directly from the communities – allowing a greater trust and understanding with the communities and neighborhoods they are serving
- Staff represent a wide variety of New York Communities, including:
  - 87% of the CBOs hired staff from Latino communities
  - 72% of the CBOs hired staff from Black communities
  - 55% hired staff who are immigrants
  - 58% hired staff who Identify as part of the LGBTQI community
- The hired staff speak over 15 languages – and 87% speak Spanish
  - Languages include French, Haitian, Creole, Punjabi, Urdu, and Yiddish

## Diversity of the CBOs

The Community Based Organizations by and large hire members of communities they are working in. While our contracts do not require specific hiring parameters, the CBOs each have long standing roots in the communities they are working in and represent the breadth of diversity of New York City neighborhoods.

- Total Staff Hired by CBOs: **393**
  - 71% W2 FTE
  - 29% 1099 FTE
  - Some CBOs pay staff as 1099s because many staff have unique employment situations, such as those who are undocumented, who have non-traditional work histories, people who are justice-involved, etc.
- CBOs utilizing subcontractors
  - 6/39 CBOs, or 15.4% use at least one subcontractor. All subcontractors are non-profit.
  - The CBOs with subcontractors are:
    - Child Center of NY, Inc. (CCNY)
    - Jewish Community Council of Greater Coney Island (JCCGCI)
    - National Black Leadership Commission on Health
    - Osbourne Association
    - Public Health Solutions (PHS)

# 2021-2022 Proposed T2 CBO Deliverables

Monthly Milestones for July 1, 2021 -June 30, 2022		Vaccine Outreach and Education			Vaccine Message and Service Delivery	
Tier	Total Funding Amount	Leafleting shifts (monthly)	Virtual town halls and meetings (monthly)	Contacts from phone/text bank or call/text line (monthly)	Regular email updates (monthly)	Social media posts (monthly)
<b>Tier 1</b> <b>(\$187,500 / month, 25 FTE)</b>	\$1,125,000 for Renewal Period (\$1,125,000 for Option Period)	24	6	3,000	4	30
<b>Tier 2</b> <b>(\$50,000 / month, 8 FTE)</b>	\$300,000 for Renewal Period (\$300,000 for Option Period)	12	2	1,000	12	30
<b>Tier 3</b> <b>(12,500 / month, 1.5FTE)</b>	\$75,000 for Renewal Period (\$75,000 for Option Period)	4	1	400	4	20



# Board Approval Request

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- We are seeking approval to extend 36 CBO agreements through FY22
  - Contract Term: July 2021 – December 2021 with optional extension through June 2022
  - Implementation / Roll out: July 1, 2021
  - NTE: \$27.5M
  - Funding will come from NYC under the existing T2-MOU with OMB, which is effective for expenses through June 30, 2022
  - Funding is for FY22 but will re-evaluate continued need in 6 months