

Date: December 4, 2023
Time: 12:00 P.M.
Location: 50 Water Street, 17th Floor,
Boardroom – In Person

I. Call to Order *Freda Wang*
Adoption of the October 16, 2023 Minutes

II. Executive Session *Freda Wang*

III. Overview of HERRC Financial Update *Sonya Rubin*

IV. Action Item: HERRC Case Management Services *Dr. Ted Long & Chris Keeley*

Authorizing the New York City Health and Hospitals Corporation (the “**System**”) to execute contracts with Cherokee Nation Management and Consulting, LLC, International Rescue Committee, Inc., Horne LLP, Rapid Reliable Testing NY LLC dba DocGo Inc., and Medrite LLC dba Medrite Urgent Care for HERRC case management services at a not to exceed amount of \$176,800,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

VENDEX PENDING:

Cherokee Nation Management and Consulting, LLC, International Rescue Committee, Inc., Horne LLP, Rapid Reliable Testing NY LLC dba DocGo Inc., Medrite LLC dba Medrite Urgent Care

EEO APPROVED:

Rapid Reliable Testing NY LLC dba DocGo Inc., Medrite LLC dba Medrite Urgent Care

EEO PENDING:

Cherokee Nation Management and Consulting, LLC, International Rescue Committee, Inc., Horne LLP

V. Action Item: HERRC Catering Services *Dr. Ted Long & Chris Keeley*

Authorizing the New York City Health and Hospitals Corporation (the “**System**”) to execute contracts with Rethink Food NYC, Inc., LIC COM LLC dba Kommissary, Bridging Cultures Group, Inc., and R.C. Stillwell LLC dba Riviera Caterers for HERRC catering services at a not to exceed amount of \$355,000,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

VENDEX PENDING:

Rethink Food NYC, Inc., LIC COM LLC dba Kommissary, Bridging Cultures Group, Inc., R.C. Stillwell LLC dba Riviera Caterers

EEO APPROVED:

Rethink Food NYC, Inc., LIC COM LLC dba Kommissary

EEO PENDING:

Bridging Cultures Group, Inc., R.C. Stillwell LLC dba Riviera Caterers

VI. Action Item: HERRC Laundry Services

Dr. Ted Long & Chris Keeley

Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute contracts with HappyNest, Inc., Sodexo, Inc., Sun International Trading LLC, Burnblu 2081 Flatbush Ave LLC dba Blu Laundry Services for HERRC laundry services at a not to exceed amount of \$33,800,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

VENDEX PENDING:

HappyNest, Inc., Sodexo, Inc., Sun International Trading LLC, Burnblu 2081 Flatbush Ave LLC dba Blu Laundry Services

EEO APPROVED:

HappyNest, Inc.

EEO PENDING:

Sodexo, Inc., Sun International Trading LLC, Burnblu 2081 Flatbush Ave LLC dba Blu Laundry Services

VII. Financial Update

John Ulberg

VIII. Old Business

Freda Wang

IX. New Business

X. Adjournment

Finance Committee MEETING - October 16, 2023

As Reported By: Freda Wang

Committee Members Present: Mitchell Katz, MD, José Pagán, Freda Wang, Sally Hernandez-Piñero, Barbara Lowe

CALL TO ORDER

Ms. Wang called the meeting of the New York City Health + Hospitals Board of Directors Finance Committee Meeting to order at 11:28 a.m.

Ms. Wang called for a motion to approve the July 10, 2023 minutes of the Finance Committee meeting.

Upon motion made and duly seconded the minutes of the Finance Committee meeting held on July 10, 2023 were adopted.

ACTION ITEM: HERRC Security Services

Mr. Chris Keeley - Senior Assistant Vice President - Office of Operations in Ambulatory Care and the HERRC program, read the resolution into the record and proceeded with the presented:

Authorizing New York City Health and Hospitals Corporation (the "System") to execute contracts with Aron Security Inc. DBA Arrow Security, GardaWorld Security Corporation DBA GardaWorld Security Services, Mulligan Security LLC, and SLSCO Ltd. for security services at a not to exceed amount of \$323,700,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

Mr. Chris Keeley began by providing the background and current state of NYC H+H's existing and newly contracted Security services for all HERRC sites operated by NYC H+H. With the current State of Emergency based on the arrival of thousands of individuals and families seeking asylum in NYC, providing 24/7 security at HERRC sites operated by NYC H+H is needed to ensure the safety of all guests, clients, and staff. The System currently holds contracts with two of the proposed HERRC vendors; Aron/Arrow at an existing system level contract, and Mulligan Security holds an emergency authorization contract. The vendors historical spend at NYC H+H was presented. An RFP was done to competitively bid for these services and identify additional vendors that may be well-suited to this work. Multiple reference checks for both GardaWorld and SLSCO were conducted to ensure reliable service provision and capacity to meet contract service

needs. NYC H+H expenses will be covered by HERRC MOU with the Mayor's Office.

An overview of the RFP Criteria and procurement process was presented by Mr. Keeley. The NTE Cost Analysis, the MWBE analysis for each proposed vendor was presented, the performance evaluation for Aron Security and Mulligan security was also presented.

The Office of Ambulatory Care is seeking approval to enter into contract with Aron Security Inc. DBA Arrow Security, GardaWorld Security Corporation DBA GardaWorld Security Services, Mulligan Security LLC, and SLSCO Ltd. to provide Security Services at a not to exceed amount of \$323,700,000 with an anticipated start date of November 1st, 2023.

Ms. Wang polled the committee for questions.

Ms. Lowe inquired in regards to the negative trends in staffing performance mentioned and what may have led to this to be an issue.

Mr. Keeley responded that there were a few instances at some locations, where security guards were found leaving their posts at the end of their shifts but before relief came in, for about 5 to up to 15 minutes. To mitigate, the supervisors either brought someone onsite for swing coverage, back from lunch, or provided coverage themselves as needed. The situation was well managed as there was never a gap in service. However, the issue needed to be addressed as we would not want that turning into a trend.

Ms. Lowe noted that security is very important at our hospitals.

Mr. Keeley agreed and added that at these locations where we are housing asylum seekers coming into New York City, they are going to be at the hotels, base camps such as Creedmoor as you may have seen on the news, or at the Randall's Island tent where we are housing asylum seekers; and what we do is have a very thorough security apparatus on site. In addition, every staff member and guest wear a badge at all times, so that if a staff member or guest wants to come in or leave the location, they need the exact QR code and make sure that only authorized people are on site and the security it is paramount at our location.

Ms. Hernandez-Piñero requested clarification on the start date for the Aron Security and Mulligan Security contracts.

Mr. Keeley responded that he does not have the exact date and will have to confirm with the procurement or the legal team. However, he believes Aron was well over a year ago and Mulligan has been more recent. In efforts to diversify our security services we are would like to move forward with four vendors in this RFP. We are going to have operational discretion to provide work or to assign work for the different vendors based on their strengths

and the service level they provide. At first, we were only utilizing Aron System level contract as they were the only and most reliable option at the time and that is a reason why we added additional vendors to the mix to have a healthier competition in that space.

Ms. Hernandez-Piñero inquired about the hourly rates being paid to these two firms and if they were consistent with their bids or if they came in more aggressively for the RFP.

Mr. Keeley responded that it is a great question. There is a number of different roles that they may provide. For instance, a supervisor versus a frontline security guard, and between the four different vendors, they are all generally pretty competitive with each other. There might be one that has a slightly higher supervisor rate and one that might have a slightly higher or lower frontline guard rate. What we are able to do now with this competitive RFP is work aggressively with the four vendors to bring down those numbers even further as now we would have four vendors that we can work with and negotiate with. We can help bring down the cost across the board.

Ms. Hernandez-Piñero asked regarding the criteria that will be used to determine which vendor will be assigned to what location.

Mr. Keeley answered to date, what it has been largely based on operational capacity on the vendor side, when we are looking to go live at a location. If we have two new locations coming on over the next month, for instance, if that were to be happening, we would assign one to one vendor, and one to the other, or in the future, if we are going to bring the 3rd and 4th of the vendors, we might do the same as we do not want one vendor stretched too thin. Oftentimes the vendors are needing to recruit and hire new staff members and go out and get the uniforms, buy the rate and all of that operational and human resources on their back end. What we would like to do is try to sort of distribute accordingly to the extent to which each of the vendor can bring their own capacity to the table.

Ms. Hernandez-Piñero asked regarding the vendors experience. Are all the vendor experienced at different locations, hotels, hospitals.

Mr. Keeley responded that these four vendors selected all have at least some level of experience in hospitals. Our main focus from the scoring criteria was if they had experience working with asylum seekers, transient populations, immigrant populations, homeless, homeless New Yorkers in particular and that was a big driver on the scoring. These four vendors do have relevant experience in this.

Ms. Hernandez-Piñero thanked Mr. Keeley.

Ms. Wang inquired regarding Arrow Security, if they will still continue to work with our System, or if they will transition over to just doing the HERRC contract.

Mr. Keeley answered that the intent is that this new contract will have no impact on other pre-existing System level contract. We wanted to be able to bring this work over into its own separate contract and leave the hospital police and that team to be able to manage Arrow/Aron Security as they would otherwise.

Ms. Wang continued, the amount that has been spent historically on them was just for HERRC purposes. Mr. Keeley agreed.

Ms. Wang asked in regards to an update to the vendor diversity slide.

Mr. Keeley agreed and added that on the vendor diversity slide there will additional information included where it says NYC/NYS. This will be in the board packet for the full board meeting later this month.

Ms. Hernandez-Piñero inquired regarding the hospital police resources, and if they have sufficient resources to oversee these contracts.

Mr. Keeley responded that for these contracts we have been with the two incumbents that we have. The intent is to go forward managing them primarily through the HERRC team. We continue to work very closely with the hospital police team. We have been able to hire a director of security on the HERRC team that will be working very closely with his colleagues, and the hospital police team so that you have the right level of support on that side of things.

Ms. Lowe added that given that many of them may not be as familiar with hospitals, how comfortable is H+H with the level of orientation and competence that they have.

Mr. Keeley noted that is a great question and that we have discussed a lot their relevant experience of working in homeless shelters, working with asylum seekers, transient populations, and they all do meet that criteria. We are currently putting a lot of time and effort into the orientation piece. In terms of ensuring that as they onboard their individual guards and that those guards are walking in with the proper mindset, that they are getting the right training and understanding of what it is that we are looking to do at these locations, in terms of providing the best possible care to those individuals while they are in our care. We want to provide the best possible support, and that is one of the key things that we are looking for, is how to get better and better over time.

Ms. Wang polled the committee questions.

Ms. Wang thanked the team for the presentation, and commended them for the great job they are doing.

Following the discussion and upon motion made and duly seconded, the Committee unanimously approved the resolution for consideration by the Board.

FINANCIAL UPDATE

Mr. Ulberg opened the presentation with the FY-23 Year-End Highlights. He conveyed that June closed with \$746M (29 days cash-on-hand). The budget nearly broke even and closed June with a negative Net Budget Variance of \$47.7M.

Mr. Ulberg continued that direct patient care receipts came in \$4.8M higher than the same period in FY-22 largely due to return of OP services in FY-23, offsetting losses in IP services. Patient care volume in FY-23 has returned to pre-COVID levels, and is 8% ahead of FY-20 pre-COVID OP visits. Revenue base remains strong and resilient primarily driven by returning volume and higher average collectability rate over the base. Overall, our strategic Financial Initiatives surpassed our FY-23 target of \$675.6M, generating over \$830M. Several areas of strong net performance were noted.

Mr. Ulberg presented the cash projections for FY-24. The System closed September with approximately \$950 million (35 days cash-on-hand) and expects to close October with approximately \$700 million (26 days cash-on-hand). We continue to work closely with the City on our remaining liabilities due to them as we continue to closely monitor our cash position.

Ms. Tyler presented the financial performance highlights for FY-23 thru June Net Budget Variance. She noted that June ended with a net budget variance of -\$47.7M (0%). Receipts exceeded budget by \$467M Primarily driven by Patient Care Risk Revenue. Risk is higher due to improved PMPM and other PY reconciliations. Disbursement exceed budget by \$515M, which includes expenses associated with Temp coverage costs, and OTPS discretionary spend in medical/surgical supplies, and pharmaceuticals.

Ms. Tyler continued providing FY-23 thru June performance drivers updates. Cash receipts are 5% ahead of budget. Much of the overage can be attributed to Risk revenue exceeding target due to higher than anticipated PMPM. FY-23 thru June, cash disbursements are over budget by 6% primarily resulting from Temp spending and Agency costs exceeding target as well as other discretionary spending.

The revenue performance for FY-23 thru April was presented by Ms. Tyler. FY-23 direct patient care revenue (IP and OP) is \$4.8M higher than FY-22

actuals. Patient revenue decreases year-over-year can be partially attributed to Managed Care UPL coming in \$84M lower than FY-22. This decrease is offset by higher OP revenue netting to \$4.8M.

Ms. Karlin presented an update on Accounts Receivable initiatives. The accounts receivable days declined by about 13% since January. NYC H+H worked towards a target of 45 days in FY-23 and ended FY-23 just off the market a little higher than that, but have since achieved the 45 days target, and re-set the goal for FY-24 at a lower number of days. We continue defining challenges, identifying opportunities, resolving collaboratively across NYC H+H.

Ms. Karlin continued by presenting Several Initiatives Identified. In an effort to ensure targets were achieved in FY-24, two AR Day Summits were held with CFOs, Patient Account Directors and Revenue Cycle Services. The main focus relied in identifying themes and translating to workplan. Several areas of improvement such as team structure, optimization and metrics were noted.

A walkthrough on Medicaid Recertification results that are in line with NYC Health + Hospitals Financial Plan was presented by Ms. Hartmann. Assisting NYC H+H Medicaid patients in recertifying their coverage with the reinstatement of the renewal requirements at the end of the public health emergency. Tracking well against NYC H+H Financial Plan which assumed a decline of about 25% by June 2024 in membership associated with the reinstatement of the renewal requirement. NYC H+H currently performing better than expected by 3% to 5%. NYC H+H attributed membership increased slightly from June to August 2023. NY Statewide 83% of June Cohort, 82% of July and 78% of August cohort have renewed, with NYC lagging slightly behind the rest of the state. NYC H+H currently on pace with the rest of the state. Renewal rates include transitions between lines of business with 10% and 6% of Medicaid recipients who recertified statewide transitioning to EP and CHP, respectively. Ongoing analysis of outcomes for those that did not renew, but early indications that includes those with other coverage, no longer eligible, switching plans, or not completing the process.

Ms. Hernandez-Piñero commented on Healthfirst has gone from 65% to 80%.

Ms. Hartmann agreed and added that individuals continue to renew through the end of the month following the month they are due for renewal. That is why these numbers do tend to pick up.

Mr. Ulberg added that Healthfirst and MetroPlus are both doing very well. It is very much a collaborative effort and it makes a difference when you have provider owned plans working together in this area. It puts us in a slight advantage.

Mr. Ulberg presented the external risks. Staff recruitment and retention continues to present a challenge to NYC H+H. As most large health systems, NYC H+H is currently working on addressing these concerns. Temp services cost continues to present a financial challenge, reduction efforts are in effect for FY-24 as the System continues to diligently work on reducing dependencies and usage of temp services, nursing as well as non-nursing.

Ms. Farag continued the presentation by providing an overview of the Systemwide Collaboration meeting, leadership efforts related to staff recruitment and retention. Several areas of the glidepath presentation were noted. The nursing glidepath shows NYC H+H's goal for the next 18 months in staff recruitment, retention and temp conversion. The glidepath provided in the appendix, shows NYC H+H temp staff reduction targets and how shedding contract nurses is critical to the successful execution of the FY-24 budget.

Ms. Lowe commented on the agency staff usage. The skills and ability to integrate and get normal at that role takes time. The standards with the same people, less hours or to get them up to speed, takes time.

Mr. Ulberg agreed, and added that our major themes were recruit, retain and convert. The convert part is that we have had nurses that have been with us for a number of years, over 900 that we can just convert from being a contract nurse to an H+H nurse. We are proceeding with that, welcoming them in and we have had a great relationship with them and that is why they stayed with us so many years. That is why we are trying to match their salary packages and we do not want to lose that continuity at this point.

Dr. Katz added that the nurse leaders throughout the department are very happy. Thinking of the morale of existing nurses, how it affects that we have job postings and nobody applies as nobody wants to work for that salary. We are working towards a competitive salary that motivates people to work at Health + Hospitals and now nurses want to work here. It is a huge morale lift for our nurse leaders who really felt bad about having to so heavily rely on registry.

Ms. Hernandez-Piñero commented that it would be interesting to know the average tenure experience of the new nurses coming in that we are now hiring, versus the nurses that we have lost. Are we having more at the entry level, or are we able with the salary increase, to attract more experienced nurses.

Dr. Katz responded that the vast majority are new nurses. That is how historically we have been and that is why John mentioned retention is such an important part. However, the nurse leaders have reported that for the first time in many years with the new salaries, we are actually getting experience nurses, interested in working with us, which we have not had in a very long time because of the salaries. Many institutions will not hire

new nurses, even when our salaries were poor, there was certainly still a market of nurses who were interested in coming to get phenomenal training in the Lincoln emergency room for a year and then leave for a markedly higher job. We are hopeful that with the new salary structure, they will stay with us.

Mr. Ulberg continued presenting the external risks. Health + Hospitals is diligently working to address inflationary pressures and supply chain related costs continue to present a financial challenge due to rising pharmaceutical costs. City and State budget challenges remain and H+H continues to closely monitor this. Federal Budget and regulatory impacts continue to present a financial challenge due to the Medicare DSH cuts rule. Lastly, Medicaid Recertification is currently being addressed by NYC H+H and we expect improvements.

Ms. Hernandez-Piñero asked regarding the Social Determinants of Health.

Ms. Karlin added that on the Social Determinants of Health, the screening was happening, people were being screened in primary care and other places for social determinants but it was the codes that were not making their way onto the claims. We worked with the Epic team to automate movement. If you see the screening, then it is documented and it can go on to a claim. The activity was there and you can see the jump in reporting and we are tracking this very closely with MetroPlus who has been a partner. As we have been tracking this very closely, you can see that we have increased the documentation and therefore the translation of the social determinants' folks.

Mr. Ulberg added that this work will only get more important in the future as both the State and Medicare are looking at z-codes to measure social determinants. We appreciate that you believe Social Determinants should be looked at when you are trying to measure the needs of a patient and it goes beyond just healthcare needs. These are good trends for us. There is recognition that there is more work for us to do, and its coding work for the most part and educating our providers.

Ms. Lowe asked regarding how much strength do we put into determining these determinants of health, as in different geographic they are different and maybe defined differently and then it becomes standardized at the state level, and is imposed. We have our own ability to say, what are the strengths and weaknesses and these metrics.

Mr. Ulberg responded that this is all new area for the actuaries and the rate setting folks. There is a lot of new nuances here, it is too slow. I left the health department 5 years ago and is what we talked about then. It is good because in the future CMS is signaling that these will be more important measures, and they will work their way, not only to reimbursement,

but also into quality measurements. We feel good about that since at least it is now getting recognition.

Ms. Lowe commented, let us start with those high-risk patients. Medically and socially. Mr. Ulberg agreed.

Mr. Ulberg presented the ACO Performance Year 2022 Results. For the 10th year in a row the NYC H+H ACO has earned shared savings.

Mr. Pagán inquired regarding the ACO Performance Year 2022 Results, quality metric decline. The measurement has changed, but how are we performing compared to other ACOs? There is a new scoring methodology, how did that impact?

Mr. Ulberg responded that he noticed it went from 92 down to 74. However, we do not have the answer to this question but we will follow up with Matt and his team regarding this one.

Ms. Jones commenced a presentation providing the Final financial update on Test and Treat. From FY-21 through FY-23, H+H has incurred \$2.94B in T2 expenses. OMB has provided NYC Health + Hospitals with sufficient revenue through the T2 MOU to cover expenses to date.

Ms. McLeod presented a Financial update on HERRC. H+H incurred \$468.8M of HERRC expenses in FY-23. A breakdown of the different HERRC Expense categories were noted. OMB has provided H+H with revenue through the HERRC MOU with the Mayor's Office to cover committed expenses to date.

Ms. Wang polled the Committee for questions. There being no further questions, Ms. Wang thanked the team for the excellent report.

ADJOURNMENT

There being no further business before this committee, the meeting adjourned at 12:05 PM.

City Initiative:

Humanitarian Emergency Response and Relief Centers (HERRC)



HERRC Program Overview

- ❑ Since October 2022, H+H has overseen the Humanitarian Emergency Response and Relief Centers (HERRC) per Emergency Executive Order 224
- ❑ There are currently 16 H+H HERRC sites serving over 23,000 daily guests
- ❑ Over 79,000 asylum seekers have been served at the 24/7 Arrival Center
- ❑ All H+H HERRCs provide basic human necessities such as food, clothing and shelter and resettle with and transport to friends or family in and beyond NYC
- ❑ In the NYC November Plan, H+H Received the following for HERRC:

Fiscal Year	FY24	FY25
Total	\$2.17B	\$2.82B

- ❑ H+H incurred \$429.3 million of HERRC expenses in Q1 of FY24
- ❑ OMB has provided H+H with revenue through the HERRC MOU with the Mayor’s Office to cover committed expenses to date

RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the “**System**”) to execute contracts with Cherokee Nation Management and Consulting, LLC, International Rescue Committee, Inc., Horne LLP, Rapid Reliable Testing NY LLC dba DocGo Inc., and Medrite LLC dba Medrite Urgent Care for HERRC case management services at a not to exceed amount of \$176,800,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

WHEREAS, the System began operating its Humanitarian Emergency Response and Relief Centers (“HERRCs”) in October 2022 as a response to the mass influx of asylum seekers arriving in New York City (the “City”); and

WHEREAS, HERRCs provide a range of holistic services to asylum seekers including a place to stay, food, medical care, reconnection services, and connection to social services; and

WHEREAS, the System currently operates multiple HERRCs throughout the City, with dedicated facilities serving families with minor children, single adult women and adult families, or single adult men; and

WHEREAS, the System is currently funding general casework services at all HERRC sites, assisting guests with court dates, child care plans, work authorization, resource navigation; and

WHEREAS, the System has identified a need for a new scope of HERRC case management services to assist guests with exit planning and supplant some of the existing case work services; and

WHEREAS, currently the System has been utilizing DocGo, Inc. and Medrite LLC dba Medrite Urgent Care to provide general HERRC case management services; and

WHEREAS, the System conducted an open and competitive RFP process under the supervision, and with the assistance, of Supply Chain to identify additional vendors, in which 61 vendors attended a pre-proposal conference and 13 subsequently submitted proposals; and

WHEREAS, of the 13 proposals submitted, the five vendors receiving the highest ratings have been selected for award; and

WHEREAS, those awarded vendors will provide services on an as-needed basis without a minimum usage requirement; and

WHEREAS, the Office of Ambulatory Care will be responsible for the management of the proposed contracts.

NOW THEREFORE, be it

RESOLVED, that New York City Health and Hospitals Corporation be and hereby is authorized to execute contracts with Cherokee Nation Management and Consulting, LLC, International Rescue Committee, Inc., Horne LLP, Rapid Reliable Testing NY LLC dba DocGo Inc., and Medrite LLC dba Medrite Urgent Care for HERRC case management services at a not to exceed amount of \$176,800,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

EXECUTIVE SUMMARY
HERRC CASE MANAGEMENT SERVICES
AGREEMENTS WITH
CHEROKEE NATION MANAGEMENT AND CONSULTING, LLC,
INTERNATIONAL RESCUE COMMITTEE, INC., HORNE LLP, RAPID RELIABLE
TESTING NY LLC DBA DOCGO INC., AND MEDRITE LLC DBA MEDRITE
URGENT CARE

OVERVIEW: The System began operating its Humanitarian Emergency Response and Relief Centers (“HERRCs”) in October 2022 as a response to the mass influx of asylum seekers arriving in New York City (“the City”). The System currently operates multiple HERRCs throughout the City for the provision of a range of holistic services to asylum seekers. These case management services are required in order to support guests with exit planning and supplant existing case work services at all HERRCs. The proposed contracts will expand casework roster, service scope, and bring in specific expertise from organizations that have worked with these populations.

PROCUREMENT: The System conducted an open and competitive Request for Proposals (“RFP”) to establish a pool of vendors to provide case management services to the System on an as-needed basis. The RFP was sent directly to 13 prospective vendors, and 61 prospective vendors attended a pre-proposal conference. A total of 13 vendors submitted proposals and, of the proposals submitted, the Evaluation Committee selected the top five rated proposers to provide case management services to the System.


COSTS: The total not-to-exceed cost for the proposed contract over its full, potential two-year term is not to exceed \$176,800,000.

Funding for these agreements will be covered by the City through an MOU with the New York City Mayor’s Office.

MWBE: An overall MWBE utilization goal of 35% has been established and accepted by Cherokee Nation Management and Consulting, LLC, Horne LLP, Rapid Reliable Testing NY LLC dba DocGo Inc., and Medrite LLC dba Medrite Urgent Care, through the use of subcontractors.

International Rescue Committee, Inc. is a non-profit organization and is therefore exempt from the MWBE requirement.

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

From: Georgia Tsismenakis 
 Associate Counsel
 Office of Legal Affairs

Re: Vendor Responsibility, EEO and MWBE status for Board Review of Contract

Vendors: Vendor Legal Name

Contract: RFP No. 2746 HERRC Case Management Services

Date: November 20, 2023

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

<u>Vendor</u>	<u>Vendor Responsibility</u>	<u>EEO</u>	<u>MWBE</u>
Cherokee Nation Management and Consulting, LLC	Pending	Pending	35%
International Rescue Committee, Inc.	Pending	Pending	MWBE/100%
Horne LLP	Pending	Pending	35%
Rapid Reliable Testing NY LLC dba DocGo Inc.	Pending	Approved	35%
Medrite LLC dba Medrite Urgent Care	Pending	Approved	35%

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.

Humanitarian Emergency Response and Relief Centers (HERRCs) Case Management Services

Application to Award Contracts December 4, 2023

Chris Keeley
Senior Assistant Vice President
Office of Ambulatory Care

For Committee Consideration

- Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute contracts with Cherokee Nation Management and Consulting, LLC, International Rescue Committee, Inc., Horne LLP, Rapid Reliable Testing NY LLC dba DocGo Inc., and Medrite LLC dba Medrite Urgent Care for HERRC case management services at a not to exceed amount of \$176,800,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

- Currently providing general casework services at HERRC sites to assist guests with court dates, child care plans, work authorization, resource navigation, etc.
- Seeking to strengthen and expand casework services for exit planning to support guests moving onto the next chapter of their lives
- NYC Health + Hospitals helping to lead this effort citywide
- Currently using existing contracts with DocGo and Medrite
- Historical spend
 - DocGo: NYC Health + Hospitals has committed \$2.1 million through November 2023, and has paid out \$0 through November 2023
 - Medrite: NYC Health + Hospitals has committed \$596K through November 2023, and has paid out \$0 through November 2023
- RFP sought to expand casework capacity and service scope, as well as bring in national expertise from organizations that have worked with these populations
- Completing multiple reference checks for Cherokee Nation Management and Consulting, LLC, International Rescue Committee, Inc. and Horne LLP
- NYC Health + Hospitals expenses will be covered by HERRC MOU with the Mayor's Office

RFP Criteria

- Minimum criteria:
 - Three years in business performing services at a similar scale
 - MWBE status, Utilization Plan, or Waiver Request
 - \$3 million in annual revenue for each of the last three years
- Substantive Criteria
 - 30% Relevant experience
 - 25% Readiness to deploy
 - 25% Cost
 - 10% Capacity for National Resettlement Services
 - 10% MWBE
- Evaluation Committee:
 - COO, Ambulatory Care
 - Senior Finance Manager, HERRC
 - Reconnections Program Director, HERRC
 - Behavioral Health Lead, HERRC
 - Assistant Director, Population Health

Overview of Procurement

- 09/26/23: Application to issue request for proposals approved by CRC
- 10/06/23: RFP Posted on City Record, sent directly to 13 vendors
- 10/18/23: Pre-proposal conference held, 61 vendors attended
- 11/06/23: Proposals due, 13 proposals received
- 11/15/23: Evaluation committee debriefed and submitted final scores. Below are the top 5 proposers:
 - Cherokee Nation Management and Consulting, LLC
 - International Rescue Committee, Inc.
 - Horne LLP
 - Rapid Reliable Testing NY LLC dba DocGo Inc.
 - Medrite LLC dba Medrite Urgent Care

Vendor Performance

Department of Supply Chain
Vendor Performance Evaluation
RapidReliableTesting DBA DocGo

DESCRIPTION	ANSWER
Did the vendor meet its budgetary goals, exercising reasonable efforts to contain costs, including change order pricing?	Yes
Has the vendor met any/all of the minority, women and emerging business enterprise participation goals and/or Local Business enterprise requirements, to the extent applicable?	Yes
Did the vendor and any/all subcontractors comply with applicable Prevailing Wage requirements?	Yes
Did the vendor maintain adequate records and logs, and did it submit accurate, complete and timely payment requisitions, fiscal reports and invoices, change order proposals, timesheets and other required daily and periodic record submissions (as applicable)?	Yes
Did the vendor submit its proposed subcontractors for approval in advance of all work by such subcontractors?	Yes
Did the vendor pay its suppliers and subcontractors, if any, promptly?	Yes
Did the vendor and its subcontractors perform the contract with the requisite technical skill and expertise?	Yes
Did the vendor adequately supervise the contract and its personnel, and did its supervisors demonstrate the requisite technical skill and expertise to advance the work?	Yes
Did the vendor adequately staff the contract?	Yes
Did the vendor fully comply with all applicable safety standards and maintain the site in an appropriate and safe condition?	Yes
Did the vendor fully cooperate with the agency, e.g., by participating in necessary meetings, responding to agency orders and assisting the agency in addressing complaints from the community during the construction as applicable?	Yes
Did the vendor adequately identify and promptly notify the agency of any issues or conditions that could affect the quality of work or result in delays, and did it adequately and promptly assist the agency in resolving problems?	Yes
Performance and Overall Quality Rating Satisfactory	Satisfactory

Vendor Performance

Department of Supply Chain	
Vendor Performance Evaluation	
MedRite	
DESCRIPTION	ANSWER
Did the vendor meet its budgetary goals, exercising reasonable efforts to contain costs, including change order pricing?	Yes
Has the vendor met any/all of the minority, women and emerging business enterprise participation goals and/or Local Business enterprise requirements, to the extend applicable?	Yes
Did the vendor and any/all subcontractors comply with applicable Prevailing Wage requirements?	Yes
Did the vendor maintain adequate records and logs, and did it submit accurate, complete and timely payment requisitions, fiscal reports and invoices, change order proposals, timesheets and other required daily and periodic record submissions (as applicable)?	Yes
Did the vendor submit its proposed subcontractors for approval in advance of all work by such subcontractors?	Yes
Did the vendor pay its suppliers and subcontractors, if any, promptly?	Yes
Did the vendor and its subcontractors perform the contract with the requisite technical skill and expertise?	Yes
Did the vendor adequately supervise the contract and its personnel, and did its supervisors demonstrate the requisite technical skill and expertise to advance the work	Yes
Did the vendor adequately staff the contract?	Yes
Did the vendor fully comply with all applicable safety standards and maintain the site in an appropriate and safe condition?	Yes
Did the vendor fully cooperate with the agency, e.g., by participating in necessary meetings, responding to agency orders and assisting the agency in addressing complaints from the community during the construction as applicable?	Yes
Did the vendor adequately identify and promptly notify the agency of any issues or conditions that could affect the quality of work or result in delays, and did it adequately and promptly assist the agency in resolving problems?	Yes
Performance and Overall Quality Rating Satisfactory	Satisfactory

Vendor Background & Assignment

- Cherokee Nation Management and Consulting, LLC
 - Federally licensed Minority Business Enterprise with experience completing over 115 emergency preparedness and response projects
 - Approach to case management aligns with RGY coding and able to provide holistic resettlement and referral services, naming national resettlement as one of their 3 main programmatic pillars when approaching casework services
 - Have active recruitment pipelines across a variety of specialties and the agility to rapidly scale up or down in response to changing needs

- International Rescue Committee, Inc.
 - Non-profit industry leaders capable of serving as dynamic thought partners for refugee casework services and national resettlement, having provided asylum seeker casework and reception services to well over 100,000 asylum seekers in the US
 - Approach centers on acknowledging migration-related stressors and systematic barriers
 - Work with clients who come from over 170 countries, many of which are points of origin for HERRC guests

Vendor Background & Assignment

- Horne LLP
 - Have worked with State and Federal entities to provide national resettlement services to over 85,000 asylum seekers including work authorization, temporary protective status, and biometrics, as well as caseworker supports for 19,000+ New Yorkers during Hurricane Sandy's emergency response
 - Approach involves conducting cultural assessments of targeted resettlement locations to ensure capacities for successful integration with formal (CBO, State) and informal (community, cultural) supports
 - Able to rapidly staff and deploy

- Work will be assigned based on operational need, vendor capacity, and financial competitiveness; Contract can be sunset at any time with less than 90 day notice, and work can be reassigned from a vendor with 30 day notice

Vendor Diversity

Vendor Name	MWBE Vendor	Subcontracted SOW	NYC/NYS	UP Goal %
Cherokee Nation Management and Consulting	Carter Lard Consulting Services	Staffing and Consulting	M/WBE (Black)	35%
International Rescue Committee, Inc.	Non-Profit (MWBE Exempt)	N/A	N/A	0%
Horne, LLP	Penda Aiken, Inc.	Staffing	MWBE (Black)	35%
Rapid Reliable Testing NY LLC dba DOCGO	Indelible Solutions	Staffing	MBE (Black)	35%
Medrite LLC dba Medrite Urgent Care	Staffing Boutique	Staffing	WBE (Non-Minority)	35%
	Alliance Supply	Medical Supplies	WBE (Non-Minority)	

- The Vendor Diversity team set a goal of 35% on this solicitation.
- The awarded vendors have agreed to utilization plans meeting the 35% goal.
- International Rescue Committee, Inc. is a non-profit organization.



Finance Committee Request

- Office of Ambulatory Care is seeking approval to enter into contract with Cherokee Nation Management and Consulting, LLC, International Rescue Committee, Inc., Horne LLP, Rapid Reliable Testing NY LLC dba DocGo Inc., and Medrite LLC dba Medrite Urgent Care for HERRC case management services at a not to exceed amount of \$176,800,000
- NTE is based on assumption that caseworkers will be available 16 hours a day and at a minimum available for 3 sessions per month for each HERRC household using historical rates
- Contract Start Date: January 1st, 2024 with a term of one year and two six-month renewal options exercisable at the discretion of the System
- NYC Health + Hospitals case management expenses will be covered by HERRC MOU with the Mayor's Office

RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the “**System**”) to execute contracts with Rethink Food NYC, Inc., LIC COM LLC dba Kommissary, Bridging Cultures Group, Inc., and R.C. Stillwell LLC dba Riviera Caterers for HERRC catering services at a not to exceed amount of \$355,000,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

WHEREAS, the System began operating its Humanitarian Emergency Response and Relief Centers (“HERRCs”) in October 2022 as a response to the mass influx of asylum seekers arriving in New York City (“the City”); and

WHEREAS, HERRCs provide a range of holistic services to asylum seekers including a place to stay, food, medical care, reconnection services, and connection to social services; and

WHEREAS, the System currently operates multiple HERRCs throughout the City, with dedicated facilities serving families with minor children, single adult women and adult families, or single adult men; and

WHEREAS, the System is currently funding 3 culturally competent and nutritious meals a day plus snacks 7 days a week; and

WHEREAS, the System has identified a need for the continuation of HERRC catering services for the asylum seeker population, particularly asylum-seeking children and those who may have experienced malnutrition prior to arrival; and

WHEREAS, currently the System has been utilizing Rethink Food NYC, Inc. and LIC COM LLC dba Kommissary to provide HERRC catering services; and

WHEREAS, the System conducted an open and competitive RFP process under the supervision, and with the assistance, of Supply Chain to identify additional vendors, in which 50 firms attended a pre-proposal conference and 23 subsequently submitted proposals; and

WHEREAS, of the 13 proposals submitted, the four who vendors received the highest ratings have been selected for award; and

WHEREAS, those awarded vendors will provide services on an as-needed basis without a minimum usage requirement; and

WHEREAS, the Office of Ambulatory Care will be responsible for the management of the proposed contracts.

NOW THEREFORE, be it

RESOLVED, that New York City Health and Hospitals Corporation be and hereby is authorized to execute contracts with Rethink Food NYC, Inc., LIC COM LLC dba Kommissary, Bridging Cultures Group, Inc., and R.C. Stillwell LLC dba Riviera Caterers for HERRC catering services at a not to exceed amount of \$355,000,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

**EXECUTIVE SUMMARY
HERRC CATERING SERVICES
AGREEMENTS WITH
RETHINK FOOD NYC, INC., LIC COM LLC DBA KOMMISSARY, BRIDGING
CULTURES GROUP, INC., AND R.C. STILLWELL LLC DBA RIVIERA CATERERS**

OVERVIEW: The System began operating its Humanitarian Emergency Response and Relief Centers (“HERRCs”) in October 2022 as a response to the mass influx of asylum seekers arriving in New York City (“the City”). The System currently operates multiple HERRCs throughout the City for the provision of a range of holistic services to asylum seekers. Catering services are required in order to provide constant access to nutritious and culturally competent food. The proposed contracts will support the asylum seeker population, particularly asylum-seeking children and those who may have experienced malnutrition prior to their arrival.

PROCUREMENT: The System conducted an open and competitive Request for Proposals (“RFP”) to establish a pool of vendors to provide catering services to the System on an as-needed basis. The RFP was sent directly to 11 prospective vendors, and 50 prospective vendors attended a pre-proposal conference. A total of 23 firms submitted proposals and, of the proposals submitted, the Evaluation Committee selected the top four rated proposers to provide catering services to the System.

COSTS: The total not-to-exceed cost for the proposed contract over its full, potential two-year term is not to exceed \$355,000,000.

Funding for these agreements will be covered by the City through a Memorandum of Understanding with the New York City Mayor’s Office.

MWBE: An overall MWBE utilization goal of 35% has been established, however, the selected vendors: LIC COM LLC dba Kommissary, Bridging Cultures Group, Inc., and R.C. Stillwell LLC dba Riviera Caterers are MWBEs and Rethink Food NYC, Inc. is a not-for-profit corporation that consequently receives an exemption from the MWBE requirements.

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

From: Georgia Tsismenakis
Associate Counsel
Office of Legal Affairs

Re: Vendor Responsibility, EEO and MWBE status for Board Review of Contract

Vendors: Vendor Legal Name

Contract: RFP No. 2724 HERRC Catering Services

Date: November 20, 2023

Digitally signed by
Tsismenakis,
Georgia
Date: 2023.11.20
11:42:44 -05'00'

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

<u>Vendor</u>	<u>Vendor Responsibility</u>	<u>EEO</u>	<u>MWBE</u>
Rethink Food NYC, Inc.	Pending	Approved	NFP
LIC COM LLC dba Kommissary	Pending	Approved	MWBE/100%
Bridging Cultures Group, Inc.	Pending	Pending	MWBE/100%
R.C. Stillwell LLC dba Riviera Caterers	Pending	Pending	MWBE/100%

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.

Humanitarian Emergency Response and Relief Centers (HERRCs) Catering Services

**Application to Award Contracts
December 4, 2023**

**Chris Keeley
Senior Assistant Vice President
Office of Ambulatory Care**

For Committee Consideration

- Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute contracts with Rethink Food NYC, Inc., LIC COM LLC dba Kommissary, Bridging Cultures Group, Inc., and R.C. Stillwell LLC dba Riviera Caterers for HERRC catering services at a not to exceed amount of \$355,000,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

Background / Current State

- Currently providing 3 culturally competent and nutritious meals per day everyday at HERRCs operated by NYC Health + Hospitals
- Seeking vendors to continue to provide access to nutritious and culturally competent food for these individuals and families
- Two existing contracts
 - ReThink Food
 - LIC Com, LLC
- Historical spend
 - LIC COM: NYC Health + Hospitals has committed \$52.6 million through October 2023, and has paid out \$42.5 million through October 2023
 - ReThink: NYC Health + Hospitals has committed \$31 million through October 2023, and has paid out \$18.3 million through October 2023
 - The contracts price meals on a per meal, per day basis with a cap of \$14.40 per day per guest. The rate includes all vendor expenses such as delivery costs, utensils, condiments, and packaging.
- No ancillary costs
- RFP done to competitively bid for these services and identify additional vendors that may be well-suited to this work
- Completing multiple reference checks for Bridging Cultures Group, Inc. and R.C. Stillwell LLC dba Riviera Caterers
- NYC Health + Hospitals expenses will be covered by HERRC MOU with the Mayor's Office ³



- Soliciting guest feedback
- Operational improvements and efficiencies
- Partnerships for leftovers
- Cost savings

RFP Criteria

➤ Minimum criteria:

- Three years in business performing food services at a similar scale
- M/WBE status, Utilization Plan, or Waiver Request
- \$1 million in annual revenue for each of the last three years

➤ Substantive Criteria

- 30% Relevant experience
- 25% Readiness to deploy
- 25% Cost
- 10% Cultural competency
- 10% MWBE

➤ Evaluation Committee:

- COO, Ambulatory Care
- Senior Director, HERRC Hospitality & Logistics
- Grants Director, HERRC
- Catering Lead, HERRC Hospitality & Logistics
- Assistant Vice President, Management Services
- Director, Bellevue Plant Based Lifestyle Medicine Program

Overview of Procurement

- 07/25/23: Application to issue request for proposals approved by CRC
- 09/08/23: RFP Posted on City Record, sent directly to 11 vendors
- 09/15/23: Pre-proposal conference held, 50 vendors attended
- 10/24/23: Proposals due, 23 proposals received
- 11/08/23: Evaluation committee debriefed and submitted final scores. Below are the top 4 proposers:
 - Rethink Food NYC, Inc.
 - LIC COM LLC dba Kommissary
 - Bridging Cultures Group, Inc.
 - R.C. Stillwell LLC dba Riviera Caterers

Vendor Performance

Department of Supply Chain	
Vendor Performance Evaluation	
ReThink Food	
DESCRIPTION	ANSWER
Did the vendor meet its budgetary goals, exercising reasonable efforts to contain costs, including change order pricing?	Yes
Has the vendor met any/all of the minority, women and emerging business enterprise participation goals and/or Local Business enterprise requirements, to the extent applicable?	Yes
Did the vendor and any/all subcontractors comply with applicable Prevailing Wage requirements?	Yes
Did the vendor maintain adequate records and logs, and did it submit accurate, complete and timely payment requisitions, fiscal reports and invoices, change order proposals, timesheets and other required daily and periodic record submissions (as applicable)?	Yes
Did the vendor submit its proposed subcontractors for approval in advance of all work by such subcontractors?	Yes
Did the vendor pay its suppliers and subcontractors, if any, promptly?	Yes
Did the vendor and its subcontractors perform the contract with the requisite technical skill and expertise?	Yes
Did the vendor adequately supervise the contract and its personnel, and did its supervisors demonstrate the requisite technical skill and expertise to advance the work	Yes
Did the vendor adequately staff the contract?	Yes
Did the vendor fully comply with all applicable safety standards and maintain the site in an appropriate and safe condition?	Yes
Did the vendor fully cooperate with the agency, e.g., by participating in necessary meetings, responding to agency orders and assisting the agency in addressing complaints from the community during the construction as applicable?	Yes
Did the vendor adequately identify and promptly notify the agency of any issues or conditions that could affect the quality of work or result in delays, and did it adequately and promptly assist the agency in resolving problems?	Yes
Performance and Overall Quality Rating Satisfactory	Satisfactory

Vendor Performance

Department of Supply Chain	
Vendor Performance Evaluation	
LIC Com DBA Kommissary	
DESCRIPTION	ANSWER
Did the vendor meet its budgetary goals, exercising reasonable efforts to contain costs, including change order pricing?	Yes
Has the vendor met any/all of the minority, women and emerging business enterprise participation goals and/or Local Business enterprise requirements, to the extend applicable?	Yes
Did the vendor and any/all subcontractors comply with applicable Prevailing Wage requirements?	Yes
Did the vendor maintain adequate records and logs, and did it submit accurate, complete and timely payment requisitions, fiscal reports and invoices, change order proposals, timesheets and other required daily and periodic record submissions (as applicable)?	Yes
Did the vendor submit its proposed subcontractors for approval in advance of all work by such subcontractors?	Yes
Did the vendor pay its suppliers and subcontractors, if any, promptly?	Yes
Did the vendor and its subcontractors perform the contract with the requisite technical skill and expertise?	Yes
Did the vendor adequately supervise the contract and its personnel, and did its supervisors demonstrate the requisite technical skill and expertise to advance the work	Yes
Did the vendor adequately staff the contract?	Yes
Did the vendor fully comply with all applicable safety standards and maintain the site in an appropriate and safe condition?	Yes
Did the vendor fully cooperate with the agency, e.g., by participating in necessary meetings, responding to agency orders and assisting the agency in addressing complaints from the community during the construction as applicable?	Yes
Did the vendor adequately identify and promptly notify the agency of any issues or conditions that could affect the quality of work or result in delays, and did it adequately and promptly assist the agency in resolving problems?	Yes
Performance and Overall Quality Rating Satisfactory	Satisfactory

Vendor Background & Assignment

- Bridging Cultures Group, Inc.
 - Arab-American Woman-owned MWBE vendor capable of providing full services within 10 days of contracting
 - Menu blueprint meets cultural competency goals of diverse and regionally-appropriate meals that comply with NYC Food standards, with meals designed to scale as needed
 - Long standing community work

- R.C. Stillwell LLC dba Riviera Caterers
 - MWBE vendor experienced in providing meal services to asylum seekers and working in a food service capacity with the City
 - Sample menu is encompassing of regional cuisine goals and vendor was a leader on adaptation of NYC Food standards when Executive Order 8 was signed
 - Ability to rapidly deploy following contracting, with marginal capacity to operationalize new sites overnight

- Work will be assigned based on operational need, vendor capacity, and financial competitiveness

- Contract can be sunset at any time with less than 90 day notice, and work can be reassigned from a vendor with less than 30 day notice

Vendor Diversity

Vendor Name	MWBE Status	UP Goal %
LIC Com dba Kommissary	Asian MBE	100%
ReThink Food	Non-Profit	N/A
Bridging Cultures Group	Non-Minority WBE	100%
Riviera Caterers	Non-Minority WBE	100%

- Three awardees are MWBEs
 - LIC Com is an incumbent
 - Bridging Cultures Group (Arab American female owned) is also partnering with Jabber Dorado Enterprises, a Hispanic MBE
 - Riviera Caterers is an NYC certified woman-owned WBE

- ReThink Food is a non-profit
 - ReThink Food sources meals and services from partners, including several Black-owned businesses that have pending applications for MWBE status through the City or the State; other registered 501(c)(3) organizations; or Arab American male owned businesses ineligible for MWBE status

Finance Committee Request

- Office of Ambulatory Care is seeking approval to enter into contract with Rethink Food NYC, Inc., LIC COM LLC dba Kommissary, Bridging Cultures Group, Inc., and R.C. Stillwell LLC dba Riviera Caterers for HERRC catering services at a not to exceed amount of \$355,000,000
- NTE is based on maximum occupancy at HERRC sites for guests 3 meals a day utilizing historical rates
- Contract Start Date: January 1st, 2024 with a term of one year and two six-month renewal options exercisable at the discretion of the System
- NYC Health + Hospitals catering expenses will be covered by HERRC MOU with the Mayor's Office

RESOLUTION

Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute contracts with HappyNest, Inc., Sodexo, Inc., Sun International Trading LLC, Burnblu 2081 Flatbush Ave LLC dba Blu Laundry Services for HERRC laundry services at a not to exceed amount of \$33,800,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

WHEREAS, the System began operating its Humanitarian Emergency Response and Relief Centers (“HERRCs”) in October 2022 as a response to the mass influx of asylum seekers arriving in New York City (“the City”); and

WHEREAS, HERRCs provide a range of holistic services to asylum seekers including a place to stay, food, medical care, reconnection services, and connection to social services; and

WHEREAS, the System currently operates multiple HERRCs throughout the City, with dedicated facilities serving families with minor children, single adult women and adult families, or single adult men; and

WHEREAS, the System is currently funding site-specific weekly, rotating laundering services at certain HERRC sites operated by NYC Health + Hospitals and

WHEREAS, the System has identified a need to continue providing consistent, timely, and smooth laundering services at all HERRC sites for asylum seekers, many of whom arrive with minimal clothing and need reliable access to laundering services; and

WHEREAS, currently the System has been utilizing HappyNest, Inc. and Sodexo, Inc., Sun International Trading LLC to provide HERRC laundry services; and

WHEREAS, the System conducted an open and competitive RFP process under the supervision, and with the assistance, of Supply Chain to identify additional vendors, in which eight vendors attended a pre-proposal conference and ten subsequently submitted proposals; and

WHEREAS, of the ten proposals submitted, the four vendors who received the highest ratings have been selected for award; and

WHEREAS, those awarded vendors will provide services on an as-needed basis without a minimum usage requirement; and

WHEREAS, the Office of Ambulatory Care will be responsible for the management of the proposed contracts.

NOW THEREFORE, be it

RESOLVED, that New York City Health and Hospitals Corporation be and hereby is authorized to execute contracts with HappyNest, Inc., Sodexo, Inc., Sun International Trading LLC, Burnblu 2081 Flatbush Ave LLC dba Blu Laundry Services for HERRC laundry services at a not to exceed amount of \$33,800,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

**EXECUTIVE SUMMARY
HERRC LAUNDRY SERVICES
AGREEMENTS WITH
HAPPYNEST, INC., SODEXO, INC., SUN INTERNATIONAL TRADING LLC, AND
BURNBLU 2081 FLATBUSH AVE LLC DBA BLU LAUNDRY SERVICES**

OVERVIEW: The System began operating its Humanitarian Emergency Response and Relief Centers (“HERRCs”) in October 2022 as a response to the mass influx of asylum seekers arriving in New York City (“the City”). The System currently operates multiple HERRCs throughout the City for the provision of a range of holistic services to asylum seekers. Laundry services are required in order to continue providing consistent, timely, and smooth laundering services at a significant scale. The proposed contracts will support the asylum seeker population by providing on-site laundering services at all HERRCs.

PROCUREMENT: The System conducted an open and competitive Request for Proposals (“RFP”) to establish a pool of vendors to provide laundry services to the System on an as-needed basis. The RFP was sent directly to ten prospective vendors, and eight prospective vendors attended a pre-proposal conference. A total of ten vendors submitted proposals and, of the proposals submitted, the Evaluation Committee selected the top four rated proposers to provide laundry services to the System.

COSTS: The total not-to-exceed cost for the proposed contract over its full, potential two-year term is not to exceed \$33,800,000.

Funding for these agreements will be covered by the City through a Memorandum of Understanding with the New York City Mayor’s Office.

MWBE: An overall MWBE utilization goal of 30% has been established and accepted with HappyNest, Inc., Sun International Trading LLC, Burnblu 2081 Flatbush Ave LLC dba Blu Laundry Services, through the use of subcontractors, with Sodexo, Inc. accepting a 16% goal.

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

From: Georgia Tsismenakis
Associate Counsel
Office of Legal Affairs

Tsismenakis, Georgia
Digitally signed by
Tsismenakis, Georgia
Date: 2023.11.28
14:28:45 -05'00'

Re: Vendor Responsibility, EEO and MWBE status for Board Review of Contract

Vendors: HappyNest, Inc.; Sodexo, Inc.; Sun International Trading LLC; and Burnblu 2081 Flatbush Ave LLC dba Blu Laundry Services

Contract: RFP No. 2722 HERRC Laundry Services

Date: November 28, 2023

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

<u>Vendor</u>	<u>Vendor Responsibility</u>	<u>EEO</u>	<u>MWBE</u>
HappyNest, Inc.	Pending	Approved	30%
Sodexo, Inc.	Pending	Pending	16%
Sun International Trading LLC	Pending	Pending	MWBE/100%
Burnblu 2081 Flatbush Ave LLC dba Blu Laundry Services	Pending	Pending	30%

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.

Humanitarian Emergency Response and Relief Centers (HERRCs) Laundry Services

**Application to Award Contracts
December 4, 2023**

**Chris Keeley
Senior Assistant Vice President
Office of Ambulatory Care**

For Committee Consideration

- Authorizing the New York City Health and Hospitals Corporation (the “System”) to execute contracts with HappyNest, Inc., Sodexo, Inc., Sun International Trading LLC, and Burnblu 2081 Flatbush Ave LLC dba Blu Laundry Services for HERRC laundry services at a not to exceed amount of \$33,800,000 for a contract term of one year and two six-month renewal options exercisable at the discretion of the System.

Background / Current State

- Currently providing routine laundering services at all HERRC sites operated by NYC Health + Hospitals
- Seeking vendors to continue providing effective laundering services at significant scale. Many asylum seekers arrive with minimal clothing and need reliable access to laundering services
- Two existing contracts
 - Sodexo, Inc.
 - HappyNest, Inc.
- Historical spend
 - Sodexo: NYC Health + Hospitals has committed \$6.1 million through October 2023 close and has paid out \$3.7 million through October 2023
 - HappyNest: NYC Health + Hospitals has committed \$0.65 million through October 2023 close and has paid out \$0.52 million through October 2023
 - Sodexo: per pound basis, which includes routine operational costs and additional costs such as delivery. Startup costs such as purchasing laundry carts and mesh bags additional
 - HappyNest: per bag basis as a flat all-in cost inclusive of administration fees, labor, delivery
- No ancillary costs
- RFP done to competitively bid for these services and identify additional vendors that may be well-suited to this work
- Completing multiple reference checks for Sun International Trading LLC and Burnblu 2081 Flatbush Ave LLC dba Blu Laundry Services
- NYC Health + Hospitals expenses will be covered by HERRC MOU with the Mayor's Office

RFP Criteria

➤ Minimum Criteria:

- Three years in business performing laundry services at a similar scale
- M/WBE status, Utilization Plan, or Waiver Request
- \$1 million in annual revenue for each of the last three years

➤ Substantive Criteria

- 30% Relevant experience
- 25% Readiness to deploy
- 25% Cost
- 10% Cultural competency
- 10% MWBE

➤ Evaluation Committee:

- COO, Ambulatory Care
- Senior Director, HERRC Hospitality & Logistics
- Chief Finance Officer, HERRC
- Director of Management Services
- Laundry Lead, HERRC Hospitality & Logistics

Overview of Procurement

- 08/29/23: Application to issue request for proposals approved by CRC
- 10/12/23: RFP Posted on City Record, sent directly to 10 vendors
- 10/20/23: Pre-proposal conference held, 8 vendors attended
- 11/08/23: Proposals due, 10 proposals received
- 11/14/23: Evaluation committee debriefed and submitted final scores. Below are the top 4 proposers:
 - HappyNest, Inc.
 - Sodexo, Inc.
 - Sun International Trading LLC
 - Burnblu 2081 Flatbush Ave LLC dba Blu Laundry Services

Vendor Performance

Department of Supply Chain
Vendor Performance Evaluation
HappyNest

DESCRIPTION	ANSWER
Did the vendor meet its budgetary goals, exercising reasonable efforts to contain costs, including change order pricing?	Yes
Has the vendor met any/all of the minority, women and emerging business enterprise participation goals and/or Local Business enterprise requirements, to the extent applicable?	Yes
Did the vendor and any/all subcontractors comply with applicable Prevailing Wage requirements?	Yes
Did the vendor maintain adequate records and logs, and did it submit accurate, complete and timely payment requisitions, fiscal reports and invoices, change order proposals, timesheets and other required daily and periodic record submissions (as applicable)?	Yes
Did the vendor submit its proposed subcontractors for approval in advance of all work by such subcontractors?	Yes
Did the vendor pay its suppliers and subcontractors, if any, promptly?	Yes
Did the vendor and its subcontractors perform the contract with the requisite technical skill and expertise?	Yes
Did the vendor adequately supervise the contract and its personnel, and did its supervisors demonstrate the requisite technical skill and expertise to advance the work?	Yes
Did the vendor adequately staff the contract?	Yes
Did the vendor fully comply with all applicable safety standards and maintain the site in an appropriate and safe condition?	Yes
Did the vendor fully cooperate with the agency, e.g., by participating in necessary meetings, responding to agency orders and assisting the agency in addressing complaints from the community during the construction as applicable?	Yes
Did the vendor adequately identify and promptly notify the agency of any issues or conditions that could affect the quality of work or result in delays, and did it adequately and promptly assist the agency in resolving problems?	Yes
Performance and Overall Quality Rating Satisfactory	Satisfactory

Vendor Performance

Department of Supply Chain Vendor Performance Evaluation Sodexo	
DESCRIPTION	ANSWER
Did the vendor meet its budgetary goals, exercising reasonable efforts to contain costs, including change order pricing?	Yes
Has the vendor met any/all of the minority, women and emerging business enterprise participation goals and/or Local Business enterprise requirements, to the extent applicable?	Yes
Did the vendor and any/all subcontractors comply with applicable Prevailing Wage requirements?	Yes
Did the vendor maintain adequate records and logs, and did it submit accurate, complete and timely payment requisitions, fiscal reports and invoices, change order proposals, timesheets and other required daily and periodic record submissions (as applicable)?	Yes
Did the vendor submit its proposed subcontractors for approval in advance of all work by such subcontractors?	Yes
Did the vendor pay its suppliers and subcontractors, if any, promptly?	Yes
Did the vendor and its subcontractors perform the contract with the requisite technical skill and expertise?	Yes
Did the vendor adequately supervise the contract and its personnel, and did its supervisors demonstrate the requisite technical skill and expertise to advance the work	Yes
Did the vendor adequately staff the contract?	Yes
Did the vendor fully comply with all applicable safety standards and maintain the site in an appropriate and safe condition?	Yes
Did the vendor fully cooperate with the agency, e.g., by participating in necessary meetings, responding to agency orders and assisting the agency in addressing complaints from the community during the construction as applicable?	Yes
Did the vendor adequately identify and promptly notify the agency of any issues or conditions that could affect the quality of work or result in delays, and did it adequately and promptly assist the agency in resolving problems?	Yes
Performance and Overall Quality Rating Satisfactory	Satisfactory

Vendor Background & Assignment

- Sun International Trading LLC
 - Asian woman-owned MWBE with 10 years' City contract experience, capable of rapidly scaling
 - Facilities conveniently located in multiple boroughs, positioned to strategically serve HERRC facilities with minimal disruption to service

- Burnblu 2081 Flatbush Ave LLC
 - Applying for MWBE status directly, in addition to plan for adequate subcontracting
 - Has capacity to deploy immediately

- Work will be assigned based on operational need, vendor capacity, and financial competitiveness

- Contract can be sunset at any time with less than 90 day notice, and work can be reassigned from a vendor with less than 30 day notice

Vendor Diversity

Vendor Names	MWBE Vendors	NYC/NYS	UP Goal %
HappyNest, Inc.	LTL Laundry Services	WBE(Non-Minority) certification pending	30%
Sodexo, Inc.	Sigmatex Textile	MBE(Asian)	16%
	Infinitem LLC	MBE(Asian)	
	Magnus Texx LLC	MBE(Asian)	
Sun International Trading LLC	N/A	M/WBE (Asian)	100%
Blu Laundry Services	Handsomely Done Cleaners	M/WBE (Black)	30%

- The vendor diversity team set a goal of 30% on this solicitation.
- The awarded vendors include one MWBE.
- The three non-MWBE vendors have agreed to utilization plans meeting the 30% goal, with the exception of Sodexo, which has submitted a plan of 16% and negotiations are continuing.

Finance Committee Request

- Office of Ambulatory Care is seeking approval to enter into contract with HappyNest, Inc., Sodexo, Inc, Sun International Trading LLC, and Burnblu 2081 Flatbush Ave LLC dba Blu Laundry Services for HERRC laundry services at a not to exceed amount of \$33,800,000
- NTE is based on maximum occupancy at HERRC sites and guests receiving laundering on a weekly basis utilizing historical rates
- Contract Start Date: January 1st, 2024 with a term of one year and two six-month renewal options exercisable at the discretion of the System
- NYC Health + Hospitals laundry expenses will be covered by HERRC MOU with the Mayor's Office






NYC Health + Hospitals
Finance Committee Meeting
December 4, 2023



FY24 Quarter 1 Highlights

- The system closed September with **\$962 Million (36 days cash-on-hand)**.
- Closed Q1 with a **Positive Net Budget Variance of \$49M (1%)**
- Direct Patient Care Receipts (I/P and O/P) came in **\$133.89M higher than the same period in FY23** partially due to SBH bills held in PY Q1, continued increases in IP and OP services in FY24, and overall improved cash performance.
- Patient care **volume** in FY24 **has surpassed pre-COVID levels (1%)**, and is 9% ahead of FY20 pre-COVID OP visits. Revenue base remains strong and resilient primarily driven by returning volume and higher average collectability rate over the base.
- Strategic Financial Initiatives are underway. So far, Q1 performance generated \$217M against an annual target of \$1.08B. Financial updates are still in progress within areas of Revenue Cycle and System Efficiencies. Initiatives with strong Q1 performance include:
 - Managed Care Initiatives High Cost Outliers (\$62M);
 - Completed Managed Care Contract Negotiations (\$24M);
 - and Financial Counseling Enhancements (\$17M)

- The system is estimated to close November with approximately \$650 Million (24 days cash-on-hand).
- The system also expects to close December with approximately \$500 Million (18 days cash-on-hand).
- We continue to work closely with the City on our remaining liabilities due to them as we continue to closely monitor our cash position.

Risk	Status
<p>Staff Recruitment/Retention/Temp Services/Sessional Cost</p> <ul style="list-style-type: none"> ○ The system is focused on the 18 month RN glidepath, which assumes hiring to start ramping up in FY24 Q2. NYSNA negotiations closed in August and H+H implemented the “All Hands on Deck” approach to recruit and retain RNs. Sites are tracking well toward achieving FY24 glidepath targets. ○ The system is rolling off or converting non-clinical temps where appropriate. ○ RN temp agency ramp down is expected to follow completion of orientation for new hires starting end of Q2 of FY24. ○ FY23 Sessional Spending surpassed FY22 Actuals/Budget across all facilities. 	
<p>Supply Chain/Inflationary Pressures</p> <ul style="list-style-type: none"> ○ Facilities submitted \$90M in gap closing plans to reduce spend - including OTPS discretionary spending. 	
<p>City/State Budget Challenges</p> <ul style="list-style-type: none"> ○ City’s November Plan included a Program to Eliminate the Gap (PEG) totaling \$25-28M annually for H+H. H+H met its target through program re-estimates and a subsidy adjustment without service impacts; January Plan PEG announced ○ State released Mid-Year update which showed smaller budget gaps but also a call for a freeze in spending at the current year level; will continue to monitor ahead of Governor’s Executive Budget in January. 	
<p>Federal Budget/Regulatory Impacts</p> <ul style="list-style-type: none"> ○ DSH Cuts delayed until January 19th as part of newly passed CR. ○ IPPS Rule being implemented; H+H tracking potential impacts. 	
<p>Medicaid Recertification</p> <ul style="list-style-type: none"> ○ We are currently meeting our budgeted recertification targets and continue to optimize our overall strategies to ensure that we stay on track. 	



Nov 25 Financial Plan - PEG

- OMB released the Nov 25 Financial Plan on Thursday, 11/16.
- As part of the Plan, H+H along with all other City agencies, was given a City Tax Levy (CTL) budget savings target also known as a Program to Eliminate the Gap (PEG) of 5% per year.
- H+H met its PEG target by in-housing consultant work, internally driven programmatic modifications, billing improvements, and Central Office contract and administrative expense reductions, and funding shifts.
- There are no impacts on patient services.

<i>(\$ in millions)</i>	FY24	FY25	FY26	FY27
Total PEG Savings \$	(25.5) \$	(27.6) \$	(28.0) \$	(28.5)

Financial Performance

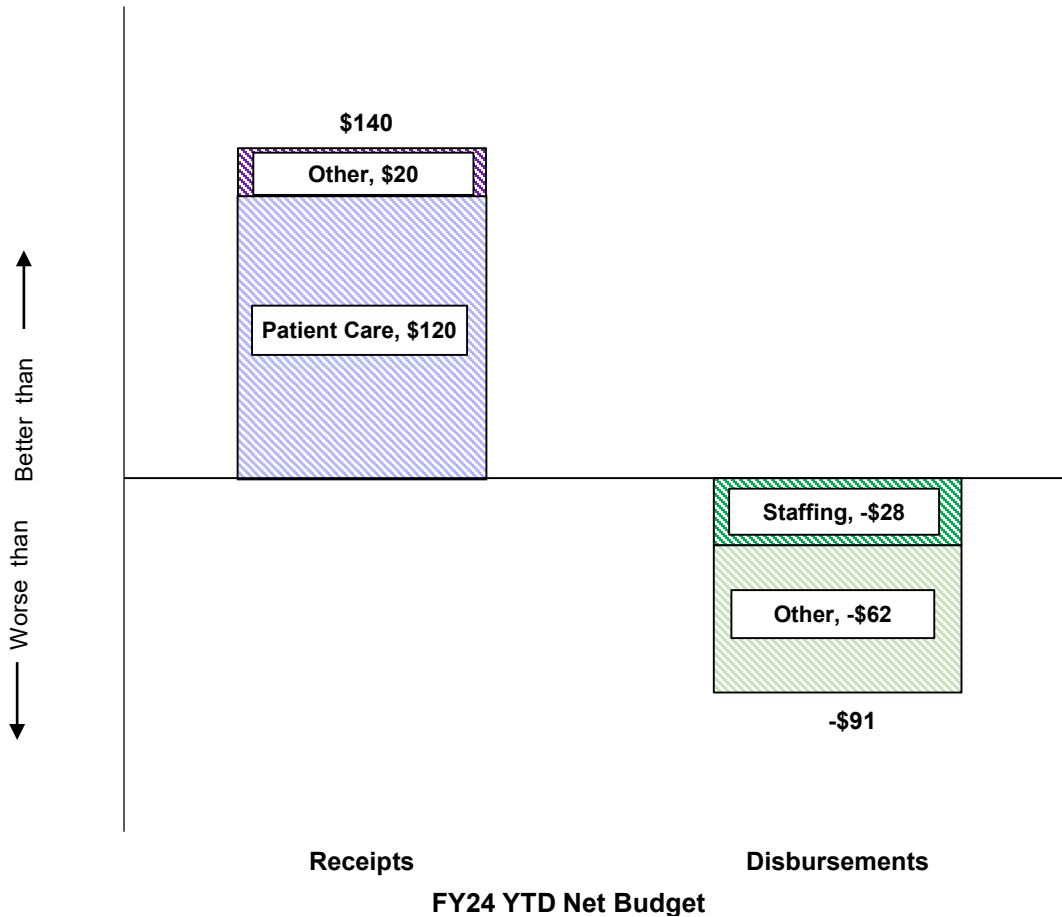
FY 2024 September YTD



Highlights

Ended Sept with a net budget variance of \$48.9M 1% where

- Receipts exceed budget by \$140M Primarily driven by Patient Care Risk Revenue. Risk is higher due to improved PMPM and other PY reconciliations.
- Disbursements exceed budget by \$91M, which includes expenses associated with Temp coverage, Affiliation, and PS/Overtime costs.



Notes:

1. Test and Treat not included in the Net Budget Variance.

Cash receipts are 6% ahead of budget. Much of the overage can be attributed to Risk revenue exceeding target due to higher than anticipated PMPM and PY reconciliations

- IP/OP rates, volume, and cash performance (**\$8.8M**) - IP discharges are 1% ahead of budget while rates are slightly down. OP cash ahead of target largely due to Acute site volume, rates, and cash performance exceeding target.
- Risk Pool Performance and Timing (**\$117M**) - ahead of budgeted target by 96% primarily due to CY23 Risk PMPM performance coming in better than planned. 43% of the variance due to unbudgeted reconciliations being collected this year.
- Other revenue exceeding target (**\$13.6M**) – Miscellaneous revenue

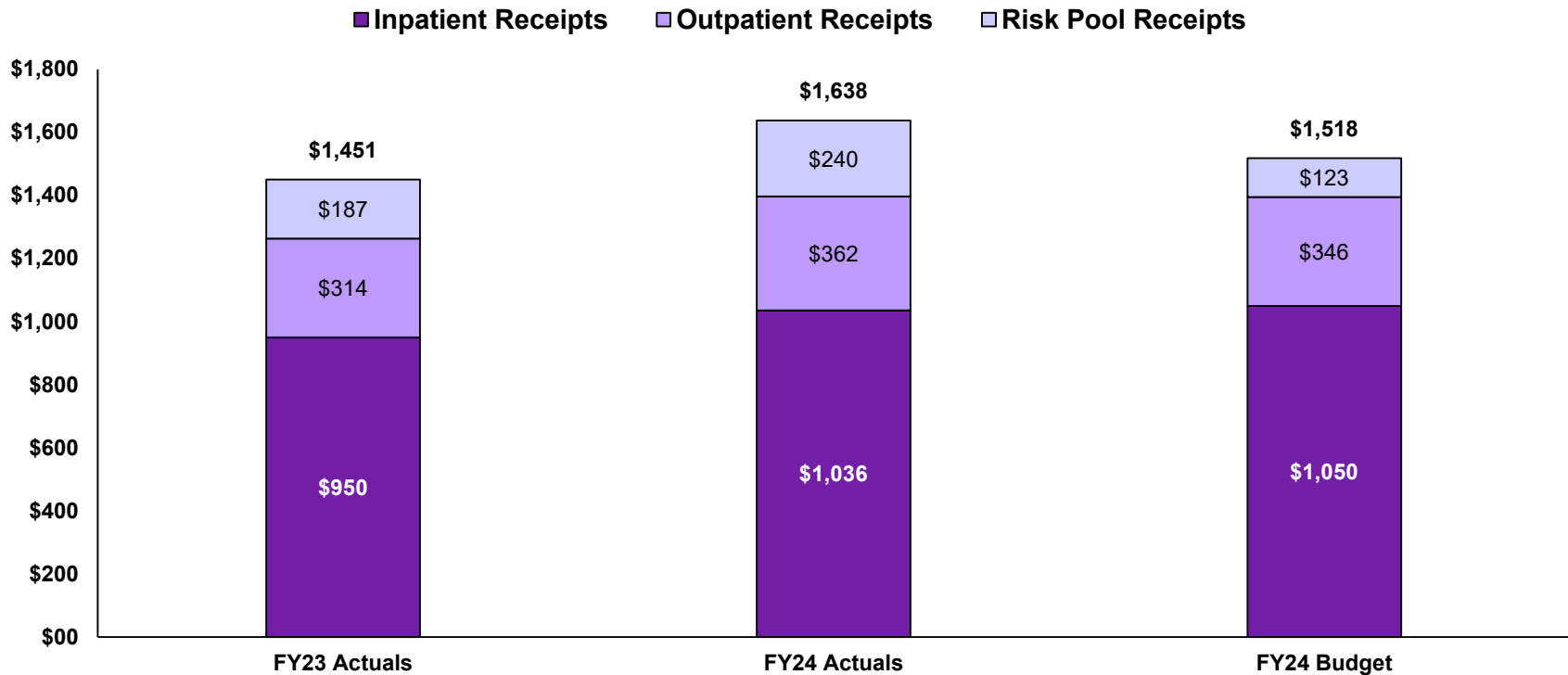
Summary Receipts Performance (FY23 thru Sept)	YTD Variance against Budget (\$M)
IP/OP Volume, Rates, and Cash Performance	\$8.8
Risk Pool	\$117.4
Other	\$13.6
Grand Total	\$139.8[+6%]

Cash disbursements are over budget by 4% primarily from Temp spending and Agency costs exceeding target

- The System has redirected its attention to full time recruitment & retention of H+H and Affiliate patient care staff in alignment with established staffing models to support our clinical services and overall volume increases. As the hiring ramps up, excess temp expenses should start to decrease as outlined in the System’s glide path. **(-\$66.1M)**
 - Temps **(-\$55.7M)** – Primarily RN
 - Affiliations **(-\$10.4M)** - sessional and locum usage
- Personnel Services including Overtime **(-\$18.1M)**
- Other Discretionary spend **(-\$6.8M)** – Pharmaceuticals and med surge supplies

Summary Disbursements Performance (FY23 thru Sept)	YTD Variance against Budget (\$M)
Agency Patient Care Temp Staffing Coverage	(\$55.7)
Affiliations	(\$10.4)
PS/OT	(\$18.1)
Other Discretionary Spend	(\$6.8)
Grand Total	(-\$97.8) [-4%]

- FY24 direct patient care revenue (I/P & O/P) is \$133.9M higher than FY23 actuals.
- Patient revenue increases year-over-year can be partially attributed to PY hold on SBH bills (\$40M), PY UPL takeback (\$17M), HCW Bonus (\$11M), overall increased volume and cash performance on revenue improvement initiatives.
- Compared to same time last year, discharges are up 1.7%, visits are up 1.4% (excluding testing), and Case Mix Index (CMI) is slightly lower by -1.0%.



Revenue Cycle



Technology

Works In Progress

- Predictive denial analytics
- One-stop benefits
- Documentation analytics for missing charges
- Experian Implementation
 - Enhanced claim status
 - Denial prioritization
 - Insurance capture workflow enhancements

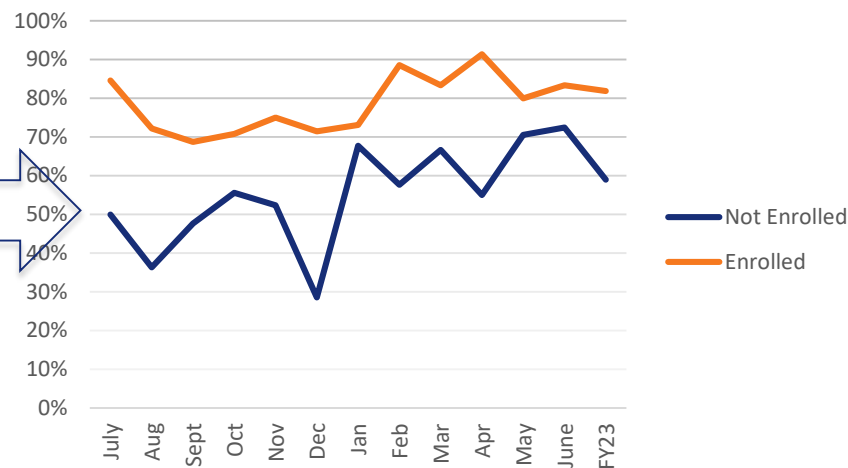
Pipeline

- Autonomous coding
- AI for scanning and indexing
- Generative AI to respond to billing inquiries, draft appeals
- Expansion of Robotics Process Automation

Revenue Cycle Institute FY23 Round-up

- 184 courses offered
- 10,731 class completions
- Roll-out of Revenue Cycle New Employee Onboarding Training led to improved retention of employees

Rev Cycle Employee Retention



FY24

VBP Update

VBP Priorities for FY24

Grow and retain VBP membership	
Prioritize recertification of Medicaid coverage	Green
Work to optimize Managed Care enrollment of our primary care physicians to pair members with providers with best schedule access	Red
Grow premium revenue base in VBP contracts	
Expand outreach to disengaged patients in our value based contracts to actively close gaps in care	Green
Collaborate with Revenue cycle Services to assess accurate diagnosis capture of polychronic attributed members and members with social needs	Green
Enhance scheduling to improve access and patient satisfaction (CAHPS) scores	Red
Improve quality and efficiency of care delivery	
Engage clinical teams to scale best care practices for patients with asthma and congestive heart failure	Yellow
Assess quantitative and qualitative impact of ongoing H+H care management programs on members of our VBP contracts	Yellow
Engage post-acute care teams in VBP program opportunities	Red



Recertification for Medicaid and Essential Plan

- Since June 2023, when NYS recommenced annual recertification of eligibility for patients insured with Medicaid and Essential Plan, NYC H+H has achieved an average monthly recertification rate of **80%** among its risk attributed members with MetroPlus and Healthfirst.
- This is outpacing budget (*at an anticipated 76%*) and should yield better financial performance than initially projected.

New VBP Budget Tools

1	Facility					
2						
3	COMBINED TOTAL					
4	Risk Pool KPI Metric	Baseline	Current Performance	Change from Baseline	Current Performance Acute Care Avg.	Current Performance Rank (Acute Care)
5	Overall Performance					
6	Total Premium					
7	Premium per member month				\$484	1
8	Total Medical Expense					
9	Medical Expense per member month				\$417	11
10	Total Surplus/Deficit					
11	Surplus/Deficit per member month				\$67	10
12						
13	Premium Drivers					
14	Total member months					
15	Estimated CRG/HCC score					
16	Estimated Total Premium gained/lost due to CRG score					
17	Estimated Premium gained/lost due to CRG score per member month				\$11	1
18						
19	Medical Expense Drivers					
20	Total IP spend incurred outside of H+H					
21	External IP spend per member month				\$50	8
22	Total SNF spend incurred outside of H+H					
23	External SNF spend per member month				\$7	8
24						
25						
26	Parameters					
27	Baseline Time Period		If performance better than the acute care/ FQHC	If performance improved compared to the		If ranked top 3 for acutes or
28	Jan to Jun 2022; claims paid thru 06/30/2022		If performance worse than the acute care/ FQHC	If performance worsened compared to the		If ranked bottom 3 for acutes
29	Performance Time Period					
30	Jan to Jun 2023; claims paid thru 06/30/2023					
31	Attribution					
32	All metrics include hospital & community attribution					

Support from VBP Coaches

VBP Coach Team: 6 person Central Office team helping H+H facilities improve performance in VBP contracts.

Patient Support

Med Adherence Program

- Called 7,202 risk members to help refill overdue prescriptions
- 3,329 were reached

Outreach to Schedule Members for Appts

- Scheduling post-partum and well child visits

Asthma Care

- 19% improvement YTD with coordinating controller meds for patients with asthma

Clinician Support

Pre-Visit Planning

- Informs PCPs of gaps in care for upcoming patient appts
- 332 Docs supported

Telehealth Program

- Support 4 docs doing target visits for pts w gaps in care
- >100 visits completed

VBP Trainings

- 19 trainings held for Acute, & Gotham staff on risk revenue opportunities and closing care gaps

NYC H+H Support

Supplemental Chart Rev

- > 1k charts reviewed for data to ↑ rates on key measures

VBP Perf Monitoring

- Give monthly updates to facility staff on VBP performance & support improvement efforts

Results:

- NYC H+H is earning more money in quality incentive programs and ranking higher in quality performance among peers.
- Risk acuity scores of risk attributed members have increased year over year
- MetroPlus quality performance has increased YTD on key metrics for diabetes care, cancer screenings and well child care.



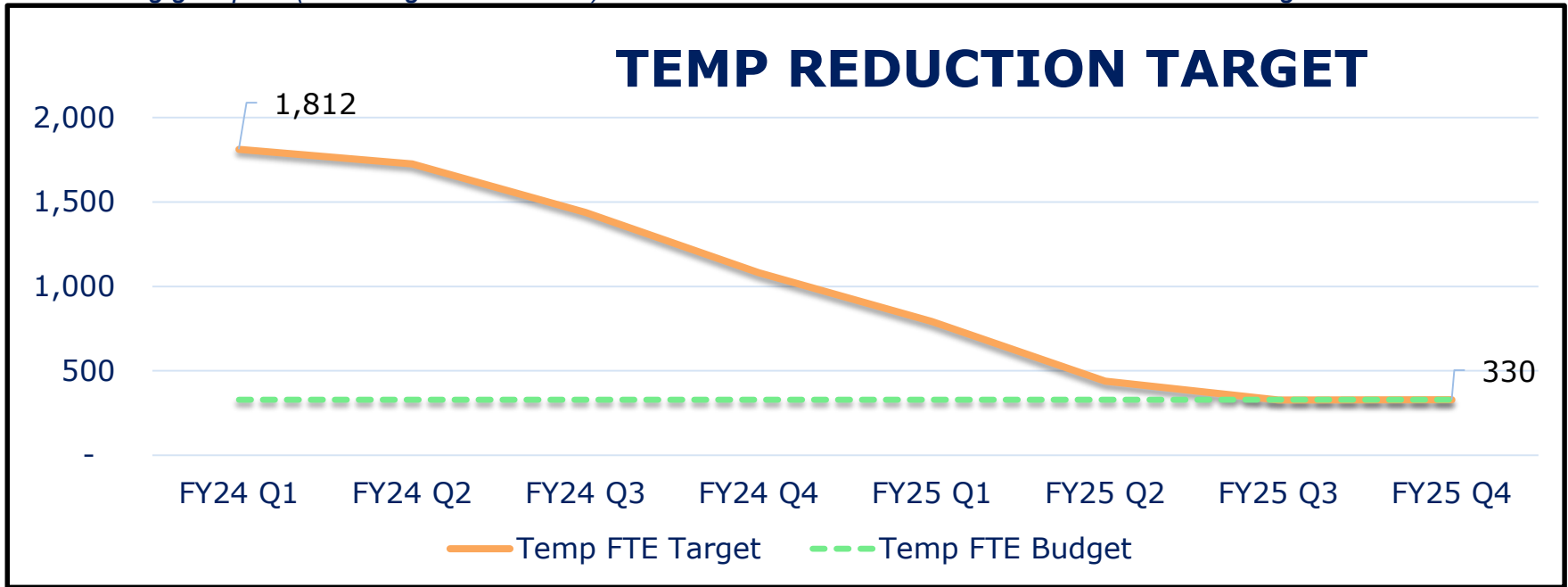
Appendix



Over the next 18 months:

Glidepath to budget assumes that H+H will reduce 1,480 contract RN's by the second half of FY25

The nursing glidepath (shedding contract RNs) is critical to the successful execution of the FY24 budget



- Temp RN ramp down assumed to start in FY24 Q2, reaching target by the second half of FY25.
- By the end of FY24, **58%** of excess temps are expected to be shed.
- As of September, Temp RN rates have decreased 3%.

