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| Procurement and Contracting Policy |
| Policy number: 100-05 |
| Effective date: December 11, 2025 |
| Responsible department: Supply Chain Services |

Operating Procedure 100-05
Procurement and Contracting Policy

Policy Statement

The underlying purposes of this operating procedure are to: (i) provide Supply Chain Services with the authority and flexibility to timely meet NYC Health + Hospitals' procurement needs under a Cost Quality Outcome model that promotes standardization and thereby helps NYC Health + Hospitals' achieve its mission of delivering high quality and affordable healthcare to all New Yorkers, (ii) realize the benefits of NYC Health + Hospitals' enabling act which provides NYC Health + Hospitals with "legal, financial and managerial flexibility," and (iii) protect against corruption, self-dealing, fraud, and abuse. This operating procedure shall be interpreted and implemented to further such purposes.

Scope and Effect

This operating procedure applies to any and all procurements within NYC Health + Hospitals regardless of the source of funding, with the exception of those that involve City, State, or Federal agencies. Supply Chain Services shall be the NYC Health + Hospitals' division with the sole authority and responsibility for procurement and Materials Management.

Definitions

Affiliation Agreement: An agreement for the provision of clinical, supervisory, teaching and administrative services, including, but not limited to, those with: 1) NYU Grossman School of Medicine for services at NYC Health + Hospitals/Bellevue, NYC Health + Hospitals/Woodhull, NYC Health + Hospitals/Gouverneur, NYC Health + Hospitals/Gotham Health, Cumberland, NYU Health + Hospitals,/Gotham Health, Gouveneur, NYC Health + Hospitals/Carter and NYC Health + Hospitals/Coler; 2) Icahn School of Medicine at Mount Sinai, at NYC Health + Hospitals/Elmhurst and NYC Health + Hospitals/Queens; 3) SUNY Downstate Health Sciences University at NYC Health + Hospitals/Kings and NYC Health + Hospitals/South Brooklyn Health; and 4) with Physician Affiliate Group of New York at any NYC Health + Hospitals facility.

Auction or Reverse Auction: A formal, structured method of Procurement that occurs in a time-bound environment where the highest price offered (auction), or lowest price offered (reverse auction) by a Responsible, Responsive Vendor is awarded the contract.

Bid: A structured, formal method of Procurement designed to award a contract based on either low bid or best value based on the combination of cost and other factors.

Clinical Service Agreement: An agreement (other than an Affiliation Agreement as defined above) between NYC Health + Hospitals and a licensed provider, school, or entity for the delivery of clinical services to NYC Health + Hospitals patients.

Construction: The construction of a health facility, or a part thereof, which shall be publicly let to the lowest responsible bidder in the manner provided by, and in conformity with, the provisions of article five-a of the general municipal law.

Contract Review Committee (“CRC”): A committee established by the President to review certain Procurement transactions as indicated in the Procurement Table.

Contract Value: The dollar value of the contract over its entire initial term and any renewal terms.

Deviation: A deviation from this operating procedure as authorized by the President.

Due Diligence: Due diligence is given its common meaning: reasonable efforts taken to investigate, research and analyze a proposed transaction.

Finance or Office of Finance: The division within the NYC Health + Hospitals, headed by the Senior Vice President of Finance, responsible for the financial management of the System.

Goods: Goods include tangible items, such as commodities (e.g. gloves, paper, furniture, pharmaceuticals, computers), equipment (e.g. x-rays, generators), and intangible items where most of the cost is not the result of a service (e.g. stock software would be considered a Good whereas a custom developed interface would be considered a Service).

Group Purchasing Organization (“GPO”): A membership organization that offers to its members contracts for their use to obtain Goods or Services from Vendors procured by the GPO using the aggregated purchasing power of such members to obtain favorable terms.

Materials Management: The planning and logistics of the cycle of Goods used by NYC Health + Hospitals, including ordering, delivering, sequestering, returning, inventory, standardization, distribution and disposal.

Micro-Purchases: Micro-purchases are low dollar value purchases that may be made without any competitive Procurement as follows. Micro-purchases shall not be made from the same vendor for similar or related Goods or Services where it can reasonably be foreseen that the anticipated combined purchase total will exceed the Micro-purchase threshold. Contracts or Purchase Orders for Micro-purchases for Goods or Services of \$100,000 or less shall require an abridged form of due diligence. While no formal competition is required,

contracting officers must ensure that the non-competitive price is fair and reasonable.

Negotiated Acquisition (“NA”): A method of Procurement where only a limited number of potential candidate Vendors are available to meet the System’s need and such Vendors can be reasonably identified without advertising.

NYC Health + Hospitals (“the System”): New York City Health and Hospitals Corporation and its subsidiaries as consistent with the articles of incorporation and bylaws of such subsidiaries.

Office of Facilities Development (“OFD”): The NYC Health + Hospitals division that is responsible for procurement of construction contracts for the Corporation.

Office of Legal Affairs (“OLA”): The division within NYC Health + Hospitals, headed by the General Counsel, responsible for providing legal services to the System and for managing the services of outside legal counsel.

Preferred Source: As set forth by NYS Finance Law section 162: “Procurement from these providers shall be exempted from the competitive procurement provisions of section one hundred sixty-three of this article and other competitive procurement statutes. Such exemption shall apply to commodities produced, manufactured or assembled, including those repackaged to meet the form, function and utility required by state agencies, in New York State and, where so designated, services provided by those sources in accordance with this section.”

President: The president of NYC Health + Hospitals.

Procurement: The process by which the System obtains Goods or Services for NYC Health + Hospitals, including the identification of Vendors, determination of responsibility and negotiation of terms whether effected by Purchase Order or contract.

Procurement Method: The method for undertaking a Procurement.

Procurement Table: The table contained in this operating procedure that sets forth minimum requirements for procuring Goods or Services. A Procurement generally falls into the Goods category when the majority of the cost of the Procurement consists of the cost of the Goods. A Procurement typically falls into the Services category when the majority of the cost of the Procurement consists of the cost of the Services.

Purchase Order: A legal, binding document, issued to a Vendor specifying commercial terms such as item description, scope of services, quantity, price, delivery date, shipping and payment terms for the

purchase of Goods or Services.

Request for Proposals (“RFP”): A structured, formal method of Procurement designed for choosing the Vendor with the best proposal.

Required Approval: An approval required before execution of a contract or issuance of a Purchase Order is permitted as set forth in the Procurement Table.

Requirements Pool: A set of vendors previously procured and available under contracts on an as-needed basis to provide certain Goods or Services described in such procurement.

Responsibility Determination: An exercise to determine whether a Vendor is Responsible.

Responsible: That quality in a Vendor of having the capability in all respects to perform in full the Procurement requirements, and the business integrity and reliability that will assure good faith performance.

Responsive: That quality in a proposal made in response to a Procurement of conforming to the specific terms set forth in the Procurement.

Senior Business Owner (“SBO”): An NYC Health + Hospitals employee or an affiliate employee, who is an SVP’s designee and: i) is responsible for requesting contracts, or ii) will be the principal contract user or the head of a unit that will be the contract user, or iii) will be primarily responsible for the administration of such contract.

Services: Actions provided by a Vendor for the benefit of the System, including but not limited to things such as software support, equipment maintenance, professional services (e.g. legal), non-professional services (e.g. cleaning), construction and construction related services and consultations.

Sole Source: A Vendor which is the only viable candidate for providing a certain Good or Service.

Supply Chain Manual: A written manual prepared by SCS to provide rules, consistent with this operating procedure, governing Procurement subject to amendment from time to time by SCS.

Supply Chain Services (“SCS”): The NYC Health + Hospitals division that is solely responsible for Procurement services and Materials Management, not related to construction, under this operating procedure.

Third-Party Contract (“TPC”): A pre-existing contract between a Vendor and a governmental entity or offered by a Group Purchasing Organization.

Vendor: An individual or company that provides, is available to provide or proposes to provide, Goods or Services to the System.

Work Order: An agreement between the System and a Vendor made pursuant to an existing contract which provides the terms for the Vendor to perform specific work thereunder, often used with requirements contracts.

Section I. Generally

1. Authority to Contract. The solicitation, and procurement for Goods or Services, other than Construction, Construction-related, Affiliation Agreements and Clinical Services, shall reside with Supply Chain Services irrespective of the source of funding. Unless authorized by Supply Chain Services, no other persons or departments within NYC Health + Hospitals may perform any Procurement or solicitation or enter into any contract for Goods or Services. Notwithstanding the foregoing, the President may solicit and execute contracts or may direct others to do so when it is in the best interests of the System and as is otherwise consistent with this operating procedure.

2. Procurement Table. The Procurement Table sets forth minimum requirements for the procurement of Goods or Services. Procurements shall meet such requirements absent a Deviation.

3. Contract Value. To determine the dollar value of a contract for purposes of applying the rules of this operating procedure, the dollar value of the contract over its entire initial term and any renewal terms shall be taken into account. Multiple Purchase Orders issued to a single Vendor for similar products shall be aggregated. When particular Goods or Services are repeatedly obtained from the same Vendor, one should project the need for such Goods or Services to arrive at an estimated Contract Value.

4. Segmentation Prohibited. Two or more contracts may not be awarded to the same Vendor for the same or related projects for the purpose of avoiding Required Approvals.

5. Zero Dollar Contracts. This operating procedure shall apply to any NYC Health + Hospitals' Procurement even if NYC Health + Hospitals is not required by such Procurement to spend any money. If the proposed Procurement provides revenue to the System or will entitle the Vendor to receive a commission (or other similar arrangement), the amount of revenue, or the amount of commission, shall be used to determine the Contract Value and the applicable Required Approvals.

6. Grant Funded Procurement. Where NYC Health + Hospitals receives a grant requiring the funds to be used to engage a named Vendor, or one of several pre-qualified Vendors, no Procurement process or approvals shall be required to justify the selection of such Vendor. Such Vendor shall, however, be subject to all other elements of this operating procedure.

7. Procurement Methods. Generally, NYC Health + Hospitals uses the following Procurement methods: Auction/Reverse Auction, Bid, Negotiated Acquisition, Request for Proposals, Sole Source, Preferred Source and Third-Party Contract. Such methods are not exclusive or mutually exclusive. Any Procurement Method may be used or any of the listed methods combined as long as it is consistent with

this operating procedure. The manner of conducting each Procurement Method shall be as set forth in the Supply Chain Manual.

8. Contract Term. A contract may be for any term suitable to meet the goals of the contract, except as may be limited by the Supply Chain Manual.

Section II. Procurement Table

| Goods | | | |
|-----------------------------|---|-----------------------|------------------------------|
| Contract Value | Procurement Method | Required Approval | Responsibility Determination |
| Less than \$5 million | Auction, Bid, Preferred Source, TPC, RFP, NA, Sole Source | SCS & SBO | Per Supply Chain Manual |
| \$5 million or more | Auction, Bid, Preferred Source, TPC, RFP, NA, Sole Source | SCS & SBO | Per Supply Chain Manual |
| Services | | | |
| Contract Value | Procurement Method | Required Approval | Responsibility Determination |
| Less than \$5 million | Auction, Bid, Preferred Source, TPC, RFP, NA, Sole Source | SCS & SBO | Per Supply Chain Manual |
| \$5 million to \$10 million | Auction, Bid, Preferred Source, TPC | SCS & SBO | Per Supply Chain Manual |
| | RFP, NA, Sole Source | SCS, SBO & CRC | |
| \$10 million or more | Auction, Bid, Preferred Source, TPC, RFP, NA, Sole Source | SCS, SBO, CRC & Board | Per Supply Chain Manual |

Section III. Supply Chain Services Authority and Responsibility

- 1. Procurement Services.** NYC Health + Hospitals employees and units with a procurement need shall consult with SCS whether to procure a Vendor to meet such need. SCS shall evaluate the need, and determine whether there needs to be a Procurement and if so how best to meet the procurement need consistent with this operating procedure.
- 2. Contract Cataloguing.** SCS shall have the exclusive responsibility and authority to organize and store all of NYC Health + Hospitals' contracts and related materials and to establish procedures and methods to do so.
- 3. Materials Management.** SCS shall have the exclusive responsibility and authority for the personnel, systems and processes related to Materials Management.
- 4. Requisitioning and Purchase Orders.** SCS shall have the exclusive responsibility and authority for systems and processes related to receiving and approving requisitions and Purchase Orders not related to construction.
- 5. Reporting.** SCS shall provide standard and ad hoc reports to the Board pertaining to its functions as requested.
- 6. Responsibility Determinations.** SCS shall determine whether Vendors are deemed Responsible. However, prior to the issuance of any finding of non-responsibility, SCS shall confer with OLA

Section IV. Office of Legal Affairs Authority and Responsibility

1. Form of Contracts. OLA shall develop standard contracts and update them as necessary, and shall ensure that these contracts are updated consistent with all applicable laws and regulations. The standard contracts prepared by OLA shall be the preferred templates for all contracts executed by NYC Health + Hospitals. Until such time as OLA develops such standard contracts, Supply Chain Services will utilize existing contract standard terms and conditions and riders previously developed.

2. Review of Contracts. Supply Chain Services personnel may request that OLA review or advise on particular procurement issues or contracts.

Section V. Contract Review Committee Authority and Responsibility

- 1. Scope of Review.** The Contract Review Committee shall review all Procurements where required in the Procurement Table to ensure such Procurements are consistent with this operating procedure.
- 2. Effect of Review.** Should the CRC determine that a reviewed Procurement is not consistent with this operating procedure then such Procurement shall not proceed until it receives the approval of the CRC.
- 3. Composition of CRC.** The composition of the CRC shall be as specified by the President, or in the absence of such specification as set forth in the Supply Chain Manual, provided that it shall include one voting member appointed by the Chairperson of the Board.
- 4. Procedures.** The CRC shall adopt written procedures for its operations which shall be subject to approval and modification by Supply Chain Services.

Section VI. Construction

Procurements and processes related to construction procurements shall be the responsibility of OLA and shall follow the rules set forth herein except where such Procurements are subject to New York State General Municipal Law 5-a, in which case such Procurements shall follow this operating procedure to the extent not inconsistent with New York State General Municipal Law 5-a.

Section VII. Specific Contracts and Contract Mechanisms

1. Physician Preference Items. Though similar products may be offered at a lower cost, if a Good or Service improves clinical outcomes, or if there is sufficient other cost-benefit analysis supporting the choice of such Good or Service, such more expensive product may be procured where there is a written clinician's reasonable justification.

2. Contract Renewals. An expiring contract may be renewed rather than competitively procured where there is: (1) a written justification (such as the need to maintain continuity of care, avoid the disruption of a change of Vendor, honor an original equipment manufacturer service requirement, satisfaction with the incumbent Vendor's performance, etc.); (2) a cost-benefit analysis; and (3) a pricing analysis showing that the price is fair and reasonable under the circumstances; and these three items together establish that renewal is in the System's best interest. Required Approvals must be obtained as if the contract were being entered into for the first time.

3. Contract Extensions. An expiring contract may be extended for a period of time that is reasonable given the circumstances. If the contract did not require Board or CRC approval because its total cost did not reach the applicable approval threshold, then no extension may be made without Board or CRC approval if the extension would bring the Contract Value over such threshold.

4. Contract Expansion. Contracts may be expanded in scope if the expanded scope is substantially related to the original scope and if separately procuring the new work would not serve the System's best interests, as attested to by the SVP/CPO, the CFO and the SBO. Any Contract Expansion must include a written cost-benefit analysis supporting the expansion and must obtain any additional Required Approvals that might be required due to an increase in Contract Value.

5. Work Order Continuation. A work order issued under an existing contract may be continued through completion regardless of whether the contract has expired or been terminated. A work order continuing work beyond the expiration of the underlying contract shall not be issued, however, when it could have been reasonably foreseen at the commencement of the work that a substantial part of the work under the work order would not be completed prior to expiration of the contract.

6. Subscriptions and Memberships. The System may, without a competitive process, subscribe to publications, be they electronic or in paper form, join organizations and pay the associated subscription or membership fees if the Senior Business Owner determines that the publication or membership is necessary or desirable for the operation of his/her department and in the best interests of the System.

7. Recruiting and locum tenens. Agreements for locum tenens and agreements with recruiting or placement firms for senior executive or hard to fill positions do not require a competitive Procurement.

8. Use of Requirements Pools. When multiple contracts have been awarded for the same or similar Goods or Service on a requirements basis, the use of one Vendor over another shall be at the discretion of the System in the exercise of good business judgment with a view to minimizing administrative burdens unless the Procurement, contract or Supply Chain Manual specifies otherwise.

9. Deviations. The President shall have the authority to authorize any deviation from this operating procedure if the President determines that doing so is in the best interests of the System. The Senior Business Owner shall submit to the President a written justification for such deviation with the approval of the SVP for Supply Chain Services, the General Counsel, and the SVP for Finance. Deviations shall be made in a fair and impartial manner. The President shall report any deviation to the Board at its next meeting if the deviation pertains to a matter that would otherwise have been brought to the Board under this operating procedure.

Section VIII. Procurement Review Board

- 1. Generally.** A Procurement Review Board (“PRB”) is hereby established and shall have the responsibility and authority to address complaints of Vendors relating to Procurement where a Vendor has been denied a contract award. The PRB shall hear protests of aggrieved Vendors regarding any procurement issue resulting in such Vendor’s non-award, including a determination that a Vendor is non-responsible. The PRB shall not hear contract disputes.
- 2. Composition.** The PRB shall be comprised of the following persons or their designees: the General Counsel, the Senior Vice President for Finance, and the Senior Vice President/Chief Procurement Officer.
- 3. Procedures.** The PRB shall establish such procedures as it determines are appropriate to the circumstance. The PRB may hear written argument or may, at its option, proceed based only on the basis of written submissions. The PRB shall issue a written decision.

Section IX. Supply Chain Manual

Supply Chain Services shall issue a Supply Chain Manual promulgating rules and forms consistent with this operating procedure. The Supply Chain Manual may set forth rules that are more restrictive than those set forth herein.

Section X. Audits

Based on the System's Office of Internal Audits' Risk Assessment and Audit Plan this operating procedure, the Supply Chain Manual and performance thereunder will be reviewed as part of regular audits.

Section XI. Special Rules for Certain Procurements

1. This Operating Procedure shall not apply to the following types of contracts:

- a. Affiliation Agreements.** The Office of Enterprise Clinical Operations and the Office of Legal Affairs shall have the responsibility and authority to manage the procurement of Affiliation Agreements and shall assume the role of Supply Chain Services for this particular class of contracts. Affiliation Agreements shall require the Board Approval if the Contract Value is \$10 million or more. A fully executed agreement must be sent to SCS.
- b. Bond Financing.** See OP 40-58.
- c. Real Property.** The procurement and contracting for real estate matters is governed by Operating Procedure 100-6.

2. Clinical Services Agreements:

Procurement for Clinical Services Agreements shall be overseen and executed by the Office of Enterprise Clinical Operations or the Office for Post-Acute Care Operations with the assistance of Supply Chain Services where needed (e.g. the solicitations team for RFP management). Clinical Services Agreements shall be negotiated by the Office of Legal Affairs. A fully executed agreement must be sent to SCS. For Clinical Services Agreements, Supply Chain Services will manage contracts post execution. Nonetheless, Clinical Services Agreements shall require the Board Approval if the Contract Value is \$10 million or more.

3. Special Circumstances for Certain Legal Services Agreements:

A Legal Services Agreement whereby the services to be procured are of a special nature or require certain confidentiality, such Agreements shall not be subject to the Procurement Table in Section II of this Operating Procedure. The required approval for such procurements shall be from the Chief Executive Officer or, in the discretion of the General Counsel, the Chair of the Board of Directors.

Section XII. Legal Status

This operating procedure is not intended to, and shall not, create any rights in favor of any party or give rise to any cause of action, claim, et cetera, including any action or claim based on a deviation made by NYC Health + Hospitals from this operating procedure, whether or not authorized by the President.

| Signed By | Title | Department | Date Signed |
|------------------|-------------------------|-----------------------------|-------------|
| Mitchell Katz | President and CEO | OFFICE OF THE PRESIDENT | 12/16/2025 |
| Danielle Dibari | Senior Vice President | BUSINESS OPERATIONS | 12/15/2025 |
| Andrea Cohen | General Counsel | GENERAL COUNSEL | 12/15/2025 |
| Catherine Patsos | Corp Compliance Officer | OFFICE CORPORATE COMPLIANCE | 12/15/2025 |