



HHS Accelerator: Re-engineering Client and Community Provider Relationships

July 29 , 2010

In FY 2009 NYC Agencies providing social services relied on 1,300 service providers to deliver \$4B of services through 3,700 contracts.

		\$ Value of Contract	Total # of Contracts	Total # of Providers	Procurement Staff ³
HHS	ACS	\$1,331,350,105	572	349	18
	DOHMH	\$1,005,322,538	496	311	15
	DHS	\$467,187,950	266	142	72
	HRA	\$366,609,458	191	124	53
	DFTA	\$238,944,707	710	360	20
	DOC	\$3,995,339	8	7	38
	PROB	\$2,959,263	1	1	2
	DJJ	\$355,127	16	16	2
		\$3,416,724,487	2,260	1106¹	220
Outside DMHHS	CJC	\$293,132,255	64	43	3
	DYCD	\$240,853,260	1340	347	16 ²
	SBS	\$27,001,572	33	21	7
	HPD	\$17,509,293	26	21	15
			\$578,496,379	1,463	410¹
Total		\$3,995,220,866	3,723	1,391¹	261

1 Does not equal the sum of the providers by agency since some providers overlap with other agencies.
 2 DYCD processes a large # of stand-alone discretionary contracts; this accounts for a substantial part of their staff, and would not change with this initiative.
 3 Procurement staff reported by Agencies.

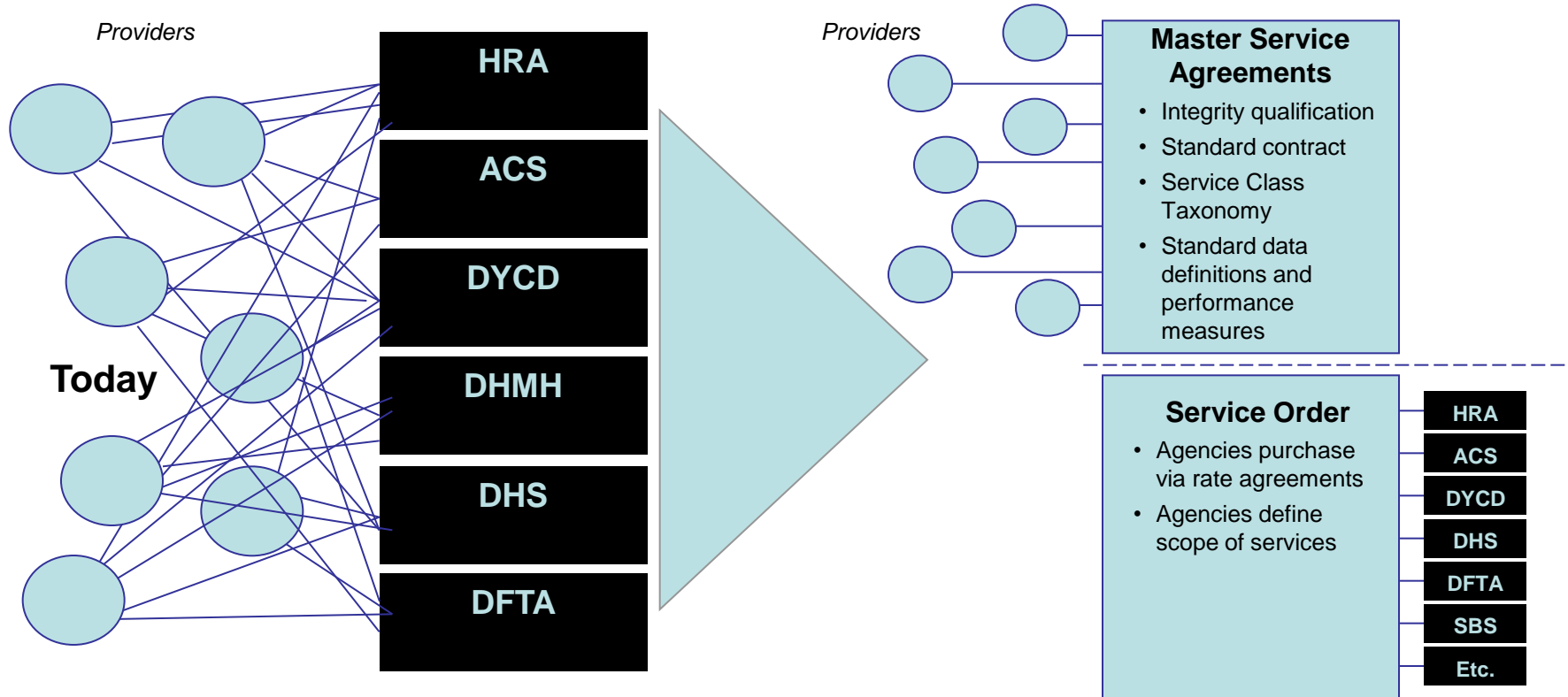
There is large overlap of providers across agencies, with no consistency in process, standards or claiming procedures.

Annual Spend on Purchases & Number of Providers Contracted by Both Agencies

	DOHMH	DHS	HRA	DFTA	DYCD
ACS	\$415 M 43	\$266 M 18	\$217 M 25	\$137 M 29	\$535 M 61
DOHMH		\$312 M 41	\$261 M 40	\$92 M 23	\$126 M 40
DHS			\$222 M 24%	\$113M 18	\$172 M 18
HRA	A small percentage of providers (12.5%) make up 47% of the annual spend.			\$119M 15	\$208 M 24
DFTA					\$126 M 45

How to read: ACS and DOHMH together spent \$415 M for services purchased from the same 43 providers.

We are replacing this process with a centralized process, using a Master Service Agreement approach.



- No alignment of similar service purchase
- Low capacity for rate management, cross-agency coordination, performance assessment
- Laborious and redundant procurement process that is paper and people intensive

- Service Orders will lessen complexity and redundancy
- Streamlined, centrally-managed procurement cycles
- Digital “file cabinet” to centrally house all documents (Vault)
- Improved capacity for rate management
- Standard data definitions and outcome measures