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NYS OFFICE OF MENTAL HEALTH 2020-21 Service Disabled Veteran Business Enterprise Annual Goal Plan

I. Agency Overview

The New York State Office of Mental Health (OMH) has as its mission the promotion of the mental health and well-being of all New Yorkers, with a particular focus on providing hope and recovery of adults diagnosed with serious mental illness and children diagnosed with serious emotional disturbances. To achieve this mission, OMH has a dual role as the lead authority for the State's public mental health system. The first is to set policy and provide funding for community services. The second is to operate inpatient and outpatient services. Consistent with the science of mental health evaluation, diagnosis and treatment, the OMH vision has evolved over time to one that today is more community-oriented and recovery-focused. Nonetheless, OMH's 'safety net' role as a hospital provider – which had its beginnings in the 1840s – remains premised on a chronic disease and caretaker way of thinking from centuries past.

The Agency's estimated annual financial plan is in excess of \$3B and supports a cross-section of services provided by non-for-profits, local governments, and the State. The public mental health system in NYS has evolved over time from one dominated by large State psychiatric hospitals serving a tiny fraction of those with serious mental illnesses to a highly dispersed system of non-profit organizations, county mental hygiene departments, and State and private hospitals serving about 715,000 individuals yearly. Currently, OMH funds and/or licenses more than 2,500 mental health programs operated by local governments and private agencies. They provide outpatient, inpatient, emergency, residential, community support and vocational care and services.

Of note, the OMH civil psychiatric hospital census, which in the 1950s stood at 93,000, today is below 4,000. Nonetheless, approximately 10,000 adults and children served in the public mental health system in 2018 received services in OMH inpatient hospitals. OMH employs upwards of 15,000 individuals located at 23 psychiatric centers which includes 3 forensic hospitals, 2 research institutes and a Central Office throughout the State.

II. Scope of Agency Operations

SDVOB Management within OMH

Day-to-day management of the Service-Disabled Veteran-Owned Business pilot initiative in OMH will fall under the purview of the Office of Financial Management (OFM). The Office is

responsible for an agency financial plan that exceeds \$3B annually and supports a statewide, decentralized network of State-operated facilities and vast voluntary-operated system of services supporting the needs of mentally ill individuals living in the community. More specifically, initial coordination of the SDVOB program in OMH will be handled by the Consolidated Business Office's Contract and Procurement Services Unit (CPS) within OFM's State Budget & Financial Management Group. They will have primary responsibility for overarching planning, implementation, and monitoring activities.

About 55% of the Agency's financial plan supports employee salaries and related costs. Another 35% supports payments to not-for-profit providers of community-based mental health services. The balance of annual spending supports Agency outlays to support both institutional capital projects and grants to providers of community-based services to support their capital infrastructure needs as well as non-personal services spending for institutional service delivery to inpatients.

It's important to note that of the remaining spending, much of the capital is actually managed by OGS or the Dormitory Authority of the State of New York (DASNY) (for institutional projects) or is granted to not-for-profit entities who hire contractors (for community-operated infrastructure projects). OMH is not directly responsible for selection of the vendors.

Major Areas of Procurement

A. Psychiatric Centers

OMH operates twenty-three (23) Psychiatric Centers and two (2) Research Centers (the Facilities) throughout the state. Each of these facilities requires a wide range of building and systems services to maintain facility operation and ensure staff and client safety and security.

- Preventative Maintenance: Each Facility has contracts to provide the preventative maintenance for its campuses' building systems including elevators, generators, chillers/boilers, and HVAC. Preventative Maintenance contracts account for a large portion of the facility procurements.
- Other Maintenance: In addition to facility equipment maintenance services, the Facilities contract with vendors to provide integrated pest Management services, snow and refuse removal, and janitorial services. Each of these services is important to both the health and safety of the clients whom we serve.
- Clinical Support Services: OMH serves a large and diverse client population whose needs exceed the ability of the core staff resources to meet. It is often necessary to contract with third parties to provide extended clinical support services such as sign-language interpretation, peer advocacy services, family advisors, case management, therapeutic services, and Locum Tenens (temporary psychiatrists).
- Residency Programs: The Facilities also operate as teaching hospitals that provide residency opportunities and other training programs through affiliation agreements with medical schools at major New York State universities that support and participate in these programs.

- Other Services: In addition to providing clinical support services, the Facilities contract to provide a number of other services including patient transportation, religious services, and barbering services.
- Research Facilities: OMH operates two (2) Research Institutes that conduct research on mental illness. This research includes pharmaceutical drug trials, fellowship programs, medical imaging services, and development of diagnostic tools, among others. The New York State Psychiatric Institute (NYPI) works closely with Columbia University on research projects. The other research institute, Nathan Kline Institute, provides laboratory analysis for each of the Psychiatric Center, as well as other state agencies.

B. OMH Central Office

The OMH Central Office (CO) is responsible for administering certain policy, funding, regulatory, legal, back-office, and other functions that support the daily operation of OMH's programs and facilities. CO also serves as a regulator and overseer of the state's public mental health system. CO is separated by department, each with a specific directive and mission that contributes to the overarching OMH mission of supporting recovery and resiliency of the people we serve.

- Training: Each department within OMH has its own role in working with both community partners and Facility leadership to provide staff with the tools and resources necessary to provide exceptional service to our clients. As a result of this drive, many procurements for CO center on establishing contracts for training to OMH staff and provider networks on the latest advances behavioral health.
- Consultants: OMH Central Office contracts with consultants who are leaders in their respective fields and provide CO with knowledge and expertise in areas of Quality Management Initiatives, Data-analysis, and Project Management techniques.
- Information Technology: OMH partners with the New York State Office of Information Technology Services (OITS) for support, maintenance, and development of IT projects that OMH uses to administer its medication programs, Electronic Health Record system, Incident tracking, patient census, etc. Additionally, the IT infrastructure of OMH, including its telecommunication systems, servers, hardware/software, and electronic equipment for staff, results in numerous procurements throughout the year.
- Cook Chill Production Center and Utica Print Shop: OMH CO manages a food production center (Cook Chill), located on the grounds of the Rockland Psychiatric Center, that orders and prepares food for the Psychiatric Centers statewide. Utica Print Shop provides printing and copying services for CO and the Facilities for standard forms, brochures, training materials, etc.

C. Local Assistance Grant Awards for Voluntary-Operated Programs

OMH administers funding for community-based mental health services. Such services, funded by State Aid and Medicaid, include residential services, outpatient treatment, supported/transitional employment, care management, and community support services. The funds support community mental health service programs that are operated by voluntary

agencies and local government units. The vast majority of these funds are spent on staff costs for support services and property costs (e.g. rental subsidies, utilities). In addition, OMH provides capital funding to voluntary agencies to develop and maintain housing for persons with serious mental illness. These funds are provided in the form of grants to the not-for-profit agencies which select the vendors they will use for their construction projects.

D. State Capital Infrastructure Support

Capital projects in support of facility (i.e., Institutional) operations are managed by either the Office of General Services or the Dormitory Authority of the State of New York (DASNY). It is advised that the Division of Service-Disabled Veteran’s Business Development coordinate with these entities in promoting qualified SDVOB vendors.

E. Comparison of Previous Projected Utilization Vs. Actual Utilization

As SDVOB vendors continue to grow in numbers and their locations continue to expand, so does the ability of the agency to create a projection. OMH strives to meet the 6% goals through contracting, subcontracting and purchase opportunities and places these goals within each solicitation for an non excluded item. The 19/20 Master Goal plan listed a projected SDVOB amount of \$4,261,313.04. 6% of the funding available. The actual usage percentage is less than the posted goal and this may be due to the services in which OMH must procure for. As outlined below, OMH was able to procure SDVOB services which came to a total amount of \$325,545.74. Though we do obtain participation via maintenance contracts or purchasing of individual good and supplies, there is less opportunities in the medical fields such as laboratory equipment, reagents for test and studies, procuring psychologist, doctors and nurses, for example. Though we strive for inclusion, it has been difficult to meet the previous years projected SDVOB spend

OMH SDVOB Percent Utilization by Quarter

FY	Quarter	% Spend	\$ to SDVOB	Overall Spend
18/19 FY	3 rd Quarter	.20%	\$40,639.42	\$20,118,083.38
18/19 FY	4 th Quarter	.97%	\$159,774.81	\$16,422,396.00
19/20 FY	1 st Quarter	.48%	\$96,505.19	\$20,122,762.33
19/20 FY	2 nd Quarter	.19%	\$28,626.32	\$15,076,322.49

III. Strategic Objectives Regarding Utilization of SDVOBs

- Opportunity Analysis: Prior to the release of solicitations, OMH will review each procurement against the available SDVOB firms found in the OGS directory. This review will take into account statewide availability, the geographic location and its materiality in work performance. If more than one SDVOB exists, OMH will invoke its set aside authority. If not, OMH will establish the SDVOB goal for the procurement based on this review.
- Set Asides: OMH will review for the possibility for set asides when where more than one certified service-disabled veteran-owned business can facilitate meeting the goal and meeting the required form, function and utility. Information technology services procurement may provide an opportunity here. The number of set asides in each business type will be determined by a review of the number and scope of contracts and

assigning a percentage of spend for each identified category. The focus will be on commodities, and specialized services for the State Operations and Aid-to-Localities divisions, while the Local Capital division will review its construction contracts to establish set-asides.

- Subcontracting Opportunities: When awards are made to non-SDVOB prime vendors (Prime Vendors), OMH will work with them to identify and promote subcontracting opportunities when appropriate. “Teaming” arrangements will be encouraged whenever possible. For contracts that do not have subcontracting opportunities, OMH will encourage Prime Vendors to utilize SDVOB suppliers for both contract related, and second tier spending. It is anticipated that Financial Services and Commodities will provide opportunities for second tier spending in order to meet the SDVOB goal.
- SDVOB Discretionary Purchasing: When appropriate and as available, the OMH main Business Office will direct our Hospital Business Offices to obtain goods and services from SDVOB when the value of such goods and services falls under \$50,000. Procurements between \$50,000-\$200,000 where there is an SDVOB supplier or contractor available. This will be addressed via either 1.) a set aside or, in the case of multiple SDVOBs being available, 2.) via an Invitation for Bids or Request for Quote restricted to SDVOBs or 3.) an SDVOB goal being included as a part of the solicitation.
- Outreach Activities: OMH will participate in any Outreach Events scheduled by the agency overseeing this program. When appropriate, OMH will conduct its own outreach activities to determine if a SDVOB is able to participate on a contract as either a subcontractor or when making determinations about set asides.
 - Selected OMH Staff members will attend the annual VETCON event, as well as other SDVOB conferences as they are announced, as part of our continued outreach program.
- Coordinate SDVOB initiatives with Facility and Central Office Program Divisions: The Facilities and Central Office program divisions coordinate with OFM to issue solicitations for good/services for their operations. Procurement staff will identify potential SDVOB participation opportunities on behalf of Facility and Central Office staff at the inception of the procurement process and prior to the preparation of bid solicitations and purchase orders for goods/services. During mandatory site-visits and pre-bid conferences, procurement staff will provide relevant information to bidders including what the SDVOB initiative is, the importance of the program, as well as strategies to successfully meet the stated goals for the contract. Information regarding the use of the SDVOBA Website Page and the Excel File Directory will be supplied to potential bidders.
- SDVOB Training for Facility and OMH Staff: Procurement staff will be included in attending Match Making Events and conferences whenever possible to keep updated on pertinent SDVOB information. Procurement staff will include training on the SDVOB initiative when providing procurement training to Facility and Central Office program managers. Training will focus on a high-level review of the relevant regulations as well as how to use SDVOB Directory to identify potential vendors. A general understanding of the regulations will ensure that staff understands why these goals are applied as well as how to apply them. Additionally, guidance documents for ease of reference to determine

when SDVOB goals apply, and categories of procurement to monitor for SDVOB opportunities, and the availability of SDVOB contractors will be provided. OMH Procurement staff attend the OGS BuyGov annually.

- DSDVBD Presentation for OMH Facility and Central Procurement Staff:
Procurement staff will be invited to attend future presentations, date to be determined, as part of an annual SDVOB procurement training. OMH will be schedule these annual presentations within the fall months as a follow-up to the Spring OGS GovBuy Conference. An OMH SDVOB Liaison will reach out to DSDVBD representative to reschedule the presentation. 2019 saw the first of our inhouse presentations

IV. Utilization Plans, Good Faith Efforts, and Waivers

As part of their response to bid solicitations, Vendors are required to submit a SDVOB utilization plan, documentation of Good Faith Efforts, and, if appropriate, Requests for Waivers. OMH Contract Management staff must review these documents and provide a recommendation on acceptance or denial of Utilization Plans and Waivers based on their analysis and the good faith efforts of the vendor. If the vendor submits SDVOB Utilization forms that are found to be lacking, we must reach out to request more documentation or an explanation. Waivers are reviewed and approved/denied by the SDVOB Program liaison. OMH will assist vendors in reaching the Utilization Plan Goals by supplying a SDVOB listing and directing vendors to the SDVOB website

As necessary, Contract staff will reach out to the DSDVBD for guidance on region-specific considerations when reviewing Utilization Plans and Waivers.

OMH will be posting SDVOB Utilizations Plans to the following page on the OMH website: <https://www.omh.ny.gov/omhweb/resources/providers/directcontract/> A request has been submitted to the IT department to create an SDVOB link. As requested by the DSDVBD, OMH will report Utilization Plans on a quarterly basis to the DSDVBD. OMH CBO is working to update our website to contain all required documentation, which will include the SDVOB Utilization Plan, Application for Waiver, and Certification of Good Faith Efforts.

V. Specific Number for Projected Budget/Projected SDVOB Use

On an annual basis, OMH reviews its list of exemptions and exclusions to reflect the new projected budget for the upcoming fiscal year, and any changes to the availability of SDVOB vendors in the areas identified by OMH. The list of exemptions and exclusions is comprised of services and budget allocations that are either not subject to the regulation or do not include any SDVOB vendors that, to OMH best knowledge, that could provide the service in question.

OMH Summarized Budget:

Total Agency Budget	\$3,168,673,000.00
Total Exemptions	\$2,746,458,600.00
Total Exclusions	\$349,386,665.00
Total Amount Eligible for SDVOB	\$72,827,735.00
Total SDVOB Goal (6%)	\$4,369,664.10

VI. Agency Challenges

The immediate issue impacting OMH's ability to successfully meet goals is the limited pool of available vendors. As noted above, the lion's share of Agency spending is on salaries, fringe benefits, payments to not-for-profits and OGS/DASNY-managed capital projects. Furthermore, non-personal services (NPS) spending on institutional support needs must follow State Finance Law purchasing priority guidelines. Most of OMH's NPS spending is on pharmaceuticals, utilities, patient food, medical/clinical/behavioral health services and leases. In most other categories, the pool of available certified vendors may not. OMH hopes that the Division of Service-Disabled Veteran's Business Development can assist the Agency in expanding the pool of certified vendors and connecting the Agency with vendors who may be able to meet our needs.

More specifically, OMH has identified the following barriers in its efforts to maximize participation of certified SDVOB vendors throughout the State:

- Specialized services and equipment: OMH Central Office has many contracts with individuals or organizations to provide unique or very specialized services, such as training on specialized clinical treatment modalities. In these scenarios there is a very small pool of potential bidders at all much less one that is a SDVOB. Other services include advocacy and support services provided by individuals who have direct experience with the OMH system. In addition to services, OMH purchases hi-tech and proprietary equipment. Such equipment includes automated medication dispensing machines, magnetic resonance imaging (MRI) and other laboratory equipment, and physical plant systems that require extensive qualifications and certifications to perform work on a given piece of machinery.
- Geographic Areas: There is a small pool of SDVOB in some significant OMH geographic areas. Many contracts contain clauses regarding the ability of the vendor to respond in a specific time frame in the event of an emergency situation. For example, if a facility boiler system breaks down in the middle of winter, in the middle of the night, the contractor would have to be able to arrive at the facility within a one hour window and address the problem.
- Other Contracting Agencies: OMH does not receive credit for projects which may employ SDVOB that are funded by OMH Capital Construction funds. By statute, the Dormitory Authority of the State of New York ("DASNY") and/or OGS are the actual contracting agencies.
- Preferred Sources and OGS Centralized Contracts: Because of State Finance Law requirements, OMH is oftentimes restricted with whom it can do business with. For instance, OMH holds many janitorial contracts and a statewide laundry services contract. Based on OMH's purchasing activities and available pool of SDVOB vendors, it would immediately appear that synergies exist. However, due to Finance Law requirements, Preferred Sources are given priority and virtually all such contracts are held by NY Industries for the Disabled. It's recommended that the Division of Service-Disabled Veteran's Business Development take measures to link up certain SDVOB with preferred sources or encourage them to bid on OGS centralized procurements.

- Services Not Utilized by OMH: The Agency does not use some of the categories of registered SDVOB. Specifically, OMH does not use Financial Services vendors or the security services offered by the current pool of vendors (we do utilize security guards which, by in large, are purchased from centralized contracts).

VII. SDVOB Content on Agency/Authority's Website

OMH is working on updating the agency's public website to contain SDVOB information. The link will be posted to the following page on the OMH website: <https://www.omh.ny.gov/omhweb/resources/providers/directcontract/>. This will include but is not limited to, the following SDVOB documentation; the Utilization Plan, Application for Waiver, and Certification of Good Faith Efforts.

VIII. Boilerplate Language

The OMH contract Boilerplate and solicitation documents include the regulatory language and forms required to collect and report on SDVOB utilization. This information is included with the goal plan as an exhibit.

IX. Agency SDVOB Operations/Organizational Chart

A current Organizational Chart is attached to reflect the contracting and procurement staff involved in reaching agency SDVOB contracting goals.

X. Outreach Efforts

When preparing Bid Lists for new procurements, the SDVOB directory is reviewed and where possible a bidders list of SDVOB vendors is included. Vendors are encouraged to attend site visits and pre-bid conferences to learn about OMH procurements and possibly network with other vendors. Additionally, OMH attends any events for SDVOB vendors to meet with governmental agencies to learn more about potential procurement opportunities.