



Ronald E. Richter
Commissioner

MEMORANDUM

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Budget, Claiming & Revenue
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150 William Street
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New York, NY 10038

DATE: July 19, 2013
TO: Discretionary Providers
FROM: Jose Mercado 
SUBJECT: **Transfer of Insurance Coverage Responsibility for Discretionary Providers**
Discretionary Numbered Memorandum #1

The purpose of this Memorandum is to notify City Council Discretionary child care service providers of the transfer of insurance coverage responsibility for various insurance currently provided by the New York City Central Insurance Program (CIP). **CIP insurance plans for providers will not be available beginning November 1, 2013.** This transition is in line with current child welfare and juvenile justice contracts overseen by the Administration for Children's Services.

City Council Discretionary contract budgets have a line item for insurance expenses. During the first four months of your contract (July 2013 – October 2013), CIP will provide insurance coverage and ACS will deduct the insurance expense directly from your budget. For the remaining 8 months of the contract, your organization will have additional funding to purchase the required insurance listed below.

- Commercial General Liability
- Workers' Compensation and Disability
- Fidelity/Crime Insurance

INFORMATIONAL FORUMS

To assist agencies in transitioning towards obtaining the necessary and appropriate insurance, ACS will be hosting an informational forum on August 1st, 2013 at the Children's Center (492 First Avenue, New York, NY 10153). Insurance brokers will be present to share information on their available products/types of insurance and related costs. There will also be representatives from Essensa, the City's nonprofit group purchasing organization partner. Additionally, ACS staff will be available throughout this process to assist with obtaining prior year loss runs and any other necessary information. For questions, please contact Jose Mercado at (212) 676-8858 or at jose.mercado@dfa.state.ny.us

The informational forum will include:

- Presentations from ACS and the Mayor's Office of Contract Services (MOCS)
- Break-out sessions with insurance providers.

Attendees will be able to ask questions and gather information from the brokers during the break-out sessions. Directors and Financial Officers are strongly encouraged to attend.

Online registration is required to ensure room capacity. Please register here: <http://acsececipinfoforum.eventbrite.com/>

CONTRACTUAL REQUIREMENTS

Please be advised that beginning November 1, 2013, program sites cannot provide services to children without the appropriate coverage as listed above. Article 7 of Appendix A of the Discretionary contract requires providers to have these and other insurance policies in place. **Providers operating a program site without legally required insurance such as Worker Compensation may be fined by the New York State Insurance Fund and/or be subject to closure until such insurance is obtained.**

CERTIFICATE SUBMISSION

Upon obtaining insurance, you are required to submit copies of the ACORD Certificate of Liability and Certificate by Broker for each site to the attention of Jean Sheil at Jean.Sheil@acs.nyc.gov **no later than November 8, 2013.** Should you have any questions about this requirement, please contact Ms. Sheil at (212) 341-3518.