

FINANCE AND OPERATIONS COMMITTEE MEETING DATE: 5/24/2021

SUBJECT: REQUEST FOR INCREASE IN PREFERRED VENDOR FUNDING

PREPARED BY: KELLY GUTHNER, CIO, BRIAN BRAUN, CFO

Proposed Action:

Seeking recommendation for Board Approval to increase the funding level for the previous technology preferred vendor procurement. No changes to the scope or term of the preferred vendor procurement which is still scheduled to end June 30, 2022.

Summary:

To address the technology contractor needs to support the implementation of the technology roadmap, C4HCO underwent a procurement in 2019 to approve the use of a list of preferred vendors (see attached list) to provide development, security, infrastructure and platform modernization services. The total funding tied to the preferred vendor list was approved through two procurement requests. \$10 million was approved on June 10, 2019 and an additional \$4 million was approved on September 9, 2019. In June 2020 the scope of preferred vendor services was expanded to include the maintenance and operations of the new platform during the stabilization period.

The total approved funding for this procurement of \$14 million is expected to be exceeded by the end of this fiscal year. **This request is to increase the funding for this procurement by an additional \$10 million to cover anticipated use of the preferred vendors from this point through the end of the next fiscal year (June 30, 2022). This additional funding is based on the recent approval of the fiscal year 2022 budget for technology expenditures. Attached is a list of the expected technology projects these funds will be used for. The funds will also be used to support the platform maintenance and operations during this period.**

Staff Recommendation:

Staff recommends the approval of this request to allow for the contracting for the technology services anticipated in the fiscal year 2022 budget.

Procurement Compliance:

Procurement Exceeds \$250,000 threshold: Yes

Procurement/Business Initiative is necessary or advisable: Yes – this increase will allow for the continuation of projects that are currently underway and new projects anticipated in the fiscal year 2022 budget.

Type of procurement vehicle: Master Service Agreements with each selected vendor accommodated by Statements of Work for specific work requests. These MSA's are in place.

Need for RFP,RFI,RFS or similar: An RFP was originally issued in the selection of the preferred vendors

Funding Source:

Anticipate the primary source of funding will be through general operating funds. Additional funding is anticipated through the American Rescue plan to support/reimburse the technology costs associated with Federal legislation. Any additional funding provided through Federal or State sources to support legislative programs may also be used to fund the \$10 million request but were not anticipated in the baseline fiscal year 2022 budget.

Supplemental Information:

Approved Preferred Vendors

CGI	Medullan
Coalfire	Nous
Datamanusa	Quanta
Deloitte	Revision
DXC Technology	SecuredIt Solutions
Global Solutions Group	Softheon
IdeaCrew, Inc.	

Project	Estimated Cost
American Rescue Plan Implementation - Changes to APTC calculator to comply with ARP	\$925,000
Replacement of Legacy Platform (includes impacts of delays due to ARP) - Complete the replacement of existing SaaS platform including functions such as payment and enrollment screens and backend connections/integrations. Results in improved customer experience and system performance.	\$2,560,000
Replacement of Mulesoft Middleware - Identify and replace API services currently in MuleSoft product. Results in costs savings to C4	\$750,000
HIAFE Phase 1 - Implement technology updates to facilitate access to and enrollment in a state subsidy for a subset of exchange customers (to be identified)	\$760,000
HIAFE Phase 2 - Implement technology updates to facilitate access to and enrollment in 2 nd phase of state subsidies per the HIAFE legislation	\$1,500,000
Easy Enrollment - Implement technology updates to facilitate a preliminary eligibility assessment and outreach based on tax filer information from the Department of Revenue.	\$500,000
Assister Portal	\$500,000
Shopping Portal Improvements - Plan filtering, compare plans, provider search, APTC slider and Spanish translation	\$570,000
Additional Development Projects - (to be prioritized – 30+ projects on list)	\$1,735,000
Total Estimated Project Costs*	\$9,800,000

