

EXECUTIVE AND FINANCE COMMITTEE MEETING DATE: 5/22/2025

SUBJECT: REQUEST FOR FISCAL YEAR 2026 CUSTOMER OPERATIONS CONTRACT STAFF FUNDING

PREPARED BY: BRIAN BRAUN, CFO

Proposed Action:

Seeking the Committees recommendation for Board approval for funding of Customer Operations contract staffing preferred vendors for fiscal year 2026 in the estimated amount of \$3,600,000.

Summary:

This request is to fund the service center and medical assistance contract staff needs for fiscal year 2026 (July 2025 – June 2026). Previously C4HCO underwent a procurement that resulted in the selection of 3 preferred staffing vendors (Hire Connections, Medix and Aerotek (now TekSystems). A combination of these 3 vendors have been used over the last 5 years. These vendors have provided the flexibility to staff up during higher volume periods, particularly open enrollment, at a cost similar to our hired staff.

All preferred vendors are under contract through our standard master service agreement. This funding request allows for the establishment of statements of work with the preferred vendors as selected by management to support the FY 26 contract staffing needs.

The proposed FY26 budget contains \$9.3 million for service center and medical assistance staffing. Of this total expected staff spending, \$3.6 million is budgeted to be spent on contract staffing.

Staff Recommendations

Staff recommends the continued use of these preferred vendors for fiscal year 2025.

Procurement Compliance:

Procurement Exceeds \$250,000 threshold: Yes

Procurement/Business Initiative is necessary or advisable: Yes – the use of contract staff during peak times is essential to the organizations operations.

Type of procurement vehicle: Master Service Agreements with each selected vendor accommodated by Statements of Work for specific staffing requests. The MSA's are in place with the preferred vendors.

Need for RFP,RFI,RFS or similar: No, an RFP was originally issued in the selection of the preferred vendors. This will be year 6 of the preferred vendor procurement. Staff will evaluate the potential for other preferred vendors to be added in fiscal year 2026 providing they are competitive with existing vendors.

Funding Sources

The funding needed to support these costs is included in the proposed FY26 budget. We anticipate the primary source of funding will be general operating funds. Partial reimbursements are expected related to Medicaid related activities based on our approved cost allocation plan.

