

BOARD MEETING DATE: JUNE 26, 2017

SUBJECT: PROCUREMENT APPROVAL REQUEST

PREPARED BY: BRIAN BRAUN, CFO AND ALAN SCHMITZ, GENERAL COUNSEL

Proposed Action:

Board Approval to extend software enhancement and maintenance services with C4B.

Summary of Request:

Requesting approval to proceed with contracting of C4B services to support the continued design, development, coding, testing and implementation of the Quick Cost and Plan Finder Tool and the consolidation of maintenance and operation services with C4B for previously developed licensed tools. **Total costs associated with this request are estimated to be \$558,000.** This includes the costs incurred in the current fiscal year along with future costs. A detail list of the costs is attached.

The Quick Cost and Plan Finder tool was initially launched prior to the fourth open enrollment period on October 10, 2016. The tool assists customers in the selection of a plan by evaluating out-of-pocket costs for each plan based on the projected medical needs of the consumer.

In order to enhance the user experience this procurement allows for the inclusion of prescription costs to be included in the user's out-of-pocket costs. In addition, the number of claims data informing out-of-pocket costs will be tripled and regionalized to provide a more accurate cost estimation. Health Insurance Literacy will be incorporated throughout to help the user understand the critical decision points in selecting a plan and users will be linked to free-in-person help to move to the next step of purchasing (they may also choose to enroll on their own.) On screen functionality is being improved throughout to ensure the user has confidence in the information, has a clear understanding of what is being asked and mitigate errors in data entry that could lead to inaccurate results.

Staff Recommendation:

Staff recommends the approval of this request.

Procurement Compliance:

Procurement Exceeds \$150,000 (Federal)/\$250,000 (non-Federal) threshold: Not individually but since the cumulative costs related to this work exceed \$250,000 we are requesting approval.

Procurement/Business Initiative is necessary or advisable: Yes – see attachment for benefits

Type of procurement vehicle: Statements of Work under new MSA

Need for RFP,RFI,RFS or similar: No, use of existing vendor - projects are enhancements and maintenance to existing software where specialized knowledge is required.

Funding Source:

The Colorado Health Foundation has committed \$350,000 to the further development of the Quick Cost and Plan Finder tool in addition to the previous funding provided by the Health Foundation for the initial development of the tool. General operating funds will be used to support the ongoing maintenance and operating costs.

Supplemental Information: See attachments

3773 Cherry Creek N. Dr., Suite 1025, Denver, CO 80209

Quick Cost and Plan Finder Tool Enhancements

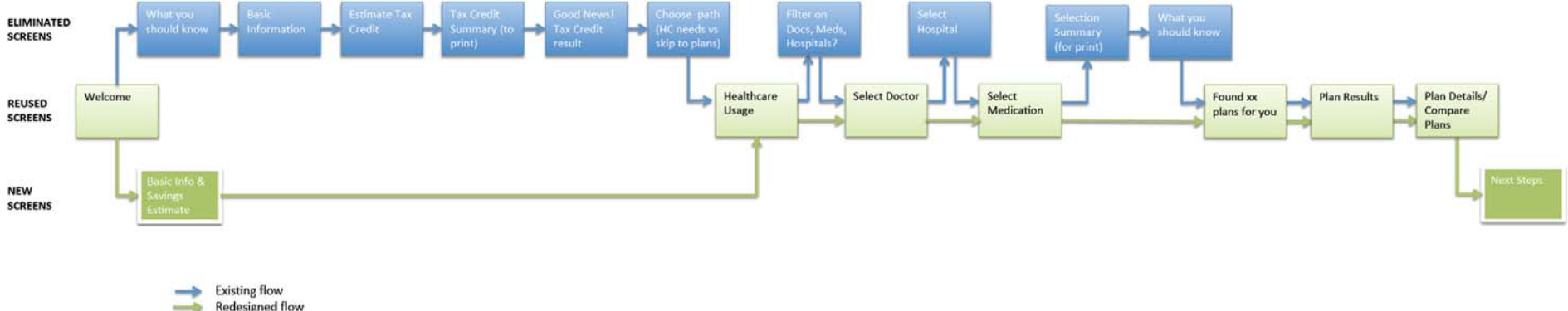
- Prescription Costs – **New!**
 - With the addition of prescription costs, the user will get a more accurate view of their total out-of-pocket costs. 4.5M prescription claims data feed into the costs.
- Data enhancements
 - Triple the claims data (5.1M records) to inform more accurate out-of-pocket costs
 - Regionalizing data by 3-digit zip code so out-of-pocket cost estimates are closer to actual geographic costs. Previously only state-wide averages were used. Ex. Denver claims will not be co-mingled with Western Slope claims.
 - Improving health usage display
 - Normalizing the provider data making it easier for the user to find their preferred doctor.
- User Interface Improvements
 - Reducing the number of screens/clicks to get through the tool from 16 - 8
 - Incorporating health insurance literacy throughout to help the user understand the critical decision points in selecting a plan.
 - Adding a call-to-action/next steps for the user, linking them to help.
 - Implementing American with Disabilities Act (ADA) compliance
 - Improving user interface throughout to help the user move through the tool with ease.

Quick Cost and Plan Finder Summary of C4B Spend

Item	2016	2017	Total
Maintenance & Operations	\$150,000	\$150,000	\$300,000
Hosting	\$24,000	\$24,000	\$48,000
Development			\$115,000
• Initial Implementation	\$100,000		
• CSR functionality	\$15,000		
Development		\$95,000	\$95,000
• Prescription Cost functionality			
• User Interface enhancements* & Data Quality improvements			
Total	\$289,000	\$269,000	\$558,000

* e.g. reducing the number of screens from 18 to 10 (see next page), adding clear calls to action, reducing the number of clicks, improving usability, adding Health Insurance Literacy/education.

Quick Cost and Plan Finder Revised Screen Flow



Blue box = Eliminated Screens
 Light green box = Revised Screens
 Dark green box = New Screens