BOARD MEETING DATE: JUNE 26, 2017

SUBJECT: PROCUREMENT APPROVAL REQUEST

PREPARED BY: BRIAN BRAUN, CFO AND JUDITH JUNG, COO

Proposed Action:
Board Approval to consolidate customer service center technology infrastructure and telecom services into existing CGI customer service contract.

Summary:
Requesting approval to delegate management and contracting of technology infrastructure and telecom services for the customer service center to CGI. Currently the telecom and technology service providers are directly contracted with Connect for Health Colorado. By moving these services to CGI we will reduce costs and address service network and compliance risks. Approximate savings over the current model is estimated to be $100,000 annually. In addition to the cost savings, we will receive additional services over the current model. A comparison of the two service models is provided in the attachment. A significant benefit is the risk reduction achieved through this contract along with addressing compliance needs.

Period of the contract is 2 years and total **estimated cost for the contract period is $1,950,000**. A small cost will be incurred for terminating the contract after the first 12 months.

Staff Recommendation:
Staff recommends the approval of this change request.

Procurement Compliance:
Procurement Exceeds $150,000 (Federal)/$250,000 (non-Federal) threshold: Yes
Procurement/Business Initiative is necessary or advisable: Yes – see attachment for risks
Type of procurement vehicle: Change request to SOW 7 (customer service contract)
Need for RFP,RFI,RFS or similar: No, use of existing vendor since the services are integrated with the customer service center operations and time is of the essence due to network risks recently discovered.

Funding Source:
Anticipate the use of general operating funds and possibly federal funds once Medicaid cost allocation plan is approved by CMS.

Supplemental Information:
See attached slides for scope of services compared to current operating model and comparison of infrastructure architecture.

Explanation of Planned vs. Proposed Services

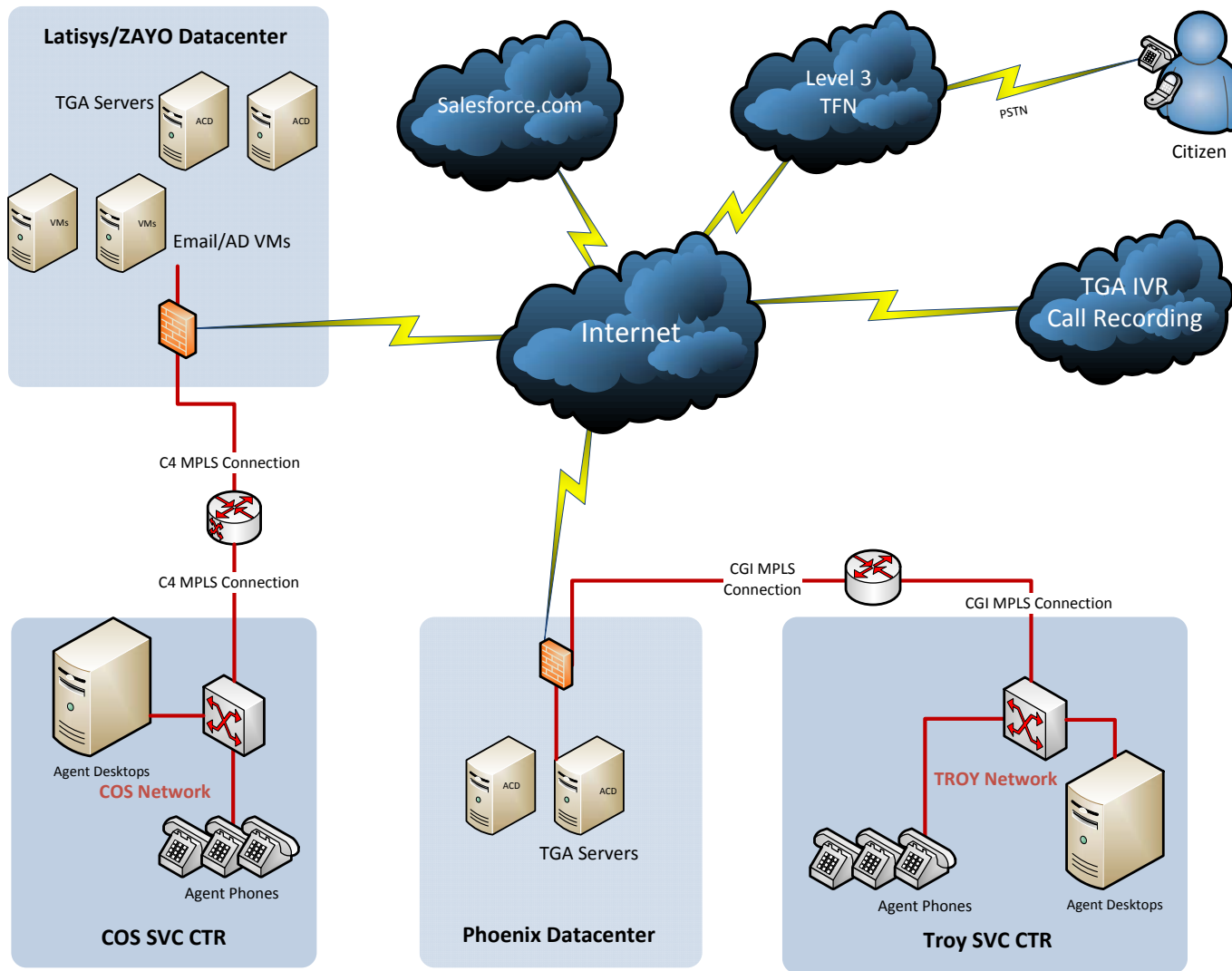| Planned OE5 Spend = $92,557 Associated Services |
| --- |
| Akamai Waiting Room |
| Data center storage |
| Ad hoc patch management |
| 320 Trunks |
| 35 1-800 Numbers |
| Limited Firewall and Filtering management |

Proposed Spend = $78,500* Proposed Services	
Akamai Waiting Room	Quarterly vulnerability scans
Data center storage	POAM updates and certified security professional review
Data center monitoring	OS updating and patches
Data center FedRamp, PCI, and SOC compliance	Migration plan and OS assessment when version nears EOL
Monthly scheduled patch management	Firewall management of switches and servers
Third-party vendor management and bill consolidation	Full Filtering management
600 Trunks	Monitoring of all vendor systems
35 1-800 Numbers	Two factor VPN authentication
Updated documentation and release notes	Direct connection to telephony vendor (as opposed to a internet hop)

16% savings and significant increase in functionality and quality

*After two month transition period of $98,000 per month

Current Architecture

Current Architecture of Telephony and Networks

Latisys/ZAYO Datacenter

TGA Servers

ACD   ACD

VMs   VMs   Email/AD VMs

C4 MPLS Connection

C4 MPLS Connection

Agent Desktops
COS Network

Agent Phones

COS SVC CTR

Salesforce.com

Level 3
TFN

PSTN

Citizen

Internet

TGA IVR
Call Recording

CGI MPLS
Connection

CGI MPLS Connection

ACD   ACD

TGA Servers

Phoenix Datacenter

TROY Network

Agent Phones   Agent Desktops

Troy SVC CTR

Proposed Architecture

Proposed Architecture of Telephony and Networks

NewPush Datacenter

TGA Servers — ACD, ACD

VMs, VMs — Email/AD VMs

Salesforce.com

AireSpring TFN

PSTN

Citizen

Direct Connection

TGA IVR Call Recording

Internet

Proposed Changes

C4 MPLS Connection

C4 MPLS Connection

CGI MPLS Connection

CGI MPLS Connection

Agent Desktops
COS Network

Agent Phones

COS SVC CTR

ACD, ACD

TGA Servers

Phoenix Datacenter

TROY Network

Agent Phones

Agent Desktops

Troy SVC CTR