

Technology Contract Consolidation Benefits

- Current CGI technology annual spending for M&O/Open Enrollment is \$7.8 MM split between M&O activities (\$6.1 MM and project work for compliance and open enrollment (\$1.7 MM).
- A number of services are not captured in the original M&O scope of work and require additional SOW's/CO's (included in the \$7.8 MM spend).
- The piecemeal approach to predictable M&O and open enrollment services results in unpredictable spending patterns and administrative inefficiencies.
- By adding/consolidating the reoccurring services to existing M&O services, financial savings and spending predictability can be realized.
- Savings in first 12 months is predicted to be \$1 MM over prior year spending
- Additional savings if extended beyond one year
- Levers to be built-in for further reductions as the result of lower than expected enrollment

Technology Contract Consolidation

Year 1 Overview

- Consolidation to include scope of activities to support the business from both a capital and operating expense
- Cost of \$6.75 MM – can be reduced depending upon enrollment levels.
- Predictable spend for C4 with minimized need for change orders during the fiscal year
 - Includes hours to plan and build for OE 5 including required compliance and State enhancements (through June 2017)
 - Includes technology support for customer impacting Marketplace gaps (tickets)
 - Retention tools (500 hours)
 - Some work in reducing manual workarounds
 - Management of hCentive

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Long-term savings

Current Expanded M&O Spend: \$7.75M

