

**BOARD MEETING DATE:** 12/13/21

**SUBJECT:** REQUEST FOR PROCUREMENT APPROVAL – HCENTIVE EXTENSION

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

**Proposed Action:**

Requesting Board approval to extend the current hCentive technology service contract for an additional 10 months starting February 1, 2022. The Finance and Operations Committee recommended approval of this extension at the November 17, 2021 meeting.

**Summary:**

C4HCO currently has in place a fixed capacity staffing contract with hCentive. This request will extend the contract for 10 months (February 2022 – November 2022). **The total estimated cost for these services for the 10 months is not to exceed \$1,050,000.** This extension will provide the resource capacity to ensure smooth operations as we complete the modernization of the shopping platform.

The C4HCO directed project work will include:

- Maintenance and operations of hCentive product
- Customer and enrollment data updates
- Production ticket resolutions
- Development support for modernized shopping platform
- Other activities as assigned

**Staff Recommendation:**

Staff recommends the approval of this request.

**Procurement Compliance:**

*Procurement Exceeds \$250,000 threshold:* Yes

*Procurement/Business Initiative is necessary or advisable:* Yes – essential to ongoing marketplace operations

*Type of procurement vehicle:* Amendment to a Statement of Work to existing hCentive MSA

*Need for RFP,RFI,RFS or similar:* No, this is a sole source contract extension due to the proprietary nature of the hCentive software and specialized knowledge of hCentive staff. This contract extension is needed to continue operating the current system and ensure a smooth transition to the modernized platform.

**Funding Source:**

Anticipate the combined use of general operating funds and federal modernization grant funds. The expenditures related to this request are included in the fiscal year 2022 budget.

**Supplemental Information:** None