BOARD MEETING DATE: MAY 9, 2016

SUBJECT: PROCUREMENT APPROVAL REQUEST

PREPARED BY: BRIAN BRAUN, CFO AND JAMES TURNER, DIRECTOR OF TECHNOLOGY OPERATIONS

Proposed Action:
Board Approval to Procure Technology Services

Summary:
Requesting approval to proceed with procurement of services to support the design, development, coding, testing and implementation of these projects from existing vendors (CGI and hCentive). Based on a thorough review over the last two months, Connect for Health Colorado staff have refined the list of technology improvements to implement prior to the next open enrollment period. The decision criteria included regulatory compliance, improvement in customer experience and/or significant ROI.   The attached list totaling $1,472,000 reflects the projects and estimated costs for each project along with estimated benefits and description/rationale for the project.

Staff Recommendation:
Staff recommends the approval of these projects.

Procurement Compliance:
Procurement Exceeds $150,000 (Federal)/$250,000 (non-Federal) threshold: Yes – partially - 4 out of the 8 projects are below the Federal threshold but exceed $100,000 so including for transparency.
Procurement/Business Initiative is necessary or advisable: Yes – see attached list for justification
Type of procurement vehicle: Statement of Work to existing contracts
Need for RFP,RFI,RFS or similar: No, use of existing vendors - projects are enhancements to existing infrastructure.

Funding Source:
Anticipate the use of general operating funds. Under certain circumstances, Federal funds may be used for a portion of these expenditures if allowable and excess funds become available.

Supplemental Information:
This request represents a significant decrease from prior year funding for open enrollment projects which exceeded $8 million.   This reduction is partially necessitated by changing funding sources, but also reflects the maturing of the infrastructure. Due to the lead-time needed to implement these enhancements and in order to provide adequate testing prior to the next open enrollment, it is imperative the development work begins as quickly as possible. Finance and Operations Committee with be provided periodic monitoring reports on status of projects with escalation to the Board when needed.

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