

MEMORANDUM
PLACER COUNTY HEALTH AND HUMAN SERVICES
Human Services Division

TO: Honorable Board of Supervisors

FROM: Richard J. Burton, M.D., M.P.H.
Placer County Health Officer and Director of Health & Human Services
Graham Knaus, Director of Administrative Services

DATE: June 9, 2009

SUBJECT: EDS Contract Extension for CalWIN Maintenance and Operation Services

ACTION REQUESTED:

Approve Amendment No. 2 to Contract CN011038 with Electronic Data Systems, LLC for CalWORKs Information Network (CalWIN) Maintenance, and Operation Services for the eighteen CalWIN counties, to extend the current 125-month contract term through June 30, 2013 for a total revised term of 161 months, contingent upon review and approval by Risk Management and County Counsel. Expenditures for this 3-year contract extension are \$3.5 million, including \$3,335,000 in Federal and State funding and \$165,000 in required County General Fund match. The contract remains at the same rate as in the current year. Costs are included in the Department's FY 2009-10 Proposed Budget. No additional County General Funds are required.

BACKGROUND:

The CalWIN computer system is a welfare benefits system currently used by eighteen counties. This system determines client eligibility for Medi-Cal, food stamps, and/or cash assistance; issues benefits; interfaces with other State computer systems, including child support and Medi-Cal; assures that recipients are not currently obtaining benefits in another California county; and tracks the progress of clients in completing the tasks required to achieve self-sufficiency or to continue to qualify for benefits.

The CalWIN system facilitates the processing of over 2,450 applications for assistance each month. It helps County eligibility workers oversee and validate the accuracy and need for benefit allowances. Placer County provided benefits for 13,717 children, families, and disabled adults during March 2009. These benefits include short term payments for emergency need, food stamps, cash assistance, and Medi-Cal for the sick and elderly. Due to the downturn in the economy, the number of families seeking cash assistance has nearly doubled since 2006. In addition, a recent study by Beacon Economics found that every dollar spent on cash assistance results in \$1.32 in economic activity.

The CalWIN computer system was originally approved by your Board in 1999, and included an agreement with Electronic Data Systems Corporation (EDS) for CalWIN development, implementation, maintenance and operation services. The existing contract with EDS is set to expire on July 31, 2010. The contract extension will allow sufficient time to develop and release a Request for Proposals for the maintenance and operations of the CalWIN system.

FISCAL IMPACT:

Total expenditures for this 3-year agreement are \$3.5 million, including \$3,335,000 in Federal and State funding and \$165,000 in required County General Fund match. Costs are included in the Department's FY 2009-10 Proposed Budget. No additional County General Fund contribution is required.

Amendment II with Electronic Data Systems, LLC is on file with Clerk of the Board for review.

