

**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
Bob Dunstan, Director, Human Services Division

DATE: March 25, 2008

SUBJECT: Amend the contract with EDS for CalWIN Development, Implementation, Maintenance and Operation Services

ACTION REQUESTED:

Approve and authorize the Chairman to execute Amendment No. 1 to Contract CN011038 with Electronic Data Systems Corporation for CalWORKs Information Network (CalWIN) Development, Implementation, Maintenance, and Operation Services for the eighteen CalWIN counties, to extend the current 99-month contract term through July 31, 2010 for a total revised term of 125 months, increasing the Placer County share of service costs from \$6.7 million to \$8.7 million (commensurate with the term extension). There is no net change to the County's annual expenditure for this contract.

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, 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 1600 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 people in 16,485 cases during the month of December. The cases represent everything from emergency need, short term payments to ongoing Medi-Cal for the sick and elderly.

On December 7, 1999 your Board approved the CalWIN project including the existing agreement with Electronic Data Systems Corporation (EDS) for CalWIN development, implementation, maintenance and operation services for the 18 CalWIN counties. The original 99-month contract with EDS is set to expire on May 31, 2008. The recommended extension is needed to update the contract to reflect State initiated CalWIN Change Orders, largely related to the development and implementation of the system, which required 26 months to complete. The length of the amended contract will be 125 months expiring on July 31, 2010.

Each of the 18 CalWIN counties' costs is based on two variables: (1) the pro-rata share of the consortia caseload, and (2) anticipated county specific expenditures. Placer County's share of the services that are pro-rated across the consortium is 0.9%. The County share of cost is an estimate and is subject to change based on caseload shifts and future funding changes.

In December 2007, the consortium reached a major milestone in the lifecycle of the CalWIN Project and moved from the Development phase to the Operations and Maintenance phase. This milestone decreased the caseload cost by 63% per case and the associated costs for Placer County have leveled out accordingly.

FISCAL IMPACT:

Over the 125 month term of the Agreement, the total cost for Placer County's share of services will be \$8.7 million with a net County cost of \$783,000 after Federal and State reimbursement. This amendment will increase the total contract amount by \$2 million, including \$1,872,640 in State and Federal funding and \$127,360 in County General Funds. These services have been properly budgeted in FY 2007-08 and FY 2008-09 for the Human Services Division.

The following document:

**Amendment to Contract
California State Assoc. of
Counties and HHS - Management
Information Systems**

is on file with Clerk of the Board

for BOS meeting:

March 25, 2008