



System (SAWS), and to comply with State and federal technology architecture standards, the Centers for Medicare and Medicaid Services (CMS) and the United States Department of Agriculture (USDA) Food and Nutrition Services (FNS) require that California implement a single system by the end of 2023. In moving toward that goal, the WCDS Consortium counties, have joined the other 40 California counties to form the CalSAWS Consortium, as approved by the Board on April 23, 2019.

While the CalSAWS system is being designed and developed, the County's current automated welfare system, CalWIN, must still be managed, maintained and operated to effectuate public assistance benefit determination and issuance in accordance with federal and State regulations. The CSAC and DXC contract extensions will support this need.

### **FINANCIAL IMPACT:**

The base CSAC total contract amount for the three-year contract renewal is \$978,675, \$311,468 for FY 2019/20; \$325,983 for FY2020/21; and \$341,224 for FY2021/22. Of the total contract amount, \$43,531 will be funded by County General Fund while the remaining \$935,144 will be funded by federal and State revenues. The CSAC contract also contains an "Optional Resource" provision that, if approved by the WCDS Board of Directors, may be utilized to cover higher than anticipated operating costs or necessary staffing increases during the transition to CalSAWS. The County's share of the Optional Resource provision is \$511,920, with approximately 4% funded by County General Fund. The three-year contract renewal plus the optional resources, if approved by the WCDS Board, would bring the contract total to a not to exceed amount of \$1,490,595.

The WCDS Consortium's total contract amount for the three-year contract extension with DXC Technology Services, LLC is \$4,862,255, \$1,885,645 for FY2020/21; \$1,880,319 for FY2021/22; and \$1,096,291 for FY2022/23. Solano County's total share for the DXC three-year contract renewal will be funded by \$216, 273 County General Fund and \$4,645,982 combined federal and State revenues.

The FY2019/20 County General Fund contribution related to the base CSAC and DXC contract implementations are included in the Department's FY2019/20 Requested Budget. The potential additional cost associated with the CSAC Optional Resource provision is not included in the FY2019/20 Requested Budget and the Department will need to return to the Board at a future date if the WCDS Board approves the provision.

### **DISCUSSION:**

Since 2005, Solano County has been a member of the 18 county Welfare Case Data Services (WCDS) Consortium which is governed by the WCDS Board, whose representatives are the County Welfare Directors of all member counties. WCDS provides management and oversight of the CalWIN automated welfare system, which is used to determine eligibility for public assistance programs and issue benefits. DXC is under contract with the WCDS Consortium counties to provide ongoing maintenance and operations of the CalWIN system. The members of the WCDS Consortium have mutually agreed to share the cost of management and oversight of CalWIN and contract with CSAC to employ staff that are assigned to work under the direction of the WCDS Board. Participation in this contract is required as a condition of WCDS Consortium membership.

On June 28, 2016, the Board approved a three-year contract with CSAC for the period beginning July 1, 2016 through June 30, 2019 with a one-year optional extension. H&SS's recommendation is to renew the contract with CSAC for an additional three years will allow WCDS to continue management and oversight of CalWIN until the implementation of the CalSAWS single statewide system by 2023.

On January 27, 2015, the Board approved a five-year contract with HP Enterprise Services, now known as DXC Technology Services, for the period of February 1, 2015, through January 31, 2020 which is renewable for an additional five years, consisting of a three-year renewal period and a two-year renewal period. H&SS's

recommendation is to extend the first three-year renewal period. Members of the WCDS Consortium have mutually agreed to share the cost of maintaining and operating CalWIN based on the size of county caseloads. The County share is 5.56% based on current caseload size.

Until the system migration of the 58 counties in California to the CalSAWS is complete, WCDS counties will continue to use CalWIN. However, the CalSAWS Joint Powers of Agreement (JPA) of the 58 counties will be formally approved on June 28, 2019 and this will necessitate contractual reassignments for a seamless transition of the system operations and management until 2023. The WCDS Board has requested that the term extension of CSAC and DXC contracts be completed prior to the formation of the California Statewide Automated Welfare System Joint Exercise of Powers Agreement (CalSAWS JPA). The 3-year extension end dates align closely with current assumptions that the last CalWIN go-live wave is January 2023 to pave way for California to implement a single SAWS by the end of 2023. The WCDS Board has requested the CalWIN related contract reassignments to the CalSAWS JPA will take place on September 1, 2019.

**ALTERNATIVES:**

The Board may choose not to approve the contract extensions with CSAC and DXC. This is not recommended because the County's eligibility system is a critical and mandated component in delivering safety net services to the residents of Solano.

**OTHER AGENCY INVOLVEMENT:**

WCDS is requesting ratification of these contract extensions from member counties. County Counsel has reviewed the contracts for legal sufficiency.

**CAO RECOMMENDATION:**

**APPROVE DEPARTMENTAL RECOMMENDATION**