



County of San Mateo

Inter-Departmental Correspondence

Department: HUMAN SERVICES AGENCY

File #: 19-421

Board Meeting Date: 5/14/2019

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: Nicole Pollack, Director, Human Services Agency
Subject: Agreements with California Statewide Automated Welfare Systems Consortium

RECOMMENDATION:

Adopt a resolution authorizing:

- A) Approval of a Memorandum of Understanding between the California Statewide Automated Welfare System (CalSAWS) Consortium and the County of San Mateo and the CalSAWS Consortium Second Amended & Restated Joint Exercise of Powers Agreement to enable the Human Services Agency to migrate to the State of California's single statewide system for case management of the state's public assistance programs; and
- B) Approval of an agreement with California State Association of Counties (CSAC) for Welfare Client Data System (WCDS) Management for administration of the California Work Opportunity and Responsibility to Kids Information Network System (CALWIN) with a cumulative obligation of \$1,847,821 for the period of July 1, 2019, through June 30, 2023. This term includes an optional year of CSAC services; and
- C) Approval of an agreement for maintenance and operation between the Welfare Client Data System (WCDS) Consortium Counties and DXC Technology Services, LLC (DXC), (formerly HP Enterprise Services, LLC), adjusting the County's share of cost in the amount of \$4,490,482 for the period of February 1, 2020, through January 31, 2023, reducing the total obligation for the original agreement from \$14,100,968 to \$13,812,128; and
- D) Approval of an Assignment, Novation and Consent Agreement reassigning the maintenance and operations agreement between the Welfare Client Data System (WCDS) Consortium Counties and HP Enterprise Services, LLC from the Human Services Agency to the CalSAWS Consortium; and
- E) Approval of an Assignment, Novation and Consent Agreement reassigning the California State Association of Counties for the California Healthcare Eligibility, Enrollment and Retention

System (CalHEERS) and Contact CalWIN maintenance, operations and support services from the Human Services Agency to the CalSAWS Consortium; and

- F) The Human Services Agency Director or designee to execute an Assignment, Novation and Consent Agreement reassigning Document Fulfillment Services (DFS) CalWIN printing and mailing services to the CalSAWS Consortium.

BACKGROUND:

The Federal Government has directed the State of California to move to a single statewide automated welfare system by 2023. In order to achieve that goal, all 58 California counties, in consultation with the County Welfare Directors Association of California (CWDA) and relevant state program sponsors, are working towards forming the CalSAWS Consortium, which will combine all California counties under one public assistance system.

Currently, there are three eligibility systems used across California to manage a variety of public assistance programs, including Medi-Cal, California Work Opportunity & Responsibility to Kids/Temporary Aid to Needy Families, CalFresh/Supplemental Nutrition Assistance Program, Cash Assistance Program for Immigrants, Foster Care, Refugee Cash Assistance, Kinship Guardianship Assistance Program, California Food Assistance Program, General Assistance/General Relief, Adoption Assistance as well as other health and human services programs or subprograms. The eligibility systems are currently managed and operated by the following two consortia representing all 58 California counties:

- Welfare Client Data Systems (WCDS Consortium) maintains and operates the CalWIN system supporting 18 counties, including San Mateo County. HSA uses the CalWIN program to serve an average of approximately 132,000 clients each month.
- California Automated Consortium Eligibility System (CalACES Consortium) maintains and operates the Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) Replacement System (LRS) supporting Los Angeles County, and the Consortium IV (C-IV) system supporting 39 counties. LRS and C-IV recently merged to initiate the process of moving towards a single statewide system.

The new CalSAWS Consortium will be developed out of the current CalACES Consortium.

As part of the transition to CalSAWS, representatives from CalACES, WCDS counties and CWDA formed the CalSAWS Leadership Team to establish a governance structure and make recommendations for cross-consortia issues. Last year, the CalSAWS Leadership Team recommended that CalACES assume legal responsibility for the procurement and execution of contracts with vendors for shared services on behalf of the 58 counties until formal establishment of the CalSAWS Consortium. The California Department of Social Services (CDSS) supported the plan that CalACES may obtain these shared services on behalf of the 58 counties.

DISCUSSION:

Approval of the various agreements listed in the Recommended Actions above will ensure that San Mateo County, along with the other 57 California counties, are compliant with federal and state program mandates and performance standards to move to a single, statewide public assistance system.

Recommended Action No. 1: Approval of Memorandum of Understanding Between the CALSAWS Consortium and the County of San Mateo; CalSAWS Consortium Second Amended and Restated Joint Exercise of Powers Agreement

The next step in this process is to approve the Second Amended and Restated Joint Exercise of Powers Agreement (JPA) for the CalSAWS Consortium. The first Recommended Action will enable the 58-member counties to exercise power over the design, development, implementation, migration and on-going operation and maintenance of CalSAWS. The JPA shall operate under a Memorandum of Understanding (MOU) with each member county. The purpose of the MOU is to delineate the areas of understanding and agreement between the parties regarding the various vendor agreements and other areas of mutual interest (including, but not limited to, human resources, compensation and other personnel matters) in fulfillment of the CalSAWS Consortium's mission, vision and objectives. The CalSAWS Consortium counties have mutually agreed to share the administrative, maintenance and operations cost allocated based on the size of county caseloads.

Recommended Action No. 2: Approval of Agreement With California State Association of Counties (CSAC) for WCDS Management Services

The second Recommended Action will enable CSAC to continue providing the WCDS Consortium, which includes San Mateo County, with CalWIN management staff. The members of the WCDS Consortium mutually agreed to share the management and cost of operating CalWIN and contract with CSAC to employ staff who are assigned to work under the direction of the WCDS Board of Directors, as the WCDS Consortium does not have the legal structure to support hiring staff directly.

The total cost of WCDS Consortium management services is distributed amongst the WCDS Consortium counties based upon the county's designation as a small, medium or large county. San Mateo County is designated as a medium county with a calculated share of \$1,847,821. This share of cost includes services for an optional 4th year which includes emergent projects, system enhancements that may result from new regulations, upgrades to technology, new business intelligence capabilities, enhancements to communications, higher operating expenses or staffing increases.

The total WCDS cost for consortium management services is \$24,046,203, for the period of July 1, 2019 through June 30, 2023.

Recommended Action No. 3: Approval of an Agreement for Maintenance and Operation Between the Welfare Client Data System (WCDS) Consortium Counties and DXC Technology Services, LLC, (Formerly HP Enterprise Services, LLC) to Adjust San Mateo County's Share Of Cost

The third Recommended Action consists of requesting approval of an agreement for maintenance and operation of the CalWIN system between the WCDS Consortium Counties and DXC Technology Services, LLC (DXC) adjusting San Mateo County's share of cost. As a member of the WCDS

Consortium, San Mateo County pays a share of cost for the maintenance and operations of the CalWIN system, which is currently being used for case management of public assistance.

DXC is the contractor that manages and operates the CalWIN System, which is not associated with San Mateo County networks and servers.

The agreement adjusts San Mateo County's share of cost to \$4,490,482 for the period of February 1, 2020, through January 31, 2023, reducing the total obligation of the original agreement from \$14,100,968 to \$13,812,128. The term of the original agreement is February 2, 2015 to January 31, 2025; however, it is anticipated that the implementation of CalSAWS will be completed prior to January 31, 2023, making the agreement obsolete after that period.

The members of the WCDS Consortium counties have mutually agreed to share the CalWIN maintenance and operations based on the size of county caseloads.

Recommended Action Nos. 4 And 5: Approval of Assignment, Novation and Consent Agreements Reassigning of CalWIN Related Agreements

The fourth and fifth Recommended Actions will authorize the reassignments of DXC and CSAC agreements from the Human Services Agency (HSA) to the CalSAWS Consortium per the Second Amended and Restated Joint Exercise of Powers Agreement (JPA). This reassignment will be effective September 1, 2019 and will allow the CalSAWS Consortium to administer these agreements until the new CALSAWS system is fully implemented.

Recommended Action No. 6: Authorization of HSA Director to Execute an Assignment, Novation and Consent Agreement Reassigning Document Fulfillment Services

The sixth Recommended Action requests Board authorization for HSA Director or designee to execute an Assignment, Novation and Consent Agreement reassigning Document Fulfillment Services (DFS) to the CalSAWS Consortium at a later date. It is anticipated that the reassignment will occur in 2022. DFS provides CalWIN printing and mailing services.

The agreements and resolution have been reviewed and approved by County Counsel as to form.

These recommended actions collectively contribute to the Shared Vision 2025 outcome of a Prosperous Community by ensuring effectiveness and efficiencies in the County's welfare department activities, which in turn will help ensure clients receive accurate and timely benefits. It is anticipated that WCDS will propose, evaluate, and implement cost savings, or system improvements or both at least two (2) times per year and that DXC will resolve issues to ensure 100% compliance with the DXC/Consortium Service Level Agreement (SLA).

PERFORMANCE MEASURE:

Measure	FY 2017-18 Actual	FY 2018-19 Anticipated	FY 2019-20 Target
Minimum number of times each year that WCDS will propose, evaluate, and implement cost savings, or system improvements or both.	4	3	2
Ensure compliance with DXC/Consortium SLA terms.	100%	100%	100%

*CalWIN is transitioning to CalSAWs and 2 is the minimum number of improvements.

FISCAL IMPACT:

The term of the agreement with CSAC is July 1, 2019, through June 30, 2023. The cumulative obligation of the agreement is \$1,847,821.00. This includes exercising the Optional Resources provisions for \$511,920. The agreement is funded through the State CalWIN Consortium. Appropriations are included in the FY 2019-22 Recommended Budget and will be included in FY 2023-25 Recommended Budget. The Net County Cost is 4.35% of the full obligation amount (\$80,380.21).

The term of the agreement between the WCDS Consortium and HP Enterprise Services, LLC for DXC services is for February 2, 2015 through January 31, 2025. The County's Share of cost for the period of February 1, 2020 through January 31, 2023 is \$4,490,482. Additional share of cost for the remaining two-year period is to be determined by need based on the transition date of CalWIN to CalSAWs. The agreement is funded through the State CalWIN Consortium. Appropriations are included in the FY 2019-22 Recommended Budget and will be included in FY 2023-25 Recommended Budget. The Net County Cost is 4.35% of the full obligation amount (\$195,335.96).