



County of Los Angeles
DEPARTMENT OF PUBLIC SOCIAL SERVICES

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August 18, 2016

TO: Each Supervisor

FROM: Sheryl L. Spiller, Director

SUBJECT: NOTICE OF INTENT TO AMEND THE LOS ANGELES ELIGIBILITY, AUTOMATED DETERMINATION, EVALUATION AND REPORTING SYSTEM LEADER REPLACEMENT SYSTEM INFORMATION TECHNOLOGY AGREEMENT WITH ACCENTURE, LLP

This is to notify the Board of DPSS' intent to amend the Los Angeles, Eligibility, Automated Determination, Evaluation and Reporting System (LEADER) Replacement System (LRS) Information Technology Agreement Number 77863 with Accenture, LLP. This Amendment Number Three will introduce necessary funding for modifications to the LRS to support the California Healthcare Eligibility, Enrollment and Retention System (CalHEERS) interface, and provide modifications to the Approved Relative Caregiver (ARC) Program, and Horizontal Integration (HI).

BACKGROUND

The State has allocated premise funding to support modifications to the CalHEERS interface with the Statewide Automated Welfare Systems (SAWS). As Covered California continues to implement new functionality into the CalHEERS system, the SAWS are required to make changes to complete mandated State and federal requirements.

The ARC Program enacted by Senate Bill SB 855 (Chapter 29 Statutes of 2014), effective January 1, 2015, increased the payment to children placed in foster care with a relative caregiver when the children are not eligible for federal foster care benefits. With State funding available to the County to support foster care with a relative, the County is required to incorporate ARC modifications into LRS to enable the County to administer ARC in the most efficient manner.

HI funding for the SAWS Consortia will provide necessary programming changes to allow individuals transferred from the Covered California health application to complete a

streamlined application for the California Food Stamp Program (CalFresh) and CalWORKs program through the SAWS online system portals.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On July 7, 2015, the Board delegated authority to the DPSS Director to accept additional, dedicated State and federal funds with no county share of cost, not to exceed 2% of the Total Maximum Contract Sum. This will support implementing modifications to the LRS for new and/or changes to existing high priority State and federal program and policies. Acceptance of the premise funding related to SAWS/CalHEERS Interface Development, ARC, and HI does not exceed 2% of the Total Maximum Contract Sum.

The purpose of this notification is to inform you of DPSS' intent to amend the LRS Agreement to add \$7,276,500 of approved premise funding for the development and implementation, automation, necessary programming changes, and to support modifications of the various premise items described above. All premise funding allocated for LRS for new and/or changes to existing high priority State and federal programs and policies are implemented through a Change Control Request (CCR) procedure. The funding is broken down as follows:

California Healthcare Eligibility, Enrollment and Retention System (CalHEERS)

As Covered California continues to implement new functionality in the CalHEERS system, SAWS are required to make changes to each system's case management and reporting functions, to interface between both systems. This requires additional vendor hours in order to complete the mandated State and federal requirements. Therefore, increased funding will support changes to CalHEERS and/or the California Health Benefits Exchange (HBEx) in order to provide continued health care services to the participant population. The premise funding for FY 2016-17 is \$5,544,000.

Approved Relative Caregiver (ARC)

The ARC Program is a county-optional program that provides funding for participating counties to make per-child, per-month payments to approved relative caregivers, on behalf of eligible children in an amount equal to the basic foster care rate paid to Aid to Families with Dependent Children-Foster Care (AFDC-FC).

With State funding available to counties who would like to better support foster children by placing them with relatives, DPSS is required to incorporate ARC modifications into LRS to enable the County of Los Angeles (County) to better serve its citizens and administer ARC in the most efficient manner on an ongoing basis. The premise funding reflects a one-time automation cost of \$1,650,000 for FY 2016-17.

Horizontal Integration (HI)

The automation of HI allows the SAWS Consortia to process the necessary programming changes to screen individual applicants after their Covered California health application for potential eligibility for CalFresh and CalWORKs. The application, which was completed by an individual through the SAWS online system portal, will have their application in a queue to be later screened by a County eligibility worker to complete a separate application at a later date for CalFresh and CalWORKs eligibility. The premise funding for FY 2016-17 is in the amount of \$82,500.

FISCAL IMPACT

The Amendment Number Three increases the total Maximum Contract Sum for the initial term by \$7,276,500 from \$602,206,601 to \$609,483,101. The aggregate total Maximum Contract Sum for the LRS Agreement, including the initial term and the optional extended term, will increase from \$755,766,911 to \$763,043,411.

The \$7,276,500 will be paid as follows:

Cost for FY 2016-17

The total estimated cost for Amendment Number Three in FY 2016-17 is \$7,276,500. This cost will be fully funded with federal and State revenue with no Net County Cost. Sufficient appropriation will be requested in the Department's FY 2016-17 Supplemental Changes Budget Request.

FACTS AND PROVISIONS

The associated Amendment was reviewed and approved by the Chief Information Office, reviewed and approved as to form by County Counsel and Outside Counsel.

NOTIFICATION TIMELINE

We are informing the Board of our intent to amend the LRS Agreement. In ten business days, absent any inquiries from your office, we will proceed in amending the LRS Agreement accordingly. If there are any questions, please feel free to contact me, or your staff may contact Michael Sylvester, Director Bureau of Contract and Technical Services, at (562) 908-8327.

SLS:MS:ph

c: Chief Executive Office
Executive Office, Board of Supervisors
County Counsel
Chief Information Office