

State of Maine Procurement Justification Form

This form must accompany ALL contract requests and sole source requisitions submitted to the Division of Procurement Services.

INSTRUCTIONS: Please provide the requested information in the white spaces below.

PART I: OVERVIEW			
Department Office/Division/Program:	DHHS/OFI		
Department Contract Administrator or Grant Coordinator:	Jamie Pruett		
(If applicable) Department Reference #:	OIT-16-066E		
Estimated Contract or Grant Amount:	Exist Amt: \$35,307,180.00 This Amend: \$5,728,180.00 New Amt: \$41,035,360.00	Advantage CT / RQS #:	CT 10A 20150619*4632
AMENDMENT	Original Start Date:	07/01/15	New Start Date: 07/01/20
	Original End Date:	06/30/20	New End Date: 06/30/21
GRANT	Project Start Date:	N/A	Grant Start Date: N/A
	Project End Date:	N/A	Grant End Date: N/A
ALL OTHER	Proposed Start Date:	N/A	Proposed End Date: N/A
Vendor/Provider/Grantee Name, City, State:	NTT Data, Inc. Boston, MA		
Brief Description of Goods/Services/Grant:	Maintenance and support of OFI applications, such as ACES (Automated Client Eligibility System), Siebel, and OPA.		

PART II: JUSTIFICATION FOR VENDOR SELECTION			
Mark an "X" before the justification(s) that applies to this request.			
	A. Competitive Process		G. Grant
	B. Amendment		H. State Statute/Agency Directed
X	C. Single Source/Unique Vendor		I. Federal Agency Directed
	D. Proprietary/Copyright/Patents		J. Willing and Qualified
	E. Emergency		K. Client Choice
	F. University Cooperative Project		L. Other Authorization

PART III: SUPPLEMENTAL QUESTIONS
Please respond to ALL of the following questions.
1. Provide a more detailed description of the goods, services or grant to supplement the response in Part I.
<p>The Department administers critical social service programs to Maine's citizens using several technology systems, including the Automated Client Eligibility System (ACES), Siebel, a task assignment and processing tool, and Oracle Policy Automation (OPA), a rules engine. The social service programs are:</p> <ol style="list-style-type: none"> 1. Temporary Assistance for Needy Families (TANF), 2. Food Supplement (Supplemental Nutrition Assistance Program), and 3. MaineCare (Medicaid).

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Critical Processes and Interfaces for the Department's systems are:

- There are 75 program types or categories of eligibility that fall under these three programs.
- There are 1,000 State workers across the State who enter and request data from ACES;
- Approximately 300,000 Maine households currently receive benefits;
- ACES transmits and receives files with over 30 State and Federal Partners pertaining to client status;
- ACES Receives 20,000 new benefit applications per month;
- It is the primary Mainecare eligibility status feed to the Department's Office of Mainecare Services (OMS) Claims Payment System (MIHMS).

Resources for support and maintenance are vital to ensuring the technology systems operate efficiently and reliably. The current maintenance and support agreement with the Provider expires June 30, 2020. Procurement is currently underway, but unlikely to complete prior to the end of the current agreement. In order to minimize the risk of no support or maintenance resources to supplement the State OIT application team and ensure continued stability to the Department's systems to provide benefits to social service recipients, the Department looks to extend the current agreement one (1) year with the Provider.

The Provider's staff efforts will include:

- Defect resolution and enhancements to the Department's systems necessary to keep the systems current with State and Federal requirements
- Daily operational processes to ensure maintained health and stability of the Department's applications, such as confirmation of daily batch process completion, data interface completion with federal and state agencies and applications, error log review and resolution, benefit issuance confirmation, et cetera
- Technical performance corrections and enhancements to the Department's applications to ensure efficient eligibility determination processing
- Business consultation services as requested by the Department.

2. Provide a brief justification for the selected vendor to supplement the response in Part II.

The Provider's resources possess the knowledge of the business processes for the Department and eligibility, the system data structure and system architecture. The Provider designed and built ACES 2 decades ago, and have provided a variety of consultation staffing, enhancements, and maintenance and support services since implementation. It is imperative that the Department be able to leverage the Provider's resources that have working knowledge of the architecture and business requirements.

Due to the complexity of the Department's systems, to have no support resources in place after June 2020, the expiration of the current service agreement with the Provider, would significantly risk Maine's ability to administer social service programs, potentially create public crises and invite federal financial penalties.

3. Explain how the negotiated costs or rates are fair and reasonable; or how the funding was allocated to grantee.

The negotiated cost structure of the currently approved agreement will remain in effect. Key savings points:

- Provider's new employees will come in at 5% below the rate card for the first 6 months; once they pass the probation point, they will then receive the appropriate rate for their position.
- Provider's new subcontractors will come in at 10% below the rate card for the first 6 months; once they pass the probation point, they will then receive the going rate LESS 5% of the Provider's employees. All non-Provider employees will be 5% less than the Provider's employees.

Furthermore, there is a spend discount for this contract. Annually, at \$3 million, there is a 5% discount on total invoiced costs and at \$5 million spend there is a 10% discount on all contract spend over that value.

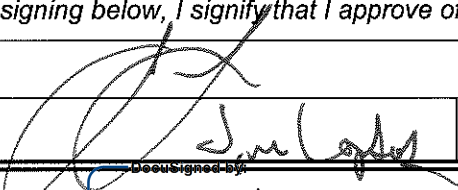
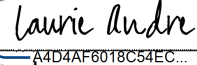
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4. Describe the plan for future competition for the goods or services.

The Department has drafted a Request for Proposals to address the long-term maintenance strategy and the life cycle planning for necessary for the Department's systems. In collaboration with State OIT, the approach has been to do an in-depth review of the technical resources needed to continue to support OFI systems. As business operations become more dependent on multiple systems other than ACES to provide client services (e.g. Siebel, OPA, Docuware, Avaya) it is becoming clear that a fresh approach towards procuring a wider range of support services is critical and necessitates a new request for proposals to address those service needs as soon as possible. The Department and State OIT will competitively bid RFP, T2018037, for a July 1, 2021 contract start date.

PART IV: APPROVALS

Signature of requesting Department's Commissioner (or designee):	<i>By signing below, I signify that I approve of this procurement request.</i>		
Printed Name:		Date:	29-Jun-20
Signature of DAFS Procurement Official:	<div style="border: 1px solid black; padding: 2px; display: inline-block;"> <small>Deauthorized by</small>  <small>A4D4AF6018C54EC...</small> </div>		
Printed Name:	Laurie Andre	Date:	2/28/2020