Engaged Discussions w/ MAXIMUS:

- Division of Information & Resource Management (Karen Tomczak, DIRM Director)
- DHHS Controllers Office
- Division of Social Services

**Issue:** “End of Life” impact of MS Visual Fox Pro 9.0 Service Pack 2 software on statewide reimbursement system:

- Quarterly Information Consolidation System (QUIC)
- Time & Effort Calculation System (TEC)
- Program Expenditure Tracking System (PET)
Objectives

- Explore / Implement cost effective options for a web-enabled application solution that could be used by all counties
- Avoid disruption in State/County fiscal operations

Initial Focus:

- Consider upgrade solutions from MAXIMUS
  - Extensive negotiations (*time consuming*)
  - Proposed Maximus Uplift: $1.7M then 2.7M … then upward
    - $3M to $4M range…

- NC considered additional solution options (cost effective)
Back to the drawing board - a new plan:

- Agreed to purchase Source Code for $50K from MAXIMUS

- Functions:
  - Quarterly Information Consolidation System (QUIC)
  - Time & Effort Calculation System (TEC)
  - Decouple Program Expenditure Tracking System (PET)

- DIRM will update Source Code with new technology (web-based)
  - Assessment Phase
  - Development, Testing, and Implementation Phase
Phase I: Assessment

- Estimate 3 to 6 months
- Analyze data from counties and assess the existing Maximus code to develop functional and technical requirements for the uplift / rewrite TEC & QUIC
- Joint Application Development (JAD sessions)
- Business and Workflow process modelling and business reengineering
- Hardware and software requirements
- Develop project plan, checklists, project timeframes (including budget and staffing estimates)
Phase II: Development, Testing, and Implementation

- Estimated start 5/15
- Design, Development, and Deliverables (industry recognized standards)
- Software Coding & Technical Specifications
- Testing (Unit / System & User Acceptance test) – Quality Control
- Project Management: Implementation, Monitoring and Reporting Results
- Documentation / Data Archiving
- Post Implementation Support
## Project Cost Estimates

<table>
<thead>
<tr>
<th>Project Estimated Costs</th>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessment</td>
<td>$ 166,400.00</td>
<td>Senior Analysts (2/$80 per hr/1040 hrs)</td>
</tr>
<tr>
<td></td>
<td>$ 72,000.00</td>
<td>Maximus Support ($150 per hr/480 hrs)</td>
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<tr>
<td>Phase 50</td>
<td>$ 28,800.00</td>
<td>DIRM Support (2/$60 per hr/240 hrs)</td>
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<tr>
<td></td>
<td>$ 50,000.00</td>
<td>Source Code</td>
</tr>
<tr>
<td></td>
<td>$ 10,000.00</td>
<td>Laptops &amp; Software (Visual FoxPro &amp; Microsoft Project)</td>
</tr>
<tr>
<td></td>
<td><strong>$ 327,200.00</strong></td>
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</tr>
</tbody>
</table>

| Development             | $ 110,080.00 | Senior Analysts (4/$80 per hr/344 hrs)          |
|                         | $ 24,000.00  | Maximus Support ($150 per hr/160 hrs)           |
| Phase                  | $ 9,600.00   | DIRM Support (2/$60 per hr/80 hrs)              |
|                         | **$ 143,680.00** |                                             |

| Total                   | **$ 470,880.00** |                                                |
Cost Allocation Plan Considerations

**Challenges:**
- Reality Check: DHS anticipates another budget reduction around 2% in SFY 15-16
- Develop a fair way to share costs across 100 Counties

**Reviewed day sheet data for allocation of TEC costs**

**Data considered:**
- 2014 County Tier
- Sum of all day sheet minutes and count of all day sheet entries
- Sum of all minutes not coded as General Administration (990-G) and count of all day sheet entries other than GA
- An unduplicated count of Workers (ID’s) that coded time to day sheets and an unduplicated count of SIS Client IDs
Cost Allocation Plan

Formula:

- **33.33%** Base Cost (equal for all counties)

- **33.33%** of County % of “No GA” Minutes (Non General Administration minutes)

- **33.33%** of County % of statewide “UDC Workers”
<table>
<thead>
<tr>
<th>County</th>
<th>2014 Tier</th>
<th>All Minutes</th>
<th>All Entries</th>
<th>No GA Minutes</th>
<th>No GA Entries</th>
<th>SIS IDs</th>
<th>UDC Workers</th>
<th>Base Cost (1/3)</th>
<th>Input Volume 1 (Mins) (1/3)</th>
<th>Input Volume 2 (Workers) (1/3)</th>
<th>Subtotal: Assessment</th>
<th>Base Cost (1/3)</th>
<th>Input Volume 1 (Mins) (1/3)</th>
<th>Input Volume 2 (Workers) (1/3)</th>
<th>Subtotal: Development</th>
<th>Total Cost</th>
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<tbody>
<tr>
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What's coming next?

○ **Letter of Intent** (via Dear County Director Letter)
  - Individualized county break-out of *estimated* cost to be paid by county (Phase I Assessment and Phase II Development)
  - The state will specify the *estimated* amount of funds that the county will pay for **Phase I Assessment** via **electronic fund transfer (EFT)** in SFY 14-15
  - Letter will need to be signed and returned
  - At the conclusion of Phase I, DSS will reconcile difference between estimate & actual costs with counties
  - DSS planning to set up a Special Fund account to hold / safeguard these dollars
What’s coming next?

- Need to address full backup of system files to all licensed counties
- Counties will be able to charge expenses for reimbursement
- Annual maintenance contract with MAXIMUS will be extended for the period of January 1, 2015 - December 31, 2015
- **Project Manager:** Sreenadha Vaka, IT Manager Financial Applications Management Unit, Division of Information Resource Management