



oregon  
**wic**  
program



## Oregon eWIC Processor RFP

NWA 2013 Technology and Program  
Integrity Conference  
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# Creating the RFP and Statement of Work

- What do we want, and when do we want it?
- How do we figure that out?
- Why does it matter?

# Overview of how we did it

- Visited other states and saw how eWIC was operating there
- Discussed among state staff how we envisioned basic eWIC processes happening
- Lots of phone calls with Maximus
- Back to state staff for more info
- Made decisions and put them in the documents

# Oregon process (every state is different)

- RFP must include:
  - Standard RFP template
  - Separate SOW
  - Sample contract
- Department of Justice review

# Don't forget FNS!

- Final review by FNS of the RFP, the Statement of Work, and the draft contract
- They may also want to see the final contract once a contractor has been selected, before signature
- Talk timing with your region – how long will they need for review, and can you get on their schedule ahead of time

# Who was involved?

- State WIC Program
  - eWIC Project Manager
  - Operations Manager
  - Vendor Coordinator
  - Nutrition Consultant
  - Data Coordinator
  - IT Manager
  - Support Staff
- Maximus
  - 3 Staff
- Other State Staff from:
  - Procurement Office
  - Dept. of Justice
  - Security Office
  - Dept. of Admin Services
  - SNAP
- USDA
  - Regional
  - HQ

# What was the timeline?

- June-October 2011: RFP development with Maximus (5 months)
  - Started with template from Maximus
  - Weekly 3 hour conference calls
  - 20-30 page sections each week
  - Sign off on previous week's section and review of everyone's edits/comments on current week's section
  - Detailed edit and comment tracking system

# What was the timeline?

- Oct 14-Dec 23: FNS review & deliberations
- Friday, Dec 23, 2011 4:30 PM: Posted
- March 22, 2012: Proposals due (originally due Feb 21)
- March 26-30: Evaluation period
- April 2: Winner announced
- April 2-9: Protest period
- April 9 – June 8: Contract negotiation
- June 13: Contract fully executed



# RFP Basics

- 432 pages!
  - Body – 44
  - Statement of Work – 105
  - Draft contract – 48
  - Attachments – 235 (100+ pages security requirements)
- Contract term 5 years with one 5 year extension
- Pre-Proposal Teleconferences for proposers
  - Jan 18 & Feb 15
  - RFP review and Q&A

# RFP Basics – what we included

- “Most favored customer” clause
- “Innovative technologies” clause
- Must comply with national standards & regulations – most recent versions of:
  - Operating Rules
  - Technical Implementation Guide
  - Universal Interface Specifications
  - American National Standards Institute (ANSI) X9.93
  - WIC Federal Regulations 7 CFR Part 246

# What we should have included

- Agile vs. Waterfall Development
  - Make sure you know the difference and how Agile works
- Tiered Pricing on equipment
  - You never know how many stand-besides you may need....

# eWIC System Requirements

- Store and maintain all eWIC data – OR WIC MIS will display select data
- 3 years worth of data available 24/7
- Archive data for years 4-6, available within 48 hours
- 99.95% uptime, 24/7
- No more than 2 inaccurate transactions per 50,000
- NTEs calculated by processor – at UPC level when possible, otherwise at subcategory level

# Vendor Service Requirements

- Split Tender
- Mixed Basket
- Self-Checkout
- Store and Forward
- Process for Special Medical Formula providers
- Test, Training, Educational and Compliance cards
- No Manual Vouchers

# Vendor Service Requirements

- Manage eWIC vendor and TPP agreements
- Assist with ECR integration certification
- Provide stand-beside POS devices and training
- Select CVB farmers (approx. 30) could get stand-beside POS devices
- Customer Service support via phone and web 24/7
- Minimize number of separate SNAP and WIC POS terminals

# Cardholder Service Requirements

- 24/7 toll-free phone Customer Service via interactive voice response (IVR)
- Cardholder Web Portal available 24/7
- Training materials
- All of the above in English and Spanish

# Clinic Service Requirements

- Live toll-free phone Customer Service weekdays 7:30 AM-6:00 PM
- Equipment support
- Training in collaboration with State WIC Program



# Pricing – Implementation Costs

- Project Management
- EBT System Implementation
  - Design, Development, Testing, Documentation
- Training
- Training plans and materials
- Vendor Management
  - Testing and certification of ECR systems
  - Vendor agreements & documentation
  - POS installation and support

# Pricing – Equipment

- Purchase vs. Lease
- Firm fixed price vs. CPCM increase
- Equipment and maintenance:
  - Magnetic stripe readers for clinics (estimated 370)
  - PIN selection/change devices for clinics (estimate 75)
  - POS equipment for vendors (estimated 513)
  - Balance inquiry terminals for vendors and clinics (estimated 405)

# Pricing – CPCM

- By Tier
- Currently approx. 75,000 households in Oregon
- Ranges for estimate:
  - Less than 50,000
  - 50,001 – 75,000
  - 75,001 – 100,000
  - 100,001 – 150,000
  - 150,000+

Pricing – Optional Items – or “how do you know what you want until you know what it costs?”

- 24/7 Toll-free Phone Live Customer Service for Cardholders in Oregon’s top 6 languages
- Card Inventory and Tracking System
- Card Issuance by Mail (for replacement cards)
- Disaster Services
- Card Sleeves (basic and fold-out)
- DVD for Training Cardholders
- Wireless Technology Support for CVB Farmers
- Support for Redemption of FMNP Benefits

# Equipment Pricing in Contract

- Went with Monthly Lease Price + Maintenance (rather than purchase)
- Asked for CPCM increase and Firm Fixed Price options – to decide which was better
- Tiered Pricing, in 100 unit increments  
– 0-100, 101-200, etc.

# Options Exercised at Contract Execution

- Live Customer Service Help Desk
  - \$0.08 CPCM increase
- Card Issuance by Mail (for replacement cards)
  - No additional fee
- Card Inventory and Tracking System
  - Additional development fee
- Disaster Services
  - Additional development fee

# CPCM “Buy Down”

## Cost per Case Month by Tiers

Active Cases	CPCM		
	Implementation Cost A	Implementation Cost B (Cost A + \$250K)	Implementation Cost C (Cost A + \$500K)
Less than 50,000	Base + \$0.13	Base + \$0.07	Base + \$0.02
50,001-75,000	Base + \$0.12	Base + \$0.06	Base + \$0.01
75,001-100,000	Base + \$0.12	Base + \$0.06	Base + \$0.01
100,001 - 125,000	Base + \$0.11	Base + \$0.05	Base <u>CPCM</u>
125,001 - 150,000	Base + \$0.11	Base + \$0.05	Base <u>CPCM</u>

# Lessons Learned

- Get someone to help you with this who has done it before – aka consultant
- Be clear about what you want
  - ( because you are going to be sitting in a room with your contractor in eight months, and you had better have explained what you want clearly in the SOW)
- Understand Agile and Waterfall development processes and address both in your RFP



# More Lessons Learned

- Understand your resources ahead of time, and how they will interact with the contractor – and specify in your RFP
- A liquidated damages provision to bolster your service level agreement is important
- Try to pin down the security portions of your RFP in the beginning – don't let your security people run wild with attachments

# Questions?

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