

ECONOMIC SERVICES ADMINISTRATION
Interface with New EBT Vendor



2015-17 BIENNIAL BUDGET

ML Request	FY15	FY16	FY17	15-17
FTE	0.8	3.1	1.3	2.2
GF-State	\$87,000	\$3,549,000	\$1,646,000	\$5,225,000
Total	\$87,000	\$3,549,000	\$1,646,000	\$5,225,000

DECISION PACKAGE SUMMARY

The Economic Services Administration (ESA) requests staff and contracted services in order to procure and implement a new Electronic Benefits Transfer (EBT) vendor solution. By funding this request, ESA is expected to maintain uninterrupted EBT services for over 600,000 agency clients.

PROBLEM STATEMENT

Federal regulation 7 CFR 274.1 mandates all states and territories to implement an Electronic Benefits Transfer (EBT) to deliver Supplemental Nutrition Assistance Program (SNAP) benefits. ESA uses EBT to deliver both SNAP and cash benefits (e.g., Temporary Assistance to Needy Families (TANF), Refugee Cash Assistance, and Aged, Blind and Disabled) to clients.

The current contract with the Washington EBT vendor, JP Morgan Electronic Financial Services (EFS), expires April 29, 2016. JP Morgan has announced they will not submit a proposal to continue providing EBT services past that date. ESA will need to solicit proposals from potential vendors, score vendor proposals, negotiate an agreement, and determine which vendor will be awarded the new EBT contract. Once the contract is in place, the transition and conversion to a new EBT service provider will take between nine and 14 months. Information technology (IT) infrastructure and staff will be heavily involved in developing the business requirements necessary to interface with a new EBT vendor system. Federal mandates for interface testing will need to be met and approved by the United States Department of Agriculture, Food and Nutrition Service prior to going “live” in production with the new EBT vendor system.

If this request is not funded, ESA will not have the IT resources necessary to complete the transition and conversion process within the required timeframe, because of other high priority work already being performed by ESA IT staff. Failure to fund this request will adversely affect over 600,000 households dependent on access to benefits through EBT services.

PROPOSED SOLUTION

A total of 3.1 FTEs are requested in Fiscal Year 2016 for project management and IT staff. In Fiscal Year 2017, 1.3 FTEs are requested to complete the remaining IT work. In addition to FTEs, funding is requested for contracted developers,



DSHS VISION
People are healthy • People are safe • People are supported • Taxpayer resources are guarded

DSHS MISSION
To transform lives

DSHS VALUES
Honesty and Integrity • Pursuit of Excellence • Open Communication • Diversity and Inclusion • Commitment to Service

ECONOMIC SERVICES ADMINISTRATION Interface with new EBT Vendor



2015-17 BIENNIAL BUDGET

production control, quality assurance, and a system architect during the implementation phase beginning in Fiscal Year 2016.

As a condition of the existing contract, ESA has agreed to determine options for ending the relationship with JPMorgan EFS as soon as feasibly possible. Therefore, the agency will need to begin procurement of our next EBT vendor early in Fiscal Year 2015 and complete it no later than August 2015. This will allow for the time needed (an estimated nine to 14 months) for a smooth transition between vendors, system changes, and to maintain uninterrupted service delivery to over 600,000 eligible SNAP and cash recipients.

This request is solely for ESA costs related to procurement and technical implementation of a new EBT vendor. This request does not assume any additional vendor costs that may be realized related to a new EBT contract.

EXPECTED RESULTS

The budget request supports the Department of Social Health Services (DSHS) Goal 5: Public Trust- Strong management practices will be used to ensure quality and efficiency.

The decision package is essential to implementing the Economic Services Administration Strategic Objective Goal 2.A: Enhance or acquire new technology and tools to increase efficiency and effectiveness.

This request supports the Results Washington goal to keep government efficient, effective, and accountable.

STAKEHOLDER IMPACT

DSHS clients rely on EBT for SNAP and cash benefits. A new EBT vendor and development of the required IT interface is critical to ensure benefits are available for clients, and that DSHS is in compliance with federal EBT/SNAP requirements.



DSHS VISION

People are healthy • People are safe • People are supported • Taxpayer resources are guarded

DSHS MISSION

To transform lives

DSHS VALUES

Honesty and Integrity • Pursuit of Excellence • Open Communication • Diversity and Inclusion • Commitment to Service