

## Memorandum

**To:** Health Connector Board of Directors  
**Cc:** Audrey Morse Gasteier, Executive Director  
**From:** Patricia Grant, Deputy Executive Director and Chief Operating Officer  
**Date:** December 6, 2024  
**Re:** Recommendation of additional payment to Smartronix for Contact Center for FY2024

### EXECUTIVE SUMMARY

The Health Connector seeks to amend the total amount paid to Smartronix for FY2024. Smartronix/Amazon Web Services (AWS) are obtained through the Smartronix/AWS contract through Executive Office of Technology Services and Security (EOTSS) contract RFR 16-21. The Health Connector contracts with and pays Smartronix directly. The Health Connector notified the Board in June 2023 that for FY2024, it was extending the contract with an estimated cost of \$916,583.62 based on previous fiscal year's usage. Due to increased call volume and expenses related to that increase, the Health Connector is asking for approval of \$357,297.88 for FY2024. The funds for this contract will come from FY2025 revenue.

This memorandum recommends that the Board of Directors (Board) authorizes the Health Connector to submit payment to Smartronix for additional AWS cloud services for the contact center for FY2024.

### SMARTRONIX/AMAZON WEB SERVICES FOR CONTACT CENTER BACKGROUND

In June 2023, the Health Connector requested the Board's approval to renew its agreement with Smartronix for FY2024 to continue technology services related to its contact center. The Health Connector's contact center Smartronix/AWS services are obtained through the Smartronix/AWS contract, which was executed in 2016 under the Executive Office of Technology Services and Security (EOTSS) contract RFR 16-21. In 2021, the Health Connector Board of Directors approved work orders for third-party technology through Smartronix as part of the contact center implementation project with Accenture. Additionally, the contact center's licensing must be renewed annually to support ongoing operations.

The agreement with Smartronix falls under EOTSS RFR 16-21 and covers licensing for AWS. RFR 16-21 is an EOTSS individual agency procurement contract, available to multiple state agencies and authorities, through which they can obtain cloud services. The contract services include the integrated voice response, telephony platforms, and supporting infrastructure, as

well as the contact center's reporting infrastructure. These costs also cover support for members-facing chat and SMS text messaging.

Estimated costs for the Smartronix renewal were \$916,583.62 and covered costs from July 2023 through June 2024. In early FY2025, the Health Connector was notified by Smartronix that there was an overage of \$357,297.88 for increased usage.

## INCREASED SERVICES

Each year, the Health Connector works with Smartronix to estimate the upcoming year's usage. This is based on historical data as well as membership projections and customer contact data. The quote is structured in such a way that charges are based on units in minutes or itemized cost per day or units in number of text or speech requests. Therefore, as call volume increases or decreases, the amount the Health Connector is charged falls above or below the quote.

During FY2024, call and SMS text messaging volume exceeded projections, which caused the Health Connector to exceed the quoted amount, which was the basis for the Board notification the previous June.

For FY2025, the Health Connector will revisit its adjusted FY2024 usage and analyze the cost and data to refine the total for FY2025 and present those findings to the Board in early 2025.

## RECOMMENDATION

Health Connector staff recommends that the Board of Directors authorize the Executive Director to submit payment to Smartronix for additional AWS cloud services for the contact center for FY2024 for a total of \$357,297.88. The additional funds will come from FY2025 revenues.