



# Iowa Department of Human Services

Kim Reynolds  
Governor

Adam Gregg  
Lt. Governor

Jerry R. Foxhoven  
Director

December 20, 2017

Waiver approved  
s/Janet E. Phipps/  
01/03/2018

Janet Phipps, Director  
Department of Administrative Services  
Hoover State Office Building  
1305 East Walnut Street  
Des Moines, IA 50319

Dear Director Phipps:

The Department of Human Services (DHS) is seeking a waiver as described in 11 Iowa Administrative Code (IAC) Section 118.16 (8A) for the Wireless Electronic Benefit Transfer (EBT) Project as it pertains to IAC 118.11 (3) for the six-year limitation on service contracts.

## Background

The Wireless EBT Project was included in the scope of work in the 2008 EBT request for proposal (RFP). At that time, EBT contractors did not have the capability to provide wireless EBT services. Subsequently, DHS went out to bid and has since contracted with a separate vendor because of the EBT contractors inability to provide these services.

Fortunately, EBT contractors have seen the importance of providing all-inclusive EBT services and now have the ability to provide services for the Wireless EBT Project. DHS is currently writing the RFP for EBT core services. This is the opportune time to issue one RFP to cover all EBT services, for core EBT and the Wireless EBT Project.

The United States Department of Agriculture (USDA) recommends states include the Wireless EBT Project in the core EBT contract. This new practice has become important enough for USDA to reach out to states recommending that RFPs include all EBT services. Please see the attachment from the national USDA Food and Nutrition Services (FNS) office.

## Request

Currently, ACFS 13-240 contract ends on April 30, 2019. DHS is requesting a 14-month waiver to extend the Wireless EBT Project contract through June 30, 2020 to coincide with the implementation of the new EBT contract, ACFS 20-001.

**Benefits**

One contract to encompass EBT and the Wireless EBT Project would be beneficial for the following reasons:

- Having the EBT contractor manage issues with the subcontractor, will alleviate day to day monitoring of the contract, as is the practice today due to two separate contracts.
  - A conservative estimate shows a time savings of 840 hours, just over \$30,000.
  - This time savings will be redirected to program integrity to eliminate fraud and show further program savings.
- Maintaining two separate contracts duplicates efforts. Valuable program resources are expended more frequently to write, review, evaluate, negotiate and implement.
- Today, direct marketing farmers are covered under the Wireless EBT Project contract and farmers markets are covered under the EBT core contract. Having both on one contract would standardize services and administration for the exempt retailers.

DHS respectfully requests a waiver to extend this contract. We appreciate your consideration.

Sincerely,



Jerry R. Foxhoven  
Director

Cc: Wendy Rickman,  
Division Administrator  
Adult, Children, and Family Services



Vasey, Tiffany <tvasey@dhs.state.ia.us>

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## Fwd: Adding Wireless EBT Project to Core EBT RFP - FNS response

1 message

Penick, Tracy <tpenick@dhs.state.ia.us>

Tue, Dec 19, 2017 at 9:25 AM

To: Tiffany Vasey <tvasey@dhs.state.ia.us>, Barbara Caruso <bcaruso@dhs.state.ia.us>

----- Forwarded message -----

From: **Barner, Mark - FNS** <Mark.Barner@fns.usda.gov>

Date: Mon, Dec 18, 2017 at 10:36 AM

Subject: Adding Wireless EBT Project to Core EBT RFP - FNS response

To: "Penick, Tracy" <tpenick@dhs.state.ia.us>

Cc: "Cross, James - FNS" <James.Cross@fns.usda.gov>, "Miller, Vee Ann - FNS" <VeeAnn.Miller@fns.usda.gov>,

"Fraleigh, Phillip - FNS" <phillip.fraleigh@fns.usda.gov>, "Cobb, Zora - FNS" <zora.cobb@fns.usda.gov>

Hi Tracy,

After conferring with the FNS Regional Office, it was confirmed that other states have included the wireless EBT in their core EBT reprocurments. We understand this would help streamline state processes and provide efficiencies with contract management and oversight. We support and recommend including the wireless EBT into the core RFP for EBT services.

If you have any questions please let us know.

Regards,

Mark

*Mark Barner, PMP*

Management Analyst

State Systems Office

Food and Nutrition Service, USDA

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