NEICE Budget and Fee Increase Recommendation

April 11, 2023

Recommendation from NEICE Guidance Committee on March 17

AAICPC Executive Committee reviewed and resolved to put before AAICPC vote in May 2023 Annual Business Meeting
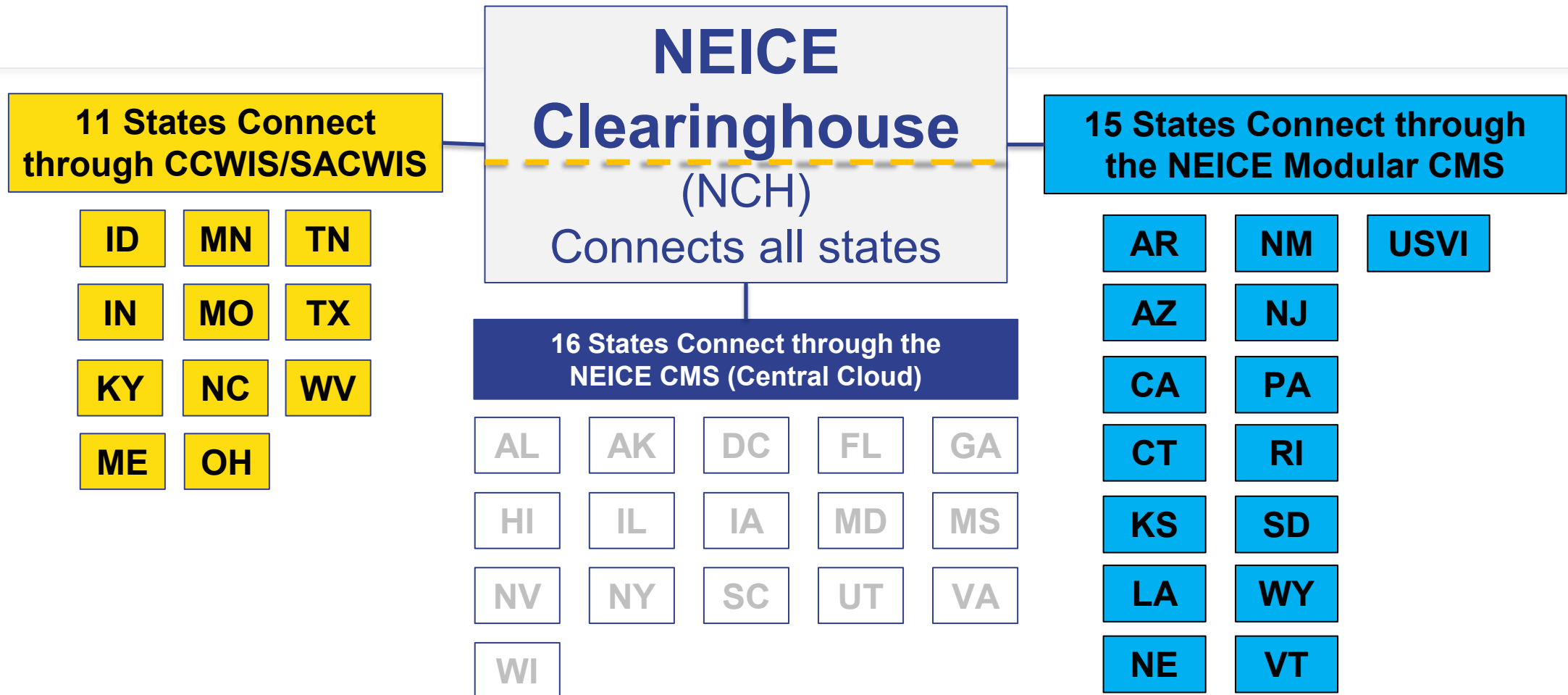
Setting the stage

1. NEICE Guidance Committee has been reviewing costs and fee structure for NEICE

2. During initial pilot in 2014, NEICE set the annual license fee at $25,000 per state.
    -   Fees have not increased since then, despite increased security, storage and number of states using system.

3. Annual budget is about $2.5 m for NEICE, a national data case management system and exchange
    -   Facing a budget shortfall in 2024
    -   Note: Some states have used IV-E Admin, Promoting Safe and Stable Families and CCWIS cost sharing to cover license fees)

4. Guidance Committee and Executive Committee are
    -   Exploring ways to reduce NEICE expenses
    -   Considering adjusting fees to be more equitable for 2025 (possible options: charge by type of platform or size of state)

Guidance Committee and Executive Committee recommend flat increase per state for 2024 to cover shortfall.

States connect to NEICE in 1 in 3 Ways

NEICE Clearinghouse (NCH)
Connects all states

11 States Connect through CCWIS/SACWIS

ID	MN	TN
IN	MO	TX
KY	NC	WV
ME	OH	

15 States Connect through the NEICE Modular CMS

AR	NM	USVI
AZ	NJ	
CA	PA	
CT	RI	
KS	SD	
LA	WY	
NE	VT	

16 States Connect through the NEICE CMS (Central Cloud)

AL	AK	DC	FL	GA
HI	IL	IA	MD	MS
NV	NY	SC	UT	VA
WI				

Cloud CMS no longer offered as option for onboarding

What are NEICE Costs by Type of System?

Connection Type	Actual Cost per State	# States by Connection Type	2023 Costs
NCH Direct	$42,138	13	$ 547,794
CMS	$64,604	16	$1,033,664
MCMS	$55,100	16	$ 881,600
			$ 2,463,058

*45 NEICE States includes 3 onboarding states: Colorado (NCH), Massachusetts (NCH) and Washington (MCMS)

Projected Budget 2024

Total Expenses	$2,567,684
Total Revenue plus carryover	$2,215,618
Projected shortfall 2024	$352,066

NEICE Guidance Committee Recommendations

1. Continue to look at NEICE cost centers and explore areas for cost control and reductions.

2. Flat increase for all states of $7,825 for 2024. ($32,825)