

**State of Vermont  
Joint Fiscal Office**

**Independent Review  
of  
State Information Technology Projects  
and Operations  
(H.492 Sec. 36)**

**Project: Integrated Eligibility Solution  
(Agency of Human Services)**

**Interim Update #2  
September 30, 2016**

**Prepared by:  
Daniel Smith  
P&C Software Services, LLC**

## **Project Overview:**

- **Last full report: April 4, 2016**
- **Last interim update: June 30, 2016**
- **Next scheduled interim update: December 31, 2016**

The purpose of the Integrated Eligibility solution (IE) is to better realize the Agency of Human Service's mission and vision of improving the health and wellbeing of Vermonters through timely and accurate access to all public assistance programs available. This is to be achieved by replacing the existing ACCESS system, which is obsolete, unsustainable, difficult (if not impossible) to configure to meet Federal requirements, and out of compliance with CMS' Seven Standards and Conditions (CMS' 7SC). Additional goals include developing enhanced analytics to respond to legislative questions, accessing and mining data accurately, and assessing the success rates of actions taken. Replacing ACCESS with a modern, more capable system, coupled with changes in organizational practices related to eligibility and benefits administration and analysis, is intended to contribute significantly to achieving the Agency's stated mission and vision. *[Note: While this Interim Update was originally scheduled for completion on September 30, 2016, it was delayed until late October due to ongoing discussions with AHS regarding the state of the program]*

## **Project Status:**

During the period January 2016 through April 2016, AHS' original Integrated Eligibility Project was cancelled ("reset") and replaced with an IE Program, which is defined as a collection of component projects. This was done to make the effort more modular, and ideally to reduce risk and cost. Since that time AHS has worked on identifying program/project goals and defining the overall strategy. This strategy was documented in the Implementation Advance Planning Document (IAPD), which was approved by CMS in late September, 2016. At the same time, AHS began the execution of some of the projects that make up the IE program while continuing planning for other projects. From a financial standpoint there have been no updates to AHS' expenditures on past IE efforts, nor estimates for future spending other than the information contained in the IAPD.

## **Project Analysis:**

The Integrated Eligibility program represents an improvement over the IE project as it existed in late 2015/early 2016, however there are concerns related to both program/project management and oversight. As documented in the most recent artifacts and emails provided by AHS, IE program/project management is not meeting accepted standards, nor AHS' own standards as documented in the IAPD. Examples include:

- 1) Actively executing a Program (IE and its component Projects) without a valid Program Charter, which is contrary to Project Management Institute (PMI) standards (Reference: PMI: "The Standard for Program Management", Third Edition). AHS had previously committed to the development of a Program Charter, but completion has been repeatedly deferred. It is now tentatively scheduled for completion during late October or early November;
- 2) Actively executing a Project (ORSD, possibly Premium Processing Phase 1) without a valid Project Charter, which is contrary to Project Management Institute (PMI) standards and the commitments made in the IE IAPD, section 7.4.1 (Reference: PMI "Project Management Body of Knowledge", PMBOK Fifth Edition, and the CMS-approved IE IAPD of July 29, 2016);
- 3) AHS is using a technique called "Progressive Elaboration" in a manner contrary to standards. According to PMI's PMBOK, "Progressive elaboration involves continuously improving and detailing a plan as

more detailed and specific information and more accurate estimates become available”. While this can be a good practice when complete details are not known at the outset, this assumes that there is a documented, approved plan that the Progressive Elaboration is based on, which is not the case here. Although there is a plan in the IAPD, it conflicts with other planning documents supplied by AHS, and per AHS’ statements the IAPD only represents a subset of the overall IE program projects. AHS states that “As a result, documents produced at different points in time may have a greater level of detail and, again, appear to deliver an inconsistent message”. If there is not an overall plan for IE, such as an approved Program Charter, then “Progressive Elaboration” can lead to inconsistencies in the clarity of purpose, with no single document that explains the project goals and strategy for achieving them;

- 4) Regarding discrepancies between various documents that list the IE Program’s component projects and schedules, AHS states: “As the Program will continually evolve to address federal requirements, minimize risk and control costs, there is no single document that will list all projects at a single point in time and remain true throughout the life of the program”. It is certainly understandable that a program of this magnitude will evolve over time, and that therefore no single document will remain accurate through the program’s lifetime. However, there must be a single document (Program Charter) that evolves with the program and still accurately describes the current state (see PMI’s “Standard for Program Management”). Without such a document, and with ongoing discrepancies between other program documents, leadership approval and program management can become uncertain, and program/project risks can increase.
- 5) With regards to IE program oversight, AHS is in a difficult situation. Per Title 22, Chapter 15, Section § 901(a)(4)(B), DII has the responsibility “To provide oversight, monitoring, and control of information technology activities within State government with a cost in excess of \$500,000.00”. However, since IE is a Program (a collection of projects), and DII’s oversight standards refer to Projects, not Programs, the result is that there is no clear standard for IE governance and oversight. The IE program is certainly an Information Technology activity, and therefore there should be some oversight of the program per 22 VSA § 901 (References: <http://legislature.vermont.gov/statutes/section/22/015/00901>, <http://epmo.vermont.gov/>). However, the IE program is a larger effort than has been attempted previously, and the both the Legislative language and the Administration’s governance and oversight need to evolve to handle it; without these changes, governance and oversight is at risk of focusing on the smaller efforts (projects) at the expense of the larger effort (IE program). In the current situation oversight responsibilities are uncertain: who is responsible for reviewing/approving program strategy and management: DII, AHS, the AHS PMO, the HSE PMO, other Administration personnel (such as the Chief of Health Care Reform), or some combination of the above? While the lack of clearly defined leadership responsibility is a key risk factor in project success, the lack of clearly defined oversight and management responsibility may be just as important.

Overall Status: Previous: Strong / Current: **Strong** / Trend: **Steady, but weakening**

1. Project Justification: Previous: Strong / Current: **Strong** / Trend: Steady
2. Clarity of Purpose: Previous: Neutral / Current: **Neutral** / Trend: **Steady, but inconsistent**
3. Organizational Support: Previous: Strong / Current: **Strong** / Trend: Steady
4. Project Leadership: Previous: Strong / Current: **Strong** / Trend: Steady
5. Project Management: Previous: Neutral / Current: **Weak** / Trend: **Declining**
6. Financial Considerations: Previous: Neutral / Current: **Neutral** / Trend: Steady
7. Technical Approach: Previous: Neutral / Current: **Neutral** / Trend: Steady

### **Previously Scheduled Milestones:**

Based on the previous high-level Project Schedule, the following items were expected to be complete by the time of this Interim Update (September 30, 2016):

- The IE Program Charter will have been finalized and issued (target 7/31/2016); this item was not completed, and while AHS has no specific target for completion, it is hoped that the charter will be finish and approved by late October or early November;
- The Project Charter for the Business Rules Management (BRM) project will have been finalized and issued (target 7/31/2016); Complete
- Program Organizational Charts, Roles & Responsibilities descriptions, and Program Master Schedule documents will have been finalized (target no later than 9/30/2016). Complete, but with inconsistencies in the Schedule compared to other documents.

### **Upcoming Milestones:**

Based on the current high-level Project Schedule, the following items are expected to be complete by the time of the next Interim Update scheduled for December 31, 2016:

- The IE Program Charter will have been finalized and issued (target: late October or early November, 2016);
- The Business Rules Management (BRM) project will be completed (target 12/22/2016);
- The Operational Regulatory Standardization Development Project (ORS) project will have completed its charter document and project schedule (there is no target, but this must be completed sooner rather than later).

### **Future Updates:**

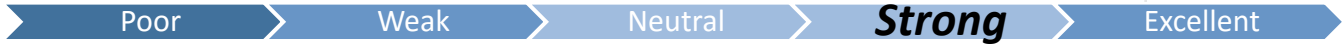
Based on the current project status, there must be significant progress in the IE program and projects by the time of the next Interim Update on December 31, 2016. If that is not demonstrably the case, then a full project review should be conducted instead of an Interim Update.

## Overall Status:



The program is in much better shape than it was in early 2016, however more work needs to be done to clarify goals, strategies, and tactics. Additionally, in some cases project work is being performed prior to establishing clear documentation of project goals and schedules.

### 1. Project Justification: (Why are we doing this? Is the project necessary and beneficial?)



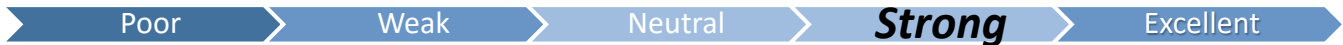
The legacy system (ACCESS) is over 30 years old; it is difficult to maintain, does not meet Federal requirements, and does not provide the functionality required to support AHS' vision and mission. As IE is redefined to include new component projects, specific justification will have to be documented for each individual project.

### 2. Clarity of Purpose: (Is there a clear definition of success? Is the scope statement complete?)



While AHS has a clearer view of what they want to accomplish and how (as evidenced by the approved Implementation Advance Planning Document, or IAPD), the discrepancies between this and various other program documents indicate that more work needs to be done to clarify this vision and translate it into actual program/project descriptions and milestones.

### 3. Organizational Support: (Is the organization ready to undertake this project? Has the potential need for business process change been acknowledged, and is there a Change Management Plan?)



AHS support of the IE Solution is strong, and the organization is actively involved in identifying business process changes, understanding how they will be implemented, and how they will function in a post-ACCESS environment.

### 4. Project Leadership: (Has a qualified person been designated to lead the project, and has that person been empowered to do so?)



Project leadership has been assigned to one individual, and roles, responsibilities, and relationships for this and other governance entities have been documented and executed. These roles and responsibilities must continually be documented in the project artifacts, and the leader must be continually empowered by the key stakeholders to drive the projects to a successful conclusion.

### 5. Project Management: (Is the project management staff appropriate, and will project management conform to State of Vermont standards?)



Personnel have been assigned that are capable of providing good Project Management. While there are evident strengths in some Project Management artifacts, weaknesses noted in the original project review continue to appear. This includes inconsistent documentation, and situations where active work is being performed prior to completing required PM documents (charters, plans, schedules, etc.)

### 6. Financial Considerations: (How much will it cost to complete the project, how much will it cost to maintain and operate the system, and how it will all be paid for?)



Initial estimates of development and maintenance costs have been developed, and may be realistic. However, the lack of clarity on specific project outcomes, and the actual technical approach to be used, means that at this point in the program there is no guarantee of the accuracy of the estimates.

### 7. Technical Approach: (Is the proposed solution achievable, realistic, and appropriate?)



The original technical approach was abandoned in early February, 2016, and while the new technical approaches have been envisioned they have not yet been fully defined and documented.

## **AHS Comments on the 9/30/2016 Interim Update**

*The following comments were provided by the AHS HSE Director on 10/25/2016:*

AHS appreciates the observations and recommendations in the Interim Report #2 relating to the Integrated Eligibility Program. We acknowledge that there have been challenges in realigning project management and enhancing our capacity at both the program and project levels to meet the demands of a modular approach for achieving Integrated Eligibility & Enrollment (IE&E). We continue to work hard to strengthen our Program Management for IE&E, while developing a nimble approach for procurement to implement modules at the discrete project level.