

**State of Vermont
Joint Fiscal Office**

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

**Project: Integrated Eligibility and
Enrollment (IE&E) Solution (Agency of
Human Services)**

**Interim Update #5
July 31, 2018**

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Project Overview:

- **Last full report: April 4, 2016**
- **Last interim update: March 15, 2018**
- **Next scheduled interim update: December 31, 2018 (estimated)**

The purpose of the Integrated Eligibility and Enrollment (IE&E) Program 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 This is to be achieved by replacing the existing ACCESS system, which is obsolete, unsustainable, difficult (if not impossible) to configure to meet Federal requirements, and out of compliance with CMS' Seven Standards and Conditions (CMS'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.

Project Status:

The Integrated Eligibility project finalized its new approach during the summer of 2017. This strategy has been referred to as "Reset #2", and is characterized by a greater emphasis on modular development and contracting. If the approach succeeds as planned, it will result in a reduction in the total project cost, lower levels of risk through the development/deployment cycles, and less time to achieve measurable value. External assistance with this approach has been obtained through a contract with the U.S. General Services Administration's (GSA) Federal Acquisition Service, Technology Transformation Services (TIS). This organization is generally known as 18F, and has been assisting AHS in developing high level system requirements and developing contracting vehicles to meet those requirements. Since the time of the last Interim Update (March 2018), AHS has made significant progress in transitioning from a planning phase to an execution phase.

Noteworthy achievements since the previous Interim Update include:

- The IE&E Program Charter was completed and approved;
- Project Charters for the first four projects (Healthcare Application Usability, Enterprise Content Management, Customer Portal Phase 1, and Business Intelligence) were completed and approved;
- The Healthcare Application Usability project has a signed contract and is in Execution mode;
- The Customer Portal Phase 1 has a signed contract and is in Execution mode;
- A new IE&E Implementation Advance Planning Document (IAPD) that lays out the new strategy and budget has been submitted to CMS;
- The IE&E business roadmap has been defined, approved, and publicly posted;
- The IE&E technical roadmap has been completed;
- The new agile procurement process has been defined, documented and is under way;
- The Steering Committee and related governance have been meeting regularly and are actively engaging in the program;
- The IE&E program has engaged with FNS as a partner to leverage potential funding after the conclusion of the A-87 exception(90/10 Federal funding);
- The IE&E program received CMS approval for the system integrator/project management procurement strategy.

Project Analysis:

Based on the progress achieved since the last Interim Update, the overall status of the IE&E Program is considered strong. This is based on the fact that the IE&E Program has made progress in implementing the new strategy as defined in the latest Implementation Advance Planning Document (IAPD). This IAPD is especially significant as it is the first one in several years that is clear, realistic, and potentially achievable. Although the IAPD is not without some areas of weakness (see the Summary section), it does an excellent job of defining the strategy and laying out the steps that will achieve success. The overall goals remain essentially the same as in earlier iterations of the IE&E program, however the actual plan for achieving them, and the support of external agencies (18F, Code for America, etc.), make a successful outcome much more probable. While not without risk, the modular approach in both contracting and development should result in earlier measurable improvements at lower cost. One element of this approach is the goal of breaking the project into 12 separate modules, and issuing three procurements a year of less than \$2 million each. Areas that still require improvement include Project Management and Finance/Budget. However, in both areas there are plans in place that should result in higher ratings over the next six months. At the time of this report there is not yet a detailed budget plan or an estimate of State funding required for FY19/FY20.

An additional factor that may have an impact on program success is the recent consolidation of all IT functions and personnel into the new Agency of Digital Services (ADS). While there are certain advantages to the reorganization, it is uncertain at this time whether ADS will be willing or able to provide the level of support required to effectively execute the program roadmap. Since ADS is responsible for key elements of IE&E such as the Common Services Program, effective governance and execution is key to achieving success. However, as reported by the Independent Verification and Validation contractor, “there is no enterprise-wide process for steering and prioritization for the interrelated IE&E, Common Services, and MMIS Programs”. This concern has also been expressed by 18F.

Summary:

The IE&E Program is beginning to execute the new Agile/modular strategy that was conceived in 2017. Based on the accomplishments made during the past six months, the program is considered strong overall. However, improvements still need to be made in the areas of Project Management and Finance/Budget. Specifically, better program and project level tracking of task status compared to plans, and costs compared to estimates, will be required before these areas can be considered strong. The area of Organizational Support will also bear watching, since the interactions between AHS and ADS will become more critical as more of the program modules move into Execution status.

Overall Status: Previous: Neutral / Current: **Strong** / Trend: **Improving**

Reason: The program now has a documented and approved strategy and is beginning execution of the related projects. If these projects proceed as planned, there should be measurable improvements to the IE&E business and technical environment over the next 11 months.

1. Project Justification: Previous: Strong / Current: **Strong** / Trend: Steady

2. Clarity of Purpose: Previous: Neutral / Current: **Strong** / Trend: **Improving**

Reason: The IE&E IAPD contains a very good description of the program goals and how they are expected to be met. This document, along with related program and project charters and program roadmaps, provide good clarity on the purpose and plans to achieve it over the next two years.

3. Organizational Support: Previous: Strong / Current: **Strong** / Trend: Steady

Reason: AHS support of the IE&E Solution is strong, and the organization continues to be actively involved in identifying business process changes, understanding how they will be implemented, and how they will function in a post-ACCESS environment. However, the new IT organizational structure (ADS consolidation) may introduce risks to achieving program goals.

4. Project Leadership: Previous: Strong / Current: **Strong** / Trend: Steady

Reason: The IE&E program has documented leadership and governance roles that will direct and monitor the execution of the program.

5. Project Management: Previous: Neutral / Current: **Neutral** / Trend: Steady

Reason: Program and project management activities have improved somewhat since the last report, however more progress needs to be made. Specifically, better tracking of schedule and budget actuals and variances will be required as the program and the various projects proceed.

6. **Financial Considerations:** Previous: Neutral / Current: **Neutral** / Trend: Steady

Reason: While high level cost estimations may be accurate, more work needs to be done to provide project level data and execution-phase budget tracking. The involvement of multiple agencies (AHS and ADS), the uncertainty as to what personnel will be needed, and the current inability to track actual hours at the project level contribute to this problem.

7. Technical Approach: Previous: Neutral / Current: **Strong** / Trend: **Improving**

Reason: The near term technical approach is now adequately documented in the IAPD. The Agile/modular development philosophy, coupled with a new emphasis on utilizing experienced external resources (18F, Code for America, etc.), should result in a better chance of program success and lower risk.

Previously Scheduled Milestones:

Based on the available documentation, the following items were expected to be complete by the time of this Interim Update (July 31, 2018):

- Completion and approval of the new IE&E Program Charter (completed);
- Approval by CMS of the new plan for IE&E that was submitted as an Implementation Advance Planning Document (IAPD) in July 2018 (approval pending);
- Several projects (Healthcare Application Usability, Customer Portal Phase 1) will move into the Execution phase (completed; HCAU and Customer Portal Phase are now executing).

Upcoming Milestones:

Based on the IE&E Program Status Reports and other documentation (such as the IAPD), the following items are scheduled for completion during the remainder of FY19:

- Enterprise Content Management Project: expected completion January 2019;
- Health Care Paper Application Project: expected pilot January 2019, completion March 2019;
- Customer Portal Phase 1 Project: expected pilot April 2019, completion June 2019;
- System Integrator Implementation: expected execution January 2019;
- Data Management (Master Person Index): expected pilot/demonstration December, 2018, completion June 2019.

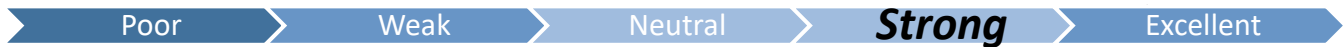
Overall Program Schedule:

IE&E Program Schedule	Est. Start Date	Est. Finish Date
Enterprise Content Management	March 2018	January 2019
Paper Application	November 2017	January 2019 (pilot), March 2019
Customer Portal: Verification	January 2018	April 2019 (pilot), June 2019
System Integrator Implementation	October 2017	January 2019
Data Management (eMPI)	July 2017	June 2019
Business Intelligence	March 2018	July 2019
Customer Portal: Online Application	January 2019	September 2019 (Pilot), January 2020
Notices	April 2019	January 2020
Business Rules Management: Phase 2	July 2018	December 2019
Business Transformation	December 2017	September 2020
Initiative Completion Date		December 2022

Future Updates:

Based on the current project status and schedule, the next Interim Update should be scheduled for December 31, 2018.

Overall Status:



The program now has a documented and approved strategy and is beginning execution of the related projects. If these projects proceed as planned, there should be measurable improvements to the IE&E business and technical environment over the next 11 months.

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.

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



The IE&E IAPD contains a very good description of the program goals and how they are expected to be met. This document, along with related program and project charters and program roadmaps, provide good clarity on the purpose and plans to achieve it over the next two years.

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&E Solution is strong, and the organization continues to be actively involved in identifying business process changes, understanding how they will be implemented, and how they will function in a post-ACCESS environment. However, the new IT organizational structure (ADS consolidation) may introduce risks to achieving program goals.

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



The IE&E program has documented leadership and governance roles that will direct and monitor the execution of the program.

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



Program and project management activities have improved somewhat since the last report, however more progress needs to be made. Specifically, better tracking of schedule and budget actuals and variances will be required as the program and the various projects proceed.

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?)



While high level cost estimations may be accurate, more work needs to be done to provide project level data and execution-phase budget tracking. The involvement of multiple agencies (AHS and ADS), the uncertainty as to what personnel will be needed, and the current inability to track actual hours at the project level contribute to this problem.

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



The near term technical approach is now adequately documented in the IAPD. The Agile/modular development philosophy, coupled with a new emphasis on utilizing experienced external resources (18F, Code for America, etc.), should result in a better chance of program success and lower risk.

AHS Comments on the 7/31/2018 Interim Update

The following comments were provided by the IE&E Program Director on 8/20/2018:

AHS has spent the past year laying a strong foundation for an agile, modular approach to the delivery of Integrated Eligibility & Enrollment (IE&E). Now that the technical, business, and critical process roadmaps are in place, the State is aligning for the execution of its first four modules in 2019. These modules are being delivered incrementally to reduce risk and will provide meaningful improvement to both the staff and customer experience. Delivering technology in this way has its challenges as it requires AHS and ADS staff to work together in new ways. The State expects the speed and efficiency of delivery to improve over time as both people and process adapt to this modern approach to IT development, management, and implementation.