State of Vermont
Joint Fiscal Office

Independent Review
of
State Information Technology Projects,
Operations, and Organizations
(H.492 Sec. 36 / H.519 Sec. 32/33)

Consolidated Summary

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The following sections describe those IT Projects and Operations that are being evaluated and monitored by the Legislative Joint Fiscal Office (JFO). In each case the process begins with a formal review that is usually, but not always, conducted by the JFO. For example, in the case of Health Information Technology Activities (section 6), the most recent evaluation was conducted by an external contractor, HealthTech Solutions. For most projects, once the initial review has been completed there may be one or more follow up reviews in the form of an Interim Update. These updates are less extensive than the original review, and are used when there have been significant changes in project direction, activities, or risks. For projects that are past planning stages and in the process of executing, there may not be a recent update if the project is generally on track. In all cases, the JFO continues to monitor project status through ongoing reviews of project management documents, status reports, independent reviews, and other documentation.

For the projects and operations listed below, evaluations are as of the date of this document and are based on the most recent documentation and information. These evaluations may be better or worse than those contained in the most recent formal review, whether a complete initial review or an Interim Update. For the most part, those projects that are facing challenges (Neutral or Weak ratings) are experiencing difficulties due to limited resources or aggressive schedules, or both.

1. Agency of Human Services – Integrated Eligibility and Enrollment Project

| Poor	Weak	Neutral	*Strong*	Excellent

Last Project Review: Interim Update of July 31, 2018. This project has improved over the past year, and continues to make progress. While there are still weaknesses and risks to be managed, the chance of achieving meaningful, measurable success is better than it has been since the IE&E program first began. The real test over the next six months will be whether the latest plans and actions result in quantifiable improvements to existing eligibility and enrollment business processes.

2. Agency of Administration – ERP Expansion Project / Vision Upgrade

Poor	Weak	*Neutral*	Strong	Excellent

Last Project Review: Full Review of March 20, 2017. While basically sound, this project has experienced significant schedule slippage over the past year. The State and the vendor are in the process of finalizing a contract amendment that will adjust the schedule, and once this is completed and approved the project will return to Strong status. Current estimates have the project 97% complete, with a projected go-live date of February 4th, 2019. Upon completion, the likely outcome is that the project will achieve the original goals, but not within the original schedule.

3. Agency of Human Services – Vermont Health Connect Operations

| Poor	Weak	Neutral	*Strong*	Excellent
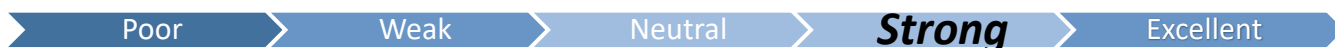
Last Operations Review: Independent Review of VHC (SSG) December 17, 2016. During the past year VHC has significantly improved operations, and monthly Key Performance Indicator reports show most metrics as meeting organizational goals. The recent Open Enrollment period concluded successfully, and there are no significant issues. However, as pointed out in the 12/17/2016 SSG review, long term success is not guaranteed due to innate structural weaknesses of the system, as well as concerns regarding funding and supportability. While additional improvements may be implemented as part of the IE&E project, given the uncertainty regarding the future of State Based Exchanges no further reviews of VHC are recommended at this time.

4. Judiciary – Next Generation Case Management System Project

Poor > Weak > Neutral > ***Strong*** > Excellent

Last Project Review: Interim Update of September 30, 2017. This project continues to be strong, in that it is remaining in scope, on schedule, and within budget. Significant activities this year will include the first trial implementations which will provide insights into actual successes. As the project continues to execute in the Strong category there is no indication of the need for an additional Interim Update.

5. Department of Labor – Unemployment Insurance Modernization Project

Poor > ***Weak*** > Neutral > Strong > Excellent
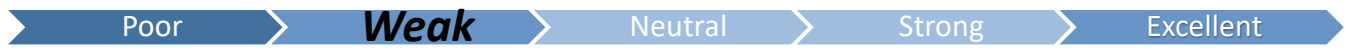
Last Project Review: Full Review of January 23, 2017. This project is structurally strong in that it builds on a proven solution from another state and does not require any Vermont funding. However, lack of sufficient resources for software development continues to negatively impact the schedule, and challenges regarding multi-state governance contribute to project risks. Vermont and Idaho have recently approved a contract amendment, and overall project status will be reevaluated once a new project schedule has been completed. Barring significant changes in status this project should not require an additional review during the upcoming year.

6. Health Information Technology Activities (HIE/HIT/VITL)

Poor > Weak > ***Neutral*** > Strong > Excellent

Last Review: Independent Evaluation of Vermont HIE/HIT (HealthTech Solutions) of November 10, 2017. This evaluation was required by Act 73 of 2017, and while it did not result in an overall grade or score the content of the report indicates that it should be somewhere between Weak and Neutral.

Following the submission of the HIT/HIE evaluation, the Legislature enacted H.901/Act 187 ("An act relating to health information technology and health information exchange"). This act was intended to address the findings of the November 2017 evaluation, and requires the Department of Vermont Health Access (DVHA) and Vermont Information Technology Leaders (VITL) to perform various actions over the 2019 fiscal year. These actions include:

- Submission of a work plan "detailing the process by which the Department and VITL shall implement the recommendations of the health information technology report". This work plan is also to include a timeline of tasks to be completed and clear objectives to be met;
- Submission of a contingency plan to be used if DVHA/VITL are unsuccessful in addressing the recommendations of the HIE/HIT evaluation;
- Submission of bimonthly reports starting on May 1 2018 which provide updates on progress made in implementing the report recommendations;

As of January 2019, DVHA and VITL have successfully performed these actions. All required reports and plans were submitted, with the most significant plans and reports listed below:

- Fifth and Final Progress Update on Health Information Exchange/Health-IT (Act 187)
- Vermont Health Information Exchange (VHIE) Progress Evaluation Report - Final
- Vermont Health Information Technology Plan (VHITP)
- Contingency Plan for the Vermont Health Information Exchange

- [VITL 2018 Annual Report](#)

Additional items can be found on the Legislature's reports and research page (https://legislature.vermont.gov/reports-and-research/find/2018), and can be located by entering "Health Information" in the "Refine Results" box.

With regards to the Vermont Health Information Technology Plan, some clarification is in order. The plan is required by 18 V.S.A. § 9351, and is referred to as the "Health Information Technology Plan". The actual plan submitted and approved is referred to variously as the "Health Information Exchange Plan" and the "Health Information Exchange Strategic Plan". Regardless of the title, the plan does meet the requirements of 18 V.S.A. § 9351. However, it should not be confused with the VITL Strategic Plan, which is a separate document intended to show how VITL will operate successfully over the period 2019 to 2021.

While the final VHIE Progress Evaluation Report found that DVHA and VITL have made significant progress towards meeting the requirements of Act 187, it is now the responsibility of the Legislature to accept or reject that progress (see 18 V.S.A. § 9351 Section 6, "Future Of Health Information Exchange Network"). If it is determined that progress is not sufficient, the contingency report should be reevaluated and the preferred alternative selected as soon as possible.

7. General – Agency of Digital Services Organizational Review

Poor	Weak	*Neutral*	Strong	Excellent

Last Review: Independent Review of ADS Reorganization (JFO internal / Draft) of December 30, 2017. The Joint Fiscal Office requested that an internal review of the DII/ADS reorganization be performed in order to determine whether this reorganization was effective, and also to review how this reorganization compared to similar efforts in other states. The essential finding was that this reorganization aligns well with other states, however it was too early to determine whether the reorganization is meeting expectations. The key recommendation from the review was that in order to both achieve and measure success, ADS must define specific high level goals, document the steps and schedule that will be used to achieve those goals, establish baselines of current performance, and identify metrics that will be used to establish progress against goals. Ideally this takes the form of an approved Strategic Plan, which serves both to guide the CIO in the performance of his duties, and as a way for Legislative committees to evaluate the performance of the Agency. The ADS Strategic Plan of January 12 2018 should be evaluated against those expectations.

Additionally, the FY 2019 Budget Bill included a requirement that the Joint Fiscal Office (JFO) Information Technology consultant report on the Agency of Digital Services' (ADS) planned Security Operations Center plan. This plan and the corresponding report are available on the JFO IT page (http://www.leg.state.vt.us/jfo/state_it.aspx) under the title "Independent Review of VT Security Operations Center Plan". To summarize, although there were concerns regarding the plan the report recommendation was that the plan be implemented with some restrictions.

Going forward, the JFO has requested that an update on the December 2017 report be prepared. This update is expected by February 15th 2019, and will address the extent to which ADS is meeting expectations as established by the 2018 Strategic Plan, as well as reorganization goals such as improved customer service and cost reduction.