

VT-IES Modernization: Transforming Benefit Delivery for Vermonters

Why We're Transforming the Way Vermonters Access Support

Vermont is evolving how it delivers health and economic benefits, moving toward a team-based, person-centered model that meets Vermonters where they are. Our current eligibility and enrollment infrastructure is fragmented, outdated, and increasingly unsustainable. Vermonters must navigate multiple systems to access benefits, while staff contend with manual processes and siloed data. The **Vermont Integrated Eligibility System (VT-IES)** is not just a technological upgrade; it is a strategic transformation of our business practices. It enables integrated service delivery, supports team-based care, and improves outcomes by aligning systems with how our agency works today and how we must serve our communities tomorrow.

Challenges Facing Vermonters and Our Frontline Teams

- **Fragmented Customer Experience:** Vermonters re-enter the same information across programs, leading to frustration and delays.
- **Limited Digital Access and Usability:** Vermonters cannot easily apply for or manage benefits using modern devices. VHC lacks mobile support, and ACCESS has no user-facing portal, limiting access and falling short of expectations for accessible and user-friendly design.
- **Operational Inefficiency:** Staff spend excessive time on manual tasks, reducing capacity for direct service and collaborative team-based care.
- **Systemic Fragility:** VHC is costly, and ACCESS is increasingly unmaintainable. Staff with ACCESS expertise are retiring, and its 45-year history lacks sufficient documentation to ensure continuity.
- **Compliance Risk:** Legacy systems are misaligned with federal mandates, exposing Vermont to audit vulnerabilities.

From System Stability to Human-Centered Outcomes

For over a decade, Vermont's IE&E modernization efforts have focused on system stability, security compliance, and risk reduction. VT-IES builds on that foundation but marks a strategic shift: for the first time, our focus is squarely on improving outcomes for Vermonters and frontline teams, through simplified access, seamless coordination, and tools that support collaborative care. VT-IES is not just a technical upgrade; it's a transformation in how Vermont delivers services, centered on people, grounded in practice, and powered by modern infrastructure.

How VT-IES Supports People, Practice, and Progress

VT-IES is a modular, purpose-built Integrated Eligibility and Enrollment (IE&E) system that will replace VHC and all IE&E programs currently housed on ACCESS. It will deliver intuitive and

accessible tools for Vermonters and modern systems that reduce burden and improve service quality. It includes:

- **Customer Portal:** Secure, mobile-friendly, multilingual platform for applications, renewals, document uploads, and communications.
- **Case Management System:** Unified workspace for state staff to manage eligibility efficiently.
- **Business Rules Engine:** Automates eligibility determinations using electronic data sources and configurable logic, freeing staff to focus on complex cases and customer engagement.
- **Supporting Capabilities:**
 - Reporting and analytics to track outcomes and improve accountability
 - System interfaces for seamless coordination
 - Benefit distribution management for timely delivery

This architecture enables business process re-engineering, not just technical replacement. It supports integrated service delivery, enhances customer experience, and empowers Vermonters to actively engage in their application journey, making the state's health and economic benefit system more accessible, efficient, and resilient.

A Proven Strategy Backed by National Alignment

Vermont's modular strategy reflects national best practices and has been developed in collaboration with our federal partners at FNS and CMS. It has been validated through:

- **Three RFIs (2022–2023)** soliciting vendor feedback on implementation feasibility.
- **Peer engagement at ISM Conferences** (Maryland 2022, Florida 2023, Colorado 2024).
- **Cost-Benefit Analysis (2023)** supporting vendor-managed modular integration for scalability, automation, compliance, and enhanced user experience.

While several states have modernized their Integrated Eligibility Systems, Vermont's approach is ambitious in its integration of a State-Based Exchange (SBE) with Qualified Health Plan (QHP) enrollment. Most states either separate health coverage from economic assistance or rely on the Federally Facilitated Exchange (FFE), resulting in fragmented customer experiences and duplicated processes. VT-IES will deliver a unified experience across Medicaid, 3SquaresVT, Reach Up, Fuel Assistance, General/Emergency Assistance, and QHPs, supported by modular architecture, real-time data exchange, and compliance with CMS, FNS, and IRS mandates. This level of integration is rare, but Vermont's vision builds on proven components and elevates them into a cohesive, future-ready platform.

Phased Delivery with Early Benefits for Vermonters

VT-IES will be delivered through multiple phased releases, each providing tangible functionality. Vermonters and staff will begin experiencing improvements early and ongoing, not just at project completion.

- **Initial Releases:** Customer portal with screening tools, document upload, and select program functionality.
- **Subsequent Phases:** Broader program coverage, enhanced automation, and integrated case management.
- **Early Wins:** Visible improvements expected within the first 12–18 months of DDI.

Federal Partnership and Oversight Milestones

Federal funding brings essential support and significant oversight. The VT-IES procurement process has involved:

- **Three federal reviews of the RFP**, spanning nearly 12 months.
- **Anticipated 3-4 months of contract review**, including formal federal cycles and iterative updates.
- **New federal oversight buffers**, including a 10-day extension to the standard 60-day review period.

The full procurement phase from RFP posting to contract execution spans 24 months, reflecting the rigor required to meet federal standards. These reviews are safeguards, not delays, ensuring the system meets the highest standards for security, compliance, and sustainability.

Why Delay Is Risky – for Vermonters and the State

Delaying VT-IES implementation introduces significant compliance risk. Federal partners have made clear that continued investment must be matched by demonstrable progress. Key risks include:

- **ACCESS Risk:** ACCESS has been identified by agency and legislative partners as a critical vulnerability.
- **Federal Standards:** ACCESS fails to meet CMS Medicaid IT standards and VHC continues to face challenges aligning with evolving federal interoperability requirements.
- **Technical Fragility:** Complex programming hinders timely updates and responsiveness
- **Accessibility Compliance:** Evolving standards require costly remediation
- **Financial Exposure:** Delays risk triggering federal recoupment of planning funds, as seen in New York.

Investing Wisely in People, Systems, and Sustainability

VT-IES is a significant financial investment for a small state, but the complexity of building a modern, compliant, and fully integrated system is independent of population size. The system must meet rigorous federal and state requirements, support the full range of business processes, and integrate across programs and data sources.

What matters most is the value Vermont receives and the cost of inaction:

- **Tailored Design:** Built for Vermont’s program mix and population, not repurposed templates.

- **Technology Reuse:** Leverages existing state technology investments to reduce duplication and maximize ROI.
- **Technical Debt Reduction:** Consolidates two legacy systems into a single, modern platform.
- **Data Consolidation:** Enables improved analytics and lays the foundation for statewide health data integration.
- **Federal Co-Funding:** CMS and FNS investment offsets state burden and validates our strategic direction.

Post-pandemic staffing realities remain a challenge. The State recognizes that successful modular implementation will require significant coordination and oversight and is planning accordingly. Ultimately, we cannot afford not to modernize. The human cost of system failure - missed benefits, delayed services, and compliance breakdowns - is real. VT-IES is a proactive investment in resilience, accessibility, and operational integrity.

A Human-Centered Vision for Vermont's Future

VT-IES is a strategic imperative, not just to modernize technology, but to transform how Vermont delivers essential services. It reflects our values: accessibility, efficiency, and empathy. With vendor selection imminent, the program is poised to deliver meaningful changes in how Vermonters access care and support - starting now, not years from now.