



Colorado Health Benefit Exchange

IV&V Bi-Monthly Report Review #2

For Period of March 2013

Version 1.6
Submitted April 19, 2013

Revision History

Version No.	Date	Summary of Changes	Modified By
1.1	03/27/13	Updated with COHBE's Comments	Yen L. Pham
1.2	03/29/13	Updated per 03/28/13 Walkthrough Meeting	Yen L. Pham
1.3	03/29/13	Updated with formatting and remove comments	Yen L. Pham
1.4	04/04/13	Updated with COHBE's comments.	Yen L. Pham
1.5	04/17/13	Finalize document for review with IT & Implementation Committee	Yen L. Pham
1.6	4/19/13	Final document with updates from IT & Implementation Committee	Adele Work

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1.0 Introduction

This section provides an overview of the Colorado Health Benefit Exchange (COHBE) and the scope of Independent Verification and Validation (IV&V) Services as it relates to the COHBE.

1.1 Background

The Patient Protection and Affordable Care Act (PPACA) was signed into law on March 23, 2010. Following, in May 2011, the Colorado General Assembly passed Senate Bill 11-200, which established the Colorado Health Benefit Exchange (COHBE), a public entity governed by a Board of Directors. COHBE selected CGI as the Systems Integrator (SI). CGI commenced work on June 06, 2012. The Colorado Health Benefit Exchange (COHBE) intends to increase access, affordability and choice for individuals and small employers purchasing health insurance in Colorado. The implementation of the Exchange System will be in accordance with federal guidance from Centers for Medicaid Systems, HIPPA and IRS 1075 regulations. The Exchange will also provide technical interoperability with multiple federal, state and carrier systems required to operate individual and SHOP Exchanges. The design of the Exchange System will leverage several commercial-off-of-the-shelf (COTS) products plus modifications made by the System Integrator (SI), CGI. Additionally, the Service Center Solution will utilize Oracle CX. The COTS products included in the solution are as follows:

- hCentive: The product will enable eligibility determination, plan selection and enrollment capabilities.
- Healthation: The product will enable billing/accounts receivables.
- Oracle CRM: The product will provide the Customer Relationship Management functionality.

1.2 Purpose and Scope

COHBE selected First Data to provide Independent Verification and Validation ("IV&V") services prior to system launch to 2014. The IV&V consist of services to provide an independent assessment of deliverables and performance of the Systems Integrator (SI), and evaluate the 'Exchange'. The main goal of IV&V is to assist the COHBE Project by identifying technical, financial or scheduling deficiencies with the development of the 'Exchange' as early as possible in the life cycle to have time for corrective actions.

The IV&V Team will perform five bi-monthly interim Exchange reviews. The services will be provided in the timeframes as specified below:

Reviews #	Duration of Reviews	Approximate Timeframe	Status
1	7 weeks	November – January '13	Completed
2	4 weeks	March '13	Completed
3	3 weeks	May '13	Not Started
4/5	8 weeks	June-August '13	Not Started

1.3 Approach and Methodology

In order to conduct the review of the COHBE Project, the IV&V Team used a four-phased framework:

Phase 0 - Planning (Prior to day 1 of on-site activities)

- Conduct an initial meeting with COHBE to discuss the current progress of the findings in the previous Review, and the recommended areas of focus for the upcoming Review.
- Develop a Review Schedule for the upcoming Review (e.g. on-site interviews, meetings, artifacts needed, follow-up Q&A and wrap-up meeting/debrief, etc.)
- Conduct meeting with COHBE and CGI to discuss the Review Schedule.

Phase 1 - Artifacts and Meeting Set-Up (Prior to day 1 of on-site activities)

- Gather required materials from COHBE and respective vendors (either on SharePoint or sent by COHBE and respective vendors).

Interviews and or/meetings scheduled by COHBE and CGI.

Phase 2 - Conduct assessment

- Review artifacts and perform preliminary assessment. Request supporting materials as needed.

Participate in meetings and/or conduct interviews to understand the current progress and clarification on artifacts received.

Phase 3 - Prepare the draft report

- Document current progress and findings
Solicit clarification if needed

Phase 4 - Submit final report

- Submit draft report to COHBE for review.
- Obtain COHBE's comments.
- Incorporate COHBE's comments and submit final report.
- Conduct meeting to present major findings/recommendations to COHBE leadership.

1.4 Roles and Responsibilities

The following table documents the roles and responsibilities associated with the development, review and approval of the deliverable.

Deliverable Roles and Responsibilities

ROLE	PERSON	RESPONSIBILITY
First Data Deliverable Owner	Yen L. Pham	Responsible for the Bi-Monthly Review deliverable.
Colorado Health Benefit Exchange IV&V Lead	Gary Schneider	Responsible for feedback, and approval of the deliverable.

2.0 Executive Summary

The Exchange is a multi-faceted project that will require a number of iterations to evaluate the full project. The initial review and report focused on the technology build, project management and system development lifecycle, primarily CGI. This current review focuses on a subset of project management, system development lifecycle, organization and business operations, both for COHBE and CGI. Additionally, the current review included an evaluation of the relationship between COHBE and select external Stakeholders including DOI, OIT and HCPF.

This section provides an overview of the review conducted by the IV&V Team. This assessment covers the period from March 04, 2012 through March 28, 2013. The report represents a point in time. The IV&V Team typically has a cutoff point of one week prior to when the report draft is due. However, if significant new information is available, it is incorporated into the final report. The areas of focus were based on agreed priority with COHBE to meet the assessment timeframe:

Interviews with various Stakeholders	Back Office
Project Schedule(s) (CGI and COHBE)	Training
Overall Release Schedule	SDLC Project Management
Organization and Resources (CGI and COHBE)	SDLC Design
PMO Management (CGI and COHBE)	SDLC Data Model
Requirements Traceability	SDLC Build
Service Center	Financial Systems

2.1 Overall Project Status

The Exchange consists of many components, including Eligibility, Enrollment, Plan Management, Financial Management and an integrated Call Center. There are multiple Federal, State and Carrier Partner agencies with whom the Exchange must coordinate and several critical interfaces that must be developed in coordination with the Department of

Insurance (DOI), Colorado Office of Information Technology (OIT), Colorado Health Care Policy and Financing (HCPF), the Federal Data HUB, carriers and others.

Finalizing policy decisions and scope is challenging at best since it most often requires agreement across agencies. The Exchange is required to be open in the fall of 2013 for coverage starting January 1, 2014. From a business, functional and technical perspective, the combination of the numerous components, coordination with multiple partners and aggressive timelines contribute to the complexity of the Exchange Project.

The IV&V team identified several positive aspects of the Exchange Project:

- Overall, the Project has been actively engaged in development, and System Test.
- CGI and hCentive have met all of the release dates.
- The comprehensive Release Plan provides a good overview of the functionality by releases and provides transparency to stakeholders of critical implementation milestones dates.
- The Project Schedule, System Development Life Cycle, defined set of deliverables and work products follows a methodology.
- The functional and technical requirements are captured accordingly within the traceability tool.
- The Project has formal processes in place to synchronize Project Schedules across individual project plans and to monitor and manage Risks/Issues collectively.
- There is a significant amount of communication amongst COHBE, and vendors, which has fostered a positive working relationship. COHBE has a strong relationship with the Carriers, both from a business and a technical perspective.
- Timing is a huge element of the Exchange Project and it requires tight coordination and collaboration. COHBE and the vendors have a collaborative working relationship which has led to successfully meeting key milestones to date.
- COHBE and CGI are actively seeking ways to reduce risks to deliver the Exchange on time. COHBE leadership has been involved in all aspects of the development of the Exchange; this allows COHBE to implement corrective actions to avoid potential issues.
- COHBE leadership takes a very pragmatic view of the steps needed to implement the Exchange; they are willing to compromise by making difficult decisions to ensure the Project stays on schedule.

There were six critical issues identified in the previous Review that have been remedied. There are several new findings documented in this IV&V Report that can affect the overall delivery schedule. There is time to remedy these situations with corrective actions but these issues should be addressed immediately. The critical concerns and a recommended action plan for

each are:

Scope of Work Changes impact on Project Schedule and Releases: The project plan continues to evolve with changes to scope of work for two key components of the project, and as a result, an Integrated Project Plan that includes COHBE, CGI and other vendor activities has not been finalized. The first is the addition of the development of an Eligibility Service within the Exchange system. CGI is sub-contracting with SAR, LLC to develop and test. The second is an expansion of the Scope of Work for Eventus to incorporate the development and implementation of the Service Center. The scope expansion increases COHBE's contract management and integrator responsibilities. Though some integration exists in the Project Schedules, each entity has its own Project Schedule; this adds additional risk to the project. It is critical to have solid coordination effort and to align the activities across all of the Project Schedules. These changes are expected to be fully incorporated into the Project Schedule(s) effective 4/30/13. The System Test and User Acceptance Test (UAT) are condensed as well. This leaves limited time to handle any identified defects.

- Recommendation:
 - Finalize the Service Center Project Schedule as soon as possible.
 - The effort is in progress; the estimated completion date is 4/30/13.
(NOTE: as of 4/19 COHBE and our vendors are on track to complete this by 4/30/13)
 - Finalize the EES Project Schedule as soon as possible.
 - The effort is in progress; the estimated completion date is 4/15/13.
(NOTE: this was completed on schedule)
 - Integrate the key milestones and dependencies into the COHBE Project Schedule. Align the Project Schedules and scope across vendors.
 - The effort is in progress; the estimated completion date is 4/30/13.
(NOTE: as of 4/19 COHBE and our vendors are on track to complete this by 4/30/13)
 - Add additional resources to development and System Test.
 - COHBE and CGI plan to develop a risk mitigation strategy to reduce the testing risk; the estimated completion date is 4/5/13. *(NOTE: COHBE and CGI have developed mitigation strategies to address the testing risk. COHBE is developing a UAT test strategy that identifies resource needs. This will be complete by the next IV&V review.)*

Common State Interfaces Gateway: Since the Exchange Eligibility Service (EES) will be developed by CGI, a decision was made by HCPF, OIT and COHBE to reduce the set of State interfaces. A number of detailed implementation questions that have been identified as a result of joint policy decisions need to be resolved by both COHBE and HCPF; they include the approach to accommodate referrals, eligibility for mixed households and life change

events. These open items have an impact on each organization. COHBE and HCPF have a peer relationship. This adds a layer of complexity as neither has the authority to direct and/or manage the activities of the other organization. HCPF lacked the ability to dedicate resources to assist with the development effort, but has recently brought additional staff to assist with the effort. COHBE and HCPF are working collaboratively in resolving the challenges. There is limited time remaining to design, build, and test prior to the October 2013 Go-Live date.

Recommendation:

- Resolve the open items related to policy issues as soon as possible. (NOTE: COHBE and HCPF are meeting in a two-day working session on 4/19 and 4/20 to resolve the remaining details that are needed to implement the agreed policies.)
- HCPF and COHBE to agree to a detailed implementation timeline that covers all aspects of the shared deployment. (NOTE: As of 4/19, an COHBE and HCPF have agreed to a joint interoperability plan.)
- Hire an unbiased third party to act as a facilitator when needed to address decision-making across projects. (NOTE: HCPF and COHBE are looking to leverage resources from the Robert Wood Johnson Foundation to assist in this role. No additional funding is needed for this support as RWJ would be assisting under an existing grant to provide support to Exchanges.)

Exchange Eligibility Service (EES): With the scope changes, CGI now owns the development responsibility for the EES and plans to utilize the sub-contractor SAR, LLC to develop it. CGI, COHBE and SAR, LLC are currently finalizing the scope of the Exchange Eligibility Service. The scope of work will need to be incorporated in to the individual Project Schedules(s).

Recommendation:

- Finalize the Statement of Work (SOW) as soon as possible.
 - The effort is in progress; the estimated completion date is 4/8/13.
(NOTE: This was completed on schedule)
- Integrate the new activities into the Project Schedule(s).
 - The effort is in progress; the estimated completion date is 4/30/13.
(NOTE: as of 4/19 COHBE and our vendors are on track to complete this by 4/30/13)

Customer Service Center: Due to a recent change in scope, the Service Center facility build out and the development and implementation of the Service Center technology has shifted to the Eventus Solutions Group. CGI remains responsible to develop the Center Organization and Staffing, and Business Continuity Planning. The current Service Center Project Schedule does not yet contain the needed level of detail. CGI, COHBE and Eventus have been working collaboratively towards a comprehensive Project Schedule. Due to multiple vendors' involved and compressed timelines, it is imperative the dependencies and key milestones align across the multiple Project Schedules. The Project continues with the development activities while the

Eventus work towards finalizing the Service Center Project Schedule. CGI is on schedule and continues to refine existing work products and developing new documents based upon new requirements. The Service Center location has not been finalized. Recommendation:

- Finalize the Service Center Project Schedule as soon as possible.
 - The effort is in progress; the estimated completion date is 4/30/13.
(NOTE: as of 4/19 COHBE and our vendors are on track to complete this by 4/30/13)
- Align the Project Schedule(s). Identify the minimum services required for October 2013 Go-Live.
 - The effort is currently in progress; the estimated completion date is 4/30/13. *(NOTE: as of 4/19 COHBE and our vendors are on track to complete this by 4/30/13)*
- Finalize the Service Center location.
 - The effort is currently in progress; the estimated completion date is 4/8/13. *((NOTE: as of 4/19, the call center site has been selected.))*

hCentive: During the review process there appeared to be limited visibility into the hCentive development. Changes were made to the Project Schedule and the development of a Release Schedule has provided greater insight into functionality and delivery of the modules. Most of hCentive functionality is delivered as part of the base COTS Product, though there are some customizations required. hCentive is core functionality of the Exchange and due to the compressed timelines, it is critical to build in measures to eliminate any risk.

- Recommendations (corrective actions now in place):
 - COHBE and CGI should work closely monitor the progress of each hCentive release. There are weekly demos of hCentive Rel 0.5 screens with COHBE and CGI to address questions and resolve issues as they arise.
 - CGI should request and obtain design documentation and test results for the COTS Product components of each release to gain insight into the progress of hCentive's development efforts.

This report represents a point in time evaluation of the project management practices currently in place and focuses on the plans to resolve. The concerns identified in this report are correctable. With focus from COHBE, CGI and Eventus, First Data's assessment can be largely corrected and the risks mitigated by the next review.

3.0 Appendix

A. Meetings Attended

Date	Meetings Attended
Weekly	PMO Joint Status Meeting
Weekly	COHBE/CGI Leadership Meeting
Weekly	COHBE Work Plan Meeting
Weekly	All Staff Meeting
3/5/13	IV&V Bi-Monthly Review: Overall Release Schedule and hCentive Release Schedule
3/6/13	OIT/COHBE Technical Integration Status
3/6/13	IV&V Bi-Monthly Review: Project Schedule and Report ID 56 SDLC Project Management
3/6/13	IV&V Bi-Monthly Review: OIT/HCPF Release Schedule
3/7/13	IV&V Bi-Monthly Review: DEL10
3/11/13	IV&V Touch Point with COHBE Chief Financial Officer
3/12/13	IV&V Bi-Weekly Review: Change Requests and Requirements Traceability
3/12/13	IV&V Bi-Monthly Review: CGI PMO Leadership
3/12/13	IV&V Bi-Monthly Review: CGI Resources
3/12/13	IV&V Bi-Monthly Review: Data Model
3/12/13	IV&V Bi-Monthly Review: Financial Systems
3/13/13	IV&V Bi-Monthly Review: Training
3/13/13	IV&V Bi-Monthly Review: Call Center
3/13/13	IV&V Bi-Monthly Review: Back Office (ONLY)

B. Interviews Conducted

Date	Interviewee
3/6/13	Division of Insurance
3/7/13	Office Of Information Technology
3/14/13	Carriers
3/28/13	Department of Health Care Policy and Financing