



# Colorado Health Benefit Exchange

IV&V Bi-Monthly  
Review #1 Initial Assessment  
For Period of December 2012- January 2013

## **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 Contact Center Solution will utilize Oracle RightNow. The following COTS products 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"). The IV&V consist of services to provide an independent assessment of deliverables and performance under the Systems Integrator (SI), CGI Contract. To confirm CGI's compliance with the following activities: requirements of the CGI Contract, applicable laws, regulations and other government requirements, COHBE third party software license agreements, policies, procedures and requirements, and industry best practices (collectively, "Exchange Requirements"). The main goal of IV&V is to assist the COHBE Project by identifying technical, financial or scheduling deficiencies with CGI's performance under the CGI Contract; or in meeting the Exchange Requirements as early as possible in the life cycle.

The IV&V Team will perform five bi-monthly interim Exchange reviews. The services will be provided in the timeframes as specified below, as more specifically directed by COHBE within a reasonable time prior to each review:

Review #	Duration of Review	Approximate Timeframe	Status
1	7 weeks	November – January '13	Completed
2	3 weeks	February '13	Not Started
3	3 weeks	April '13	Not Started
4	3 weeks	June '13	Not Started
5	3 weeks	August '13	Not Started

### 1.3 Approach and Methodology

In order to conduct the review of the COHBE Project, the IV&V Team will use the three-phased framework as specified by COHBE:

Phase 1 - Gather required materials from COHBE and review materials off-site. These materials include but are not limited to the following:

- CGI Contract
- COHBE software license agreements
- Applicable government requirements
- COHBE policies, procedures, and requirements including:
  - Security and privacy
  - Back office processes and procedures
  - Interfaces and data sharing
  - Reporting
- Business process documentation
- Requirements analysis and change control procedures
- Schedule management, progress reporting and metrics
- Exchange design and development activities and artifacts
- Testing activities and documentation
- Deployment activities

- CGI Contract deliverables
- Customer service center implementation deliverables

Phase 2 - Conduct initial on-site meeting and present plan for all on-site activities, e.g. on-site interviews, attend meetings, review documents, follow-up Q&A and wrap-up meeting/debrief.

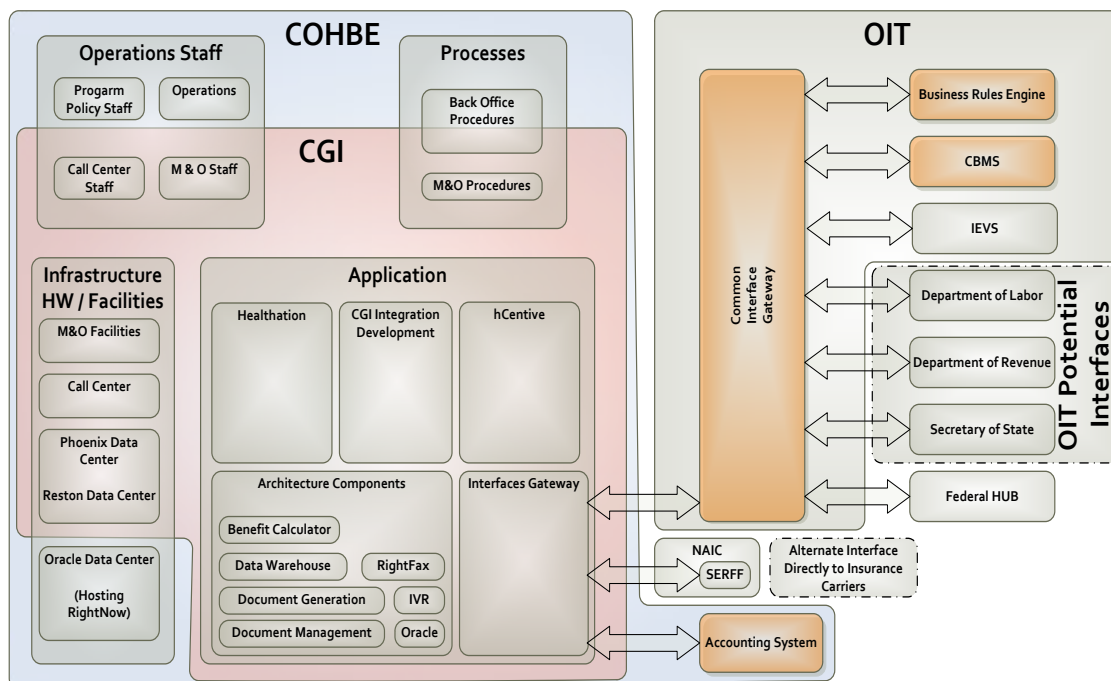
Phase 3 – Present a draft assessment to COHBE identifying issues related to compliance with the Exchange Requirements, obtain COHBE comments, prepare and submit assessment and present major findings/recommendations to COHBE leadership.

## 2.0 Overview

This section provides an overview of the monthly reviews conducted by the IV&V Team. This assessment covers the period from November 26, 2012 through January 11, 2013. The report is a point in time. This includes review of numerous artifacts, participation in various meetings (reference Appendix A) and discussions with several COHBE Staff members (reference Appendix B). First Data has proactively communicated concerns to both COHBE and CGI as applicable for purpose of timely corrective actions.

## 2.1 Overall Project Status

The Exchange System consists of many components and several organizations and vendors to build. The following graphic represents these components, organizations and vendors.



The organizations of the Colorado Exchange are:

- COHBE – Has the overall responsibility for implementing an Exchange in the State of Colorado. COHBE has the operational responsibilities for the Exchange as well as contract management responsibilities for all of the contracts that build, maintain and operate the Exchange. These contracts include CGI, hCentive, Oracle and the Accounting System. COHBE is also a major source of funding for the OIT Common Interface Gateway and the associated interfaces. In addition to the four primary organizations or vendors who have specific contract responsibilities, there are a number of other items represented in the graphic that have been identified as either planned or potential interfaces notated by the dotted lines.
- CGI – Is the System Integrator (SI) to COHBE and has responsibility for the design, development, integration, implementation and operation of the Exchange System. The integration of all hardware and software components that are part of the Exchange System should meet the requirements as specified in the contract. The scope of the CGI contract also includes hardware, facilities, data center service and operational services.
- hCentive – Is the developer of the COTS product that forms the basis of the online Exchange System. The software licensed belongs to COHBE and CGI is responsible for the customization and integration of the hCentive COTS product into the Exchange System.

There are several key areas that potentially impact the October 2013 Go-Live date.

- Management of Project –Effectively managing the project is essential to the success of the project. There is not a clear cross walk of the Change Request (CR), manual versus automated Back Office procedures; and how these map to the technology contract. Many work products are incomplete such as the Project Schedule and the HIX Solution High Level Requirements. The Use Case lacks clarity on the design of the Exchange System. Not all of the work products are shared or reviewed with COHBE, which can lead to re-work.
- Methodology - CGI lacks a consistent overall methodology that is applied to the Project Schedule, System Development Life Cycle, defined set of deliverables and work products. As the project progressed, modifications to the methodology, deliverables and work products has been made on a tactical (break fix) basis versus strategic (holistically planned) approach. CGI started with a methodology for the Project Schedule but because the methodology was not working, a combination of iterative and waterfall methodologies have been adapted. When the current methodology was

inadequate for prioritization, reporting and delivery, each of these terms was added to their methodology on an as needed basis.

- **Project Schedule** – The Project Schedule is an integral tool in managing a Project. The CGI Project Schedule lacks consistent organization and methodology. The Project Schedule had evolved over time through several discreet methodologies and the cumulative effect resulted in a Project Schedule that has the remnants of each of the previous methodologies. Therefore, it is difficult to decipher how the use cases and technical work converge into a holistic solution (including all horizontal work streams). CGI has been and is currently in the process of re-structuring their Project Plan, in addition to re-visiting various delivered deliverables and work products.
- **hCentive** – The hCentive product will implement all of the online functionality in the Exchange system and used by customers, brokers, navigators and COHBE workers. hCentive's significant development effort requires greater insight than COHBE and CGI currently have or would usually be required for a COTS product. The Project Schedule does not document a sufficient level of visibility into these efforts including the alignment of development, testing and deployment activities between CGI and hCentive.