

Oregon Health Authority (OHA)
500 Summer Street, NE, E-20
Salem, OR 97301-1097

December 21, 2010

Jay Angoff, Director
Office of Consumer Information and Insurance Oversight
U.S. Department of Health and Human Services
200 Independence Ave.
Washington, D.C. 20201

Sent electronically via www.grants.gov

Mr. Angoff:

We are pleased to submit Oregon's application for a Cooperative Agreement to Support Innovative Exchange Information System Technology. Oregon has a history of seeking out unique answers to difficult health policy questions, dating back to the Oregon Health Plan's design in the 1980s. Our state made a top-level commitment to establishing a Health Insurance Exchange even before Congress approved historic health reform legislation in 2010. Reaching as many Oregonians as possible with high value, affordable health coverage has been a priority for our state for decades.

It is in this context that we seek a role in the early innovator grant program. The funding will give Oregon the opportunity to implement a planned prototype technological approach to the problem of providing consumers of all income levels the ability to access a complex health benefits marketplace. We are already well on our way to modernizing the information technology behind our Medicaid program, and will use that experience to build the mechanism behind an insurance exchange using modular technology for maximum flexibility. For consumers, this will mean a seamless, online experience to obtaining Medicaid benefits or commercial health insurance. For other states, the Oregon approach will be easy to replicate and adjust to their own situations.

The enclosed document, "Oregon's Health Insurance Exchange Information Technology Solution: Integrated Services, Seamless Coverage," lays out our approach. It is sponsored by the Oregon Health Authority, created in 2009 by the Oregon Legislature with a mission to transform health care in our state. Nora Leibowitz, Exchange Development Director, is project director for our proposal.

We look forward to answering any questions you may have about our application.

Sincerely,



Tina Edlund
Deputy Director, Planning and Policy Implementation
Oregon Health Authority

OHA 0198 (10/10)

OHA001-00000289

Opportunity Title:	Cooperative Agreements to Support Innovative Exchange I
Offering Agency:	Ofc of Consumer Information & Insurance Oversight
CFDA Number:	93.525
CFDA Description:	State Planning and Establishment Grants for the Affordab
Opportunity Number:	IE-HBE-11-001
Competition ID:	IE-HBE-11-001-012017
Opportunity Open Date:	10/29/2010
Opportunity Close Date:	12/22/2010
Agency Contact:	Michelle Feagins michelle.feagins@hhs.gov 301-492-4312

This electronic grants application is intended to be used to apply for the specific Federal funding opportunity referenced here.

If the Federal funding opportunity listed is not the opportunity for which you want to apply, close this application package by clicking on the "Cancel" button at the top of this screen. You will then need to locate the correct Federal funding opportunity, download its application and then apply.

This opportunity is only open to organizations, applicants who are submitting grant applications on behalf of a company, state, local or tribal government, academia, or other type of organization.

* Application Filing Name:

Mandatory Documents

Move Form to Complete

Move Form to Delete

Mandatory Documents for Submission

Application for Federal Assistance (SF-424)
Budget Information for Non-Construction Program
Project Narrative Attachment Form
Assurances for Non-Construction Programs (SF-424)
Budget Narrative Attachment Form
Project/Performance Site Location(s)
Project Abstract Summary

Optional Documents

Move Form to Submission List

Move Form to Delete

Optional Documents for Submission

Instructions

- 1** Enter a name for the application in the Application Filing Name field.

 - This application can be completed in its entirety offline; however, you will need to login to the Grants.gov website during the submission process.
 - You can save your application at any time by clicking the "Save" button at the top of your screen.
 - The "Save & Submit" button will not be functional until all required data fields in the application are completed and you clicked on the "Check Package for Errors" button and confirmed all data required data fields are completed.
- 2** Open and complete all of the documents listed in the "Mandatory Documents" box. Complete the SF-424 form first.

 - It is recommended that the SF-424 form be the first form completed for the application package. Data entered on the SF-424 will populate data fields in other mandatory and optional forms and the user cannot enter data in these fields.
 - The forms listed in the "Mandatory Documents" box and "Optional Documents" may be predefined forms, such as SF-424, forms where a document needs to be attached, such as the Project Narrative or a combination of both. "Mandatory Documents" are required for this application. "Optional Documents" can be used to provide additional support for this application or may be required for specific types of grant activity. Reference the application package instructions for more information regarding "Optional Documents".
 - To open and complete a form, simply click on the form's name to select the item and then click on the => button. This will move the document to the appropriate "Documents for Submission" box and the form will be automatically added to your application package. To view the form, scroll down the screen or select the form name and click on the "Open Form" button to begin completing the required data fields. To remove a form/document from the "Documents for Submission" box, click the document name to select it, and then click the <= button. This will return the form/document to the "Mandatory Documents" or "Optional Documents" box.
 - All documents listed in the "Mandatory Documents" box must be moved to the "Mandatory Documents for Submission" box. When you open a required form, the fields which must be completed are highlighted in yellow with a red border. Optional fields and completed fields are displayed in white. If you enter invalid or incomplete information in a field, you will receive an error message.
- 3** Click the "Save & Submit" button to submit your application to Grants.gov.

 - Once you have properly completed all required documents and attached any required or optional documentation, save the completed application by clicking on the "Save" button.
 - Click on the "Check Package for Errors" button to ensure that you have completed all required data fields. Correct any errors or if none are found, save the application package.
 - The "Save & Submit" button will become active; click on the "Save & Submit" button to begin the application submission process.
 - You will be taken to the applicant login page to enter your Grants.gov username and password. Follow all onscreen instructions for submission.

Application for Federal Assistance SF-424

*** 1. Type of Submission:**

- Preapplication
- Application
- Changed/Corrected Application

*** 2. Type of Application:**

- New
- Continuation
- Revision

* If Revision, select appropriate letter(s):

* Other (Specify):

*** 3. Date Received:**

Completed by Grants.gov upon submission.

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

*** a. Legal Name:**

Oregon Health Authority OHRP

*** b. Employer/Taxpayer Identification Number (EIN/TIN):**

43-2102466

*** c. Organizational DUNS:**

8304592310000

d. Address:

*** Street1:**

1225 Ferry St SE

Street2:

1st Floor

*** City:**

Salem

County/Parish:

Marion

*** State:**

OR: Oregon

Province:

*** Country:**

USA: UNITED STATES

*** Zip / Postal Code:**

97301-4278

e. Organizational Unit:

Department Name:

Oregon Health Authority

Division Name:

OHRP

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:

Ms.

*** First Name:**

Nora

Middle Name:

Rachel

*** Last Name:**

Leibowitz

Suffix:

Title:

Development Director, Health Ins Exchange

Organizational Affiliation:

Oregon Health Authority, Director's Office

*** Telephone Number:**

503-385-5561

Fax Number:

503-947-2341

*** Email:**

nora.leibowitz@state.or.us

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

A: State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

Ofc of Consumer Information & Insurance Oversight

11. Catalog of Federal Domestic Assistance Number:

93.525

CFDA Title:

State Planning and Establishment Grants for the Affordable Care Act (ACA)-s Exchanges

*** 12. Funding Opportunity Number:**

IE-HBE-11-001

* Title:

Cooperative Agreements to Support Innovative Exchange Information Technology Systems

13. Competition Identification Number:

IE-HBE-11-001-012017

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

*** 15. Descriptive Title of Applicant's Project:**

Oregon's Health Insurance Exchange Information Technology Solution: Integrated Services, Seamless Coverage

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant

b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

17. Proposed Project:

* a. Start Date:

* b. End Date:

18. Estimated Funding (\$):

* a. Federal	<input type="text" value="96,190,338.00"/>
* b. Applicant	<input type="text" value="0.00"/>
* c. State	<input type="text" value="0.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value="96,190,338.00"/>

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- a. This application was made available to the State under the Executive Order 12372 Process for review on
- b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

- Yes No

If "Yes", provide explanation and attach

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: * First Name:
Middle Name:
* Last Name:
Suffix:

* Title:

* Telephone Number: Fax Number:

* Email:

* Signature of Authorized Representative: * Date Signed:

BUDGET INFORMATION - Non-Construction Programs

OMB Approval No. 4040-0006
Expiration Date 07/30/2010

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. Oregon's Health Insurance Exchange Information Technology Solution: Integrated Services, Seamless Coverage	964093350	\$ 46,512,101.00	\$ 0.00	\$ 46,512,101.00	\$ 0.00	\$ 46,512,101.00
2.						
3.						
4.						
5. Totals		\$ 46,512,101.00	\$ 0.00	\$ 46,512,101.00	\$ 0.00	\$ 46,512,101.00

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total (5)
	(1)	(2)	(3)	(4)	
	Oregon's Health Insurance Exchange Information Technology Solution: Integrated Services, Seamless Coverage				
a. Personnel	\$ 11,621,173.08	\$	\$	\$	\$ 11,621,173.08
b. Fringe Benefits	3,718,775.38				3,718,775.38
c. Travel	144,576.00				144,576.00
d. Equipment	1,557,155.00				1,557,155.00
e. Supplies	48,000.00				48,000.00
f. Contractual	0.00				
g. Construction	74,350,166.50				74,350,166.50
h. Other	4,750,492.00				4,750,492.00
i. Total Direct Charges (sum of 6a-6h)	96,190,337.96				\$ 96,190,337.96
j. Indirect Charges	0.00				\$
k. TOTALS (sum of 6i and 6j)	\$ 96,190,337.96	\$	\$	\$	\$ 96,190,337.96
7. Program Income	\$ 96,190,337.96	\$	\$	\$	\$ 96,190,337.96

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SECTION C - NON-FEDERAL RESOURCES					
(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e)TOTALS	
8. Oregon's Health Insurance Exchange Information Technology Solution: Integrated Services, Seamless Coverage	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	
9.	0.00	0.00	0.00	0.00	
10.	0.00	0.00	0.00	0.00	
11.	0.00	0.00	0.00	0.00	
12. TOTAL (sum of lines 8-11)	\$	\$	\$	\$	
SECTION D - FORECASTED CASH NEEDS					
	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	\$ 46,512,101.00	\$ 4,600,122.00	\$ 4,564,482.00	\$ 23,660,200.00	\$ 13,687,297.00
14. Non-Federal	\$	0.00	0.00	0.00	0.00
15. TOTAL (sum of lines 13 and 14)	\$ 46,512,101.00	\$ 4,600,122.00	\$ 4,564,482.00	\$ 23,660,200.00	\$ 13,687,297.00
SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT					
(a) Grant Program	FUTURE FUNDING PERIODS (YEARS)				
	(b)First	(c) Second	(d) Third	(e) Fourth	
16. Oregon's Health Insurance Exchange Information Technology Solution: Integrated Services, Seamless Coverage	\$ 49,678,237.00	\$ 0.00	\$ 0.00	\$ 0.00	
17.					
18.					
19.					
20. TOTAL (sum of lines 16 - 19)	\$ 49,678,237.00	\$	\$	\$	
SECTION F - OTHER BUDGET INFORMATION					
21. Direct Charges: 96190337.96	22. Indirect Charges: 0.00				
23. Remarks:	Costs that could be allocated to "indirect" are included in the direct expenses as "equipment", "supplies" and "other" categories, as described in the Budget Narrative.				

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ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

* SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL Completed on submission to Grants.gov	* TITLE Administrator, OHPR
* APPLICANT ORGANIZATION Oregon Health Authority OHPR	* DATE SUBMITTED Completed on submission to Grants.gov

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Project Narrative File(s)

* Mandatory Project Narrative File Filename:

[Add Mandatory Project Narrative File](#)

[Delete Mandatory Project Narrative File](#)

[View Mandatory Project Narrative File](#)

To add more Project Narrative File attachments, please use the attachment buttons below.

[Add Optional Project Narrative File](#)

[Delete Optional Project Narrative File](#)

[View Optional Project Narrative File](#)

Budget Narrative File(s)

* **Mandatory Budget Narrative Filename:**

[Add Mandatory Budget Narrative](#)

[Delete Mandatory Budget Narrative](#)

[View Mandatory Budget Narrative](#)

To add more Budget Narrative attachments, please use the attachment buttons below.

[Add Optional Budget Narrative](#)

[Delete Optional Budget Narrative](#)

[View Optional Budget Narrative](#)

Other Attachment File(s)

* **Mandatory Other Attachment Filename:**

To add more "Other Attachment" attachments, please use the attachment buttons below.

DISCLOSURE OF LOBBYING ACTIVITIES

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352

Approved by OMB
0348-0046

1. * Type of Federal Action: <input type="checkbox"/> a. contract <input checked="" type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	2. * Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input checked="" type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. * Report Type: <input checked="" type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change
--	--	--

4. Name and Address of Reporting Entity:

Prime SubAwardee

* Name: Oregon Health Authority OHRP

* Street 1: 1225 Ferry St SE Street 2: 1st floor

* City: Salem State: OR: Oregon Zip: 97301-4278

Congressional District, if known: 5

5. If Reporting Entity in No.4 is Subawardee, Enter Name and Address of Prime:

6. * Federal Department/Agency: DHHS/OCIIO	7. * Federal Program Name/Description: State Planning and Establishment Grants for the Affordable Care Act (ACA)-s Exchanges CFDA Number, if applicable: 93.525
--	--

8. Federal Action Number, if known: _____	9. Award Amount, if known: \$ _____
---	---

10. a. Name and Address of Lobbying Registrant:

Prefix: Ms. * First Name: Jeanene Middle Name: _____

* Last Name: Smith Suffix: _____

* Street 1: 1225 Ferry St SE Street 2: 1st floor

* City: Salem State: OR: Oregon Zip: 97301-4278

b. Individual Performing Services (including address if different from No. 10a)

Prefix: Ms. * First Name: Jeanene Middle Name: _____

* Last Name: Smith Suffix: _____

* Street 1: _____ Street 2: _____

* City: _____ State: _____ Zip: _____

11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when the transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

* Signature: Completed on submission to Grants.gov

* Name: Prefix: Ms. * First Name: Jeanene Middle Name: _____
 * Last Name: Smith Suffix: _____

Title: Administrator, OHRP Telephone No.: 503-373-1625 Date: Completed on submission to Grants.gov

CHECKLIST

NOTE TO APPLICANT: This form must be completed and submitted with the original of your application. Be sure to complete each page of this form. Check the appropriate boxes and provide the information requested. This form should be attached as the last pages of the signed original of the application.

Type of Application: New Noncompeting Continuation Competing Continuation Supplemental

PART A: The following checklist is provided to assure that proper signatures, assurances, and certifications have been submitted.

- | | Included | NOT Applicable |
|--|---|-------------------------------------|
| 1. Proper Signature and Date on the SF 424 (FACE PAGE) | <input checked="" type="checkbox"/> | |
| 2. If your organization currently has on file with HHS the following assurances, please identify which have been filed by indicating the date of such filing on the line provided. (All four have been consolidated into a single form, HHS 690) | | |
| <input checked="" type="checkbox"/> Civil Rights Assurance (45 CFR 80) | <input type="text" value="07/23/2003"/> | |
| <input checked="" type="checkbox"/> Assurance Concerning the Handicapped (45 CFR 84) | <input type="text" value="07/23/2003"/> | |
| <input checked="" type="checkbox"/> Assurance Concerning Sex Discrimination (45 CFR 86) | <input type="text" value="07/23/2003"/> | |
| <input checked="" type="checkbox"/> Assurance Concerning Age Discrimination (45 CFR 90 & 45 CFR 91) | <input type="text" value="07/23/2003"/> | |
| 3. Human Subjects Certification, when applicable (45 CFR 46) | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

PART B: This part is provided to assure that pertinent information has been addressed and included in the application.

- | | YES | NOT Applicable |
|--|-------------------------------------|-------------------------------------|
| 1. Has a Public Health System Impact Statement for the proposed program/project been completed and distributed as required? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 2. Has the appropriate box been checked on the SF-424 (FACE PAGE) regarding intergovernmental review under E.O. 12372 ? (45 CFR Part 100) | <input checked="" type="checkbox"/> | |
| 3. Has the entire proposed project period been identified on the SF-424 (FACE PAGE)?..... | <input checked="" type="checkbox"/> | |
| 4. Have biographical sketch(es) with job description(s) been provided, when required?..... | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 5. Has the "Budget Information" page, SF-424A (Non-Construction Programs) or SF-424C (Construction Programs), been completed and included? | <input checked="" type="checkbox"/> | |
| 6. Has the 12 month narrative budget justification been provided? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 7. Has the budget for the entire proposed project period with sufficient detail been provided? | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 8. For a Supplemental application, does the narrative budget justification address only the additional funds requested? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 9. For Competing Continuation and Supplemental applications, has a progress report been included? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

PART C: In the spaces provided below, please provide the requested information.

Business Official to be notified if an award is to be made

Prefix: First Name: Middle Name:

Last Name: Suffix:

Title:

Organization:

Street1:

Street2:

City:

State: ZIP / Postal Code: ZIP / Postal Code4:

E-mail Address:

Telephone Number: Fax Number:

Program Director/Project Director/Principal Investigator designated to direct the proposed project or program.

Prefix: First Name: Middle Name:

Last Name: Suffix:

Title:

Organization:

Street1:

Street2:

City:

State: ZIP / Postal Code: ZIP / Postal Code4:

E-mail Address:

Telephone Number: Fax Number:

PART D: A private, nonprofit organization must include evidence of its nonprofit status with the application. Any of the following is acceptable evidence. Check the appropriate box or complete the "Previously Filed" section, whichever is applicable.

- (a) A reference to the organization's listing in the Internal Revenue Service's (IRS) most recent list of tax-exempt organizations described in section 501(c)(3) of the IRS Code.
- (b) A copy of a currently valid Internal Revenue Service Tax exemption certificate.
- (c) A statement from a State taxing body, State Attorney General, or other appropriate State official certifying that the applicant organization has a nonprofit status and that none of the net earnings accrue to any private shareholders or individuals.
- (d) A certified copy of the organization's certificate of incorporation or similar document if it clearly establishes the nonprofit status of the organization.
- (e) Any of the above proof for a State or national parent organization, and a statement signed by the parent organization that the applicant organization is a local nonprofit affiliate.

If an applicant has evidence of current nonprofit status on file with an agency of HHS, it will not be necessary to file similar papers again, but the place and date of filing must be indicated.

Previously Filed with: (Agency)

on (Date)

INVENTIONS

If this is an application for continued support, include: (1) the report of inventions conceived or reduced to practice required by the terms and conditions of the grant; or (2) a list of inventions already reported, or (3) a negative certification.

EXECUTIVE ORDER 12372

Effective September 30, 1983, Executive Order 12372 (Intergovernmental Review of Federal Programs) directed OMB to abolish OMB Circular A-95 and establish a new process for consulting with State and local elected officials on proposed Federal financial assistance. The Department of Health and Human Services implemented the Executive Order through regulations at 45 CFR Part 100 (Inter-governmental Review of Department of Health and Human Services Programs and Activities). The objectives of the Executive Order are to (1) increase State flexibility to design a consultation process and select the programs it wishes to review, (2) increase the ability of State and local elected officials to influence Federal decisions and (3) compel Federal officials to be responsive to State concerns, or explain the reasons.

The regulations at 45 CFR Part 100 were published in the Federal Register on June 24, 1983, along with a notice identifying the

Department's programs that are subject to the provisions of Executive Order 12372. Information regarding HHS programs subject to Executive Order 12372 is also available from the appropriate awarding office.

States participating in this program establish State Single Points of Contact (SPOCs) to coordinate and manage the review and comment on proposed Federal financial assistance. Applicants should contact the Governor's office for information regarding the SPOC, programs selected for review, and the consultation (review) process designed by their State.

Applicants are to certify on the face page of the SF-424 (attached) whether the request is for a program covered under Executive Order 12372 and, where appropriate, whether the State has been given an opportunity to comment.

BY SIGNING THE FACE PAGE OF THIS APPLICATION, THE APPLICANT ORGANIZATION CERTIFIES THAT THE STATEMENTS IN THIS APPLICATION ARE TRUE, COMPLETE, AND ACCURATE TO THE BEST OF THE SIGNER'S KNOWLEDGE, AND THE ORGANIZATION ACCEPTS THE OBLIGATION TO COMPLY WITH U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES' TERMS AND CONDITIONS IF AN AWARD IS MADE AS A RESULT OF THE APPLICATION. THE SIGNER IS ALSO AWARE THAT ANY FALSE, FICTITIOUS, OR FRAUDULENT STATEMENTS OR CLAIMS MAY SUBJECT THE SIGNER TO CRIMINAL, CIVIL, OR ADMINISTRATIVE PENALTIES.

THE FOLLOWING ASSURANCES/CERTIFICATIONS ARE MADE AND VERIFIED BY THE SIGNATURE OF THE OFFICIAL SIGNING FOR THE APPLICANT ORGANIZATION ON THE FACE PAGE OF THE APPLICATION:

Civil Rights – Title VI of the Civil Rights Act of 1964 (P.L. 88-352), as amended, and all the requirements imposed by or pursuant to the HHS regulation (45 CFR part 80).

Handicapped Individuals – Section 504 of the Rehabilitation Act of 1973 (P.L. 93-112), as amended, and all requirements imposed by or pursuant to the HHS regulation (45 CFR part 84).

Sex Discrimination – Title IX of the Educational Amendments of 1972 (P.L. 92-318), as amended, and all requirements imposed by or pursuant to the HHS regulation (45 CFR part 86).

Age Discrimination – The Age Discrimination Act of 1975 (P.L. 94-135), as amended, and all requirements imposed by or pursuant to the HHS regulation (45 CFR part 91).

Debarment and Suspension – Title 2 CFR part 376.

Certification Regarding Drug-Free Workplace Requirements – Title 45 CFR part 82.

Certification Regarding Lobbying – Title 32, United States Code, Section 1352 and all requirements imposed by or pursuant to the HHS regulation (45 CFR part 93).

Environmental Tobacco Smoke – Public Law 103-227.

Program Fraud Civil Remedies Act (PFCRA)

Project Abstract Summary

Program Announcement (CFDA)

93.525

*** Program Announcement (Funding Opportunity Number)**

IE-HSE-11-001

*** Closing Date**

12/22/2010

*** Applicant Name**

Oregon Health Authority OHRP

*** Length of Proposed Project**

24

Application Control No.

Federal Share Requested (for each year)

*** Federal Share 1st Year**

\$ 46,512,101

*** Federal Share 2nd Year**

\$ 49,678,237

*** Federal Share 3rd Year**

\$ 0

*** Federal Share 4th Year**

\$ 0

*** Federal Share 5th Year**

\$ 0

Non-Federal Share Requested (for each year)

*** Non-Federal Share 1st Year**

\$ 0

*** Non-Federal Share 2nd Year**

\$ 0

*** Non-Federal Share 3rd Year**

\$ 0

*** Non-Federal Share 4th Year**

\$ 0

*** Non-Federal Share 5th Year**

\$ 0

*** Project Title**

Oregon's Health Insurance Exchange Information Technology Solution: Integrated Services, Seamless Coverage

Project Abstract Summary

* Project Summary

Title: Oregon's Health Insurance Exchange IT Solution: Integrated Services, Seamless Coverage
Applicant Organization: Oregon Health Authority
Program: Cooperative Agreements to Support Innovative Exchange IT Systems
Funding Opportunity: IE-HBE-11-001; CDFA 93.525

Project Director: Nora Leibowitz, Development Director, Health Insurance Exchange
Oregon Health Authority
500 Summer St NE
Salem, OR 97301
PH (503) 385-5561
F (503) 947-2341
nora.leibowitz@state.or.us
www.oregon.gov/OHA

The project is statewide and serves all five of Oregon's Congressional Districts.

Type of Project: Health Insurance Exchange Early Information Technology Innovation Grant
Projected project completion date: February 2013

Oregon Health Authority Information and History: The Oregon Health Authority (OHA) was created by the Oregon Legislature in 2009 to maximize state purchasing power by bringing most state health-related programs into a single agency. OHA works closely with the Department of Human Services, which administers Oregon's social service programs. The OHA is transforming Oregon's health care system by improving the lifelong health of Oregonians; increasing the quality, reliability and availability of care; and lowering or containing the cost of care so it is affordable to everyone. Advancing health IT is a key strategy supporting these Triple Aim goals.

Populations Served: 516,000 Medicaid clients and 277,000 commercial insurance consumers will use the Health Insurance Exchange to shop for and enroll in health coverage. The project will help states looking for a health insurance exchange technology solution that, as envisioned by the Affordable Care Act (ACA), is seamless and accessible for Medicaid clients and those seeking to enroll in commercial coverage.

Proposed Project: The OHA will create a modular, reusable IT solution that will provide the Exchange's customers with seamless access to information, financial assistance and easy health insurance enrollment, with no gaps in coverage or assistance cliffs for anyone up to 400% of the federal poverty level. This solution can be adopted by other states seeking to establish an Exchange that is fully integrated with their Medicaid programs' eligibility engine. This robust and agile IT infrastructure will reflect and support the business needs and policy goals of the federal-state partnership as embodied in the ACA. Oregon's modular approach will easily accommodate changes as needed and will allow other states to easily use and adapt the design for their own situations.

Other Information: Oregon has been a health reform leader for many years. Its current effort to streamline and modernize Medicaid and social services eligibility and enrollment puts the State in a strong position to implement an Exchange technical solution that meets the needs of all Oregonians, whether accessing Medicaid, federal tax credits or insurance without assistance.

* Estimated number of people to be served as a result of the award of this grant.

793000

Project/Performance Site Location(s)

Project/Performance Site Primary Location I am submitting an application as an individual, and not on behalf of a company, state, local or tribal government, academia, or other type of organization.

Organization Name:

DUNS Number:

* Street1:

Street2:

* City: County:

* State:

Province:

* Country:

* ZIP / Postal Code: * Project/ Performance Site Congressional District:

Project/Performance Site Location 1 I am submitting an application as an individual, and not on behalf of a company, state, local or tribal government, academia, or other type of organization.

Organization Name:

DUNS Number:

* Street1:

Street2:

* City: County:

* State:

Province:

* Country:

* ZIP / Postal Code: * Project/ Performance Site Congressional District:

Additional Location(s)

**Oregon's Health Insurance Exchange Information Technology Solution:
Integrated Services, Seamless Coverage
Project Narrative
Dec. 22, 2010**

INTRODUCTION

Oregon is well on the way to building a sustainable, consumer-oriented Health Insurance Exchange that will provide value to individual and small business consumers, be responsive to the state and federal governments, and markedly improve eligibility determination and health plan enrollment.

Commitment to Exchange Development

Oregon is committed to building an Exchange that improves Oregonians' ability to determine eligibility for financial assistance, helps them shop for coverage and easily enroll in health insurance coverage. Oregon has been investigating the development of a state exchange since 2007, when the Oregon Health Policy Commission put out its report, *Roadmap to Health Care Reform*. Over the intervening years, the state Legislature has directed work on an exchange, and in its 2009 session tasked the Oregon Health Authority (OHA) with developing a plan for an exchange. That work now continues with the guidance and assistance of the Office for Consumer Information and Insurance Oversight. As a state that has long been at the forefront of efforts to reform health insurance and health care delivery, Oregon is excited to be one of the first states to tackle the development and implementation of an information technology solution for one of the Affordable Care Act's (ACA) major health reform initiatives.

What the Exchange Will Do

Oregon's Exchange will provide seamless access to information, financial assistance and easy health insurance enrollment for Oregonians, with no gaps in coverage or assistance cliffs for anyone up to 400% of the federal poverty level (FPL). For small businesses, those earning over 400% of FPL and health insurance carriers, the Exchange will provide a marketplace for a variety of insurance options. For health plans, the Exchange will offer exposure to a large group of new consumers who will enter the Exchange to receive tax credits. Initially, an estimated 150,000 previously uninsured Oregonians will enter the Exchange. The Exchange can also reduce carrier costs by streamlining enrollment.

Oregon's Health Insurance Exchange will be a central marketplace for health insurance in the state, providing one-stop shopping for individuals and small businesses to compare rates, benefits and quality among plans, offering meaningful choice of health plans and providers, apples-to-apples comparisons, and easy payment processing. It will administer the new federal health insurance tax credits, offer improved, seamless access to Medicaid, and make it easier to enroll in commercial health insurance plans. In addition, the Exchange must provide excellent customer service and offer clear value for the premium dollar. The essential underpinning of a successful Exchange is a robust and agile information technology infrastructure that supports the business needs and policy goals of the federal-state partnership as embodied in the ACA.

Project Goal

The goal of Oregon's project, to be funded under an OCIIO Cooperative Agreement to Support Innovative Exchange Information Technology Systems, is to build a modular, reusable IT solution that

can be shared with other states as they assess the technology requirements for a Health Insurance Exchange that is fully integrated with their Medicaid programs' eligibility engine. Oregon's solution has an ambitious goal: to build a system in which the Health Insurance Exchange's eligibility system is seamless with Medicaid. Oregon's goal is to build business process rules that reflect our policy frame: we are determining eligibility for one continuous "subsidy" that ranges from 100% under Medicaid to 0% as individuals and families approach 400% of the federal poverty level. This will be a complex and challenging undertaking, but one that we believe will be most useful for states as we simplify and streamline access to health care coverage. The Exchange must be able to quickly and accurately enroll people in health insurance coverage—both Medicaid and commercial coverage—in order to succeed. The information technology infrastructure will determine how well the Exchange performs at this core business function.

Specific Exchange functions and supporting technology

As required by the ACA, the Exchange will provide information to consumers on health plans, eligibility, and enrollment. Access will include a toll-free hotline, Exchange web site, an electronic calculator, and in-person assistance by state eligibility workers and navigators. The Exchange will also screen and certify health plans as qualified to participate in the Exchange, grade plans on price and quality, and decertify plans that fail to meet Exchange and federal requirements. The Exchange will ensure fair competition of carriers in and out of the Exchange, enter into contracts to carry out functions and provide services and conduct open enrollment periods. It will facilitate community-based assistance (the navigator program), certify exemptions from the individual responsibility requirement, consult with stakeholders and publish information on the Exchange's costs and activities.

For the technology to support the Exchange, Oregon is developing a solution rooted in the State's enterprise technology plan, which outlines a series of enterprise capabilities that streamline and modernize various business functions, including eligibility and enrollment programs. This roadmap to modernization, based on a configurable technology framework and shared information technology architecture, is the starting point for the Exchange and will enable improvements in the health care delivery system to meet the goals and requirements of the ACA. At the end of the two-year grant period, Oregon will have designed and implemented a technology solution that can be used by Oregon and other states to ensure that efficient, user-friendly eligibility determinations, plan "shopping," and enrollment are available to residents without regard to income. Oregon's approach is to commit to working in consultation with multiple states to ensure a program and technology solution set that can be reused, yet tailored to other states' needs without heavy customization or changes to the base solution. This includes establishing a multi-state stakeholder advisory group that keeps our state partners informed and includes them in Oregon's development process, allowing them to more easily assess how to use the Oregon solution in their own states.

Detailed Project Work Plan

For this project, we propose a detailed plan (outlined in the attached Project Work Plan introduction and spreadsheet) that consists of five coordinated and concurrent work streams to establish the major functional domains of an integrated Health Insurance Exchange. This work includes the development of business rules to manage workflow and business processes; establishment of an internal portal to allow the Oregon Health Authority (OHA) and Oregon Department of Human Services (DHS) to manage the Exchange; creation of an external portal that would be the face of the Exchange to consumers, businesses and health plans; integration with existing program management systems such

as the Medicaid Management Information System (MMIS); and implementation of transactional, decision support and compliance reporting. It will also address other components of Exchange work, such as premium billing, carrier payment processing and information sharing with other agencies. Attached also is a detailed budget and staffing plan to carry out this work. See the detailed Project Work Plan description on page 19.

Oregon's history of health care and technical innovation

Because of its efforts to date, Oregon is uniquely positioned to lead innovation in the design of a seamless, consumer-friendly technology solution to support the establishment of health insurance exchanges across the country. We have investigated multiple technology solutions for streamlining and modernizing our information technology environment to improve medical eligibility determinations and have already determined that a configurable framework built using a service-oriented architectural approach positions us best to enable the goals and objectives set forth in the ACA and the programs administered by DHS and OHA.

Beyond enterprise technology planning, Oregon has been recognized as an innovator in health care delivery and policy since its development of the Oregon Health Plan in the 1980s, a thoughtful solution to prioritizing health care services within the Medicaid program. This work continued with state-level health care system reform approved by the Oregon Legislature in 2007; one of the seven building blocks of that law was to unify state purchasing power in part through the establishment of an insurance exchange. In 2009, Oregon's Legislature approved the promotion of further reforms to contain costs and improve the quality of health care within the state, including the development of a business plan for a Health Insurance Exchange.

Social services technical modernization

Meanwhile, Oregon's DHS and newly created Oregon Health Authority have been working together to use information technology to substantially improve eligibility and enrollment for Medicaid and social services programs. This modernization strategy sets the stage for Oregon to create an innovative and comprehensive technology solution that will allow consumers to use a single web-based interface to determine their eligibility for tax credits within the Exchange or for Medicaid, and learn about their coverage options and enroll in health coverage.

As many states are in the same position as Oregon – with multiple demands on an eligibility and enrollment system from state agencies involved in Medicaid, insurance regulation, health information technology planning and self-sufficiency programs – Oregon believes that its solution will be a useful model for many other states seeking to establish their exchanges as a mechanism for improving eligibility and enrollment for Medicaid and commercial insurance consumers and at the same time evaluating Medicaid eligibles for enrollment in other self-sufficiency programs..

COMMITMENT

Oregon's commitment to establishing an insurance exchange

As indicated by Governor Theodore Kulongoski in his letter of support (see letters of support), Oregon is committed to establishing a Health Insurance Exchange. Over the past several years, Oregon has shown its commitment to building an Exchange through legislation and the work of a number of advisory panels and state agencies. Statewide policy leaders (the Oregon Health Policy Commission,

Oregon Health Fund Board, and Oregon Health Policy Board, among others) have expressed support for an Exchange. In 2009 the state legislature passed House Bill 2009, requiring the OHA to develop a plan for an Exchange. This report will be submitted to the Legislature by end of 2010.

Legislative background

Oregon's Legislature meets biennially, meeting for its regular session in odd-numbered years. The 2011 session that begins in January is the full Legislature's first opportunity to address changes required by or otherwise included in the Affordable Care Act. A legislative concept drafted this fall will be introduced as a bill in the 2011 Legislative session to authorize the Exchange, establishing the Exchange as a public corporation with a Board appointed by the Governor, confirmed by the Senate and advised by consumer advisory groups. The legislation authorizes the public corporation to conduct the activities required by the ACA, enter into contracts, work with existing state agencies, and accept federal and other funds.

RESOURCES AND CAPABILITIES

State infrastructure and authority for an Exchange

Oregon is uniquely poised to succeed as an early innovator of exchange information technology systems. Oregon's resources and capabilities as an early innovator stem from the state's considerable health reform efforts that were underway prior to the passage of the ACA.

In its 2009 session, the Oregon legislature passed historic legislation to promote comprehensive health care reform. HB 2009 institutes a variety of reforms to Oregon's health system to contain costs and improve quality. The bill focuses on the triple aim of better health, better care and lower costs; it includes as a centerpiece, the development of a business plan for a Health Insurance Exchange to allow comparison shopping for insurance plans, as well as stronger insurance rate review standards, streamlining administrative functions and maximizing purchasing power by consolidating the state's health care purchasing into a single agency.

HB 2009 changed the structure of Oregon's state health and human services department and created the Oregon Health Authority. The OHA brings most of the health-related programs in the state into a single agency to align the state's health care purchasing and consolidate reform efforts. The Oregon Health Authority is responsible for the development of Oregon's Health Insurance Exchange and is the single state Medicaid agency, so it is particularly well-positioned to leverage the resources in the exchange technology grant. DHS continues to house both child welfare services and the state's senior and disability services and programs. DHS also operates most of the Medicaid eligibility functions, so the agencies continue to coordinate as two closely aligned sister agencies with appropriate service agreements in place.

The OHA has an oversight and policymaking body known as the Oregon Health Policy Board¹, a nine-member, citizen-led panel whose members are appointed by the Governor and confirmed by the Senate. The Health Policy Board has been responsible for engaging disparate stakeholders and communities all across the state in order to create recommendations for the Health Insurance Exchange that will help shape an Exchange bill to be discussed and approved in the state's next legislative session starting in January 2011. The critical partners that have collaborated in Health Policy Board

¹ For more information about the OHPB, see <http://www.oregon.gov/OHA/OHPB/index.shtml>.

workgroups and panels include commercial insurance carriers, providers and provider groups, Medicaid Managed Care Organizations, and consumer rights advocacy organizations. These groups will have a practical familiarity when they are again asked to collaborate to ensure the successful adoption of exchange technology.

HB 2009 also established the Health Information Technology Oversight Council (HITOC) to coordinate Oregon's public and private statewide efforts in health information technology. HITOC is a public-private partnership of Governor-appointed, Senate-confirmed citizens that has made considerable strides in research, assessment and planning for statewide information technology structures and practices. HITOC has appointed several advisory workgroups, including the Technology Workgroup, made up of industry experts responsible for providing strategic input on deliverables and objectives, standards, definition of central services, and other projects as needed. This workgroup and HITOC will be available for support and guidance during Oregon's development of Exchange technology.

HITOC submitted Strategic and Operational Plans for Health Information Exchange to the Office of the National Coordinator for Health Information Technology (ONC) in late August and received approval in December. These plans are another example of how Oregon is committed to aggressively pursuing advancements in system-wide improvements in health care through the use of information technology. The planning process that focuses on the dual goals of building infrastructure and ensuring end-user participation is available for reference while Oregon plans the Health Insurance Exchange.

The OHA's comprehensive strategy has fostered the creation of the Office of Health Information Technology (OHIT). OHIT is a newly formed office within the OHA that is designed to support the planning and policy development of health IT applications and programs. The staff of OHIT will serve in a supportive role for the planning of the Health Insurance Exchange. This office will serve as a shared resource for both OHA and DHS departments in need of planning and policy support while strategizing and adopting exchange technology. This grant will bolster OHIT in its efforts to accelerate state and federal health reform goals through organized support for adoption, implementation and integration of health information technologies.

Just as the OHA was conceived in part to maximize the State's purchasing power for health insurance, OHIT is designed in part to bolster the State's strategy for shared services architecture for health information technology applications. OHIT provides staff support and resources that can now be shared between projects and across departments. OHIT also facilitates centralized collaboration and coordinated service delivery that leads to fewer duplicative IT purchases, resulting in reduced costs, better coordination and cross-utilization of hardware and software with similar functions. Through these mechanisms, OHIT enables Oregon to leverage resources and institutional knowledge across agencies ensuring that the adoption of Exchange technology will be as cost effective as possible. This cost effectiveness will also extend to other states that take advantage of Oregon's innovation in Health Insurance Exchange information technology because they will not need solutions that must be customized for each administrative entity. OHIT will assist the Exchange team on technology matters, but the grant itself will be managed by the Exchange team, working out of the OHA Director's Office.

This exchange IT innovation grant project would also naturally pull from the State's strong relationships with stakeholders and partners within the health information technology communities in Oregon. These include O-HITEC (Oregon's Regional Extension Center for HIT), OCHIN, Oregon Health Network, Oregon Healthcare Workforce Institute, state and regional health insurance organizations, federal Department of Health and Human Services Public Health Division, Indian Health Service, Veteran's Health Administration and adjacent states' health departments.

State government leaders, stakeholders and supporters of an Exchange

The development of an Exchange and the early implementation of an IT solution for the Exchange are supported at the highest levels of state government. In addition to support from the Governor, this effort is fully endorsed by Dr. Bruce Goldberg, the Director-designee of the Oregon Health Authority (the state agency responsible for purchasing health care for 850,000 lives in Oregon, including those in Medicaid, Public Employees Benefit Board, Oregon Educators Benefit Board, Oregon's high risk pool, Family Health Insurance Assistance Program and Healthy Kids Connect.). Dr. Goldberg currently serves as the Director of the Oregon Department of Human Services as well. Dr. Goldberg has taken a personal role in the development of the Exchange, working with the Oregon Health Policy Board to develop recommendations to the Oregon Legislature on the shape and structure of the state's Exchange. A letter from Dr. Goldberg can be found in the included letters of support. Oregon's U.S. Senators, Ron Wyden and Jeff Merkley, have also provided a letter of support.

Judy Mohr-Peterson, Oregon's Medicaid Director, is also engaged in the development of the Exchange. Ms. Mohr-Peterson and other key state leaders participate in the Exchange Steering Committee, which helps direct and oversee Oregon's Exchange planning and implementation (see membership list below). These state leaders include Tina Edlund, OHA Deputy Director for Planning and Policy Implementation; Dr. Jeanene Smith, Administrator of the Office for Oregon Health Policy & Research; John Koreski, DHS/OHA CIO; Aaron Karjala, DHS/OHA Deputy CIO; and Erinn Kelley-Siel, Administrator of the Children, Adults and Families Division of DHS. Additional support will come from the newly formed Office of Health Information Technology and Carol Robinson, Oregon's State Coordinator for HIT and director of the Health Information Technology Oversight Council.

Several health insurers in the state have expressed public support for the development of an Exchange in Oregon, through letters submitted to the Oregon Health Policy Board as public comment. Consumer advocates engaged in health reform are also invested in the benefits an Exchange could bring to Oregon markets. Individual and small business consumers participate in a Consumer Advisory Group for the Exchange development and implementation. This group provides input and assistance as the state designs elements of its Exchange and begins to implement those designs.

As part of the work to develop this application, Oregon reached out to other states to establish an interstate advisory group to share information and receive partner feedback during the development process of this project. Letters of support have been received from the following states, which have also agreed to participate in a multistate advisory group:

- California Department of Health Care Services
- Illinois Department of Healthcare and Family Services
- Maryland Department of Health and Mental Hygiene
- Minnesota Department of Human Services
- Washington Health Care Authority

- Wisconsin Office of Healthcare Reform

Readiness: Stakeholder Engagement

Oregon has established an Exchange Consumer Advisory Group (CAG) and a Technical Advisory Group (TAG) for the development of its Exchange (see membership lists below). The CAG includes individual and small employer insurance purchasers, an insurance agent, and a consumer advocate, as well as medical and social service providers. The CAG members will provide input and assistance on issues related to the consumer's experience of the Exchange, the health plan choices available through the Exchange, ways to inform and engage consumers and related issues. The Exchange TAG, which includes representatives of health plans, consumer advocacy organizations, providers and state agencies, provides feedback on technical issues such as the organization of the Exchange, the implications of expanding the small group market in 2014, and related issues. Both groups have begun meeting and will continue to provide feedback to the Exchange implementation team through the development and implementation process.

In addition, public input is welcome through various means, including through public testimony offered in writing or in person at the Oregon Health Policy Board meetings, and electronic comment provided through the OHA website.

Continued stakeholder engagement

In addition to the stakeholders identified above, Oregon has also met with brokers, providers and health insurers to get their feedback on the development of the Exchange. We anticipate continuing to hold such meetings in order to get honest feedback from various stakeholders. In September the OHA held a series of six meetings across the state, focusing on several key policy issues related to Oregon's Exchange. Meetings were well attended and participation was enthusiastic. Attendees provided useful feedback on Exchange policy issues that informed the development of the Oregon Health Policy Board's report on the Exchange to the state legislature. In addition, feedback was collected using a web-based survey tool.² Ongoing feedback from these groups will allow the Exchange team to ensure that project stakeholders' thoughts and values are heard and incorporated into the Exchange design to the greatest extent possible.

Exchange Steering Committee

- Tina Edlund, Deputy Director for Planning and Policy Implementation, Oregon Health Authority
- Karen House, Program Manager, Children Adults and Families Division, Department of Human Services
- Tom Jovick, Administrator, Office of Private Health Partnerships, Oregon Health Authority
- Aaron Karjala, Deputy Chief Information Officer, Department of Human Services
- Rocky King, Senior Policy Advisor for Health Reform Senior Policy, Department of Consumer and Business Services
- Sean Kolmer, Deputy Administrator, Office for Oregon Health Policy and Research, Oregon Health Authority
- John Koreski, Interim Chief Information Officer, Department of Human Services

² For more information on the stakeholder meetings and feedback received at those meetings, please see: <http://www.oregon.gov/OHA/docs/101004-consensus-rpt.pdf> . For information on the comments received via the OHA web-tool, please see: <http://www.oregon.gov/OHA/docs/web-input-2010.pdf>.

- Teresa Miller, Administrator, DCBS Insurance Division, Department of Consumer and Business Services
- Judy Mohr-Peterson, Assistant Director, Division of Medical Assistance Programs (Medicaid Director), Oregon Health Authority
- Don Myron, Policy Analyst, Office of Private Health Partnerships, Oregon Health Authority
- Kathryn Naugle, Deputy CIO for the Children, Adults and Families Division, Department of Human Services
- Steve Novick, Medicaid Eligibility Transformation Manager, Oregon Health Authority
- Dr. Jeanene Smith, Administrator, Office for Oregon Health Policy and Research, Oregon Health Authority
- Barney Speight, Director, Health Care Purchasing, Oregon Health Authority

Consumer Advisory Group

- John Brenne, Community Counseling Solutions, Heppner, OR
- Aelea Christofferson, President, ATL Communications, Sunriver, OR
- Laura Etherton, Health Care Advocate, OSPIRG, Portland, OR
- Heather Fercho, Research and Health Policy Associate, Sisters of the Road, Portland, OR
- Jose Gonzalez, Tu Casa Real Estate, Salem, OR
- Alisha Hopper, Executive Director, Health Matters of Central Oregon, Bend, OR
- Jim Houser, Owner, Hawthorne Auto Clinic, Inc., Portland, OR
- DeLeesa Meashintubby, Senior Operations Officer, Volunteers in Medicine Clinic, Eugene, OR
- Tera Pierce, Individual Consumer, Portland, OR
- Beth Stewart, Co-Owner, Valley Insurance, La Grande, OR

Exchange Technical Advisory Group

- Andy Anderson, Senior Vice President and CFO, Cascade Corporation
- Anthony Behrens, Senior Policy Analyst, Insurance Division, Oregon Department of Business and Consumer Services
- Barbara Christensen, Chief Sales and Marketing Officer Providence Health Plans
- Aelea Christofferson, Owner, ATL Communications, Inc
- Mark Danburg-Wyld, Senior Actuarial Analyst, PacificSource Health Plans
- Laura Etherton, Advocate, Oregon State Public Interest Research Group
- Tom Jovick, Administrator, Office of Private Health Partnerships
- Dean Kortge, Agent, Pacific Benefits Consultants
- Patrick O'Keefe, Partner/Account Manager, Cascade Insurance Center
- Anna Roberts, Organizer, SEIU Local 49
- Carole Romm, Director, Community Partnerships and Strategic Development, Central City Concern
- Barney Speight, Director of Healthcare Purchasing, Oregon Health Authority
- Nita Werner, President and CFO, Ornelas Enterprises, Inc., Oregon Health Policy Board member

GOVERNANCE

Exchange Business Structure

Oregon has drafted a legislative concept that will be introduced as a bill in the 2011 legislative session. This bill is the authorizing legislation for the Exchange, establishes a public corporation that will run the state's Exchange, governed by a board and advised by consumer advisory groups. The legislation authorizes the public corporation to conduct the activities required by the Affordable Care Act, including: information provision; health plan certification and grading; facilitating the operations of navigators; conducting open and special enrollment periods; certifying exemptions from the individual responsibility requirement; consulting with consumers and other stakeholders; providing information to the federal government and publishing information on Exchange operations and costs. The legislation also gives the Exchange authority to enter into contracts, work with existing/relevant state agencies and accept federal and other funds.

Once Exchange-authorizing legislation passes in the 2011 legislative session, the Governor will appoint and Senate will confirm the Exchange board members. In fall 2011, the Exchange will be established as a public corporation and staff will be hired for this organization. Once the Exchange exists as an organization with leadership and staff, the work of developing an Exchange will fall primarily to the Exchange team working for the public corporation. However, the work being conducted under this grant will continue in partnership with the OHA and DHS. Until the public corporation is established and able to conduct its work independently of OHA, OHA will staff this work. The Oregon Health Policy Board has the authority to provide policy guidance until the Exchange board is established and ready to take on those duties.

Commitment to sharing innovative solution with other states

Oregon is committed to sharing its technical solution (including the software, architecture, configurations and business processes for Oregon's eligibility and enrollment processes). This also includes sharing development artifacts, including work plans, requirements documentation, design documentation, and timelines. The State will provide all materials to the federal Office of Consumer Information and Insurance Oversight and will work with interested states and the federal government to present Oregon's solution, the development and implementation issues involved in this solution, and provide consultation for how other states could adopt Oregon's technology solution.

Oregon's technology solution for its Health Insurance Exchange has broad applicability and reusability for streamlining eligibility and enrollment for Medicaid clients as part of its effort to develop a user-friendly eligibility and enrollment system for people using the Exchange. The program will be particularly applicable to states in which the Medicaid program is administered by a different agency or organization than is the exchange. The long-term goal of integrating streamlined non-medical social services eligibility determination and enrollment will also be useful for many states, no matter how their social services are structured. Oregon has already secured letters of support from the states referenced above to collaborate with Oregon as we design, develop and implement the solution. As part of this process, Oregon will be sharing public domain documents and product solutions with the other states.

Oregon is committed to share its system architecture and associated planning and implementation artifacts. Oregon's plan is to create a technical solution for the Exchange that facilitates a continuous

subsidy for everyone within income from 0 to 400% of the federal poverty level. The technical solution will provide this continuity for all individuals without regard to income level. The technology must support the concept of continuous health coverage that is evenly applied with no cliffs or gaps in coverage.

READINESS: TECHNICAL ARCHITECTURE

Oregon is in a unique position to quickly determine the technology requirements for an Exchange because the State has already developed many requirements relating to Medicaid eligibility. Oregon is currently in the process of documenting detailed eligibility functional and technical requirements that are essential to the RFP process for obtaining a technical solution. The State will include additional requirements for the Health Insurance Exchange. The anticipated rules framework Oregon plans to procure supports automation of benefit eligibility determination, interfaces with existing benefit systems and creation of insurance exchange functionality. Oregon's strategy will be to acquire an implementation/integration vendor to implement and integrate the Exchange.

A vendor fair conducted in August 2010 identified a selection of vendors with products meeting solution needs in the area of eligibility: intake through citizen portals, workflow automation through worker portals, and benefits determination through policy and rules automation. Vendors were contacted after the fair to find out more about their solutions' readiness to support health reform. This foundation can be extended to creating all aspects of a Health Insurance Exchange, including supporting individual consumers, group purchasers and interactions with other states and the federal government.

Current/legacy software and hardware

DHS/OHA Current State

Over the past 30 years, the current DHS/OHA legacy systems were developed on different platforms including mainframe, client/server, distributed and Web-based architectures. In recent years Oregon has matured its development efforts with the use of a system development lifecycle (SDLC), resulting in solutions that more closely align with business needs and the 2009-2015 DHS/OHA enterprise technology plan (<http://tinyurl.com/23aetyw>). In approving the 2009-2015 enterprise technology plan, the DHS/OHA Information Technology Governance Council adopted a vision of rational, service-based architecture for state IT systems including eligibility determination systems. Oregon has already begun seeking opportunities to implement this vision.

Oregon's most flexible and modern applications are based on Web Services Architecture using SOAP and WSDL and are aligned with service-oriented architecture approaches.

Limitations. Because of Oregon's many disparate systems, only a limited amount of client information is accessible and reusable across multiple programs. Inconsistent data are stored in application silos with duplicated functionality where security and access varies. In addition, Oregon has developed hundreds of custom interfaces between these silos to support integrated business processes, making systems extremely complex, inflexible and expensive to maintain. The grant funds will allow Oregon to begin the move to a system that no longer requires custom "fixes" that bridge between legacy systems. Starting with a system for commercial and Medicaid eligibility and enrollment, we will build

a system that will eventually expand to other social service programs, allowing the state to move past its current reliance on inflexible systems in separate silos.

Software and Hardware. The vast majority of current systems are hosted in the Oregon State Data Center. Many of the current OHA systems are based on IBM mainframe, AIX midrange servers and distributed servers running within the Microsoft Windows Server or Linux operating system environments. The client server systems were developed using legacy tools such as Sybase PowerBuilder and databases. Web-enabled systems primarily use Websphere, .Net, Java. or ColdFusion. Oregon uses DB2, Microsoft SQL Server and Oracle relational databases for data storage and management and uses integrated development tools like Rational Application Developer (RAD) and Eclipse and tools such as JIRA and Subversion for issue tracking and application source code management (SCM).

Custom Development Efforts and COTS Implementations. Over the last several years, Oregon developed custom solutions or implemented proprietary commercial products to meet critical business needs. Over time, the custom development and product development processes have matured, making it an optimal time to begin migration to a configurable and commercial framework. This is a natural evolution in terms of people, process and technology change. Oregon's current technology environment will not be sufficient to develop the seamless consumer experience required as part of the Affordable Care Act.

Target system software and hardware

In 2009 the Oregon DHS and OHA adopted the 2009-2015 technology plan to enable the coordinated, consistent delivery of health and human services in Oregon. This plan created a roadmap to migrate from silos of custom-developed and proprietary commercial applications to a framework-based technology infrastructure that supports increased organizational flexibility and responsiveness to changing customer needs. Oregon believes that this migration is necessary to achieve the objectives and goals of health care reform.

Consistent with Oregon's enterprise technology plan, the State is implementing a modern IT infrastructure based on technology standards and a configurable commercial framework. See the Oregon technology plan at <http://tinyurl.com/23aetyw> for more information.

Commercial Framework

Based on market research, Oregon has concluded that the procurement of a commercial framework of business rules management, internal portal, external portal, back office integration tools and a shared reporting infrastructure based on a service-oriented architecture is a key strategic investment for achieving the State's technology vision. As part of the package, the commercial solutions are configured to meet federal rules. Oregon asked vendors to respond to a series of questions specific to their investment, partnering, and preparation for the impacts of H.R. 3200, America's Affordable Health Choices Act of 2009 (an early version of health reform) and H.R. 4872, Healthcare and Education Affordability Reconciliation Act of 2010. Their responses demonstrated the vendors' awareness and intention to align with health reform including the Affordable Care Act (the health reform legislation that ultimately became final).

The commercial framework approach offers many benefits both for implementing and operating the Exchange. These include:

- Holistic view of consumer both from a data and process perspective
- Health and Human Services best practices and alignment
- Comprehensive view of clients for workers
- Cost reductions and economies of scale created by multiple clients
- Technology best practices and standards
- Integrated eligibility solution
- Rules engine
- Robust messaging
- Data warehousing and reporting
- Workflow and process automation
- Configurability with minimal customization

Oregon also plans to use the commercial framework across all program areas including an eligibility automation project that supports Medicaid, Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance to Needy Families (TANF) and Employment Related Day Care clients (ERDC). This project is entering a procurement phase. This approach, which is consistent with Oregon's technology plan, will enable the State to create a seamless environment for clients and consumers.

Future Hardware and Software

Oregon DHS and OHA envision the commercial framework to be hosted in the Oregon State Data Center. The future state platform will be robust and will be selected from an industry leader such as IBM, Oracle or Microsoft. Technologies involved include UNIX, Java, Websphere and/or .NET technology, Sharepoint etc. Potential databases could be Oracle, MS SQL Server and DB2. The final decision on platform will be based on: the solution that best meets business needs of the Exchange and best aligns with the DHS/OHA technology plan. The selected commercial solution framework will be three-tier architecture and will be required to have SOA, web 2.0 and XML capabilities.

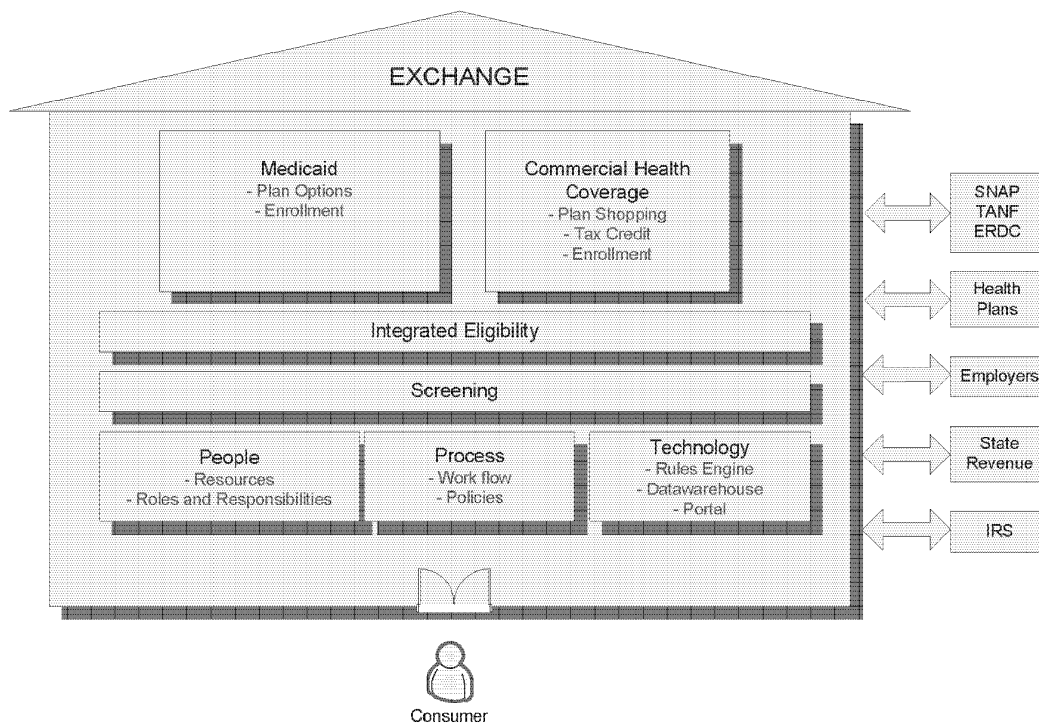
Policy-Rules Engine

Market research and strategic alignment demonstrates the value of central management of policies and rules across programs in a shared environment. The policy-rules engine is a foundational component of the framework solution Oregon will implement. The policy-rules engine allows natural language definition and audit and versioning capabilities that reduce the complexity of managing rules while reducing errors in their implementation. Oregon will use the policy-rules engine and other integrated framework components to help consumers compare health insurance products, provide consolidated billing and premium payment for employers and help small businesses manage health insurance administration in a seamless way.

The underlying infrastructure of the framework and the configuration will be made available to other states to accelerate nationwide implementation of insurance exchanges. Oregon fully intends to partner with other states in an advisory capacity as we design, develop and implement the fully configured framework. Oregon will lead a series of interstate advisory meetings during the development of the Exchange. Oregon is also committed to serving in a consulting role for states that decide to use the Oregon framework and configurations to meet their health insurance exchange objectives.

In addition to providing a marketplace for individual consumers seeking Medicaid and commercial insurance, groups and insurance plans, the longer-term plan for the framework is that it will also automate the intake, assessment and determination of eligibility across the other major benefits programs: ERDC, SNAP and TANF. The eligibility component of the framework supports the essential criteria of the Health Insurance Exchange and represents modules that will be both comprehensive and reusable by other states. As part of Oregon’s technology plan, the framework will use open standards-based interfaces to other state systems to ensure that enrollment, tax credits administration and cost-sharing assistance administration are seamless for consumers, clients and insurance plans. The framework and interfaces to other systems will be deployed to ensure that as consumer and client eligibility changes, they will continue to receive the best possible mix of benefits and value.

The graphic below depicts the integration of people, process and technology to facilitate a seamless consumer experience within the Exchange.



CORE EXCHANGE FUNCTIONS

In addition to providing an easy way for individuals and small businesses to shop for coverage and enroll in health plans, Oregon’s framework will automate the intake, assessment and determination of eligibility for both tax credits and Medicaid eligibility. Oregon has already made significant progress in designing the eligibility processes that will be implemented in the Exchange using the framework developed for a modernized eligibility and enrollment process for public health and social service

programs. The technology solution will employ standard modules including the rules engine, financials, workflow, reporting, portal and interface tools to manage the key insurance exchange functions of eligibility, enrollment, premium tax credit administration and cost-sharing assistance administration. Oregon has determined that the framework will use open standards-based interfaces to other systems to ensure that enrollment, tax credit administration and cost-sharing assistance administration is seamless for consumers, clients and insurance plans.

Integration with Medicaid, Children's Health Insurance Program, federal agencies

The framework will use a rules-based engine that can be configured to address any number of policies and rules for meeting the insurance Exchange requirements. The framework and interfaces to the Medicaid Management Information System (MMIS) will be deployed using open standards and a service-oriented architectural approach. The interface module in the framework can accommodate all of the standard interface types (real time, file-based, etc) to ensure integration to external systems to support the Exchange program, including the Children's Health Insurance Program, Medicaid, and the U.S. Department of Health and Human Services (HHS) and other federal and state agency data sources.

Additional core functions

The framework will employ standard modules including rules engine, financials, workflow, reporting, portal and interface to manage the key insurance exchange functions of eligibility, enrollment, premium tax credits administration and cost sharing assistance administration. The modules will be configured to support the core Exchange requirements, allowing consumers to determine eligibility for Medicaid and federal tax credits, compare health plans on an apples-to-apples basis, and enroll in coverage.

Readiness: Meeting consumer needs

The Exchange program will provide multiple channels for managing consumer complaints, questions and requests for assistance. There will be a call center for consumer relations along with 'self-help' functionality through the framework's integrated web portal. Additional work will be required to determine whether the call center will be administered by state employees or a private contractor, but we recognize that this work must be conducted by an informed and consumer-oriented staff. Resources available include the OHA's ombudsman. Related internal processes are in development as part of Exchange planning and implementation.

Migration of commercial insurance and Medicaid consumers to Exchange

To ensure that individual and group health insurance consumers are prepared to use the new Exchange's web-based application and enrollment technology, we plan to carry out education and outreach to individuals (including but not limited to Medicaid clients), small businesses, state eligibility workers, state human services employees, and other individuals and groups assisting with Medicaid application and enrollment. This will include a large-scale public education campaign as well as targeted education and marketing aimed at specific communities within Oregon (including but not limited to various ethnic, racial, geographic and economic groups).

Applicability in other states

As an early innovator, Oregon is committed to producing a solution that is not only right for our state but, just as important, can be used by many of the other states facing the same challenges in creating health insurance exchanges. At the end of the two-year grant period Oregon will have designed and

implemented a technology solution based on a configurable framework that can be used by other states. The framework will be configured to establish universally essential components using best practices that are cost-effective, consumer-oriented and take into account the interest of employers, especially small businesses. Because the framework is configurable, other states can apply specific policies and rules to the Oregon solution without major customization or remediation efforts. As part of our approach, Oregon has already begun working with multiple states to ensure a program and technology solution set that can be reused.

Oregon will follow a standard and documented development and sourcing methodology that other states can replicate. Using the Oregon approach, states can exploit our RFP, analysis, design, architecture and other planning processes to help accelerate their procurement, development and implementation activities. Finally, Oregon will utilize an open standards-based commercial framework to develop benefit eligibility determination automation as well as citizen and caseworker portals. While other states wanting to implement the same solution set would need to procure the same commercial framework, pay licensing fees and potentially procure the services of a solutions integrator, Oregon's implemented solution would be available for other states to accelerate their own exchange efforts.

PROGRAM REQUIREMENTS

Key Principles

Systems Development Life Cycle (SDLC) frameworks

Oregon has a well-developed project and systems development methodologies and is positioned to fulfill the requirements of the Exchange. Oregon has completed foundational work by in the areas of system design documents, test plans and traceability matrices, data models and technical architecture diagrams of the basic framework that will accelerate the Exchange project. Oregon has already defined the basic architecture of an integrated solution where rules definition drives front-end citizen interface and can be extended to Exchange needs, enabling Oregon to meet the required federal timelines for early exchange innovators.

Sharing of requirement specifications, analysis, design, code, and testing

Clearly documented requirements specifications, detailed analysis, design (external and internal) and testing documentation will be made available to other states for reuse. Coding will follow rigorous standards in development and will be made available to the Office of Consumer Information and Insurance Oversight (OCIO) and states interested in using the Oregon approach.

Web services architecture and service-oriented architecture

Web services and service-oriented architecture (SOA) are being used in existing solution implementations, and will be used to implement the Exchange. Oregon identified that the mature commercial frameworks employ these loosely coupled architectures as part of their solutions. These architectural standards are essential to the capabilities described in the Oregon enterprise technology plan, in addition to meeting the program requirements of the Exchange. This approach allows the rules used to determine tax credit eligibility, Medicaid eligibility and other program elements to be easily revised, allowing the exchange to quickly respond to federal, state and market changes.

Web services registry

Oregon identified that all of the major configurable frameworks under consideration employ a service registry based on a fully compliant Universal Description, Discovery and Integration (UDDI) registry. The registry provides a standards-based interface for an SOA runtime infrastructure to dynamically discover and use Web services allowing the solution to remain extremely configurable and flexible.

Office of the National Coordinator Standards

Oregon's Health Policy Research group monitors guidance, policy and standards published by the federal government, including the Office of the National Coordinator. We will continue to monitor standards published by the ONC, and employ changes in direction, implementation, as part of our project and systems development methodologies.

National Institute of Standards and Technology Requirements

The design of the eligibility modernization system follows the standards published by the ONC. The State will assess and test a minimum of 194 controls that address National Institute of Standards and Technology (NIST) 800-53 requirements. These requirements will be applied to the information assets of the Exchange. These controls address issues such as establishing proper IT personnel training and operationalizing key monitoring and logging concepts, among many others. The State will use governance and compliance tools (e.g., CA GRC Manager) to monitor and assure compliance with the NIST requirements.

Account security standards and controls

The State has identified at least six information privacy and security standards (see Section 1561 privacy and security) that will be applied to the protection of the information assets and the Exchange system. The State will align with NIST guidelines. These include configuration management, personally identifiable information, security testing and assessment and password management.

Information Technology Standards

Oregon has already adopted a standards and methodology-based approach to implementing information systems. Oregon's enterprise technology plan, project management and system development methodologies will be employed to ensure IT Standards are followed for implementation of the Exchange. In particular, Oregon is committed to following the Verification Interface, Business Rules, and Transmission of Enrollment Information and Privacy & Security guidelines and recommendations as outlined in Section 1561 of the Affordable Care Act to ensure that solution sets are developed using modern technology and processes that are scalable, sustainable and maintainable to most effectively meet citizens' needs in the areas of health coverage and eligibility benefits. Our solutions will ensure that citizens can seamlessly connect with health coverage and human services (SNAP, TANF, ERDC) and that the privacy and security of their data is protected.

Compliance with future HHS guidance

Oregon has assigned points of contact to monitor both IT and program guidance as it is issued through HHS. These staff members are responsible for distributing guidance and for ensuring that appropriate decision makers and system owners take steps to comply with any guidance issued by HHS. The State points of contact for IT guidance related to the Exchange and Medicaid are Aaron Karjala, Deputy Chief Information Officer; Nora Leibowitz, Development Director of Exchange; and Judy Mohr-Peterson, Assistant Director of the Division of Medical Assistance Programs.

Previous Advanced Planning Documents

Oregon has been working in close partnership with the Centers for Medicare & Medicaid Services (CMS) over the last decade. Oregon has submitted and received approval for the following Advanced Planning Documents in the last three years:

- **Medicaid Management Information System (MMIS) Replacement.** This APD requested enhanced funding to implement a new MMIS, which went live December, 2008. Oregon is in the final stages of certification of the new Medicaid system and has closely partnered with CMS during the planning, implementation and post-implementation phases of the system replacement.
- **Medicaid Information Technology Architecture State Self Assessment (MITA SS-A).** The MITA SS-A Planning APD requested enhanced funding for completing the MITA state self-assessment process provided by CMS. Oregon has worked closely with CMS to integrate the initial 'as-is' phase of the MITA SS-A process with the MMIS certification and will continue Medicaid future state planning through 2011.
- **5010 / ICD-10 Planning.** Oregon submitted an APD to request enhanced funding for remediation of the MMIS to support the 10th revision of the International Classification of Diseases (ICD-10) as well as the 5010 version of the X12 HIPAA transactions. Oregon received approval on the APD and is currently working closely with CMS to submit its first APD update for this effort.
- **National Correct Coding Initiative (NCCI).** Oregon is submitting a Planning Advanced Planning Document to receive enhanced funding to implement new Medicaid NCCI methodologies into our MMIS based on section 1903 of the Affordable Care Act. The submission of the PAPD is still in process and Oregon is awaiting final CMS approval.
- **Medicaid State Medicaid HIT Planning (MHIT).** The MHIT Planning APD was submitted to request enhanced funding for development of Oregon's Medicaid Electronic Health Record (EHR) Incentive program and several related initiatives that will promote adoption and meaningful use of certified EHRs for Medicaid providers, develop a coordinated network of Medicaid-related state systems (called the Medicaid Health Information Network) and connect state systems where appropriate to Oregon's statewide health information exchange. The planning phase will result in a comprehensive, coordinated State Medicaid Health Information Technology (HIT) Plan (SMHP) and Implementation APD that recognizes the HIT needs of Oregon's Medicaid clients, providers and DHS/OHA programs. The SMHP and IAPD will be a key component of the overall State HIE Strategic and Operational Plans developed by Oregon's Health Information Technology Oversight Council (HITOC) as part of the federal Office of the National Coordinator (ONC) State HIE Cooperative Agreement Program.
- **Self Sufficiency Modernization (SSM).** This APD was approved by CMS and Food and Nutrition Service in October 2010. This provides federal funding match for planning activities to develop solutions enabling citizens to apply for eligibility benefits online, caseworkers to process those applications and automation of eligibility determination.

In all cases, Oregon submitted APDs in accordance with 45 CFR §95.611(b): Specific prior approval requirements and obtains written approval from CMS prior to the initiation of project activities requiring enhanced federal funding. Oregon's strategy is a close partnership with CMS during APD creation and during execution of approved initiatives. Oregon complies with all instructions issued during approval from CMS.

Readiness: Collecting Data and Information***Structure of current reporting system***

The technological environment has adequate reporting and decision support capabilities for the way that Oregon currently does business. The framework will incorporate a standard data and reporting infrastructure that will better support the more integrated needs of business process changes introduced with health care reform.

Adapting to new reporting demands

The framework Oregon is procuring will provide effective business intelligence, decision support and data warehouse solutions supported by an integrated data model. Oregon has analyzed the current state of its information capabilities and information gaps and is developing a roadmap that will address both the short-term and long-term reporting needs created by health reform.

The following are some of the basic reporting capabilities that Oregon is seeking to achieve in the near-term:

- Transform from transactional reporting to business intelligence supported by a data warehouse.
- Expand reporting capabilities/flexibility and provide better performance measurement statistics.

Process for consumer, small business complaints

The Exchange program will provide multiple channels for managing consumer complaints, questions and requests for assistance. Oregon will offer a call center for consumer relations and through the framework's integrated web portal. Additional work will be required to determine whether the call center will be administered through state employees or a private contractor, but we recognize that this work must be conducted by informed and consumer-oriented staff. Resources available include the OHA ombudsman; internal processes are also in development as part of the Exchange planning and implementation.

Open architecture and interfaces

The framework will have a mature reporting environment and will employ open interfaces, i.e., based on XML and other open standards to efficiently transmit information to insurers, HHS and other external organizations. The State will have procedures and policies to ensure appropriate governance and security for these transmissions.

Health plan data

Oregon will collect information from participating insurance carriers on their health plans, both to make plan certification, recertification and decertification determinations, and to utilize that information in the Exchange's interactive web portal. Information required will be standardized so that consumers will be able to easily make plan comparisons and choose the plans that work best for them. In addition, the Exchange will provide information to the plans on enrollees and receive information on plan disenrollments, premium payment issues and reconciliation.

The Exchange will have access to the state's All Payer Claims Database, which will serve multiple purposes: allowing the exchange to examine the need to improve risk adjustment efforts; and conducting quality and cost effectiveness evaluations. In addition, claims and encounter data can be received from the participating plans to conduct risk adjustment and performance evaluations necessary

for Exchange performance. Such data will allow the state to evaluate issues such as the specific loss ratios for plans offered by a specific carrier.

Readiness: Project Work Plan

This project will use five coordinated and concurrent work teams to establish the major functional domains of an integrated Health Insurance Exchange. Though loosely coupled, each functional domain is dependent on the others to support the business processes of the exchange.

The proposed grant activities will design and implement a seamless and modern technical solution for Oregon's Exchange. Project team members are concurrently engaged in the design and implementation of the Exchange business processes and operations.

The project work plan is structured to facilitate the implementation of the Health Insurance Exchange with the following five domains:

- **Business Rules Management System.** This body of work consists of the development of business rules to manage all of the workflow and business processes that support the Exchange, including federal subsidy eligibility determination and Medicaid eligibility determination.
- **Internal Portal.** This body of work consists of establishing the web-based screens and workflow so that OHA and DHS can manage the Exchange. The internal portal uses the business rules management system to establish internal business processes including, but not limited to, ongoing case management functions such as monitoring for changes in eligibility, management of open enrollment and detecting fraud.
- **External Portal.** This body of work consists of establishing the single presentation of the Exchange to consumers, employers and insurance carriers offering health plans in the Exchange. The portal uses the business rules engine to enable comparison and selection of health plans by consumers and also uses the back office integration tools to prepare and submit payments and premiums to insurance plans.
- **Back Office Integration.** This body of work involves configuring the enterprise services bus³ and other tools to integrate with program management systems such as health plan information systems and the Medicaid Management Information System (MMIS). Ultimately, the back office integration takes output from the eligibility rules configured in the business rules management system and prepares it in a format that can be delivered to MMIS or commercial insurance plans for benefit enrollment or to other State and Federal Systems for verification.
- **Reporting.** This body of work consists of implementing the transactional, decision support and compliance reporting functions from information gathered from the back office data stores. It includes both operational "canned" reports for business management and the establishment of a data warehouse for more sophisticated program management and decision support needs.

The project plan above is a core component of a comprehensive work plan that is part of this application package.

³ An enterprise service bus is a software architecture construct that provides fundamental services for complex architectures using an event-driven and standards-based messaging engine (the bus).

Readiness: Resource Plan

Oregon is fully aware of the programmatic and technical complexity of implementing a fully integrated Health Insurance Exchange that provides a seamless experience for the consumer. The complexity of integrating across program silos poses risks to existing business operations, as well as to the ability to implement innovative programs like the Exchange. The modernization strategy outlined in Oregon's enterprise technology plan puts us in a unique position to implement a Health Insurance Exchange that meets the principles outlined in the funding opportunity announcement. The effort will employ the commercial framework that the State has already begun planning efforts to procure. The strategic guiding principles of the technology plan provide that the framework will adhere to requirements of the Exchange to the extent possible. All budgets, FTE estimates and potential risks related to Exchange integration with Medicaid eligibility are being considered within this program. Furthermore, Exchange technical requirements are consistent with the modernization principles within the enterprise technology plan. Oregon has already begun the initiation and planning stages of the framework and is entering the procurement planning phase. See the attached budget narrative and detailed budget spreadsheet for specific information about the resources we expect to need to carry this out.

Predicted annual budgets

Oregon's predicted budget for the first year of the project is \$46,512,101. The predicted budget for the second year is \$49,678,237. Both predicted annual budgets are based on industry standard project and system planning methodologies that utilize General Services Administration (GSA) schedules, representing "tier 1" contracted rates, and State historical costs. Per the GSA schedule, rates are reduced based on the estimated dollar value of the contract. Rates in the budget represent a 20% reduction. Due to the accelerated schedule involved in this project and the anticipated scope, significant contracted services are utilized in the Project Work Plan. The contracted staff mitigates the key resources critical path constraints, so that each track within the project has dedicated staff with cross-functional expertise to develop solutions in parallel to meet project deadlines. See the attached budget narrative and budget detail spreadsheet for further details.

FTE estimate

Oregon's approach uses 141 total FTE. This estimate was developed using industry standard project and system planning methodologies. These resources represent a mixture of internal and contract project staff. Again, due to the accelerated schedule involved in this project and the anticipated scope, multiple project tracks to develop solutions simultaneously to meet project deadlines are used. See attached budget detail spreadsheet and program structural plan for further details.

Potential risks

Oregon has identified several risks that must be mitigated to ensure successful implementation of a Health Insurance Exchange. Our mature project and systems development lifecycle methodologies provide a solid platform for identifying, mitigating and responding to risk and recognize the challenges of managing the inter-dependency between the exchange and benefit eligibility determination on an aggressive timeframe. Following is a limited set of specifically identified risks for implementing the Exchange:

- The highly integrated nature of the Exchange will result in significant changes to State policies, processes and procedures.
- There will be competing demand for staff resources.

- There are a variety of political influences at the state and federal levels that can impact implementation.
- The implementation timelines are aggressive and must be managed closely.
- The size and complexity of the project will require solid project management and governance.
- The current technology environment is highly complex and fragmented.
- Policy directions within the federal program are still in refinement and some changes could dramatically impact technology requirements.
- The technology and business rules to support the Exchange are relatively leading-edge.

Oregon will prepare for and respond to potential risks as we plan and implement our IT solution. The State benefits from high-level support for the Exchange and its IT solution, both within relevant state agencies (including OHA, DHS and Department of Consumer and Business Services) and by the Governor and Legislature. The relevant state agencies are full partners in the development of Oregon's Exchange solution and will continue to work with the Exchange's public corporation once that organization is established in fall 2011. Similarly, the State is working closely with OCIIO and CMS, providing input on proposed rulemaking and assisting where possible in the development of relevant federal guidance and requirements. Our state and federal partners are committed to the development of a technical solution for the Exchange and will work together to ensure that the technology and business rules support Exchange implementation and operations. By employing the systems development lifecycle processes, Oregon is confident that we will fully identify and respond to risks related to successful implementation of this project.

Analysis of proposed budget's cost effectiveness

Oregon has used our mature project and system planning methodologies to create a reasonable plan that addresses the people, process and technology requirements to implement the Exchange. The activities supporting the creation of our enterprise technology plan provides a solid basis for a reasonable set of assumptions for successful implementation. Oregon's previous efforts related to developing a plan for modernizing eligibility and enrollment processes for public social services programs (self sufficiency modernization, or SSM) provided guidance for the development of the project budget, deliverables and staffing plan. Based on our experience with SSM, Oregon's Exchange planning team believes that the proposed project plan is reasonable and can be completed with the proposed staffing resources and project budget.

Evaluation

To accomplish an effective single point of entry for all clients, the Exchange will need to accommodate current health program eligibility determination. Performance metrics will be used to assess progress throughout the project implementation. Key indicators will include output, timeliness, cost effectiveness, and outcome metrics.

Output and timeliness measures will focus on the development and implementation of the interactive web-based solution and its project management. A key measure of success is the flexibility incorporated in the project's design. Wisconsin's implementation of its ACCESS system⁴ offers guidance in developing our own eligibility product and insight into the flexibility required to interact with current legacy eligibility and enrollment systems.

⁴ Wisconsin's ACCESS system is a self-service, web-based tool that allows residents to determine health care and social service program eligibility, apply for, check and renew their benefits, and report status changes.

Cost effectiveness will be measured by benchmarking against other states where electronic eligibility systems have already been successfully established; once again Wisconsin will be a key comparator. Oregon will also measure the efficiency gains and cost reduction associated with replacing the current limited and non-integrated eligibility systems.

Output metrics will consist of benchmarking to current eligibility practices as well as capturing the efficiencies realized through automation of the current paper-intensive manual processes. Specific measures will include: system utilization and adoption, LEAN (touch time) process improvements, reductions in case backlog and case determination time, technology adoption (how readily the technology is adopted by end users and eligibility staff), overall program enrollment changes, and many data quality metrics currently unavailable due to the lack of data integration in the legacy data systems.

Also, once the technical solution is established, we will measure how long it takes for required information to be imported into the system to make eligibility determinations final. Other measures – such as how many users begin the process without completing it, how often people who abandon the process midway return to finish their applications and enrollment materials, and the number and content of consumer complaints – and other feedback will be used to determine the success of the technical solution and its utility to consumers.

Readiness: Standards

National Information Exchange Model (NIEM)

As part of Oregon's Information Security policy, the State has incorporated the Information Exchange Package Documentation (IEPD) lifecycle of NIEM into our design and development processes. This strategy will allow us to integrate data across domains within the framework to facilitate enrollment of individuals using common data among multiple systems.

Data management implications

- NIEM requires the State to publish a data dictionary for data elements that are exchanged and adopt the schemas and namespaces that are provided under the NIEM framework. The State recognizes the importance of a published data dictionary and it is part of the overall data management direction.
- The State will create governance for data management, evaluate compliance with NIEM and share schemas with other states. Creating data governance is part of the planning process that is already under way.
- The State already has achieved a moderate level of NIEM maturity as we have data dictionaries and have developed an overall data management strategy. The State understands that the scope of NIEM applies to specific definitions of data exchange supported by the capabilities of an Import/Export tool. Oregon will employ such a tool that facilitates implementation of the NIEM framework.
- The State already has the capability to participate in XML exchanges.
- The State agrees that the NIEM framework will help reduce its maintenance footprint as it creates re-usable data exchange tools, components and schemas.

Adaptation to the recommendations of Section 1561 of the Affordable Care Act

Core Data. The State is planning to use an enterprise data dictionary for core data and follow NIEM guidelines. This includes a core set of eleven data elements collected from clients during the application process for social service programs such as Medicaid. These data elements are name, date of birth, Social Security number, gender, address, citizenship, immigration status, possible incarceration history, race/ethnicity, household composition and income.

Verification Interfaces. The State is working to procure a commercial solution framework that supports standardized web services for integrated eligibility. The framework will be able to interface with federal, state or other widely available data sources and tools including U.S. Postal Service address standardization Application Programming Interface (API) etc. for information verification.

Business Rules. The State is working to procure a commercial solution framework that includes a rules engine that allows business rules for all programs including SNAP and TANF to be expressed in a consistent, technology-neutral format. These rules will be stored and managed outside of the transactional systems.

Transmission of Enrollment Information. The State is working to procure a commercial solution framework for integrated eligibility that will use HIPAA transaction standards.

Privacy and Security. The State of Oregon uses governance and compliance tools to manage information privacy and security requirements controls and issues. For the Health Insurance Exchange project we will rely on guidance from the following documents: OMB Circular A-130; Appendix III (CMS data use agreement security requirements); FIPS 200 (grant and CMS data use agreement security requirements); NIST 800-53 (grant and CMS data use agreement security requirements); HIPAA Privacy Rule and Security Rule; ACA 1561 Recommendations (Privacy and Security); and ARRA HITECH. The requirements and controls include, but are not limited to: awareness and education (A&E); access control; human resource (State and vendor); systems (application and hosting); physical and environmental security; asset management; incident management; business continuity; and disaster recovery. The Health Insurance Exchange system and associated information assets will meet the privacy and security requirements cited above.

The protection of information assets and the consumer's expectation of privacy are addressed through communications and A&E materials. These are reviewed and enhanced as necessary to help users and system support staff (including contractors and vendors) understand their responsibilities in protecting the information assets. Information privacy and security requirements are essential components in all agreements, including contracts that involve the exchange of information assets and system access.

The foundation of information protection is to limit the collection, use and exposure of information assets. The exchange system will be built upon this foundation.

Security is managed through program management; the security plan includes the following elements: an overview of system security requirements; a description of the corresponding planned or existing security controls; a formal risk assessment; analysis of impacts of changes; and specification of required security controls. This process ensures that existing security and control procedures are not

compromised, support programmers and administrators are given access only to those parts of the system necessary for their work, and that formal agreement and approval for any change is obtained.

Use of x12n HIPAA 834 enrollment and 270/271 eligibility transactions

DHS/OHA has implemented version 4010 of the x12n HIPAA 834 enrollment and 270/271 eligibility transactions. Oregon is in the process of implementing version 5010 by the federally mandated January 1, 2012 compliance date.

Federal Information Processing Standards (FIPS)

The State of Oregon will assess and test a minimum of 184 controls addressing FIPS 200 requirements that will be applied to the information assets and Health Insurance Exchange system. An example of a control and associated requirement would be the "intrusion and incident response" control, in requirement Section 3 of FIPS.

HIPAA

The State of Oregon will assess and test a minimum of 111 controls that address administrative, physical and technical HIPAA Privacy Rule and Security Rule requirements that will be applied to the information assets and exchange system. For example, one control would be "collecting and use the minimum data necessary" in requirement 164.514(d).

Oregon's policy is to adhere to HIPAA guidelines and rules and will continue to employ this policy when implementing new Exchange interfaces. The State will also provide guidance on compliance with HIPAA to potential contractors and vendors during the procurement process.

Security

Collection Limitation. Oregon's information security policies guide the collection of data to meet program needs. The foundation of Oregon's policy follows best practice regarding information protection which limits the collection, use and exposure of information assets. The exchange system will be built following Oregon's policy and information security best practices.

Data Integrity & Quality. Oregon understands the importance of data quality and integrity in safeguarding consumer information. Oregon has mature data resource management and information security functions that promote good data stewardship and data management best practices. Oregon has experience with advanced data practices, including those related to data collection, extraction, transformation, loading, matching and analytics. The approach of implementing a modern configurable framework with advanced data management functionality will allow Oregon to perform sound data and analytic methods to drive decision making for the Exchange.

Openness & Transparency. Oregon has an established Information Security Office (ISO) that administers security policy. A core charter element of the ISO is that the protection of information assets and the consumer's expectation of privacy are addressed through communications and Awareness and Education materials. The Health Insurance Exchange project will develop and disseminate these materials.

Readiness: Accessibility for Individuals with Disabilities

As can be verified by looking at the tasks in the attached work plan, the State is committed to providing accessibility to information technology for persons with disabilities as spelled out in section 508 of the Rehabilitation Act.

- The State does not refuse persons with disabilities participation in services, programs or activities simply because that person has a disability.
- The State does provide programs and services in as integrated setting as possible, unless separate or different measures are necessary to ensure equal opportunity.
- The State operates its programs so that, when viewed in their entirety, they are readily accessible to and usable by individuals with disabilities.
- The States tries to ensure effective communication with individuals with disabilities.
- Where necessary to ensure that communications with individuals with hearing, vision, or speech impairments are as effective as communications with others, the State tries to provide appropriate auxiliary aids.

Oregon understands that "auxiliary aids" include such services or devices as qualified interpreters, assistive listening headsets, television captioning and decoders, telecommunications devices for deaf persons (TDD's), videotext displays, readers, taped texts, Braille materials, and large print materials.

Oregon understands that Titles I, II, III, and IV of the ADA, the Telecommunications Act of 1996, and the Assistive Technology Act Amendments of 1998 require electronic devices be accessible to people with disabilities. Consequently, the State provides accessible technology when necessary to make programs accessible or to insure effective communication in private businesses open to the public.

The State has implemented a number of programs to aid persons with disabilities (e.g. deaf and hard of hearing, vision impaired, seniors, mobility impaired) in accessing state systems and websites. For example, see the State e-Government website: <http://www.oregon.gov/accessibility.shtml>

Textual Alternative Pages

The State's textual alternative pages display web page content independent of style sheets or mark-up and remove all layout elements so assistive technology can render the page without problems. Content colors can be changed to display content appropriately for those having impaired color vision.

Forms

Electronic forms use tags that can be read by assistive technology.

Multi-media

Web pages do not use multimedia technology and hence are readable by assistive technology.

Tables

State text alternative pages include row and column headers on data tables. For multi-level tables, scope IDs are included. This makes them easier to be interpreted by assistive technologies.

Testing for accessibility is included as part of applications testing. DHS/OHA uses tools, such as JAWS, for testing applications for accessibility.

READINESS: SUMMARY OF CONCLUSIONS

The grant announcement for this program asks applicants to assess their readiness to carry out various aspects of Exchange IT development. These topics have been addressed throughout this document and marked with the term "readiness."

In summary, Oregon is prepared to embark on an innovative IT solution supporting a Health Insurance Exchange because of the state's history of innovation in health policy, its commitment to health information technology and its experience with modernizing the eligibility and enrollment for its Medicaid and social services programs. Oregon's legislative leadership in health reform has established a governance structure that will provide guidance and support to creating an innovative, practical and reusable technical solution for creation of an Exchange. A wide range of stakeholders, including the State's health policy leadership, Exchange advisory groups, states interested in Oregon's technical solution and many others are prepared to support this work. The technical architecture and IT standards are well developed, in part because of the Medicaid modernization work that has already taken place and continues. Consumers' needs are also being taken into account to ensure that the result provides a seamless experience for health insurance coverage, no matter a person's income or circumstance.

Oregon looks forward to using its past as a health policy innovator to create an IT solution that can be a model for other states and propel our own Health Insurance Exchange forward. We appreciate the opportunity being offered by OCIIO through this grant.

**Oregon Exchange Grant
Project Work Plan
as of December 22, 2010**

Number	Objectives/Milestones/Deliverables	Grant (Qtrs)	Teams
Initiation			
0	HHS Award Notification	2/15/2011	HHS
0.1	Project Charter	Q1	Executive & Program Leadership
	<i>Initiation Phase Completed</i>	<i>Milestone</i>	
1	Concept Phase		
1.1	Project Process Agreement	Q1	Technical Program
1.2	Business Case	Q1	Business Program
1.3	Business Process Model	Q1	Implementation
1.4	High-Level Technical Design	Q1	Technical Solution
1.5	Section 508 Product Assessment Package	Q1	Implementation
1.6	Information Security Risk Assessment	Q1	Implementation
1.7	Requirements Document	Q1	Implementation
1.8	Privacy Impact Assessment	Q1	Implementation
1.9	ISR - Investment Selection Review (Governance Review)	Q1	Executive & Program Leadership
	<i>Concept Phase Completed</i>	<i>Milestone</i>	
2	IT Investment Control Phase (Project):		
2.1	Planning Phase		
2.1.1	Project Plan (using PMBOK planning sections)	Q1	Project Mgmt
2.1.2	Project Schedule	Q1	Project Mgmt
2.1.3	Resource Plan	Q1	Project Mgmt
2.1.4	Budget Plan	Q1	Project Mgmt
2.1.5	Communication Plan	Q1	Implementation
2.1.6	Information Security Risk Assessment	Q1	Technical Solution
2.1.7	PSR - Project Start-up Review (Project Review)	Q1	Project Mgmt
2.1.8	PBR - Project Base Review (Governance Review)	Q1	Executive & Program Leadership
	<i>IT Investment Control Planning Phase Completed</i>	<i>Milestone</i>	
2.2	Project Management & Control Phase		
2.2.1	Project Management Controls & Oversight	Ongoing	Project Mgmt
2.2.2	Project Management Office Controls & Oversight	Ongoing	Project Mgmt
2.2.3	Software Development Controls & Oversight	Ongoing	Development Manager
2.2.4	Project Schedule Updates & Oversight	Ongoing	Project Mgmt
2.2.5	Risk Analysis	Ongoing	Implementation
2.2.6	Performance Measures	Ongoing	Program Leadership
2.2.7	Alternative Analysis	Q1	Implementation
2.2.8	Configuration Management Plan	Q1	Development Manager
2.2.9	System Security Plan	Q1	Implementation
2.2.10	Test Plan	Q1	Implementation
2.2.11	Qrtly Briefings/Presentations to OCIO	Qrtly	Executive & Program Leadership/OCIO-CMS
2.2.12	Annual Briefing/Presentations to OCIO	Q4 / Q8	Executive & Program Leadership/OCIO-CMS
2.2.13	RR - Requirements Review (Project Review)	Q1	Project Mgmt
2.3	Architecture / Concept Phase		
2.3.1	Business Process Model	Q1	Technical Solution
2.3.2	Logical Data Model	Q1	Technical Solution
2.3.3	Physical Data Model	Q1	Technical Solution
2.3.4	System Security Architecture Design	Q1	Technical Solution

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Number	Objectives/Milestones/Deliverables	Grant (Qtrs)	Teams
2.3.5	Section 508 Product Assessment Package	Q1	Technical Solution
2.2.16	System of Records Declarations	QA	Technical Solution
2.4	Procurement Phase (Deliverables)	Q1	
2.4.1	Acquisition Strategy	Q1	Executive & Program Leadership
2.4.2	Concept of Operations	Q1	Executive Leadership/Exchange Program
2.5	Commercial Framework Solution/Systems Integrator		
2.5.1	Request for Pros pals	Q1	Team A
2.5.2	Solicitation	Q2	Team A
2.5.3	Evaluation	Q2	Team A
2.5.4	Award	Q3	Executive Leadership/Exchange Program
2.6	Hardware & Installation		
2.6.1	Request for Pros pals	Q3	Team A
2.6.2	Solicitation	Q3	Team A
2.6.3	Evaluation	Q3	Team A
2.6.4	Award	Q3	Executive Leadership/Exchange Program
	<i>Procurement Phase Completed</i>	<i>Milestone</i>	
3	<u>Health Insurance Exchange Concept Phase</u>		
3.1	Rules and Policy Automation		
3.1.1	Rule and Policy Information Gathering and Grouping	Q1	Implementation Team C
3.1.2	Market Exchange Rule Assessment	Q1	Implementation Team C
3.1.3	Readiness Assessment	Q1	Implementation Team C
3.2	Service Delivery Model		
3.2.1	To Be State Process	Q1	Implementation Team B
3.2.2	Insurees	Q1	Implementation Team B
3.2.3	Insurers	Q1	Implementation Team B
3.2.4	Public Insurance	Q1	Implementation Team B
3.2.5	Private Insurance	Q1	Implementation Team B
3.2.6	Tax Credits	Q1	Implementation Team B
3.3	Back Office Integration	Q1	
3.3.1	Internal Systems	Q1	Implementation Team D
3.3.2	3rd Party External Systems	Q1	Implementation Team D
3.4	Data Warehouse	Q1	
3.4.1	Ad-Hoc	Q1	Implementation Team E
3.4.2	Operational	Q1	Implementation Team E
3.4.3	Management	Q1	Implementation Team E
3.4.4	Mandated	Q1	Implementation Team E
3.4.5	3rd Party	Q1	
3.5	Call Center	Q1	
3.5.1	To Be State	Q1	Implementation Team G
3.5.2	Organization Structure	Q1	Implementation Team G
3.5.3	Processes Analyzed	Q1	Implementation Team G
	<u>Implementation Phase</u>		
4	Business Rules Management System		Team C
4.1	Requirements Analysis Phase		

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Number	Objectives/Milestones/Deliverables	Grant (Qtrs)	Teams
4.1.1	Project Schedule	Q1	Project Manager III
4.1.2	Section 508 Product Assessment Package	Q1	Implementation Team C
4.1.3	Information Security Risk Assessment	Q1	Implementation Team C
4.1.4	Release Plan	Q1	Implementation Team C
4.1.5	Requirements Document	Q1	Implementation Team C
4.1.6	System Security Plan	Q1	Implementation Team C
4.1.7	System of Records	Q1	Implementation Team C
4.1.8	Test Plan	Q1	Implementation Team C
4.1.9	<i>RR - Requirements Review (Project Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
4.2	Preliminary Design Review Phase		
4.2.1	System Design Document	Q2	Project Mgmt & Implementation Team C
4.2.2	Interface Control Document	Q2	Project Mgmt & Implementation Team C
4.2.3	Section 508 Product Assessment Package	Q2	Project Mgmt & Implementation Team C
4.2.4	Information Security Risk Assessment	Q2	Project Mgmt & Implementation Team C
4.2.5	Release Plan	Q2	Project Mgmt & Implementation Team C
4.2.6	Data Use Agreement(s)	Q2	Project Mgmt & Implementation Team C
4.2.7	System Security Plan(s)	Q2	Project Mgmt & Implementation Team C
4.2.8	System of Records	Q2	Project Mgmt & Implementation Team C
4.2.9	Test Plan(s) and Traceability Matrix	Q2	Project Mgmt & Implementation Team C
4.2.10	Database Design Document	Q2	Project Mgmt & Implementation Team C
4.2.11	Design Contingency Plan	Q2	Project Mgmt & Implementation Team C
4.2.12	<i>Computer Match Agreement / Inter-Intra Agency Agreement</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
4.2.13	<i>PDR - Preliminary Design Review (Governance Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
4.2.14	<i>Briefings/presentations to OCIO</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
4.3	DDR - Detailed Design Review (Project Review)		
4.3.1	System Design Document	Q3	Project Mgmt & Implementation Team C
4.3.2	Interface Control Document	Q3	Project Mgmt & Implementation Team C
4.3.3	Database Design Document	Q3	Project Mgmt & Implementation Team C
4.3.4	Physical Data Model	Q3	Project Mgmt & Implementation Team C
4.3.5	Data Management Plan	Q3	Project Mgmt & Implementation Team C
4.3.6	Data Conversion Plan	Q3	Project Mgmt & Implementation Team C
4.3.7	<i>Automated Code Review Results briefings/presentations to OCIO</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
4.4	Development Phase	Q4-Q6	
4.4.1	Version Description Document	Q4-Q6	System Admin/Developer III / II
4.4.2	Business Product / Code	Q4-Q6	System Admin/Developer III / II
4.4.3	<i>Section 508 Product Assessment Package</i>	Q4-Q6	System Admin/Developer III / II
4.4.4	Information Security Risk Assessment	Q4-Q6	Implementation Team C
4.4.5	Data Use Agreement	Q4-Q6	Implementation Team C
4.4.6	System Security Plan	Q4-Q6	Security Manager
4.4.7	Database Design Document	Q4-Q6	System Admin/Developer III / II
4.4.8	Contingency Plan	Q4-Q6	System Admin/Developer III / II
4.4.9	<i>VRR - Validation Readiness Review (Project Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
4.5	Data Conversion Phase		
4.5.1	Data Conversion Plan	Q8	Implementation Team C
4.5.2	Converted Data	Q8	Data Architect

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Number	Objectives/Milestones/Deliverables	Grant (Qtrs)	Teams
4.6	Test Phase		
4.6.1	<i>Version Description Document</i>	Q5-Q8	Tester II
4.6.2	<i>Security Test & Evaluation</i>	Q5-Q8	Tester II
4.6.3	Test Case Specification	Q5-Q8	Tester II
4.6.4	Test Summary Report	Q5-Q8	Tester II
4.6.5	Training Artifacts	Q5-Q8	Trainer II
4.6.6	Section 508 Product Assessment Package	Q5-Q8	Implementation Team C
4.6.7	Information Security Risk Assessment	Q5-Q8	Implementation Team C
4.6.8	Data Use Agreement	Q5-Q8	Implementation Team C
4.6.9	System Security Plan	Q5-Q8	Implementation Team C
4.6.10	Contingency Plan	Q5-Q8	Implementation Team C
4.6.11	<i>IRR - Implementation Readiness Review (Project Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
4.7	Implementation Phase (pilot)		
4.7.1	Implementation Plan	Q7-Q8	Project Manager III
4.7.2	User Manual	Q7-Q8	Trainer II
4.7.3	Operations & Maintenance Manual	Q7-Q8	Trainer II
4.7.4	Contingency Plan Test	Q8	Tester
4.7.5	Plan of Action & Milestones	Q7-Q8	Project Mgmt
4.7.6	Section 508 Product Assessment Package	Q7-Q8	Implementation Team C
4.7.7	Training Plan	Q7	Implementation Team C
4.7.8	Information Security Risk Assessment	Q7-Q8	Implementation Team C
4.7.9	Data Use Agreement	Q8	Implementation Team C
4.7.10	System Security Plan	Q8	Implementation Team C
4.7.11	ATO Package	Q8	Implementation Team C
4.7.12	Corrective Action Plans (Monthly)	Ongoing	Project Manager III
4.7.13	Contingency Plan	Q8	Project Manager III
4.7.14	<i>ATO – Authority to Operate</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
4.7.15	<i>PRR – Production Readiness Review (Project Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
4.7.16	<i>ORR – Operational Readiness Review (Governance Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
4.7.17	<i>IT Investment Evaluation Phase (Post Project):</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
4.8	Operations & Maintenance Phase		
4.8.1	Project Closeout Report	Q8	Project Mgmt
4.8.2	Post Implementation Report	TBD	Project Mgmt
4.8.3	Annual Operational Analysis Report	TBD	Program Leadership
4.8.4	Annual Security Controls Testing Artifact	TBD	Security Manager
4.8.5	<i>Annual Contingency Plan Test</i>	TBD	Project Manager III
4.8.6	<i>PIR – Post Implementation Review (Project Review)</i>	TBD	<i>Executive & Program Leadership</i>
4.8.7	<i>OAR – Annual Operational Analysis Review (Project Review)</i>	TBD	<i>Executive & Program Leadership</i>
4.8.8	CSM – Continual Security Monitoring	TBD	Security Manager
5	Internal Facing Portal(s)		
5.1	Requirements Analysis Phase		
5.1.1	Project Schedule	Q1	Project Manager III / II
5.1.2	Section 508 Product Assessment Package	Q1	Implementation Team A
5.1.3	Information Security Risk Assessment	Q1	Implementation Team A
5.1.4	Release Plan	Q1	Implementation Team A
5.1.5	Requirements Document	Q1	Implementation Team A

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Number	Objectives/Milestones/Deliverables	Grant (Qtrs)	Teams
5.1.6	System Security Plan	Q1	Implementation Team A
5.1.7	System of Records	Q1	Implementation Team A
5.1.8	Test Plan	Q1	Implementation Team A
5.1.9	<i>RR - Requirements Review (Project Review)</i>	<i>Milestone</i>	<i>Project Mgmt/Program Leadership</i>
5.2.	Preliminary Design Review Phase		
5.2.1	System Design Document	Q2	Project Mgmt & Implementation Team A
5.2.2	Interface Control Document	Q2	Project Mgmt & Implementation Team A
5.2.3	Section 508 Product Assessment Package	Q2	Project Mgmt & Implementation Team A
5.2.4	Information Security Risk Assessment	Q2	Project Mgmt & Implementation Team A
5.2.5	Release Plan	Q2	Project Mgmt & Implementation Team A
5.2.6	Data Use Agreement(s)	Q2	Project Mgmt & Implementation Team A
5.2.7	System Security Plan(s)	Q2	Project Mgmt & Implementation Team A
5.2.8	System of Records	Q2	Project Mgmt & Implementation Team A
5.2.9	Test Plan(s) and Traceability Matrix	Q2	Project Mgmt & Implementation Team A
5.2.10	Database Design Document	Q2	Project Mgmt & Implementation Team A
5.2.11	Design Contingency Plan	Q2	Project Mgmt & Implementation Team A
5.2.12	<i>Computer Match Agreement / Inter-Intra Agency Agreement</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
5.2.13	<i>PDR - Preliminary Design Review (Governance Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
5.2.14	<i>Briefings/presentations to OCIO</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
5.3	DDR - Detailed Design Review (Project Review)		
5.3.1	System Design Document	Q3	Project Mgmt & Implementation Team A
5.3.2	Interface Control Document	Q3	Project Mgmt & Implementation Team A
5.3.3	Database Design Document	Q3	Project Mgmt & Implementation Team A
5.3.4	Physical Data Model	Q3	Project Mgmt & Implementation Team A
5.3.5	Data Management Plan	Q3	Project Mgmt & Implementation Team A
5.3.6	Data Conversion Plan	Q3	Project Mgmt & Implementation Team A
5.3.7	<i>Automated Code Review Results briefings/presentations to OCIO</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
5.4	Development Phase	Q4-Q6	
5.4.1	Version Description Document	Q4-Q6	System Admin/Developer III / II
5.4.2	Business Product / Code	Q4-Q6	System Admin/Developer III / II
5.4.3	<i>Section 508 Product Assessment Package</i>	Q4-Q6	System Admin/Developer III / II
5.4.4	Information Security Risk Assessment	Q4-Q6	Implementation Team A
5.4.5	Data Use Agreement	Q4-Q6	Implementation Team A
5.4.6	System Security Plan	Q4-Q6	Security Manager
5.4.7	Database Design Document	Q4-Q6	Development/Configuration Admin
5.4.8	Contingency Plan	Q4-Q6	Development/Configuration Admin
5.4.9	<i>VRR - Validation Readiness Review (Project Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
5.5	Data Conversion Phase		
5.5.1	Data Conversion Plan	Q8	Implementation Team A
5.5.2	Converted Data	Q8	Data Architect
5.6	Test Phase		
5.6.1	<i>Version Description Document</i>	Q5-Q8	Tester II
5.6.2	<i>Security Test & Evaluation</i>	Q5-Q8	Tester II
5.6.3	Test Case Specification	Q5-Q8	Tester II
5.6.4	Test Summary Report	Q5-Q8	Tester II

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Number	Objectives/Milestones/Deliverables	Grant (Qtrs)	Teams
5.6.5	Training Artifacts	Q5-Q8	Trainer II
5.6.6	Section 508 Product Assessment Package	Q5-Q8	Implementation Team A
5.6.7	Information Security Risk Assessment	Q5-Q8	Implementation Team A
5.6.8	Data Use Agreement	Q5-Q8	Implementation Team A
5.6.9	System Security Plan	Q5-Q8	Implementation Team A
5.6.10	Contingency Plan	Q5-Q8	Implementation Team A
5.6.11	<i>IRR - Implementation Readiness Review (Project Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
5.7	Implementation Phase (pilot)		
5.7.1	Implementation Plan	Q7-Q8	Project Manager III / II
5.7.2	User Manual	Q7-Q8	Trainer II
5.7.3	Operations & Maintenance Manual	Q7-Q8	Trainer II
5.7.4	Contingency Plan Test	Q8	Tester
5.7.5	Plan of Action & Milestones	Q7-Q8	Project Mgmt
5.7.6	Section 508 Product Assessment Package	Q7-Q8	Implementation Team A
5.7.7	Training Plan	Q7	Implementation Team A
5.7.8	Information Security Risk Assessment	Q7-Q8	Implementation Team A
5.7.9	Data Use Agreement	Q8	Implementation Team A
5.7.10	System Security Plan	Q8	Implementation Team A
5.7.11	ATO Package	Q8	Implementation Team A
5.7.12	Corrective Action Plans (Monthly)	Ongoing	Project Manager III / II
5.7.13	Contingency Plan	Q8	Project Manager III / II
5.7.14	<i>ATO – Authority to Operate</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
5.7.15	<i>PRR – Production Readiness Review (Project Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
5.7.16	<i>ORR – Operational Readiness Review (Governance Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
5.7.17	<i>IT Investment Evaluation Phase (Post Project):</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
5.8	Operations & Maintenance Phase		
5.8.1	Project Closeout Report	Q8	Project Mgmt
5.8.2	Post Implementation Report	TBD	Project Mgmt
5.8.3	Annual Operational Analysis Report	TBD	Program Leadership
5.8.4	Annual Security Controls Testing Artifact	TBD	Security Manager
5.8.5	<i>Annual Contingency Plan Test</i>	TBD	Project Manager III / II
5.8.6	<i>PIR – Post Implementation Review (Project Review)</i>	TBD	<i>Executive & Program Leadership</i>
5.8.7	<i>OAR – Annual Operational Analysis Review (Project Review)</i>	TBD	<i>Executive & Program Leadership</i>
5.8.8	CSM – Continual Security Monitoring	TBD	Security Manager
6	External Facing Portal(s)		
6.1	Requirements Analysis Phase		
6.1.1	Project Schedule	Q1	Project Mgmt
6.1.2	Section 508 Product Assessment Package	Q1	Implementation Team F
6.1.3	Information Security Risk Assessment	Q1	Implementation Team F
6.1.4	Release Plan	Q1	Implementation Team F
6.1.5	Requirements Document	Q1	Implementation Team F
6.1.6	System Security Plan	Q1	Implementation Team F
6.1.7	System of Records	Q1	Implementation Team F
6.1.8	Test Plan	Q1	Implementation Team F
6.1.9	<i>RR - Requirements Review (Project Review)</i>	<i>Milestone</i>	<i>Project Mgmt/Program Leadership</i>
6.2	Preliminary Design Review Phase		

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Number	Objectives/Milestones/Deliverables	Grant (Qtrs)	Teams
6.2.1	System Design Document	Q2	Project Mgmt & Implementation Team F
6.2.2	Interface Control Document	Q2	Project Mgmt & Implementation Team F
6.2.3	Section 508 Product Assessment Package	Q2	Project Mgmt & Implementation Team F
6.2.4	Information Security Risk Assessment	Q2	Project Mgmt & Implementation Team F
6.2.5	Release Plan	Q2	Project Mgmt & Implementation Team F
6.2.6	Data Use Agreement(s)	Q2	Project Mgmt & Implementation Team F
6.2.7	System Security Plan(s)	Q2	Project Mgmt & Implementation Team F
6.2.8	System of Records	Q2	Project Mgmt & Implementation Team F
6.2.9	Test Plan(s) and Traceability Matrix	Q2	Project Mgmt & Implementation Team F
6.2.10	Database Design Document	Q2	Project Mgmt & Implementation Team F
6.2.11	Design Contingency Plan	Q2	Project Mgmt & Implementation Team F
6.2.12	<i>Computer Match Agreement / Inter-Intra Agency Agreement</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
6.2.13	<i>PDR - Preliminary Design Review (Governance Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
6.2.14	<i>Briefings/presentations to OCIO</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
6.3	DDR - Detailed Design Review (Project Review)		
6.3.1	System Design Document	Q3	Project Mgmt & Implementation Team F
6.3.2	Interface Control Document	Q3	Project Mgmt & Implementation Team F
6.3.3	Database Design Document	Q3	Project Mgmt & Implementation Team F
6.3.4	Physical Data Model	Q3	Project Mgmt & Implementation Team F
6.3.5	Data Management Plan	Q3	Project Mgmt & Implementation Team F
6.3.6	Data Conversion Plan	Q3	Project Mgmt & Implementation Team F
6.3.7	<i>Automated Code Review Results briefings/presentations to OCIO</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
6.4	Development Phase	Q4-Q6	
6.4.1	Version Description Document	Q4-Q6	System Admin/Developer III / II
6.4.2	Business Product / Code	Q4-Q6	System Admin/Developer III / II
6.4.3	<i>Section 508 Product Assessment Package</i>	Q4-Q6	System Admin/Developer III / II
6.4.4	Information Security Risk Assessment	Q4-Q6	Implementation Team F
6.4.5	Data Use Agreement	Q4-Q6	Implementation Team F
6.4.6	System Security Plan	Q4-Q6	Security Manager
6.4.7	Database Design Document	Q4-Q6	Development/Configuration Admin
6.4.8	Contingency Plan	Q4-Q6	Development/Configuration Admin
6.4.9	<i>VRR - Validation Readiness Review (Project Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
6.5	Data Conversion Phase		
6.5.1	Data Conversion Plan	Q8	Implementation Team F
6.5.2	Converted Data	Q8	Data Architect
6.6	Test Phase		
6.6.1	<i>Version Description Document</i>	Q5-Q8	Tester II
6.6.2	<i>Security Test & Evaluation</i>	Q5-Q8	Tester II
6.6.3	Test Case Specification	Q5-Q8	Tester II
6.6.4	Test Summary Report	Q5-Q8	Tester II
6.6.5	Training Artifacts	Q5-Q8	Trainer II
6.6.6	Section 508 Product Assessment Package	Q5-Q8	Implementation Team F
6.6.7	Information Security Risk Assessment	Q5-Q8	Implementation Team F
6.6.8	Data Use Agreement	Q5-Q8	Implementation Team F
6.6.9	System Security Plan	Q5-Q8	Implementation Team F

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Number	Objectives/Milestones/Deliverables	Grant (Qtrs)	Teams
6.6.10	Contingency Plan	Q5-Q8	Implementation Team F
6.6.11	<i>IRR - Implementation Readiness Review (Project Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
6.7	Implementation Phase (pilot)		
6.7.1	Implementation Plan	Q7-Q8	Project Manager III / II
6.7.2	User Manual	Q7-Q8	Trainer II
6.7.3	Operations & Maintenance Manual	Q7-Q8	Trainer II
6.7.4	Contingency Plan Test	Q8	Tester
6.7.5	Plan of Action & Milestones	Q7-Q8	Project Mgmt
6.7.6	Section 508 Product Assessment Package	Q7-Q8	Implementation Team F
6.7.7	Training Plan	Q7	Implementation Team F
6.7.8	Information Security Risk Assessment	Q7-Q8	Implementation Team F
6.7.9	Data Use Agreement	Q8	Implementation Team F
6.7.10	System Security Plan	Q8	Implementation Team F
6.7.11	ATO Package	Q8	Implementation Team F
6.7.12	Corrective Action Plans (Monthly)	Ongoing	Project Manager III / II
6.7.13	Contingency Plan	Q8	Project Manager III / II
6.7.14	<i>ATO - Authority to Operate</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
6.7.15	<i>PRR - Production Readiness Review (Project Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
6.7.16	<i>ORR - Operational Readiness Review (Governance Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
6.7.17	<i>IT Investment Evaluation Phase (Post Project):</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
6.8	Operations & Maintenance Phase		
6.8.1	Project Closeout Report	Q8	Project Mgmt
6.8.2	Post Implementation Report	TBD	Project Mgmt
6.8.3	Annual Operational Analysis Report	TBD	Program Leadership
6.8.4	Annual Security Controls Testing Artifact	TBD	Security Manager
6.8.5	<i>Annual Contingency Plan Test</i>	TBD	Project Manager III / II
6.8.6	<i>PIR - Post Implementation Review (Project Review)</i>	TBD	<i>Executive & Program Leadership</i>
6.8.7	OAR - Annual Operational Analysis Review (Project Review)	TBD	<i>Executive & Program Leadership</i>
6.8.8	CSM - Continual Security Monitoring	TBD	Security Manager
7	Back Office Integration		
7.1	Requirements Analysis Phase		
7.1.1	Project Schedule	Q1	Project Manager III
7.1.2	Section 508 Product Assessment Package	Q1	Implementation Team D
7.1.3	Information Security Risk Assessment	Q1	Implementation Team D
7.1.4	Release Plan	Q1	Implementation Team D
7.1.5	Requirements Document	Q1	Implementation Team D
7.1.6	System Security Plan	Q1	Implementation Team D
7.1.7	System of Records	Q1	Implementation Team D
7.1.8	Test Plan	Q1	Implementation Team D
7.1.9	<i>RR - Requirements Review (Project Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
7.2	Preliminary Design Review Phase		
7.2.1	System Design Document	Q2	Project Mgmt & Implementation Team D
7.2.2	Interface Control Document	Q2	Project Mgmt & Implementation Team D
7.2.3	Section 508 Product Assessment Package	Q2	Project Mgmt & Implementation Team D
7.2.4	Information Security Risk Assessment	Q2	Project Mgmt & Implementation Team D
7.2.5	Release Plan	Q2	Project Mgmt & Implementation Team D

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Number	Objectives/Milestones/Deliverables	Grant (Qtrs)	Teams
7.2.6	Data Use Agreement(s)	Q2	Project Mgmt & Implementation Team D
7.2.7	System Security Plan(s)	Q2	Project Mgmt & Implementation Team D
7.2.8	System of Records	Q2	Project Mgmt & Implementation Team D
7.2.9	Test Plan(s) and Traceability Matrix	Q2	Project Mgmt & Implementation Team D
7.2.10	Database Design Document	Q2	Project Mgmt & Implementation Team D
7.2.11	Design Contingency Plan	Q2	Project Mgmt & Implementation Team D
7.2.12	<i>Computer Match Agreement / Inter-Intra Agency Agreement</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
7.2.13	<i>PDR - Preliminary Design Review (Governance Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
7.2.14	<i>Briefings/presentations to OCIO</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
7.3	DDR - Detailed Design Review (Project Review)		
7.3.1	System Design Document	Q3	Project Mgmt & Implementation Team D
7.3.2	Interface Control Document	Q3	Project Mgmt & Implementation Team D
7.3.3	Database Design Document	Q3	Project Mgmt & Implementation Team D
7.3.4	Physical Data Model	Q3	Project Mgmt & Implementation Team D
7.3.5	Data Management Plan	Q3	Project Mgmt & Implementation Team D
7.3.6	Data Conversion Plan	Q3	Project Mgmt & Implementation Team D
7.3.7	<i>Automated Code Review Results briefings/presentations to OCIO</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
7.4	Development Phase		
7.4.1	Version Description Document	Q4-Q6	System Admin/Developer III / II
7.4.2	Business Product / Code	Q4-Q6	System Admin/Developer III / II
7.4.3	<i>Section 508 Product Assessment Package</i>	Q4-Q6	System Admin/Developer III / II
7.4.4	Information Security Risk Assessment	Q4-Q6	Implementation Team D
7.4.5	Data Use Agreement	Q4-Q6	Implementation Team D
7.4.6	System Security Plan	Q4-Q6	Security Manager
7.4.7	Database Design Document	Q4-Q6	Development/Configuration Admin
7.4.8	Contingency Plan	Q4-Q6	Development/Configuration Admin
7.4.9	<i>VRR - Validation Readiness Review (Project Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
7.5	Data Conversion Phase		
7.5.1	Data Conversion Plan	Q8	Implementation Team D
7.5.1	Converted Data	Q8	Data Architect
7.6	Test Phase		
7.6.1	<i>Version Description Document</i>	Q5-Q8	Tester II
7.6.2	<i>Security Test & Evaluation</i>	Q5-Q8	Tester II
7.6.3	Test Case Specification	Q5-Q8	Tester II
7.6.4	Test Summary Report	Q5-Q8	Tester II
7.6.5	Training Artifacts	Q5-Q8	Trainer II
7.6.6	Section 508 Product Assessment Package	Q5-Q8	Implementation Team D
7.6.7	Information Security Risk Assessment	Q5-Q8	Implementation Team D
7.6.8	Data Use Agreement	Q5-Q8	Implementation Team D
7.6.9	System Security Plan	Q5-Q8	Implementation Team D
7.6.10	Contingency Plan	Q5-Q8	Implementation Team D
7.6.11	<i>IRR - Implementation Readiness Review (Project Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
7.7	Implementation Phase (pilot)		
7.7.1	Implementation Plan	Q7-Q8	Project Manager III / II

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Number	Objectives/Milestones/Deliverables	Grant (Qtrs)	Teams
7.7.2	User Manual	Q7-Q8	Trainer II
7.7.3	Operations & Maintenance Manual	Q7-Q8	Trainer II
7.7.4	Contingency Plan Test	Q8	Tester
7.7.5	Plan of Action & Milestones	Q7-Q8	Project Mgmt
7.7.6	Section 508 Product Assessment Package	Q7-Q8	Implementation Team D
7.7.7	Training Plan	Q7	Implementation Team D
7.7.8	Information Security Risk Assessment	Q7-Q8	Implementation Team D
7.7.9	Data Use Agreement	Q8	Implementation Team D
7.7.10	System Security Plan	Q8	Implementation Team D
7.7.11	ATO Package	Q8	Implementation Team D
7.7.12	Corrective Action Plans (Monthly)	Ongoing	Project Manager III
7.7.13	Contingency Plan	Q8	Project Manager III
7.7.14	<i>ATO – Authority to Operate</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
7.7.15	<i>PRR – Production Readiness Review (Project Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
7.7.16	<i>ORR – Operational Readiness Review (Governance Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
7.7.17	<i>IT Investment Evaluation Phase (Post Project):</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
7.8	Operations & Maintenance Phase		
7.8.1	Project Closeout Report	Q8	Project Mgmt
7.8.2	Post Implementation Report	TBD	Project Mgmt
7.8.3	Annual Operational Analysis Report	TBD	Program Leadership
7.8.4	Annual Security Controls Testing Artifact	TBD	Security Manager
7.8.5	<i>Annual Contingency Plan Test</i>	TBD	Project Manager III
7.8.6	<i>PIR – Post Implementation Review (Project Review)</i>	TBD	<i>Executive & Program Leadership</i>
7.8.7	<i>OAR – Annual Operational Analysis Review (Project Review)</i>	TBD	<i>Executive & Program Leadership</i>
7.8.8	CSM – Continual Security Monitoring	TBD	Security Manager
8	Reporting		
8.1	Requirements Analysis Phase		
8.1.1	Project Schedule	Q1	Project Manager II
8.1.2	Section 508 Product Assessment Package	Q1	Implementation Team E
8.1.3	Information Security Risk Assessment	Q1	Implementation Team E
8.1.4	Release Plan	Q1	Implementation Team E
8.1.5	Requirements Document	Q1	Implementation Team E
8.1.6	System Security Plan	Q1	Implementation Team E
8.1.7	System of Records	Q1	Implementation Team E
8.1.8	Test Plan	Q1	Implementation Team E
8.1.9	<i>RR - Requirements Review (Project Review)</i>	<i>Milestone</i>	<i>Project Mgmt/Program Leadership</i>
8.2	Preliminary Design Review Phase		
8.2.1	System Design Document	Q2	Project Mgmt & Implementation Team E
8.2.2	Interface Control Document	Q2	Project Mgmt & Implementation Team E
8.2.3	Section 508 Product Assessment Package	Q2	Project Mgmt & Implementation Team E
8.2.4	Information Security Risk Assessment	Q2	Project Mgmt & Implementation Team E
8.2.5	Release Plan	Q2	Project Mgmt & Implementation Team E
8.2.6	Data Use Agreement(s)	Q2	Project Mgmt & Implementation Team E
8.2.7	System Security Plan(s)	Q2	Project Mgmt & Implementation Team E
8.2.8	System of Records	Q2	Project Mgmt & Implementation Team E
8.2.9	Test Plan(s) and Traceability Matrix	Q2	Project Mgmt & Implementation Team E

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Number	Objectives/Milestones/Deliverables	Grant (Qtrs)	Teams
8.2.10	Database Design Document	Q2	Project Mgmt & Implementation Team E
8.2.11	Design Contingency Plan	Q2	Project Mgmt & Implementation Team E
8.2.12	<i>Computer Match Agreement / Inter-Intra Agency Agreement</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
8.2.13	<i>PDR - Preliminary Design Review (Governance Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
8.2.14	<i>Briefings/presentations to OCIO</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
8.3	DDR - Detailed Design Review (Project Review)		
8.3.1	System Design Document	Q3	Project Mgmt & Implementation Team E
8.3.2	Interface Control Document	Q3	Project Mgmt & Implementation Team E
8.3.3	Database Design Document	Q3	Project Mgmt & Implementation Team E
8.3.4	Physical Data Model	Q3	Project Mgmt & Implementation Team E
8.3.5	Data Management Plan	Q3	Project Mgmt & Implementation Team E
8.3.6	Data Conversion Plan	Q3	Project Mgmt & Implementation Team E
8.3.7	<i>Automated Code Review Results briefings/presentations to OCIO</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
8.4	Development Phase	Q4-Q6	
8.4.1	Version Description Document	Q4-Q6	System Admin/Developer III / II
8.4.2	Business Product / Code	Q4-Q6	System Admin/Developer III / II
8.4.3	<i>Section 508 Product Assessment Package</i>	Q4-Q6	System Admin/Developer III / II
8.4.4	Information Security Risk Assessment	Q4-Q6	Implementation Team E
8.4.5	Data Use Agreement	Q4-Q6	Implementation Team E
8.4.6	System Security Plan	Q4-Q6	Security Manager
8.4.7	Database Design Document	Q4-Q6	Development/Configuration Admin
8.4.8	Contingency Plan	Q4-Q6	Development/Configuration Admin
8.4.9	<i>VRR - Validation Readiness Review (Project Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
8.5	Data Conversion Phase		
8.5.1	Data Conversion Plan	Q8	Implementation Team E
8.5.2	Converted Data	Q8	Data Architect
8.6	Test Phase		
8.6.1	<i>Version Description Document</i>	Q5-Q8	Tester II
8.6.2	<i>Security Test & Evaluation</i>	Q5-Q8	Tester II
8.6.3	Test Case Specification	Q5-Q8	Tester II
8.6.4	Test Summary Report	Q5-Q8	Tester II
8.6.5	Training Artifacts	Q5-Q8	Trainer II
8.6.6	Section 508 Product Assessment Package	Q5-Q8	Implementation Team E
8.6.7	Information Security Risk Assessment	Q5-Q8	Implementation Team E
8.6.8	Data Use Agreement	Q5-Q8	Implementation Team E
8.6.9	System Security Plan	Q5-Q8	Implementation Team E
8.6.10	Contingency Plan	Q5-Q8	Implementation Team E
8.6.11	<i>IRR - Implementation Readiness Review (Project Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
8.7	Implementation Phase (pilot)		
8.7.1	Implementation Plan	Q7-Q8	Project Manager II
8.7.2	User Manual	Q7-Q8	Trainer II
8.7.3	Operations & Maintenance Manual	Q7-Q8	Trainer II
8.7.4	Contingency Plan Test	Q8	Tester
8.7.5	Plan of Action & Milestones	Q7-Q8	Project Mgmt
8.7.6	Section 508 Product Assessment Package	Q7-Q8	Implementation Team E

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Number	Objectives/Milestones/Deliverables	Grant (Qtrs)	Teams
8.7.7	Training Plan	Q7	Implementation Team E
8.7.8	Information Security Risk Assessment	Q7-Q8	Implementation Team E
8.7.9	Data Use Agreement	Q8	Implementation Team E
8.7.10	System Security Plan	Q8	Implementation Team E
8.7.11	ATO Package	Q8	Implementation Team E
8.7.12	Corrective Action Plans (Monthly)	Ongoing	Project Manager II
8.7.13	Contingency Plan	Q8	Project Manager II
8.7.14	<i>ATO – Authority to Operate</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
8.7.15	<i>PRR – Production Readiness Review (Project Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
8.7.16	<i>ORR – Operational Readiness Review (Governance Review)</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
8.7.17	<i>IT Investment Evaluation Phase (Post Project):</i>	<i>Milestone</i>	<i>Executive & Program Leadership</i>
8.8	Operations & Maintenance Phase		
8.8.1	Project Closeout Report	Q8	Project Mgmt
8.8.2	Post Implementation Report	TBD	Project Mgmt
8.8.3	Final Grant Certification	TBD	Project Mgmt
8.8.4	Post Implementation Report	TBD	Program Leadership
8.8.5	Annual Operational Analyst Report	TBD	Security Manager
8.8.6	Annual Security Controls Testing Artifact	TBD	Project Manager II
8.8.7	<i>Annual Contingency Plan Test</i>	TBD	<i>Executive & Program Leadership</i>
8.8.8	<i>PIR – Post Implementation Review (Project Review)</i>	TBD	<i>Executive & Program Leadership</i>
8.8.9	OAR – Annual Operational Analysis Review (Project Review)	TBD	Security Manager
8.8.10	CSM – Continual Security Monitoring		Security Analyst

- Q1** 2/15/2011- 5/14/2011
- Q2** 5/15/2011-8/14/2011
- Q3** 8/15/2011-11/14/2011
- Q4** 11/15/2011-2/14/2012
- Q5** 2/15/2012-5/14/2012
- Q6** 5/15/2012-8/14/2012
- Q7** 8/15/2012-11/14/2012
- Q8** 11/15/2012-2/14/2013

Project Work Plan Introduction

This narrative is introductory information to provide context for the attached Project Work Plan spreadsheet.

Project Management

The project management methodology used by Oregon is based on the Project Management Institute's body of knowledge. This establishes that the project work plan, the program organizational chart, staffing model and budget narratives work harmoniously together to represent the work activity required to establish the Health Insurance Exchange within the two-year grant period.

As identified in the work plan, the framing of concepts and early planning phases of the work engages a cross-functional team of leadership, management and technical expertise. This group will address the project planning, controls, conceptual modeling and procurement required to lay the foundation for the Exchange implementation. The work product produced in the concept and planning phases crosses all work teams in the implementation phase. The work product is defined at the deliverable level within the work plan.

Timing

The conceptual modeling will address Exchange technical, privacy, security, controls, compliance, business modeling and high level requirements. This work is scheduled and aligned to the target schedule provided by the Office for Consumer Information and Insurance Oversight (OCIIO), specifically taking into account the SDLC review timeline dates set out in the funding opportunity announcement. The timing of activities has also been designed to be expeditious so that resulting innovations can be shared with other states as quickly as possible.

Team structure

The teams are structured by areas of focus and include representatives of all business and technical disciplines to ensure a holistic view of the work products as they are being defined, designed, constructed and implemented. In addition, there is depth in key positions built into the work plan, staffing model and budget to reduce the risk that there would be a lack of critical path expertise.

This project will use five coordinated and concurrent work teams to establish the major functional domains of an integrated Health Insurance Exchange. Though loosely coupled, each functional domain is dependent on the others to support the business processes of the exchange.

Five domains

The work plan is structured to facilitate the implementation of the Health Insurance Exchange with the following five domains:

- **Business Rules Management System.** This body of work consists of the development of business rules to manage all of the workflow and business processes that support the Exchange, including federal subsidy eligibility determination and Medicaid eligibility determination.
- **Internal Portal.** This body of work consists of establishing the web- based screens and workflow so that OHA and DHS can manage the Exchange. The internal portal uses the business rules management system to establish internal business processes including, but not limited to, ongoing case management functions such as monitoring for changes in eligibility, management of open enrollment and detecting fraud.
- **External Portal.** This body of work consists of establishing the single presentation of the Exchange to consumers, employers and insurance carriers offering health plans in the Exchange. The portal uses the business rules engine to enable comparison and selection of health plans by consumers and also

uses the back office integration tools to prepare and submit payments and premiums to insurance plans.

- **Back Office Integration.** This body of work involves configuring the enterprise services bus¹ and other tools to integrate with program management systems such as health plan information systems and the Medicaid Management Information System (MMIS). Ultimately, the back office integration takes output from the eligibility rules configured in the business rules management system and prepares it in a format that can be delivered to MMIS or commercial insurance plans for benefit enrollment or to other State and Federal Systems for verification.
- **Reporting.** This body of work consists of implementing the transactional, decision support and compliance reporting functions from information gathered from the back office data stores. It includes both operational “canned” reports for business management and the establishment of a data warehouse for more sophisticated program management and decision support needs.

Leadership

The work plan structure establishes the necessary standards and controls ensuring continuity across the teams and managing the artifacts created for the Exchange. Management and administrative activity is captured in the Project Management and Control section of the work plan.

The Exchange project will have both technical and program leadership teams:

- The technical program leadership team is supported by managers in architecture, security, requirements, development/configuration and business transition disciplines. These discipline managers support the standards development, hiring and leadership for staff members.
- The business program leadership team is supported by managers in change management, marketing, finance, service delivery and administration disciplines to ensure a holistic input view is provided into the requirements, design and acceptance of the Exchange system.

Program Leadership and Implementation Project Managers work with members of the governance team where additional oversight to performance is monitored and to acquire assistance when needed for corrective actions. This provides additional layers of checks and balances within the program.

The Exchange Program has administrative support staff to help track program progress, measures and metrics, track financial expenditures, support communication, contract administration, recruitment, and onboarding activities for program participants.

Executive Sponsor

Nora Leibowitz, Development Director, Health Insurance Exchange, is the Executive Sponsor for the program with ultimate responsibility for the quality and the program success as defined by the goals of the Exchange.

¹ An enterprise service bus is a software architecture construct that provides fundamental services for complex architectures using an event-driven and standards-based messaging engine (the bus).

Budget Narrative

Please refer to the attached required FOA form SF-424A – Budget Information. Additional supporting documentation is also included in the Project Work Plan and Program Structure Organization Chart.

Budget Class Categories

a. Personnel	\$ 11,621,173	(includes \$88,923 – up to 90 days prior cost)
b. Fringe Benefits (33%)	\$ 3,718,775	(includes \$28,455 – up to 90 days prior cost)
c. Consultant	\$ 46,492,728	(includes \$18,400 - up to 90 days prior cost)
d. Equipment	\$ 1,557,155	
e. Supplies	\$ 48,000	
f. Travel	\$ 144,576	
g. Other	\$ 170,000	
h. Contractual	\$ 27,857,438	
i. Total Direct Charges	\$ 91,609,846	
j. Indirect Charges	\$ 0	
Contingency 5%	\$ 4,580,492	
Grand Total	\$ 96,190,338	

Each line item directly contributes to the Oregon Insurance Exchange program and detailed below in the budget, modeled on the FOA Appendix C.

Cost Allocation

As required for successful highly integrated systems, it will be necessary for the State of Oregon to provide a high degree of interaction and seamlessness that will be required between commercial coverage offered through the Exchange and Medicaid. Oregon will use cost allocation methods appropriately (in accordance with the Office of Management and Budget [OMB] Circular A-87), between the federal grants made available for exchanges under the Affordable Care Act (ACA) and federal match available through Medicaid or other federal programs for IT support. As such:

- Federal grant funding made available to exchanges under the ACA will not be used as the state share for claiming federal matching funds.
- Oregon will allocate the costs of its IT systems proposals, considering OMB A-87, between the Exchange and Medicaid for those activities in which Medicaid programs are likely to benefit. To accomplish this objective, Oregon will set up cost allocation codes to capture and allocate expenditures accordingly.
 - Cost allocation with CHIP programs may also be needed.
 - Some of the functions anticipated to need cost allocation include *but may not be limited to* eligibility, enrollment, health plan shopping, and possibly, consumer assistance.
 - The administration of the Exchange and qualified health plans is an example of where it might be less likely that costs must be allocated between the two sources of funding.

Project Work Plan

The Oregon Health Insurance Exchange program includes a detailed Exchange Project Work Plan following the prescribed system development life cycle (SDLC). The Work Plan demonstrates the major phases of work and their dependencies with the overall effort. The plan consists of procuring a commercial off-the-shelf (COTS) health and human services-capable framework solution that is interoperable, scalable and configurable. The software costs include an end-to-end Tier 1 case management system leveraging internal and external portal technology, best-of-breed policy automation rules management system, financials, and e-commerce components. Pricing is based on an enterprise model and is therefore user license-independent.

The Project Work Plan includes overlapping multiple concurrent projects; each led by a dedicated deliverables-based team. These projects or tracks include teams focused on deliverables associated with completing the automation of rules and policies (state and federal); implementing a service delivery model; providing for back-office integration activities; providing a data warehouse and reporting capability; and assessing business process needs for implementing a call center. Projects include providing a business rules management system, internal facing portals, external facing portals, integration and reporting. ¹

Program Resources	Consultants	Staff	Head Count Total	% of Total
<i>Executive Management</i>	0	7	7	3%
<i>Business Management Leadership</i>	0	7	7	3%
<i>Program Management Leadership</i>	1	4	5	2%
<i>Leadership & Management Support</i>	2	22	24	11%
<i>Project Management</i>	10	5	15	7%
<i>Technical Architecture</i>	4	7	11	5%
<i>Business Analyst</i>	29	19	48	23%
<i>Developer III / II</i>	30	10	40	20%
<i>System Administrators</i>	0	4	4	2%
<i>Tester</i>	22	16	38	18%
<i>Trainers</i>	0	6	6	3%
Totals	98	107	205	100%

Budget Introduction

The budget preparation has been prepared according to the guidance instructions for each of the 12-month periods of the grant project period. Consultants are included in the budget using local rates for local consultants and discounted GSA rates for national, Tier 1 consultants. As consultants are hired, information will be submitted regarding name of the consultant, organizational affiliation, nature of services to be rendered, number of consultation days, and expected rate of compensation.

¹ Please refer to the information outlined in the Program Structure Organization Chart and in the Key Personnel section for additional details.

Budget Summary:

Categories	Qty	Grant Periods			Grand Totals
		Feb 15 2011- Feb 14 2012	Feb 15 2012 Feb 14 2013		
a. Salaries & Wages	107	\$ 4,133,423	\$ 7,398,827		\$ 11,621,173
b. Fringe Benefits		1,322,695	2,367,625		\$ 3,718,775
c. Consultant Costs	98	16,853,791	29,620,537		\$ 46,492,728
d. Equipment		1,488,065	69,090		\$ 1,557,155
e. Supplies		24,000	24,000		\$ 48,000
f. Travel		72,288	72,288		\$ 144,576
g. Other		85,000	85,000		\$ 170,000
h. Contractual Costs		20,182,199	7,675,240		\$ 27,857,438
Sub Total Direct Costs	205	44,161,461	47,312,606	-	91,609,846
<i>Contingency</i>		2,208,073	2,365,630		4,580,492
i. Total Direct Costs		\$ 46,369,534	\$ 49,678,237	\$ -	\$ 96,190,338

A. Salaries and Wages

*OCHIO Grant*²: \$11,621,173

Salaries, wages and fringe benefits for personnel include the following internal positions identified on the chart below organized by major project/deliverable areas:

Staffing	Internal
Executive Management	7
Exchange Management Leadership	7
Technical Program Management Leadership	4
Leadership & Management Support Team	22
Project Managers III / II	5
Architects (Solution, Data Application)	7
Business Analysts III / II	19
Developers III / II	10
System Administrator	4
Tester II	16
Trainer II	6
Sub Total	107

The major project/deliverable areas include the following:

- Business Program Leadership
- Technical Program Leadership
- Leadership & Management Support Team
- Project Implementation Teams

² OCHIO Grant funds will fund 100% of the Exchange costs; were denoted the cost allocation model will be used to allocation costs amongst other programs where there is a direct benefit.

The following chart includes the cost estimates per personnel role/head count for the Grant FOA (90 days activities) and also for each of the two-year Grant Periods: Year 1, Feb. 15, 2011 through Feb. 14, 2012; and Year 2, Feb. 15, 2012 through Feb. 14, 2013. The total FTE is 141. Job / Position Descriptions for all of the roles defined are included in the key personnel document that is part of this submission.

Position Charts by Project/Deliverable Areas

<i>Staffing and Roles</i>	<i>Head count</i>	<i>Grant FOA</i>	<i>90 Day Period</i>	<i>Amount Requested</i>
<i>Nora Leibowitz, Exchange Development</i>	1	\$ 5,019	90 days	\$ 5,109
<i>CIO</i>	.10	3,808	90 days	3,808
<i>Deputy CIO</i>	.25	8,365	90 days	8,365
<i>IT Director</i>	.25	8,654	90 days	8,654
<i>Technical Program Manager</i>	.66	22,308	90 days	22,308
<i>Technical Deputy Program Manager</i>	.66	17,692	90 days	17,692
<i>Solutions Architect</i>	1	23,077	90 days	23,077
<i>Sub-Totals</i>	7	\$ 88,923		\$ 88,923

<i>Staffing and Roles</i>	<i>Head Count</i>	<i>Grant Periods</i>		<i>Months</i>	<i>Amount Requested</i>
		<i>Feb 15 2011- Feb 14 2012</i>	<i>Feb 15 2012- Feb 14 2013</i>		

Exchange Program Leadership

<i>Exchange Executive Director</i>	0.10	\$ 7,740	\$ 17,500	18 mo	\$ 25,240
<i>Exchange Chief Financial Officer</i>	0.15	9,995	24,750	17 mo	34,745
<i>Exchange Chief Operating Officer</i>	0.10	6,663	16,500	17 mo	23,163
<i>Exchange Chief Information Officer</i>	0.50	33,317	82,500	17 mo	115,817
<i>Exchange Development Director</i>	0.15	18,822	21,750	27 mo	45,591
<i>Exchange Program Manager</i>	1	130,000	145,000	23 mo	275,000
<i>Exchange Change Mgmt Mgr</i>	1	47,500	130,000	16 mo	177,500
<i>Exchange Finance Manager</i>	1	42,019	115,000	16 mo	157,019
<i>Exchange Marketing Manager</i>	1	42,019	115,000	16 mo	157,019
<i>Exchange Service Delivery Manager</i>	1	42,019	115,000	16 mo	157,019
<i>Exchange IT Manager</i>	1	42,019	128,269	16 mo	170,288
<i>Sub-Totals</i>	11	\$ 422,115	\$ 911,269		\$ 1,338,404

<i>Staffing and Roles</i>	<i>Head Count</i>	<i>Grant Periods</i>		<i>Months</i>	<i>Amount Requested</i>
		<i>Feb 15 2011- Feb 14 2012</i>	<i>Feb 15 2012- Feb 14 2013</i>		

Technical Program Leadership

<i>CIO</i>	0.10	\$ 16,500	\$ 16,500	27 mo	\$ 36,808
<i>Aaron Karjala, Deputy CIO</i>	0.25	36,250	36,250	27 mo	80,865
<i>IT Director</i>	0.25	37,500	37,500	27 mo	83,654
<i>Technical Program Manager</i>	1	145,000	145,000	26 mo	312,308
<i>Technical Deputy Program Manager</i>	1	115,000	115,000	26 mo	247,692
<i>Program Office Manager</i>	1	110,000	110,000	25 mo	220,000
<i>Solutions Architect</i>	1	100,000	100,000	27 mo	223,077
<i>Sub-Totals</i>	7	\$ 560,250	\$ 560,250		\$ 1,204,404

Staffing and Roles	Head Count	Grant Periods		Months	Amount Requested
		Feb 15 2011-	Feb 15 2012 -		
		Feb 14 2012	Feb 14 2013		
Leadership & Mgmt Support					
<i>Architect (Application)</i>	1	\$ 95,000.00	\$ 95,000.00	24 mo	\$ 190,000
<i>Architect (Data)</i>	1	90,000	90,000	24 mo	180,000
<i>Security Manager</i>	1	108,365	115,000	23 mo	223,365
<i>Project Coordinator</i>	4	207,692	240,000	23 mo	447,692
<i>Accountant</i>	1	64,904	75,000	23 mo	139,904
<i>Budget Analyst</i>	1	26,538	60,000	18 mo	86,538
<i>Measures & Metrics Coordinator</i>	1	65,000	65,000	24 mo	130,000
<i>Contract Administrator</i>	2	130,000	130,000	24 mo	260,000
<i>Communications Analyst</i>	1	65,000	65,000	24 mo	130,000
<i>Business Analyst Manager</i>	1	100,000	100,000	24 mo	200,000
<i>Development Manager</i>	1	99,519	115,000	23 mo	214,519
<i>Test Manager</i>	1	77,885	90,000	23 mo	167,885
<i>Change Analyst</i>	1	46,154	75,000	20 mo	121,154
<i>Human Resource Specialist</i>	2	127,500	127,500	24 mo	255,000
<i>Administrative Assistant</i>	5	250,000	250,000	24 mo	500,000
<i>Sub-Totals</i>	24	\$ 1,553,558	\$ 1,692,500		\$ 3,246,058

Staffing and Roles	Head Count	Grant Periods		Months	Amount Requested
		Feb 15 2011-	Feb 15 2012 -		
		Feb 14 2012	Feb 14 2013		
Team A: Procurement & Internal Portal(s)					
Procurement / Internal Portals					
<i>Project Manager II</i>	1	\$ 84,808	\$ 90,000	23 mo	\$ 174,808
<i>Architect (Data)</i>	1	90,000	90,000	24 mo	180,000
<i>System Administrator (Internal Portals)</i>	1	52,308	85,000	21 mo	137,308
<i>Business Analyst II</i>	2	121,154	140,000	23 mo	261,154
<i>Developer II</i>	1	46,154	75,000	21 mo	121,154
<i>Tester II</i>	4	220,769	280,000	21 mo	500,769
<i>Sub-Totals</i>	10	\$ 615,192	\$ 760,000	22 mo	\$ 1,375,192

Staffing and Roles	Head Count	Grant Periods		Months	Amount Requested
		Feb 15 2011-	Feb 15 2012 -		
		Feb 14 2012	Feb 14 2013		
Team B: Exchange Service Delivery Model					
<i>Project Manager II</i>	1	\$ 69,231	\$ 90,000	22 mo	\$ 159,231
<i>Architect (Business)</i>	1	90,000	90,000	24 mo	180,000
<i>Business Analyst III</i>	1	58,846	85,000	21 mo	143,846
<i>Business Analyst II</i>	1	48,462	70,000	21 mo	118,462
<i>Sub-Totals</i>	4	\$ 266,538	\$ 335,000		\$ 601,538

Staffing and Roles	Head Count	Grant Periods		Months	Amount Requested
		Feb 15 2011 - Feb 14 2012	Feb 15 2012 - Feb 14 2013		
		Team C: Rules & Policies			
<i>Business Analyst III</i>	1	\$ 58,846	\$ 85,000	21 mo	\$ 143,846
<i>Business Analyst II</i>	2	61,923	140,000	18 mo	201,923
<i>System Administrator (Business Rules)</i>	1	24,231	90,000	16 mo	114,231
<i>Systems Administrator</i>	1	9,808	85,000	14 mo	94,808
<i>Tester II</i>	4	32,308	280,000	14 mo	312,308
<i>Sub-Totals</i>	9	\$ 187,115	\$ 680,000		\$ 867,115

Staffing and Roles	Head Count	Grant Periods		Months	Amount Requested
		Feb 15 2011 - Feb 14 2012	Feb 15 2012 - Feb 14 2013		
		Team D: Back Office Integration			
<i>Architect (Data)</i>	1	\$ 62,308	\$ 90,000	21 mo	\$ 152,308
<i>Business Analyst III</i>	1	44,135	85,000	19 mo	129,135
<i>Business Analyst II</i>	1	30,962	70,000	18 mo	100,962
<i>Developer II</i>	2	30,769	160,000	17 mo	190,769
<i>Tester II</i>	2	32,308	140,000	15 mo	172,308
<i>Sub-Totals</i>	7	\$ 200,481	\$ 545,000		\$ 745,481

Staffing and Roles	Head Count	Grant Periods		Months	Amount Requested
		Feb 15 2011 - Feb 14 2012	Feb 15 2012 - Feb 14 2013		
		Team E: Data Warehouse			
<i>Project Manager II</i>	1	\$ 3,462	\$ 90,000	13 mo	\$ 93,462
<i>Architect (Data)</i>	1	3,462	90,000	13 mo	93,462
<i>Business Analyst III</i>	1	-	65,385	10 mo	65,385
<i>Business Analyst II</i>	2	-	96,923	9 mo	96,923
<i>Developer (Reports)</i>	3	-	166,154	9 mo	166,154
<i>Sub-Totals</i>	8	\$ 6,923	\$ 508,462		\$ 515,385

Staffing and Roles	Head Count	Grant Periods		Months	Amount Requested
		Feb 15 2011 - Feb 14 2012	Feb 15 2012 - Feb 14 2013		
		Team F: External Portal(s)			
<i>Project Manager II</i>	1	\$ 69,231	\$ 90,000	23 mo	\$ 159,231
<i>Architect (Data)</i>	1	62,308	90,000	22 mo	152,308
<i>System Administrator</i>	1	21,635	90,000	15 mo	111,635
<i>Business Analyst III</i>	1	58,846	85,000	22 mo	143,846
<i>Business Analyst II</i>	2	72,692	140,000	20 mo	212,692
<i>Developer III</i>	2	36,538	190,000	19 mo	226,538
<i>Developer II</i>	2	-	138,462	11 mo	138,462
<i>Tester II</i>	2	-	140,000	12 mo	140,000
<i>Sub-Totals</i>	12	\$ 321,250	\$ 963,462		\$ 1,284,712

Staffing and Roles	Head Count	Grant Periods		Months	Amount Requested
		Feb 15 2011- Feb 14 2012	Feb 15 2012 - Feb 14 2013		
		Team G: Implementations			
<i>Project Manager II</i>	1	\$ -	\$ 66,635	9 mo	\$ 66,635
<i>Business Analyst III</i>	4	-	147,115	6 mo	147,115
<i>Tester II</i>	4	-	67,308	3 mo	67,308
<i>Trainer II</i>	6	-	161,827	6 mo	161,827
<i>Sub-Totals</i>	15	\$ -	\$ 442,885		\$ 442,885
Grand Total	107	\$ 4,133,423	\$ 7,398,827		\$ 11,621,173

B. Fringe Benefits

OCIIO Grant: \$83,718,775

Fringe benefits are calculated at 32% of the total salaries and wages. Fringe benefits were calculated using standard payroll taxes and related expenses.

C. Employee Travel

OCIIO Grant \$ 144,576

In-state travel for state staff includes State of Oregon field visits across the state including the City of Portland metro area, the Northeast, Southeast and Southwest areas of the state for the purpose of eligibility reviews, information gathering and information exchange supporting the implementation of the Oregon Health Insurance Exchange.

Out-of-state for state staff covers required trips to grantee meetings in Washington D.C. Detailed travel cost information is contained in the following chart:

Travel	Factors	Cost per	Trip Scenario			
Trips						
1 Portland Metro Mileage	130	\$0.50	\$1,560	\$1,560	\$3,120	1 trip every other month = # of trips / year 6
2 NE State Lodging		\$93.00	\$8,928	\$8,928	\$17,856	# of participants (up to) 8
Per Diem		\$51.00	\$4,896	\$4,896	\$9,792	# of vehicles per trip up to 4
Mileage	200	\$0.50	\$2,400	\$2,400	\$4,800	# nights of lodging per trip 2
3 SE State Lodging		\$83.00	\$7,968	\$7,968	\$15,936	
Per Diem		\$56.00	\$5,376	\$5,376	\$10,752	
Mileage	300	\$0.50	\$3,600	\$3,600	\$7,200	
4 SW State Lodging		\$80.00	\$7,680	\$7,680	\$15,360	
Per Diem		\$56.00	\$5,376	\$5,376	\$10,752	
Mileage	325	\$0.50	\$3,900	\$3,900	\$7,800	
Washington DC Trips						
5 Grantee Meeting Airfare	700		\$8,400	\$8,400	\$16,800	# of trips per year 4
Per Diem	71		\$3,408	\$3,408	\$6,816	# of participants 3
Hotel	211		\$7,596	\$7,596	\$15,192	# of days 4
Ground Transportation	100		\$1,200	\$1,200	\$2,400	# of hotel days 3
Totals			\$72,288	\$72,288	\$144,576	

D. Equipment

OCIIO Grant \$ 1,557,155

Equipment includes costs of provide computers, software, licenses, etc. for the Health Insurance Exchange project staff. Cost details are itemized in the chart below.

Equipment	Unit Cost	Feb 15 2012		Grand Total
		Feb 15 ' 2011 - Feb 14 - Feb 14 2012	Feb 14 2012 2013	
Computers	\$2,000	\$429,000		\$429,000
Technical Software Licenses	\$1,500	\$168,000		\$168,000
Business Software Licenses	\$750	\$80,625		\$80,625
Phones	\$35	\$69,090	\$69,090	\$138,180
Fax	\$500	\$1,000		\$1,000
Printers	\$2,000	\$12,000		\$12,000
Copiers	\$7,500	\$15,000		\$15,000
Cube/Desks	\$2,000	\$429,000		\$429,000
Chairs	\$300	\$64,350		\$64,350
Conference Room Furnishings (lrg)/projectors	\$15,000	\$45,000		\$45,000
Conference Room Furnishings (sm)	\$5,000	\$50,000		\$50,000
White Boards/Miscellaneous/Initial Start-Up		\$125,000		\$125,000
Totals		\$1,488,065	\$69,090	\$1,557,155

E. Supplies

OCIIO Grant \$ 48,000

General office supplies include pens, pencils, paper, toner, etc., and cover each the 12-month Grant Periods and will be used by staff members to carry out daily activities of the program and includes:

- Grant Year 1 - 12 months x \$120/year x 200 staff = \$24,000
- Grant Year 2 – 12 months x \$120/year x 200 staff = \$24,000

F. Contractual

OCIIO Grant \$55,956,306

As consultants are hired, information will be submitted regarding name of the consultant, organizational affiliation, nature of services to be rendered, number of consultation days, and expected rate of compensation. Position charts by deliverable areas follow:

Staffing and Roles	Head Count	Grant FOA	Days	Amount Requested
Business Program Leadership <i>Senior Project Manager - External</i>	.33	\$ 18,400	90 days	\$ 18,400
<i>Sub-Totals</i>	1	\$ 18,400		\$ 18,400

Staffing and Roles	Head Count	Grant Periods		Months	Amount Requested
		Feb 15 2011- Feb 14 2012	Feb 15 2012 - Feb 14 2013		
<i>Recruiter (External)</i>	2	330,000	330,000	24 mo	660,000
<i>Sub-Totals</i>	2	\$ 330,000	\$ 330,000		\$ 660,000

Staffing and Roles	Head Count	Grant Periods		Months	Amount Requested
		Feb 15 2011 - Feb 14 2012	Feb 15 2012 - Feb 14 2013		

Team A: Procurement & Internal Portal(s)

Procurement / Internal Portals

<i>Project Manager III (External)</i>	1	\$ 239,200	\$ 239,200	27 mo	\$ 496,800
<i>Business Analyst III (External)</i>	1	218,400	218,400	24 mo	436,800
<i>Developer III (External)</i>	3	442,800	534,600	22 mo	977,400
<i>Developer II (External Reports)</i>	1	102,400	166,400	21 mo	268,800
<i>Sub-Totals</i>	6	\$ 1,002,800	\$ 1,158,600		\$ 2,179,800

Staffing and Roles	Head Count	Grant Periods		Months	Amount Requested
		Feb 15 2011 - Feb 14 2012	Feb 15 2012 - Feb 14 2013		

Team B: Exchange Service Delivery Model

<i>Project Manager III (External)</i>	1	\$ 239,200	\$ 239,200	24 mo	\$ 478,400
<i>Business Analyst III (External)</i>	2	336,000	436,800	22 mo	772,800
<i>Business Analyst II (External)</i>	2	272,000	353,600	22 mo	625,600
<i>Sub-Totals</i>	5	\$ 847,200	\$ 1,029,600		\$ 1,876,800

Staffing and Roles	Head Count	Grant Periods		Months	Amount Requested
		Feb 15 2011 - Feb 14 2012	Feb 15 2012 - Feb 14 2013		

Team C: Rules & Policies

<i>Project Manager III (External)</i>	1	\$ 165,600	\$ 239,200	21 mo	\$ 404,800
<i>Business Analyst III (External)</i>	1	151,200	218,400	21 mo	369,600
<i>Business Analyst II (External)</i>	2	156,400	353,600	18 mo	510,000
<i>Tester II (External)</i>	4	81,600	707,200	14 mo	788,800
<i>Sub-Totals</i>	8	\$ 554,800	\$ 1,518,400		\$ 2,073,200

Staffing and Roles	Head Count	Grant Periods		Months	Amount Requested
		Feb 15 2011 - Feb 14 2012	Feb 15 2012 - Feb 14 2013		

Team D: Back Office Integration

<i>Project Manager III (External)</i>	1	\$ 165,600	\$ 239,200	21 mo	\$ 404,800
<i>Business Analyst III (External)</i>	1	113,400	218,400	19 mo	331,800
<i>Business Analyst II (External)</i>	2	156,400	353,600	18 mo	510,000
<i>Developer III (External)</i>	2	194,400	374,400	19 mo	568,800
<i>Tester II (External)</i>	6	\$ 204,000	\$ 1,060,800	17 mo	1,264,800
<i>Sub-Totals</i>	12	\$ 833,800	\$ 2,246,400	\$ -	\$ 3,080,200

Staffing and Roles	Head Count	Grant Periods		Months	Amount Requested
		Feb 15 2011- Feb 14 2012	Feb 15 2012 - Feb 14 2013		
		Team E: Data Warehouse			
Project Manager III	1	\$ -	\$ 207,000	11 Mo	\$ 207,000
Business Analyst III (External)	1	\$ -	\$ 168,000	10 mo	\$ 168,000
Business Analyst II (External)	2	-	244,800	9 mo	244,800
Developer (External Reports)	2	-	244,800	9 mo	244,800
Tester (External)	4	-	489,600	9 mo	489,600
<i>Sub-Totals</i>	10	\$ -	\$ 1,147,200		\$ 1,147,200

Staffing and Roles	Head Count	Grant Periods		Months	Amount Requested
		Feb 15 2011- Feb 14 2012	Feb 15 2012 - Feb 14 2013		
		Team F: External Portal(s)			
Project Manager III (External)	1	\$ 184,000	\$ 239,200	23 mo	\$ 423,200
Business Analyst III (External)	1	151,200	218,400	22 mo	369,600
Business Analyst II (External)	2	156,400	353,600	21 mo	510,000
Developer III (External)	2	72,000	374,400	19 mo	446,400
Developer II (External Reports)	1	-	123,200	9 mo	123,200
Tester II (External)	8	\$ 163,200	\$ 1,414,400	14 mo	1,577,600
<i>Sub-Totals</i>	15	726,800	2,723,200		3,450,000

Staffing and Roles	Head Count	Grant Periods		Months	Amount Requested
		Feb 15 2011- Feb 14 2012	Feb 15 2012 - Feb 14 2013		
		System Integrator Resources			
Enterprise Solution (ES) Program Mgr	1	\$ 254,189	\$ 367,162	21 mo	\$ 621,350
ES Sr. Project Mgr	1	476,202	687,848	21 mo	1,164,050
ES Project Mgr	3	1,104,538	1,595,443	21 mo	2,699,981
ES Security Technical Architect	2	736,358	1,063,629	21 mo	1,799,987
ES Sr. Functional Specialist	4	1,309,082	2,127,258	20 mo	3,436,339
ES Functional Specialist	6	1,620,419	2,633,180	20 mo	4,253,599
ES Infrastructure Analyst	4	1,104,814	1,795,323	20 mo	2,900,137
ES Sr. Specialist	3	776,509	1,261,828	20 mo	2,038,337
ES Specialist	2	415,539	675,251	20 mo	1,090,790
<i>Sub-Totals</i>	26	\$ 7,797,650	\$ 12,206,921		\$ 20,004,571

Staffing and Roles	Head Count	Grant Periods		Months	Amount Requested
		Feb 15 2011- Feb 14 2012	Feb 15 2012 - Feb 14 2013		
Product Vendor					
<i>Practice Manager</i>	0.5	\$ 181,094	\$ 261,581	21 mo	\$ 442,675
<i>Technical Manager</i>	2	724,378	1,046,323	21 mo	1,770,701
<i>Managing Principal Consultant</i>	3	911,923	1,481,875	20 mo	2,393,798
<i>Senior Principal Consultant</i>	3	911,923	1,481,875	20 mo	2,393,798
<i>Principal Consultant</i>	3	822,743	1,336,957	20 mo	2,159,700
<i>Senior Consultant</i>	3	708,680	1,151,604	20 mo	1,860,284
<i>Sub-Totals</i>	15	\$ 4,260,741	\$ 6,760,216		\$ 11,020,957

Staffing and Roles		Grant Periods		Months	Amount Requested
		Feb 15 2011- Feb 14 2012	Feb 15 2012 - Feb 14 2013		
Other Consulting Services					
<i>Internal Expertise Consultancy</i>		\$ 250,000	\$ 250,000		\$ 500,000
<i>External Expertise Consultancy</i>		250,000	250,000		500,000
<i>Sub-Totals</i>		500,000	500,000		1,000,000
<i>Consultant Grand Total</i>	98	\$ 16,353,791	\$ 29,120,537	-	\$ 45,492,728

G. Other

OCIIO Grant \$ 170,000

Other costs include utilities and advertising associated with recruiting personnel.

Category	Feb 15 ' 2011 Feb 15 2012		Amount Requested
	- Feb 14 2012	- Feb 14 2013	
Other			
Utilities	\$ 60,000	\$ 60,000	\$ 120,000
Recruitment Advertising Placements	\$ 25,000	\$ 25,000	\$ 50,000
Sub Total	\$ 85,000	\$ 85,000	\$ 170,000

H. Contractual

OCIIO Grant \$18,700,000

Contractual costs cover the independent firms contracted to verify and validate the system, assure quality throughout the implementation and security audit verification. In addition, the facility lease and tenant improvements are included as well as the commercial framework solution, the associated hardware to run the solution and hosting services. When services are contracted, Oregon will submit the name of the contractor, method of selection, period of performance, scope of work, method of accounting and itemized budget and justification.

Category	Feb 15 ' 2011 - Feb 14 2012		Feb 15 2012 - Feb 14 2013		Amount Requested
External Quality & Security Contracts					
External Quality Control (IV&V)	\$	812,500	\$	812,500	\$ 1,625,000
External Quality Assurance	\$	1,625,000	\$	1,625,000	\$ 3,250,000
Security Audit	\$	-	\$	375,000	\$ 375,000
Quality Contracts Sub-Total	\$	2,437,500	\$	2,812,500	\$ 5,250,000
Facility Contract					
Facility Lease	\$	1,662,740	\$	1,662,740	\$ 3,325,479
Tenant Improvements	\$	581,959	\$	-	\$ -
Facilities Sub-Total	\$	2,244,699	\$	1,662,740	\$ 3,325,479
Solution Contracts					
Commercial Framework	\$	11,000,000	\$	2,200,000	\$ 13,200,000
Hardware / Hosting Services	\$	4,500,000	\$	1,000,000	\$ 5,500,000
Solution Sub-Total	\$	15,500,000	\$	3,200,000	\$ 18,700,000

G. Total Direct Costs

Categories	Qty	Grant Periods			Grand Totals
		90 Days	Feb 15 2011- Feb 14 2012	Feb 15 2012 - Feb 14 2013	
a. Salaries & Wages	107	\$ 88,923	\$ 4,133,423	\$ 7,398,827	\$ 11,621,173
b. Fringe Benefits		28,455	1,322,695	2,367,625	\$ 3,718,775
c. Consultant Costs	98	18,400	16,853,791	29,620,537	\$ 46,492,728
d. Equipment		-	1,488,065	69,090	\$ 1,557,155
e. Supplies		-	24,000	24,000	\$ 48,000
f. Travel		-	72,288	72,288	\$ 144,576
g. Other		-	85,000	85,000	\$ 170,000
h. Contractual Costs		-	20,182,199	7,675,240	\$ 27,857,438
Sub Total Direct Costs	205	135,778	44,161,461	47,312,606	91,609,846
Contingency		6,789	2,208,073	2,365,630	4,580,492
i. Total Direct Costs		\$ 142,567	\$ 46,369,534	\$ 49,678,237	\$ 96,190,338

Descriptions of Key Personnel & Organizational Chart

The Health Insurance Exchange program staffing plan includes state staff, contracts, product vendors and system integrators with applicable business or technical experience aligned to the demands of the scope, complexity, durations and timeframes of the program.

The maturity and experience of the individual contributors at the executive, management and leadership levels necessitate attracting highly qualified staff and consultancy personnel to fill the demands, roles and responsibilities required of the team members.

	Staffing	Education	Experience
1	Executive Steering Committee	Varied	10 – 15 years
2	Business Program Leadership	Masters	10 – 15 years
3	Technical Program Leadership	Bachelors	10 – 15 years
4	Leadership & Management Support	Bachelors	10 – 15 years
5	Project Managers III	Bachelors / PMP	8 – 12 years
6	Project Managers II	Bachelors / PMP	6 - 9 years
7	Architects (Solution, Data, Application)	Certification	8 – 12 years
8	Business Analysts III	Certification	8 – 12 years
9	Business Analysts II	Certification	6 - 9 years
10	Developers III	Certification	8 – 12 years
11	Developers II	Certification	6 - 9 years
12	System Administrator	Certification	6 - 9 years
13	Tester II	Certification	6 - 9 years
14	Trainer II	Certification	6 - 9 years
15	Management Advisory	Masters	15 + years
16	Consumer Advisory	Masters	15 + years
17	Technical Advisory	Masters	15 + years

Please refer to the Visio diagram for the program structure chart and staffing plan model (attached).

Nora Leibowitz (Key Resource Bio). Development Director, Health Insurance Exchange, Oregon Health Authority. Ms. Leibowitz is the project director for Oregon's Health Insurance Exchange Planning Grant and will be the project director for this effort too. She will work closely with DHS/OHA Deputy CIO Aaron Karjala, lead project manager, and other relevant staff to oversee progress and ensure the state is meeting deadlines and submitting required progress reports. Fifteen percent of Ms. Leibowitz's position will be funded by this grant.

Aaron Karjala (Key Resource Bio). Deputy Chief Information Officer (CIO), OHA and DHS. Mr. Karjala will work closely with the Exchange Development Director, Nora Leibowitz to oversee Information Technology staff to ensure the state meets deadlines for establishing the exchange. Ten percent of Mr. Karjala's position will be funded by this grant.

Exchange Program Leadership Team

Exchange Executive Director. This position reports to the Health Insurance Exchange Board, Governor and Legislature and directs and manages all aspects of the Exchange for the State. The Director ensures that all organizational units are operating efficiently, with coordination between OHA and DHS staff. The Director also provides budgetary oversight by setting program priorities and determining the allocation of funds. This person also works with the Exchange Board to plan, implement and administer the Exchange and maintains positive public acceptance and support for Exchange by working with individuals eligible for Medicaid and federal tax credits, other Oregonians, interest groups and the Legislature.

Exchange Chief Financial Officer. The chief financial officer (CFO) reports to the Exchange executive director and board of directors, develops forecasts and business plans, and is responsible for all financial transactions within the Exchange. Additionally, the CFO makes sure that payroll, tax forms and accounts are correctly done and documented. Further, the CFO ensures Exchange operations reduce costs where possible to increase efficiency. Finally, the CFO ensures that all financial activities within the corporation are done legally and ethically.

Exchange Chief Operating Officer. The chief operations officer (COO) holds an executive management position and works closely with the Exchange executive director and other principal management staff members. The COO is responsible for the day-to-day internal operations of the Exchange and participates in short- and long-term strategic planning for the Exchange.

Exchange Chief Information Officer. The Exchange CIO balances management acumen in budgeting, strategic planning and forecasting skills with information system knowledge to direct the Exchange's selection and use of technologies. The CIO reports to the Exchange Executive Director, while forging relationships with relevant state departments, vendors and clients.

Exchange Development Director. The Exchange development director adheres to the strategic plan, coordinates the work to develop and implement the Exchange, and secures federal funding for building and operating the exchange through 2014, while promoting its mission and programs. The director works with the CFO to ensure that the Exchange operates within the board-approved budget.

Exchange Program Manager. The Exchange Program Manager provides leadership, consultation, mentoring and coaching to managers as they build their teams and work to achieve effective and efficient operations.

Exchange Change Management Manager. This manager develops change management plans for communications, training and coaching. With these plans, the change manager will develop mitigating strategies for the groups impacted while reducing the risk of business roadblocks.

Exchange Finance Manager. The Exchange finance manager is responsible for the annual budget process and managing capital budgets and forecasts, ensuring that different sections adhere to budget constraints. The finance manager supervises accounting employees and is responsible for their hiring and training. The Exchange finance manager helps to define how finance and budget operations will work within the Exchange and provides input into the requirements of the system.

Exchange Marketing Manager. This individual manages the four P's--product, place, price and promotion, by defining the type of products, their appearance, function, marketing, and introduction to customers. The Exchange marketing manager works closely with peer managers and leadership to define Exchange operations and requirements.

Exchange Service Delivery Manager. The service delivery manager oversees the presentation of services to clients while ensuring that service levels are effective. This manager links projects, programs, resources and customers by providing the tactical oversight to help bring new clients into the Exchange. A key aspect of this role is communication, resource allocation, and planning to ensure successful on boarding of new Exchange clients.

The service delivery manager also supervises and facilitates training for the service delivery team, ensuring that the service desk and application and desktop support run effectively. The service delivery manager also networks with clients to determine and evaluate their business needs with the aim of setting priorities and improving Exchange services.

Exchange IT Manager. This manager leads the teams that plan, design, implement and maintain the information systems supporting business activities. As a direct report to the Chief Information Officer, the incumbent is required to develop and maintain ongoing communication links and contact with senior managers and other staff to understand and assess their programmatic needs as they relate to information systems.

Technical Program Leadership Team

Chief Information Officer. The chief information officer (CIO), is the executive manager of information services for DHS and OHA. The CIO is responsible for the planning, coordination and facilitation of information services for the agencies. The CIO works with the Exchange's top executives to develop the agency's information requirements and information-handling systems to meet those needs. The CIO is ultimately responsible for the smooth operation of the Exchange's computer infrastructure, which must securely store vital data and make it readily available to those cleared to access it.

Deputy Chief Information Officer. Deputy CIO (DCIO) works under CIO to provide support and covers in the CIO's absence. The deputy's main duties include assisting the CIO, monitoring policies and procedures, suggesting improvements and functioning as a project executive.

IT Director. The IT Director leads the teams that plan, design, implement and maintain the information systems supporting OHA. As a direct report of the Chief Information Officer, the incumbent is required to develop and maintain ongoing communication links and contact with senior managers and other staff throughout OHA to understand and assess programmatic needs related to information systems.

Technical Program Manager. This position leads the Program Initiative, a multiyear program made of several interdependent and inter-related projects. The program manager ensures the goals and objectives of the program are met. This manager provides oversight to all technical projects assigned to their specific program.

Technical Deputy Program Manager. The primary purpose of this position is to manage the business and information system professionals, who will plan, design, and develop the solutions replacing current manual business processes while modernizing existing solutions for DHS.

Project Office Manager. The Project Office Manager leads the Project Office team, manages project tasks and day-to-day activities. This position is responsible for strategic and tactical planning in collaboration with other project team managers. Specific functions include budget and accounting, contract oversight, recruitment, logistics, federal documentation, administration, communications and publishing.

Solution Architects. The solution architect is the information technology professional responsible for the design of Exchange networks, applications and user interfaces. The solution architect works with internal and external customers to develop systems to required business specifications. The solution architect team performs system and network modeling, analysis and planning to implement a solution meeting business needs within financial budget guidelines.

Leadership & Management Support Team. The Leadership and Management support team consists of specialists from many disciplines. This group is comprised of architects, security manager, project coordinators, accountant budget analyst, measure and metrics analysts, change analyst, recruiting and human resource specialists and several administrative assistants. This centralized group works across the program to provide day-to-day support.

Project Manager III. Project Manager III (PM-III) is the most senior-level project manager. The PM-III is the glue keeping a project moving, aligned to goals and scope, on schedule and within budget. The PM-III drives communication across the program to ensure that everyone is on the same page. Responsibilities of a PM III

include developing financial models showing the impact of scope changes to a project, creating alternate time lines for projects, and managing vendors and staff from multiple areas within and outside the agency.

Project Manager II. A Project Manager II is a mid-career project manager. Responsibilities are the same as the PM-III. In areas of the Exchange program, the PM-II provides additional project management ability and in some cases leads specific efforts or tracks.

Business Analyst Manager. This position manages and coordinates specific program-related tasks addressing system needs and processes supporting the Program. This person must be able to analyze, evaluate, plan and organize the work of business analysts, subject matter experts, and functional requirements analysts to meet specific program objectives. This manager also oversees the day-to-day activities of the individuals bringing a business focus to the project.

Business Analyst III. The Business Analysts III (BA-III) are senior analysts who will work with the Exchange Program Leadership and Service Delivery teams to analyze business requirements and data to support the software development activities of the Exchange. BA- III's are responsible for reviewing, modifying and recommending business requirements applied to Exchange databases and applications. These people work closely with the Exchange Program Leadership and technical teams to test the solution, record and track technical issues and see that needed changes are implemented.

Excellent written, oral and interpersonal communication skills are required for BA- III's. Because these senior analysts must interact with executives and technical staff, networking and team building skills are required. BA- III's also have the ability to train, lead and mentor BA-II's.

Business Analyst II. Business Analyst II's (BA-II) are mid-career analysts and perform many of the same functions as a BA-III. Both BA-III and BA II roles comprise the Exchange implementation team.

Development Manager. This position manages all of the technical development activity for the Program. This includes supervision of development staff, contract and state resources. Further, the Development Manager is responsible for systems architecture as well as the full development process, and software deployment.

Developer III. Developer III's are senior-level developers who design, maintain and deploy software applications to meet business user needs. Developer III's conduct system-wide tests, provide customer and user technical support, and monitor system performance to ensure that software programs operate optimally. Additionally, Developer III's work with business analysts, architects, other developers and IT professionals to coordinate the development process and meet project deadlines. Developer III's can also train, lead and mentor Developer-II's.

Developer II. Developer-II's are mid-career developers and perform many of the same job functions a Developer III's. A Developer II may also focus on the report creation for the solution. The Exchange implementation team is comprised of both Developer III and Developer II roles.

System Administrator. System Administrators are mid-career information technology professionals certified in the commercial framework solution. They are responsible for configuration of the commercial framework. Each system administrator will have domain expertise in their area of the application and will be cross-trained in the other areas to provide backup support.

Test Manager. This manager leads and coordinates application testing for the Program, evaluating, planning, and organizing the work of testers, assigned business analysts, subject matter experts, and functional requirements coordinators. Further, the Testing Manager oversees day-to-day application testing, assuring that these activities are planned, documented and reported in a manner supporting the needs of the program. Where necessary, this manager will develop, direct, maintain and improve processes supporting the testing needs of the program.

Tester II. Tester II is a mid-career information technology (IT) professional who uses software to locate and eliminate bugs in the product by examining all aspects of it from an end-user's perspective. Tester II creates the test plan based on parameters outlined during the requirements and design sessions. The tester actively tests every function and tool, searching for results regarding performance, reliability, bugs and any other failures. At the conclusion of testing, Tester II makes recommendations and debugs failures.

External System Integrator (SI) Key Job Descriptions

Enterprise Solution Program Manager. Over eight years of progressive experience in leading IT projects is required for this position. This individual must be familiar with the latest relevant security standards, including FIPS 201 and related NIST publications, as well as technologies including PKI, biometrics, and smart cards. They must have a demonstrated ability to provide guidance and direction for specific projects or sub-tasks as well as the capability to manage multitask projects of high complexity. This manager coordinates project specific staff and reviews work products for completeness and adherence to customer requirements.

Enterprise Solution Senior Project Manager. This person manages diverse and complex IT projects by using detailed management techniques such as the Critical Path Method and Earned Value Analysis. This manager acts as the overall point of contact for a specific project within the enterprise-wide IT solution program, directing project IT staff and reviewing work products for completeness and adherence to customer requirements. Further, this manager provides project plans, status reports, and deliverables for management review. This manager also develops overall project milestones and monitors the execution of the project against planned timelines, directs and reviews program plans, status reports, and deliverables and provides technical and functional management to one or more project teams as required.

Enterprise Solution Project Manager. Experience: Over five years experience with the execution and management of large-scale information technology projects. This includes more than two years of direct experience in leading and executing enterprise-wide IT projects in the private or public sector. Experience is similar to the Senior Project Manager.

Enterprise Solution Technical Architect. Experience: More than eight years experience with the design, execution, and oversight of large-scale IT projects. This includes more than three years of direct experience in the design and development of integrated enterprise-wide software and hardware solutions in the private or public sector. This individual is also experienced and knowledgeable in the latest industry trends and developments in enterprise IT solutions.

Enterprise Solution Senior Functional Specialist. Experience: More than eight years experience in the business areas of human resource, financial, manufacturing, or logistics management. This includes at least three years experience in applying this functional experience to requirements definition for enterprise-wide IT systems or gap/fit analyses for software solutions. This individual must possess extensive experience in analyzing and designing improvements to business processes, including the implementation of best practices.

Enterprise Solution Functional Specialist. Experience: More than five years experience in the business areas of human resource management, financial management, manufacturing management, or logistics management. This includes at least two years experience in applying this functional experience to requirements definition for enterprise-wide IT systems or gap/fit analyses for software solutions as well as experience in analyzing and designing improvements to business processes, including the implementation of best practices.

Enterprise Infrastructure Analyst. Experience: Two years of progressive experience in implementing enterprise-wide IT infrastructure and technical solutions and completed comprehensive training in the implementation of enterprise IT infrastructure networking, communications, and/or computing equipment and

hardware. This position supports design and development of enterprise-wide IT infrastructure and technical solutions, including support of network sizing analytical studies.

Enterprise Solution Senior Specialist. Experience: At least two years of progressive experience in selecting and implementing enterprise solution applications and completed comprehensive training in the implementation of at least one major software application. Experience is also required in business case development, software installation and configuration for multiple modules of enterprise software and software and system development and acceptance testing.

Enterprise Solution Specialist. Experience: Up to two years of progressive experience in selecting and implementing enterprise applications and completed comprehensive training in the implementation of at least one major software application.

External Commercial Framework Vendor Key Job Descriptions

Practice Manager. Experience: More than ten years experience in leading and providing technical direction of IT projects. Demonstrated ability to provide guidance and direction for multiple IT projects and to manage multitask projects of high complexity. This manager is the primary contact with client management personnel regarding strategic issues and coordinates all project tasks, reviews work products for completeness and adherence to customer standards, and delivers presentations at client meetings.

Technical Manager. Experience: Over eight years of progressive experience in leading IT projects, with a demonstrated ability to provide guidance and direction for specific projects or sub-tasks. This manager will coordinate project staff and review work products for completeness and adherence to customer requirements. This manager will accrue increasing responsibility for design and management of IT projects.

Managing Principal Consultant. Experience: Six or more years of progressive experience in leading and participating in IT projects with proven expertise in two or more of the service areas. This person works with the client on a day to day basis, and manages day-to-day activities, reviewing work products for completeness and adherence to customer requirements. This person also delivers presentations and leads client meetings.

Senior Principal Consultant. Experience: Three years of progressive experience in participating in IT projects with a demonstrated ability to provide guidance and direction for specific sub-tasks of a project. This position requires specific expertise in one or more of the service areas and knowledge in at least one other.

Principal Consultant. Experience: Up to three years experience in participating in IT projects. Specific expertise in one of the service areas is required. This person supports presentations and client meetings.

Senior Consultant. Experience: Progressive experience in any one of the service areas. The consultant will perform specific procedures under the guidance of an IT Specialist.

Work Plan Teams

Executive Leadership Team

Exchange Executive Director
Exchange COO
Exchange CFO

Exchange CIO
Technical CIO
Technical Deputy CIO
IT Director

Exchange Program Team

Exchange Development Director
 Exchange Program Manager
 Exchange Change Management Manager
 Exchange Finance Manager

Exchange Marketing Manager
 Exchange Service Delivery Manager
 Exchange IT Manager

Program Leadership Team

Exchange CIO
 Exchange Development Director
 Exchange Program Manager
 Exchange Change Management Manager
 Exchange Finance Manager
 Exchange Marketing Manager
 Exchange Service Delivery Manager

Exchange IT Manager
 Technical Program Manager
 Technical Deputy Program Manager
 Project Office Manager
 Solutions Architect
 Enterprise Solution Program Manager (SI Vendor)
 Practice Manager (Commercial Framework Vendor)

Project Office Team

Project Office Manager
 Leadership & Support Team
 Architects (Data/Application)

Business Analyst Manager
 Development Manager
 Test Manager

Project Management Team

Exchange Program Manager
 Technical Program Manager
 Deputy Program Manager
 Project Manager III

Solutions Architect
 Enterprise Solution Senior Project Manager (SI Vendor)
 Technical Manager (Commercial Framework Vendor)

Technical Solution Team

Exchange Chief Information Officer
 Technical Program Manager
 Solutions Architect

Enterprise Solution Technical Architect (SI Vendor)
 Technical Manager (Commercial Framework Vendor)
 Security Manager

Implementation Teams (Teams A, C, D, E, F)

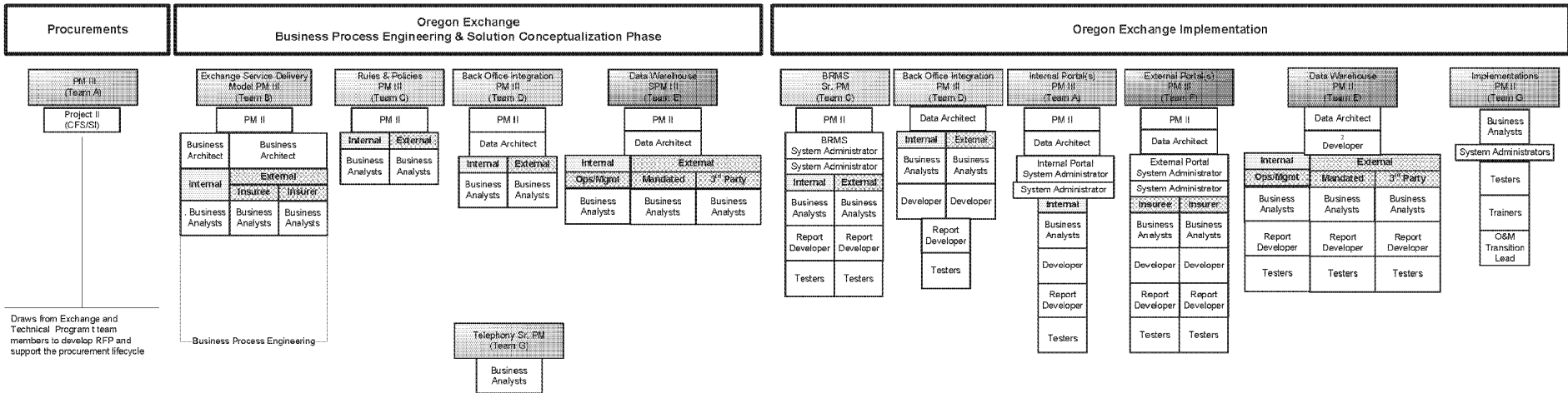
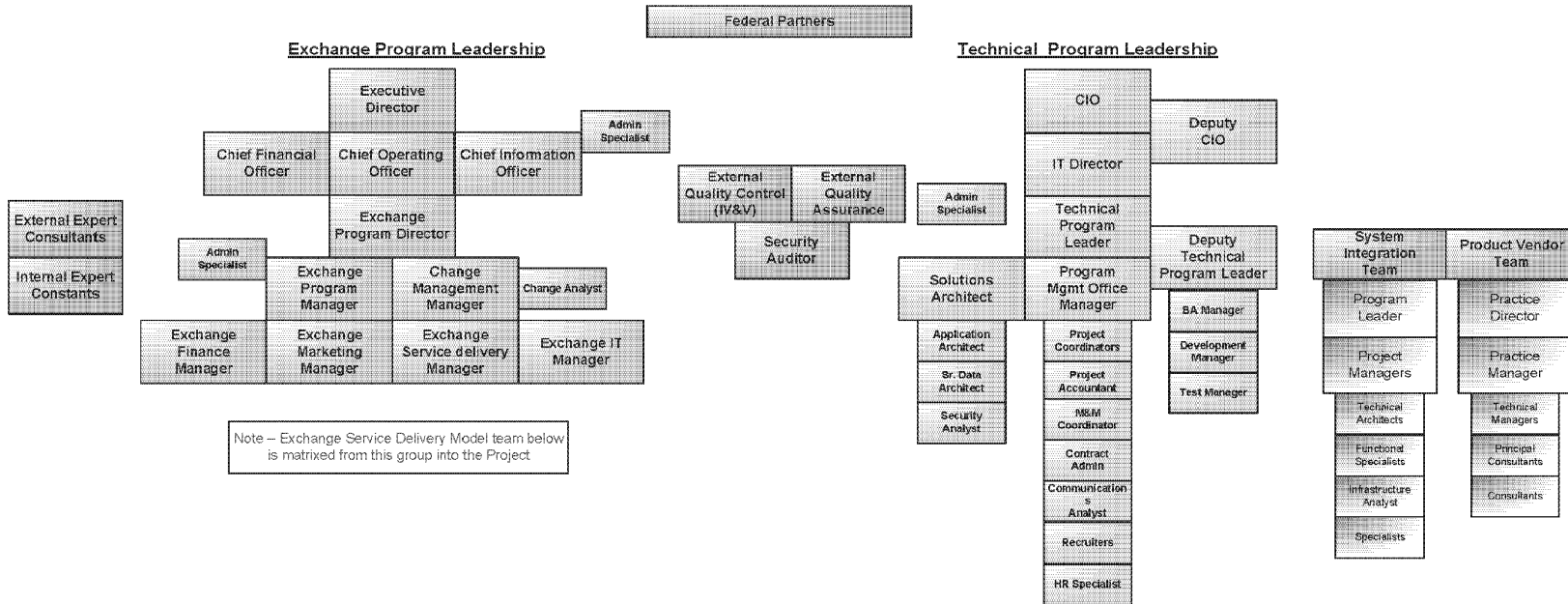
Project Manager III/II
 Architect
 Business Analyst III/II
 Developer III/II
 System Administrator
 Tester II
 Enterprise Solution Senior Project Manager (SI Vendor)
 Enterprise Solution Project Manager (SI Vendor)
 Enterprise Solution Technical Architect (SI Vendor)
 Enterprise Solution Senior Functional Specialist (SI Vendor)

Enterprise Solution Functional Specialist (SI Vendor)
 Enterprise Solution Infrastructure Analyst (SI Vendor)
 Enterprise Solution Senior Specialist (SI Vendor)
 Enterprise Solution Specialist (SI Vendor)
 Technical Manager (Commercial Framework Vendor)
 Managing Principal Consultant (Commercial Framework Vendor)
 Senior Principal Consultant (Commercial Framework Vendor)
 Principal Consultant (Commercial Framework Vendor)
 Senior Consultant (Commercial Framework Vendor)

Implementation Teams A & G do not have technical members as they are solely focused on business process. Team A does have Business Architect roles within its structure.

The proposed Oregon Exchange Program Organization Chart is attached to this application package.

Oregon Exchange Grant Organizational Chart





THEODORE R. KULONGOSKI
Governor

November 12, 2010

Donna Laverdiere
Office of Consumer Information and Insurance Oversight
Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Ms. Laverdiere:

I am writing in support of Oregon's application for the Cooperative Agreement to Support Innovative Exchange Information Technology Systems [funding opportunity number: *TBD*, CFDA: 93.525]. I have designated the Oregon Health Authority to submit this application on behalf of Oregon.

Over the past several years, Oregon has been dedicated to reforming its health care system, including planning for the development and implementation of a state health insurance exchange. In addition, the state is committed to improving its eligibility and enrollment processes for Medicaid and other self-sufficiency programs. Oregon recognizes that work underway in the state to improve its eligibility and enrollment systems must align with the establishment of system solutions for the state's Health Insurance Exchange. If approved, Oregon will use its funding to design and implement the information technology infrastructure needed to operate a health insurance exchange in the state.

Thank you for your consideration of Oregon's application. We look forward to designing and implementing a successful information technology solution for Oregon's health insurance exchange and to having our effort serve as a model that could be adopted by other states.

Sincerely,

A handwritten signature in black ink that reads "Theodore R. Kulongoski".

THEODORE R. KULONGOSKI
Governor

TRK:cb:mg

United States Senate

WASHINGTON, DC 20510

December 21, 2010

Donna Laverdiere
Office of Consumer Information and Insurance
Oversight
Department of Health and Human Services
(301) 492-4145
Donna.Laverdiere@hhs.gov

Dear Ms. Laverdiere:


We are writing to endorse Oregon's application for the Cooperative Agreement to Support Innovative Exchange Information Technology Systems [funding opportunity number: *IE-HBE-11-001* CFDA: 93.525]. This grant opportunity comes at a particularly crucial time in Oregon's health reform efforts. These resources will help provide Oregonians with a single portal into health insurance coverage as well as assist the state in modernizing its eligibility and enrollment systems.


Oregon's effort to improve its health care system, while finding innovative solutions to control costs and increase quality, has a long history. Oregon is committed to implementing a health insurance exchange, and has been working toward this goal for several years before the passage of Patient Protection and Affordable Care Act. The state is also committed to improving its eligibility and enrollment processes for Medicaid and other government assistance programs. This grant can provide the resources and synergy needed to develop information technology solutions for the Health Insurance Exchange that aligns with the state's eligibility and enrollment modernization efforts, with the ultimate goal of helping Oregonians easily enroll in the coverage for which they are eligible.

Oregon's policy makers, health care stakeholders, industry experts and community leaders are poised and ready to work together to develop technological infrastructure solutions that not only serve Oregon, but can be used as a model by other states. We will build on our experience with existing programs and eligibility modernization efforts to create a single portal into coverage and a processing system that can efficiently and effectively enroll people into the appropriate programs.

We strongly encourage you to give Oregon's Cooperative Agreement to Support Innovative Exchange Information Technology Systems grant application full and fair consideration. We are confident Oregon can lead the way as an innovator and serve as a catalyst for efforts in other states.

Sincerely,


Ron Wyden
United States Senator


Jeff Merkley
United States Senator



Oregon

Theodore R. Kulongoski, Governor

Oregon Health Authority
Office of the Director
500 Summer St. NE E20
Salem, OR 97301
Voice: 503-947-2340
Fax: 503-947-2341
TTY: 503-947-5080

December 20, 2010

Secretary Kathleen Sebelius
U.S. Department of Health and Human Services
200 Independence Avenue S.W.
Washington, DC 20201

Dear Secretary Sebelius:

I am writing to express my strong support for Oregon's application for the Cooperative Agreement to Support Innovative Exchange Information Technology Systems [funding opportunity number: *TBD*, CFDA: 93.525]. As Director of the Oregon Health Authority and Department of Human Services, I am very aware of the benefits of a streamlined, integrated and modern technical solution for Oregon's health insurance exchange and strongly believe that this solution must address eligibility and enrollment for both commercial insurance and Medicaid.

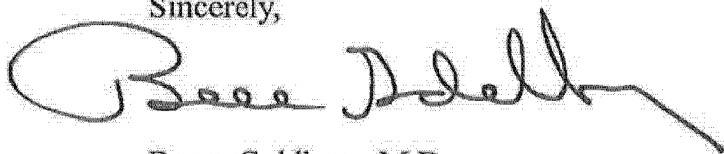
Oregon has been working to reform its health care system over the past few years. Planning for the development and implementation of a state Health Insurance Exchange has been a key element of this effort. The commitment to operate an exchange expressed by the current Governor Theodore Kulongoski and the Oregon Legislature will continue under our Governor-Elect John Kitzhaber. At the November meeting of the Oregon Health Policy Board, the Governor-Elect publicly expressed his support for health reform, including the establishment of a state Exchange.

The state has an established commitment to improving its Medicaid eligibility and enrollment processes, and believes that the work already done in this area puts Oregon in a strong position to jumpstart the implementation of the technical solution for its Exchange. If approved, Oregon will use its funding to design and implement the information technology infrastructure needed to operate a health insurance exchange in the state. In addition, the

state is committed to sharing its solution with other states, both during the construction phase and once the solution is implemented.

Thank you for your consideration of Oregon's application. We look forward to designing and implementing a successful information technology solution for Oregon's health insurance exchange and to having our effort serve as a model that could be adopted by other states.

Sincerely,

A handwritten signature in black ink, appearing to read "Bruce Goldberg". The signature is fluid and cursive, with a large initial "B" and a long, sweeping tail.

Bruce Goldberg, M.D.
Director, Department of Human Services
Director-designee, Oregon Health Authority



Oregon

Theodore R. Kulongoski, Governor

Department of Human Services Division of Medical Assistance Programs

500 Summer Street NE, E49

Salem, Oregon 97301-1079

Voice - (503) 945-5772

FAX - (503) 373-7689

TTY - (503) 378-6791

December 9, 2010

Donna Laverdiere
Office of Consumer Information and Insurance
Oversight
Department of Health and Human Services
(301) 492-4145
Donna.Laverdiere@hhs.gov



Dear Ms. Laverdiere:

I am writing in support of Oregon's application for the Cooperative Agreement to Support Innovative Exchange Information Technology Systems [funding opportunity number: *IE-HBE-11-001* CFDA: 93.525]. As Oregon's Medicaid Director, I am particularly excited about the opportunities to modernize our eligibility and enrollment systems as well as provide Oregonians with a single portal into health care coverage.

Oregon has been on the path of reforming its health care system for several years with the development and implementation of a state health insurance exchange as a cornerstone of reform. We have been engaged in improving our eligibility and enrollment processes for Medicaid and other human services self-sufficiency programs, for easy "one-stop shopping" for the lowest income, most vulnerable Oregonians (horizontal integration). However, we recognize that this work must be aligned with the system solution designed for the Health Insurance Exchange so that health coverage is easily available to all those needing it, regardless of their income (vertical integration).

To that end, Oregon will use its funding to design and implement the information technology infrastructure needed to operate a health insurance exchange that is seamlessly integrated with the Medicaid eligibility and enrollment systems. Oregon's experience with its Healthy Kids program (health insurance for children regardless of income) reinforces the importance of having a single portal into coverage for the consumer and processing system that can seamlessly enroll people into the programs appropriate for their needs. We will build upon this experience and our renowned ability to work together across agencies and organizations to create a solution that not only serves Oregon, but can be a model for use by other states.

Sincerely,

Judy Mohr Peterson
State Medicaid Director
Administrator, Division of Medical Assistance Programs

"Assisting People to Become Independent, Healthy and Safe"

An Equal Opportunity Employer





DAVID MAXWELL-JOLLY
Director

State of California—Health and Human Services Agency
Department of Health Care Services



ARNOLD SCHWARZENEGGER
Governor

December 16, 2010

Nora Leibowitz
Development Director, Health Insurance Exchange
Oregon Health Authority
General Services Building
1225 Ferry Street SE, 1st Floor
Salem, OR 97310

Dear Ms. Leibowitz:

The California Department of Health Care Services (DHCS) is pleased to provide this letter of support regarding the Oregon Health Authority's efforts under the Cooperative Agreement to Support Innovative Exchange Information Technology Systems, CFDA 93.525, being offered by the U.S. Department of Health and Human Services Office of Consumer Information and Insurance Oversight. DHCS, California's Single State Agency for Medi-Cal, our version of Medicaid, is very interested in Oregon's strategy to develop and implement a technical solution for the health insurance exchange, which facilitates seamless eligibility and health plan shopping and enrollment processes, to ensure continuous coverage of individuals and that no gaps or cliffs are created.

Of importance to DHCS will be the extent which the enterprise policy and rules engine will be developed which are a key foundational component of any framework solution for the exchange and the extent to which these rules will be applicable and replicable for California. Currently, California has a decentralized eligibility and enrollment process for Medicaid and is very interested in learning how the enterprise policy/rules engine can be leveraged to create a more centralized repository, which is easily managed and controlled for policy changes that will ultimately affect consumers in both the public and private health care markets. It is of critical importance that such automation creates a user friendly environment for eligibility and enrollment of Medicaid consumers and individuals seeking coverage through the exchange. As per your proposal, your technical solution will have applicability for states in which the Medicaid program is administered by a different agency or organization than is the exchange, which is the framework in California.

Director's Office
1501 Capitol Avenue, MS 0000, P.O. Box 997413, Sacramento, CA 95899-7413
(916) 440-7400 phone, (916) 440-7404 fax
Internet Address: www.dhcs.ca.gov

OHA001-00000373

Ms. Nora Leibowitz
Page 2
December 16, 2010

DHCS would be pleased to be represented on your proposed interstate advisory group and would consider this a very important part of our ability to assess deliverables from your efforts under the "Early Innovator Grant" that could be implemented in California. DHCS welcomes the opportunity to provide assistance in other consultative roles as well, as we might mutually agree upon after your receipt of the grant award.

I wish you success with your grant application. Please feel free to contact Ms. René Mollow, MSN, RN, Chief, Medi-Cal Eligibility Division, at 916-552-9430 or by email at rene.mollow@dhcs.ca.gov if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Toby Douglas", written over a horizontal line.

Toby Douglas
Chief Deputy Director
Health Care Programs

201 South Grand Avenue East
Springfield, Illinois 62763-0002

Telephone: (217) 782-1200
TTY: (800) 526-5812

December 22, 2010

Secretary Kathleen Sebelius
Department of Health and Human Services
200 Independence Ave., S.W.
Washington, D.C. 20201

Dear Secretary Sebelius:

On behalf of the Illinois Department of Healthcare and Family Services, the state's Medicaid agency, I offer this letter of support for the Oregon Health Authority's application for a Cooperative Agreement to Support Innovating Exchange Information Technology Systems.

Illinois is committed to establishing a health insurance exchange and is very interested in and supportive of other states' efforts to develop technology solutions that will support streamlined medical eligibility and enrollment that works for people of all income levels. Illinois believes it can most effectively meet the time requirements for implementation of the ACA by partnering with another state that has already made more progress in system integration to contemporary standards than we have. We are familiar with Oregon's capability and systems as we have been talking to them over the last year as part of a consortium of states seeking to work together on "reusable" technology (the START collaborative). We believe there are a number of important broad strategic directions that Oregon is pursuing with which we are comfortable and are accordingly very supportive of the Oregon effort. But, until we have more details than are currently available, it would not make sense for Illinois to commit to any particular grant. Once we commit, we will commit actively and aggressively. Not only are there inherently powerful reasons to partner with other states, but we don't believe there is any way we can achieve our 2014 goals without hitching to the star of some one who's already further down the road.

Like Oregon, Illinois is committed to implementing a Health Insurance Exchange that serves the individuals and small employers seeking eligibility determination, health plan shopping and insurance enrollment. We know Oregon has been working to streamline and modernize its medical and other self-sufficiency program eligibility and enrollment process and will use this knowledge and experience to move quickly to implement a solution for small businesses and individuals seeking coverage through commercial or state-sponsored insurance.

Oregon's goal is to establish a process for seamless eligibility and health plan shopping and enrollment that provides a continuous subsidy for Oregonians with income from 0 to 400% of the federal poverty level. The exchange's technical solution will help ensure that there are no gaps or cliffs in assistance for all Oregonians with income up to 400% FPL, and that the exchange will offer these services to small businesses and individual Oregonians regardless of income. Illinois shares these goals and is actively working to achieve them under the leadership of the Governor's Healthcare Reform Implementation Council.

Kathleen Sebelius
Support for Oregon
December 22, 2010
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Oregon will use an enterprise policy/rules engine as a key foundational component of any framework solution for the exchange, which will allow the exchange to manage and control policy/rules in a central repository, providing easy automation of policy changes that could potentially impact the consumer. This approach is essential for any system with which Illinois would be willing to partner.

As we develop our own technology solution, we expect to continue to engage with some other state (or group of states) and learn from one another's efforts to improve our process and system solutions. We are encouraged by Oregon's invitation for Illinois to continue to engage with this process through a state technical advisory work group that will allow us and other states to remain involved with the development work and to consider how such a solution can be transferred for use in our state.

Sincerely,



Mike Koetting
Deputy-Director for Planning and Reform Implementation

Copies:

Kate Gross, Assistant Director for Health Planning
Illinois Department of Insurance

Ivan Handler, CIO
Illinois Department of Healthcare and Family Services

Doug Kasamis, CIO
Illinois Department of Human Services

Greg Wass, CIO
State of Illinois



Minnesota Department of **Human Services**

December 22, 2010

Secretary Kathleen Sebelius
Department of Health and Human Services
200 Independence Ave., S.W.
Washington, D.C. 20201

Dear Secretary Sebelius:

On behalf of the State of Minnesota Department of Human Services, I offer this letter of support for the Oregon Health Authority's application for a Cooperative Agreement to Support Innovating Exchange Information Technology Systems.

Minnesota is very interested in and supportive of other states' efforts to develop technology solutions that will support streamlined medical eligibility, enrollment and health insurance exchange.

As Minnesota develops its own technology solution, our expectation is to learn from one another's efforts and provide mutual lift to our process and system solution. We are encouraged by Oregon's invitation for Minnesota's continued participation through a state technical advisory work group. This opportunity will allow Minnesota and other states to engage with development work and to consider how such a solution or components of that solution may be leveraged for use in our states.

The potential for this opportunity includes a reduction in time to market, enhanced quality of implementation and a reduced cost to realization for Minnesota. It is well worth our investment of partnership to realize these potential gains. It is our shared sense of purpose to provide seamless eligibility, health care shopping and enrollment for our small businesses and citizens most in need. Minnesota endorses a Cooperative Agreement to Support Innovating Exchange Information Technology Systems.

Sincerely,

Cal R. Ludeman
Commissioner



STATE OF MARYLAND
DHMH

Maryland Department of Health and Mental Hygiene
201 W. Preston Street • Baltimore, Maryland 21201
Martin O'Malley, Governor – Anthony G. Brown, Lt. Governor – John M. Colmers, Secretary

December 22, 2010

Secretary Kathleen Sebelius
Department of Health and Human Services
200 Independence Ave., S.W.
Washington, D.C. 20201

Dear Secretary Sebelius:

On behalf of the Maryland Department of Health and Mental Hygiene and the Maryland Health Care Coordinating Council, I offer this letter of support for the Oregon Health Authority's application for a Cooperative Agreement to Support Innovating Exchange Information Technology Systems.

Maryland is committed to establishing a health insurance exchange and is very interested in and supportive of other states' efforts to develop technology solutions that will support streamlined medical eligibility and enrollment that works for people of all income levels.

Maryland supports Oregon's commitment, readiness and plan for implementation of an exchange. Oregon is committed to implementing a Health Insurance Exchange that serves the individuals and small employers seeking eligibility determination, health plan shopping and insurance enrollment. Oregon has been working to streamline and modernize its medical and other self-sufficiency program eligibility and enrollment process and will use this knowledge and experience to move quickly to implement a solution for small businesses and individuals seeking coverage through commercial or state-sponsored insurance.

Oregon's goal is to establish a process for seamless eligibility and health plan shopping and enrollment that provides a continuous subsidy for Oregonians with income from 0 to 400% of the federal poverty level. The exchange's technical solution will help ensure that there are no gaps or cliffs in assistance for all Oregonians with income up to 400% FPL, and that the exchange will offer these services to small businesses and individual Oregonians regardless of income.

Oregon will use an enterprise policy/rules engine as a key foundational component of any framework solution for the exchange, which will allow the exchange to manage and control policy/rules in a central repository, providing easy automation of policy changes that could potentially impact the consumer.

Toll Free 1-877-4MD-DHMH • TTY for Disabled - Maryland Relay Service 1-800-735-2258
Web Site: www.dhmh.state.md.us

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Secretary Kathleen Sebelius
December 22, 2010
Page two

As Maryland implements its own technology solution, we expect to continue to engage with Oregon and learn from one another's efforts to improve our process and system solution. We are encouraged by Oregon's invitation for Maryland to continue to engage with this process through a state technical advisory work group that will allow Maryland and other states to remain involved with the development work and to consider how such a solution can be transferred for use in our state.

Sincerely,

A handwritten signature in black ink, appearing to read "John Colmers". The signature is written in a cursive, flowing style.

John M. Colmers
Secretary



STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Medicaid Purchasing Administration
626 8th Avenue, S.E. • P.O. Box 45502
Olympia, Washington 98504-5502

December 16, 2010

Secretary Kathleen Sebelius
Department of Health and Human Services
200 Independence Ave., S.W.
Washington, D.C. 20201

Dear Secretary Sebelius:

On behalf of the State of Washington Health Care Authority, I offer this letter of support for the Oregon Health Authority's application for a Cooperative Agreement to Support Innovating Exchange Information Technology Systems.

Washington State is planning to establish a health insurance exchange and is very interested in and supportive of other states' efforts to develop technology solutions that will support streamlined medical eligibility and enrollment that works for people of all income levels. Washington State is beginning its information technology development with an infrastructure and architectural review that should be informed by Oregon's progress as an early innovator.

Washington State supports Oregon's commitment, readiness and plan for implementation of an exchange. Oregon is committed to implementing a Health Insurance Exchange that serves the individuals and small employers seeking eligibility determination, health plan shopping and insurance enrollment. Oregon has been working to streamline and modernize its medical and other self-sufficiency program eligibility and enrollment process and will use this knowledge and experience to move quickly to implement a solution for small businesses and individuals seeking coverage through commercial or state-sponsored insurance.

Oregon's goal is to establish a process for seamless eligibility and health plan shopping and enrollment that provides a continuous subsidy for Oregonians with income from 0 to 400% of the federal poverty level. The exchange's technical solution will help ensure that there are no gaps or cliffs in assistance for all Oregonians with income up to 400% FPL, and that the exchange will offer these services to small businesses and individual Oregonians regardless of income.

Secretary Kathleen Sebelius
Department of Health and Human Services
December 16, 2010
Page 2

Oregon will use an enterprise policy/rules engine as a key foundational component of any framework solution for the exchange, which will allow the exchange to manage and control policy/rules in a central repository, providing easy automation of policy changes that could potentially impact the consumer.

As Washington State develops its own technology solution, we expect to continue to engage with Oregon and learn from one another's efforts to improve our process and system solution. We are encouraged by Oregon's invitation for Washington State to continue to engage with this process through a state technical advisory work group that will allow Washington State and other states to remain involved with the development work and to consider how such a solution can be transferred for use in our state.

Sincerely,



Cathie Ott, Deputy Chief Information Officer
Washington Medicaid and Health Care Authority



Karen Timberlake, Co-chair
Department of Health Services

Sean Dilweg, Co-chair
Office of the Commissioner of Insurance

December 16, 2010

Secretary Kathleen Sebelius
Department of Health and Human Services
200 Independence Ave., S.W.
Washington, D.C. 20201

Dear Secretary Sebelius:

On behalf of the Wisconsin Department of Health Services and the Office of the Commissioner of Insurance, we write to you today to express our support for the State of Oregon in their application as an Early Innovator for the development of a health insurance exchange.

Oregon's goals and objectives for the development of a health insurance exchange fall in line with those of our own state. Oregon is committed to establishing a seamless eligibility process and ensuring the system created is consumer-oriented and user-friendly. We applaud Oregon's innovative approach, particularly their plans to develop an enterprise policy/rules engine as well as the state's commitment to build on existing efforts, in Oregon's case enhancing their "self-sufficiency modernization" program in place for improving their eligibility and enrollment services. Like Wisconsin, Oregon is committed to sharing its technical solution, including software and information on how the solution fits with or replaces current eligibility and enrollment processes. We believe that support between our two states will be mutually beneficial as we each have areas of expertise on which we can build and provide guidance.

Wisconsin sees Oregon as a partner in leading the country in health care reform. Both states have made significant efforts to expand access to coverage for residents through BadgerCare Plus and the Oregon Health Plan respectively. Wisconsin has also had the opportunity to collaborate with Oregon in planning for both the development of a health insurance exchange and implementation of other aspects of the federal health care reform legislation. We welcome this opportunity to support Oregon once more as a partner in moving forward as a potential Early Innovator state alongside Wisconsin.

Sincerely,

Karen E. Timberlake
Secretary, Department of Health Services

Sean Dilweg
Commissioner of Insurance