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Sent:	8/24/2012 10:21:23 PM +0000
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Subject:	Monthly Status Report for HIX-IT Steering Committee Meeting
Attachments:	HIX-IT Project Monthly Status Report (2).pdf

Dear meeting participants,

Attached is a copy of the HIX-IT monthly status reports. My sincere apologies for two emails.

Thank you.

Sara M. Herd

Administrative Support
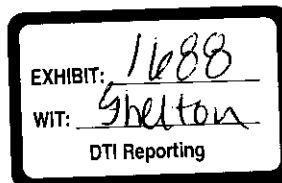
MAX (HIXIT / Modernization)

OHA / OIS

(503) 480-7395

HIX-IT Project Monthly Status Report

Project Manager: Amy Shelton (Interim)

Reporting Period: August 2012

Status Report Purpose

This report provides detailed status information for the Health Insurance Exchange Information Technology (HIX-IT) project. This report is intended for project staff, management, and oversight groups for use in project status meetings and reviews. This report is compiled by the MaX (Modernization and HIX-IT Projects collaboration) Project Management Office in cooperation with project management. It will be distributed to key stakeholders on a monthly basis.

Project Background

In February 2011 Oregon received an "Early Innovator" (EI) grant from our federal partner, Center for Consumer Information and Insurance Oversight (CCIIO). This grant provides funds to allow a small group of grantees to move rapidly into the development of a technical solution for the Health Insurance Exchange (HIX). This funding supports efforts that could be adopted by other states seeking an IT solution for their own Exchanges.

The Oregon Health Insurance Exchange will be a central marketplace to help individuals enroll in public and private health plans, and allow small businesses to buy health insurance in a way that permits easy comparison of available plan options based on price, benefits, services, and quality. Consumers seeking health care coverage will be able to go to the Exchange to obtain comprehensive information on available coverage options and make informed health insurance choices. By pooling consumers, reducing transaction costs, and increasing transparency, Exchanges create more efficient and competitive health insurance markets for individuals and small employers. The Exchange will administer the new federal health insurance tax credits, offer improved, seamless access to Medicaid and the Children's Health Insurance Program (CHIP) and make it easier to enroll in commercial health insurance plans.

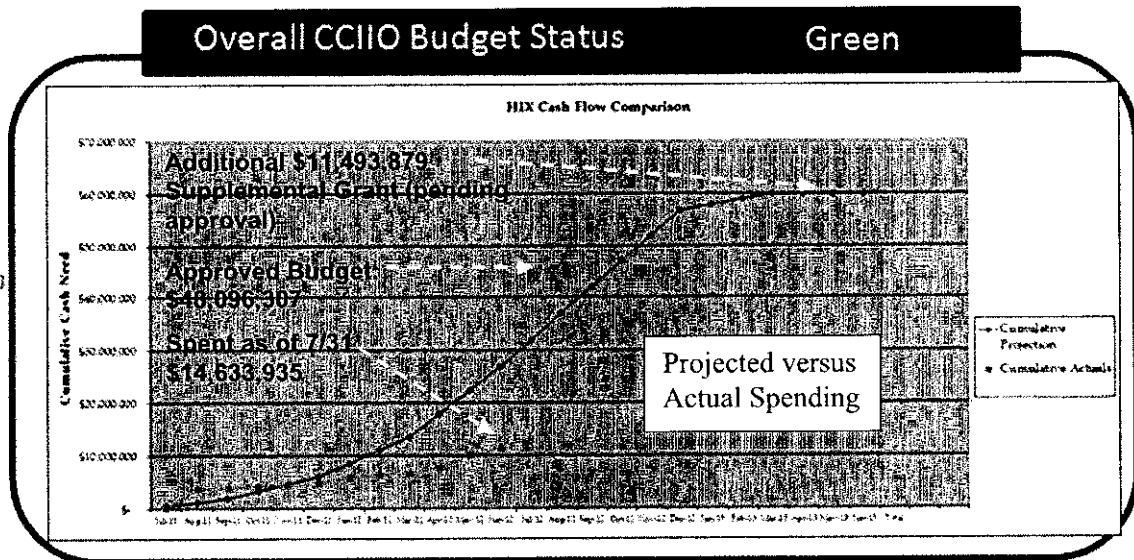## Status Summary

"Sprint to September" Overview

- Monthly Iterative Development builds.
- Functional Scope:
    o Functional JADs wrap by August 1.
    o Use Case Inventory by August 1.
    o Use Case Documentation Complete by September 1.
    o Oracle Functional Design begins in September
- OPA Rules Workshops for Exchange Eligibility, Tax Credits & MAGI rules
- Non-Functional Scope:
    o Working Schedule by August 10.
    o Project Artifacts and SDLC Clean Up/Monthly Postings.
    o Shared Services Requirements/Dependencies

August Monthly Summary

- 104 of 208 use-cases written as of August 20.
- September Iteration Planning
- Systems Integrator vendor on-boarding.
- Test team planned and waiting approvals.
- Hired and onboarded 4 Business Analysts
- Scope planning in progress to plan use-cases across iterations and determine optimum build cycle for full capacity builds.
- Environment & operating model refinement in progress.
- Resource Planning & Milestones/Dependencies for Shared Services underway.
- Carrier JADS start back up last week of August.
- Final version of MAXIMUS Quality Management Plan approved.
- Received MAXIMUS Quarterly Risk Assessment
- WBS & Schedule Framework in place – schedule being flushed and built out. High level schedule and Milestone Schedule drafts completed & in refinement.
- Budget work underway to re-estimate spend for project duration and through December 31, 2014 to support HIX Corp Level 2 grant request.

Points for Management Attention

- Schedule ▓▓▓ – The schedule is red due to aggressive timeline and undefined scope. A detailed work breakdown schedule is needed and is being developed. This schedule will be finalized as a more precise understanding of scope is realized.

- Budget (▓▓▓ – It is currently unclear if the project can be completed within the existing budget. To date projections have been based on 2011 assumptions. A re-assessment of the estimated project spend is underway and will continue to be refined as scope is refined and work estimates are completed.

Overall CCIIO Budget Status   Green

HIX Cash Flow Comparison

Additional $11,493,879 Supplemental Grant (pending approval)

Approved Budget $40,096,101

Spent as of 7/31 $14,633,935

Projected versus Actual Spending

- Scope ▓▓▓ – Detailed project scope definition is underway but is not complete. The target date for completion of Use Case documentation is August 31 but will extend into early September. Shared Services scope boundaries and resource planning is underway. Detailed requirements definition for some Shared Services areas will continue into the Fall.

- Staffing ▓▓▓ – The project is currently 49% percent staffed with 53 of 107 FTE positions filled – this is MaX level staffing, not specific to HIX-IT or Oracle resources designated to HIX-IT. Fourteen positions are in open recruitment currently and will be on-boarded late July to early August.

Risk Management

Category	Major Findings	Q/A Rating	Mitigation Strategy
Timeframe	Aggressive timeframes may require scope and/or budget trade off decisions.	⬢	Implementing a working schedule and product plan will inform stakeholders about the project's ability to meet the aggressive timelines.
Scope	Medical Scope overlap between HIX and Modernization	⬢	Collaboration is in progress with Modernization team. It is possible that the necessity to collaborate will slow project and development progress.
Schedule	Schedule is not fully elaborated	⬢	The schedule framework and wbs are in place. The schedule will remain in red status until we have all scope defined, estimated and scheduled.
Scope	Scope is not fully elaborated	⬢	August Rush use case writing effort has been effective in getting us close to a refined scope. Scope will remain in red status until we have the use cases estimated and planned and all shared services dependencies estimated and planned. And an agreed upon scope across all stakeholders.

Quality Management

- The initial Quality Assessment report was delivered by MAXIMUS on October 14, 2011.

- The Initial Risk Assessment Update was submitted on March 7, 2012 and approved. High risk items are being tracked in the Issues and Risks log.

- The Quality Control Report on Preliminary Requirements was delivered April, 2012 and approved.

- The final version of the QMP has been reviewed and approved.

- The Quarterly QA Status and Improvement Report (MAXIMUS Deliverable 3.1) was delivered on June 4, 2012 and has been approved.

- The Quarterly QA Status and Improvement report (MAXIMUS Deliverable 3.1 – 2) was delivered on August 16, 2012 and is in the process of being reviewed.

Budget Management

HIX-IT (OHA) Budget Update
As of 7/31/2012

	Currently Approved Funding - Federal Funds (CCIIO)		Actual OHA Budget Expenditures since inception	
Personnel	$	5,655,191	$	2,276,071
Fringe Benefits	$	1,809,661	$	722,257
Total Personnel Costs	$	7,464,852	$	2,998,327
Consultants Costs	$	-	$	-
Equipment	$	675,378	$	136,818
Supplies	$	30,000	$	25,762
Travel	$	144,576	$	46,478
Other	$	2,783,206	$	763,260
Contractual	$	36,998,295	$	10,663,289
Total Direct Costs	$	48,096,307	$	11,635,607
DOJ Review / Contingency	$	-		
Total	$	48,096,307	$	14,633,935

NOTE: Above table reflects expenses by Federal Grant fund categories.

- HIX-IT is utilizing federally approved CMS funds for the project, which includes a $48.1 million Early Innovator (EI) grant from CCIIO and $6.8 million from Medicaid.

- The project has requested additional funds. The request outlined the justification for a supplemental EI grant of $11.8 Million. CCIIO has verbally agreed and instructed that management will need to formally submit the request when the project has drawn-down 50% of the original EI grant. The period of the EI grant is February 15, 2011 through February 14, 2013.

- Additional budget planning is also in place to increase the CMS Medicaid funding from $6.8 million to $26 million to facilitate both the shift of scope of the Eligibility Automation (EA) from DHS Modernization into HIX-IT. CMS has given verbal agreement to this direction, and MaX has submitted an updated IAPD requesting the additional funds, which was approved in June. We are not allowed under the terms of the EI grant to pay for Medicaid work; instead, CMS requires us to allocate costs to Medicaid where the program benefits.