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Correspondence Memorandum

Date: March 31, 2025

To: IAS Program Management Team

From: Michelle Hoehne, Kurt Petrie, Yikchau Sze
Office of Internal Audit (OIA)

Subject: Internal Audit Insurance Administration System (IAS) Program Review
Monthly Report

Background

This is our continuation of the monthly communication for our IAS Program Review, covering the period from February 15 to March 21, 2025. OIA's role for this consulting project is to provide feedback on IAS program management and verify that key program outcomes are achieved. OIA is using documentation review and evidence testing to verify the following:

- Management oversight is appropriate.
- Status reporting is accurate.
- Key risks are identified and properly treated.
- Necessary testing is completed.
- Other key project milestones are supported and achieved.

OIA Activities Completed

As part of the routine, ongoing monitoring OIA completes, we attended meetings: Program Management Team (PMT) and Biweekly Meetings between OIA and IAS General Program Manager and Program Analyst. We reviewed the following items for reasonableness and asked follow-up questions as necessary:

- DAQ+ Log
- IAS Program weekly status reports
- Monthly Portfolio Committee Reports
- Eclipse time tracking and allocation of hours and provided our review to Program Management to assist in their monitoring
- Risks and issues documented in Eclipse
- Reporting of End-to-End testing progress
- 100: My Insurance Benefits Member Experience (ETF IAS) training and provided feedback

Attachment A

OIA Items Noted

Overall Project Monitoring and Operational Readiness

As mentioned in our prior report, the IAS Program Managers utilize the Program Plan, where all critical tasks are monitored along the critical path. However, this Program Plan was not updated for the month of January or February. Program Management staff stated they were having difficulty incorporating the information from Eclipse for the February update. In addition, we noticed a considerable increase in the number of overdue tasks at the start of this review period across various projects. While many of the outstanding tasks are detailed in the key functionalities spreadsheet discussed below, others are not. With an increase in these outstanding tasks, this is something that must be monitored very closely to ensure project completion.

As an additional monitoring tool, the IAS Program Managers recently created a key functionality spreadsheet that includes the status of remaining items to be completed if ETF can go-live with or without them, the likelihood of them being completed by go-live, and a few other metrics. This spreadsheet started with ETF's remaining development work and added Benefitfocus' outstanding enhancement tickets, outstanding project charter activities, and other spreadsheets used to monitor the project. However, this key functionality spreadsheet does not include all remaining downstream activities like training and manual operations. In addition, because the emphasis is on needed development work, the go-live indicator has that focus. If a holistic approach of the entire project would be included in the analysis, items may potentially be ranked differently. IAS Program Managers told us the key functionality spreadsheet is one piece of the outstanding items. They are working on other pieces, but these were not started at the time of our questions. Finally, several of the items listed in the spreadsheet as "if this is not done we cannot go live" have a low confidence level of being completed, and a contingency plan was not listed or identified.

While it is helpful that staff have created this spreadsheet, the fact that there is not a complete picture or one location to review all remaining items and tasks in the program in detail is concerning. Given how much activity remains and the timeframe to complete it, without a complete list of the tasks outstanding, it is possible that something might be missed. If something is identified later, it may be too late to complete the work before go-live. Finally, as this project moves closer to July 1, 2025, further review must be done on the items remaining where potential issues will occur, as well as on staff and employer readiness, especially for local employers who have been less involved in development and testing efforts. This information will need to be tied into the go-live readiness decision criteria that is still being developed to determine if the July 1, 2025, go-live is achievable.

We recommend the following:

- A complete list of all outstanding items should be created, continually reviewed, and assessed for project readiness.

- The go-live readiness assessment should be completed using a holistic view of the project and operational readiness of vendors and employers.

End-to-End Testing

As previously reported, we have been monitoring the detailed End-to-End testing weekly updates. We noted an instance where the Universities of Wisconsin and the University of Wisconsin Hospitals and Clinics projects weekly status update e included blocked and failed tests in the calculation of what was considered completed or executed. This is an example where weekly status reporting could be more transparent. Additionally, we have discussed concerns with staff regarding the limited involvement of local employers in End-to-End testing throughout our review. Only one local employer is currently included in testing, after the other two local employers that were going to do their own testing were dropped for various reasons. For the one included, the testing work is being primarily completed by ETF staff, excluding the actual employer perspective from the testing process. We will continue to monitor testing progress and the plan for cycle 4 or other additional testing as development items are completed and outstanding system defects are resolved.

cc: Strategic Council