Correspondence Memorandum

Date: July 25, 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 June 19 to July 18, 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

This report also includes a recap of OIA's recommendations, and some lessons learned that can be utilized on the Pension Administration System (PAS) implementation.

OIA Activities Completed

As part of the routine, ongoing monitoring OIA completes, we attended the following meetings:

- Program Management Team (PMT)
- Biweekly Meeting between OIA and IAS General Program Manager and Program Analyst
- Weekly IAS – Benefitfocus (BF)/ETF Defect and Enhancement Review

We reviewed the following items for reasonableness and asked follow-up questions as necessary:

- DAQ+ Log
- IAS Program weekly status reports
- Daily IAS Program UW Go-Live HyperCare End of Day Recap 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

OIA Items Noted

Universities of Wisconsin (UWs) Go-Live

ETF went live with My Insurance Benefits for Universities of Wisconsin (UWs) employees on July 1, 2025. Since mid-June, IAS Program staff have been reporting out go-live issues for the UWs launch via daily IAS Program UW Go-Live HyperCare End of Day Recap reports including the number of resolved and pending issues and their priority status. The Program team reported being able to successfully resolve all high priority issues prior to go-live. However, as common with any major system implementation, a few high priority issues have occurred since go-live that ETF, UWs, and Benefitfocus staff have resolved. Additionally, as suggested by OIA, ETF and the UWs drafted a Memorandum of Understanding (MOU) to clarify responsibilities before and after go-live. ETF has also drafted a MOU on data sharing with the UWs and DOA because DOA is going to be completing some enrollment verification testing. Both MOUs are with the agencies waiting to be signed.

IAS Lessons Learned for PAS

As vendor selection and pre-implementation planning for PAS continues, ETF management has been meeting with Linea Solutions (Linea), ETF's contracted Strategic Partner for PAS implementation. Linea has identified governance planning as a focus area. Throughout OIA's IAS Program review, we have identified various recommendations pertaining to program management in our monthly reports. While not specific to governance structure, sharing these in their entirety with Linea may aid in further governance planning and system implementation efforts. A brief summary of the recommendations is included below.

- All project charters use the same template to ensure consistency and are completed in a timely manner.
- Adequate resources are available to complete the day-to-day and project work.
- Ensure enough representative employers are involved to obtain proper feedback and coverage.
- Project work plans are complete, accurate, and reviewed. Program Managers should be involved in assessing work plan adjustments that may impact the overall program timeline to ensure an appropriate understanding and for effective monitoring.
- Accurate and transparent reporting of the projects and program status.
- Hold Project Managers accountable for their project deadlines.

- Timely and appropriate information is provided to the Program Management Team for their governance and oversight.
- Ensure all project risks are accurate and continuously reviewed and updated.
- Ensure that all staff working on projects are accurately recording their time.
- A holistic analysis of the various project monitoring tracking spreadsheets is completed.

Additionally, throughout our review, we have identified other items not specifically communicated through our reports. This attached list with additional observations at the end of this document should be incorporated with the other Lessons Learned information being compiled from the IAS Program to be provided to Linea.

Attached: OIA Lessons Learned – IAS Project

cc: Strategic Council

OIA Lessons Learned – IAS Project

1. Determine what changes to statute and/or internal processes must be made to streamline implementation and complete those before starting the implementation.

2. Ensure whatever system is purchased has the functionality to meet all major business requirements. If additional applications or systems will be required, this should be identified early in the implementation process.

3. Complete project scope documents and work plans before working on the project. Business area subject matter experts should be involved throughout the planning and implementation process including when creating these documents to ensure business requirements are appropriately included.

4. Try to limit the number of different projects to monitor in Eclipse and instead have larger projects so monitoring the overall project and activity is much easier.

5. Have only one Project Manager assigned to a specific project (instead of multiple projects), if possible.

6. Create work plans based on the time estimated to complete the task instead of the number of days. Also, have staff track their time at the detailed task level.

7. Strategically think about what spreadsheets, reports, etc., are needed and used to monitor the project and make sure they are aligned and continuously updated (do not abandon them shortly after being created unless a very good reason is provided).

8. Ensure consistency in communication. Coordination between what information is reported to the Board and what is reported in the weekly updates to staff and ensure they are aligned. Specifically, the project status chart was not always aligned with the information reported to the Board.

9. Through proper oversight and review by Program Management, hold Project Managers accountable for keeping key project information up-to-date (risks, issues, DAQ+ Log, etc.).

10. Project work plan task end dates and project completion dates should only be moved back under very rare circumstances to maintain accountability and oversight of the project managers.

11. Include more employers in planning and testing to understand their specific processes/needs, expanding focus outside of the larger state agency employers.

12. Ensure backups are available for key roles whenever possible, as losing the lead program manager twice and certain project managers in the middle of the project was difficult.

13. Ensure all levels of the governance structure are clearly defined early in the system implementation, including which decisions will be made at which level. Ensure that transparent and comprehensive program information flows up to the appropriate governance level with adequate detail to make informed decisions.

14. Ensure business requirements are defined early enough and traced all the way through to End-to-End testing.

15. End-to-End testing should not be started until significant development work has been completed and passed through user acceptance testing.

16. Ensure understanding and adequate planning time for all areas of project work before making decisions to delay starting certain areas (ex: COBRA, direct pay).

17. Ensure data and reporting is a focus earlier on in system implementation.