Correspondence Memorandum

Date: August 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 July 19 to August 15, 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 the following meetings:

- Biweekly Meeting 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
- 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

<div align="center">Program Reset Again</div>

As noted in our April 29, 2025, report, ETF leadership decided to take a phased approach in the My Insurance Benefits launch, with a focused implementation for the Universities of Wisconsin (UWs) on July 1, 2025, and a full launch for all other employers in March 2026. After further analysis, review, and additional feedback from vendors and employers, including implementation timing with the workload of local employers with calendar year-end activities, it was decided that another phased implementation would occur. A focused implementation for the Department of Administration (DOA), incorporating lessons learned from the UWs launch, will take place on May 1, 2026. All remaining employers, with full system functionality, will go-live on July 1, 2026. OEI staff are replanning and reassessing the impact of this decision on individual projects, and the Program, as a whole.

Project and Program Managers had not yet completed updating all individual project work plans and the program plan from the reset that was announced on April 18, 2025. Now with this additional reset, it is important that the work plans be updated timely. Without updated work plan tasks entered into Eclipse, there is limited transparency into the status of each project and the program as a whole. This makes it difficult to manage and monitor the individual projects and IAS Program.

<u>We recommend that Project Managers complete their projects' work plans, and the Program Managers complete a review of the work plans ensuring task end dates are consistent if impacting multiple projects, reasonable, achievable, and aligned with the needs of the overall program timeline.</u>

<div align="center">UWs Go-Live</div>

Since mid-June, IAS Program staff have been reporting out go-live issues for the UWs launch via IAS Program UW Go-Live HyperCare End of Day Recap reports. These reports have included the number of resolved and pending issues, and their priority status. Several HyperCare high-priority items were identified in late July and early August related to COBRA, data and system integration, and the Aggregate Benefit Detail Extract (ABDE). While the HyperCare phase concluded on August 15, 2025, high priority items related to COBRA and the ABDE remain outstanding, and resolution work continues. Going forward, issues will be tracked and addressed via ETF's Employer Insurance Unit's (EIU) standard ticket resolution process. Also, reported during HyperCare was the number of unique users and total user sessions in the system, with both numbers steadily increasing. As the UWs prepare for the fall semester, new employees are being hired, onboarded, and signing up for benefits using My Insurance Benefits. As new employees were hired, several were unable to access My Insurance Benefits because of complications during the verification process. ETF staff worked diligently to resolve the issue the same day and are providing additional support for new hires going forward.

Additionally, as suggested by OIA, ETF and the UWs drafted a Memorandum of Understanding (MOU) to clarify responsibilities before and after go-live. This MOU has been with the UWs since before go-live on July 1, 2025; however, it still has not been signed. ETF also drafted a MOU on data sharing with the UWs and DOA because DOA was going to complete some enrollment verification testing. However, because the MOU was not signed before enrollment verification testing was completed, DOA did not participate in this round of testing.

We recommend that ETF work with the UWs and obtain the signed MOU clarifying responsibilities. We also recommend that a MOU with DOA be completed and signed before the May 1, 2026, DOA go-live.

cc: Strategic Council