Correspondence Memorandum

Date: February 24, 2023

To: Budget and Operations Committee

From: Michelle Baxter, Director
               Office of Enterprise Initiatives

Subject: Modernization Projects Update

This memo is for informational purposes only. No action is required.

Below is the Department of Employee Trust Funds modernization project update for the period ending February 28, 2023. This provides the Board an overview of the project highlights, health, major milestones, and key issues and risks.

Executive Summary:

The Insurance Administration System (IAS) Implementation project continues to be on track. The second amendment to the contract is ready for signature. This amendment addresses employer groups and the selection of a billing option. An additional amendment will be needed for COBRA administration and is expected to be completed within the next month. This is a current function performed by employers that will transfer to ETF and its oversight of the IAS vendor, BenefitFocus. Please reference the [Group Insurance Board Memo – Insurance Administration System Update](#) presented on February 22, 2023, for additional details.

The Data Management (DM) Program overall is on target. Focus is on supporting data for the Insurance Administration System project. The Data Storage, Warehouse and Business Intelligence project is seeing some delays due to staff turnover.

A key dependency to successfully deliver IAS is to ensure members' identity is verified. The Identity Proofing project, Strategic Initiative 4.3.5, is being reported here for reference, and the project is at risk due to delays in contracting to complete the proof of concept. This does not have an impact on any other projects currently.

Reviewed and approved by John Voelker, Secretary
Electronically Signed 03/08/23

Board	Mtg Date	Item #
BUD	3.23.23	7

Insurance Administration System Implementation

Highlights
- Completed UW enrollment and eligibility platform configuration, and the team is currently testing the configuration.
- Met with Courts and Legislature to provide a project overview and demonstration.
- Continue to meet with DOA and UWHC providing project updates, pre-planning, demonstrations, and review of technical specifications.
- Began implementation projects with 13 of 18 identified vendors. These vendors consist of health insurers, benefit administrators, and Merative (data warehouse).
- Completed contract amendment two.

Health Overall Health	Schedule	Scope	Budget	Transition Management
On Target	On Target	On Target	On Target	On Target

Project Milestones

Milestone	Start Date	End Date	Status
Phase 0 – Benefitplace core system	08/09/2021	03/31/2022	Completed 6/30/2022
Phase 1 – UW Benefitplace	08/15/2022	05/05/2023	On Target
Phase 2 – Locals Benefitplace	12/01/2022	07/07/2023	On Target
Phase 3 - Retirees Benefitplace	03/01/2023	11/03/2023	Not Started
Phase 4 – DOA (Star and Non-Star), UWHC Benefitplace	05/01/2023	01/05/2024	Not Started
Operational Readiness	08/09/2021	06/01/2024	At Risk
Deployment	01/01/2024	06/01/2024	Not Started
Project Closure	06/01/2024	03/31/2025	Not Started

Top Risk / Issues

#	Risk / Issue Description	Severity	Status
1	Billing – Vendor has an unproven billing solution, and first customer is having difficulty implementing.	High	Developing Mitigation
2	Resources – Maintenance of current system, operational capacity, and competing initiatives.	High	Monitoring through enhanced governance oversight
3	Timeline - Program and policy changes to insurance benefit plans or Third-Party Administrators (TPAs) may impact implementation.	Moderate	Monitoring
4	Timeline – Third-Party Administrators (TPAs) and Employer ability to meet defined timelines.	Moderate	Monitoring
5	Other – High level of process changes and acceptance of such changes for ETF, Employers and Vendors.	High	Enhanced Transition Management Effort Underway

Resolved Risks / Issues

Risk / Issue Description	Result
Budget – renegotiating the terms of the contract including the cost of previously extending the project timeline.	Contract was successfully renegotiated with a limited cost increase.
Other – Purchase of BenefitFocus by Voya	Purchase was completed and has had no negative impact on the project.

Data Management Program

Highlights

- DM program overall health is at risk because of resource constraints. The Team is monitoring and making adjustments as necessary.
- Data Quality project staff continue cleanup for top insurance data elements for IAS Enrollment and Eligibility.
- Data Literacy project staff continue to focus on smaller and more frequent training.

Health

Overall Health	Schedule	Scope	Budget	Transition Management
At Risk	At Risk	On Target	On Target	On Target

Project Milestones

Milestone	Start Date	End Date	Status
Data Storage, Warehouse, and Business Intelligence	11/08/2019	12/29/2023	On Target
Milestone 10 - Organization, Insurance, myETF	07/01/2022	9/30/2022	Complete
Milestone 11 – myETF in Data Lake DEV	10/03/2022	12/30/2022	Late
Milestone 12-15 - TBD	01/02/2023	11/30/2023	Not Started
Project Closure	12/01/2023	12/29/2023	Not Started
Data Governance	02/08/2019	12/29/2023	On Target
Enhance Data Governance Framework	01/03/2022	12/22/2023	On Target
Operationalize Data Governance Activities	07/01/2022	12/04/2023	On Target
Project Closure	12/11/2023	12/29/2023	Not Started
Data Quality	01/14/2019	12/29/2023	On Target
Data Quality and Supporting Metrics	01/03/2022	12/29/2023	On Target
Data quality control points rules prioritization, review, and modification	01/03/2022	12/15/2023	On Target
Data Cleansing	01/03/2022	10/23/2023	On Target
Future data quality framework	01/03/2022	12/29/2023	On Target
Operationalize data quality activities	01/02/2023	12/28/2023	Not Started

Data Literacy	04/05/2021	12/29/2023	On Target

Top Risk / Issues

#	Risk / Issue Description	Severity	Status
1	Resource availability – specifically subject matter experts and data stewards	Moderate	Monitoring through enhanced governance oversight
2	Data integration complexity	Moderate	Analyzing

Identity Proofing

Highlights

- Two vendors were invited to complete proof of concept with ETF and contracting has resulted in delays.
- Working with Department of Administration (DOA) and Division of Enterprise Technology (DET) to align agency's respective needs, requirements, and timelines.

Health

Overall Health	Schedule	Scope	Budget	Transition Management
At Risk	At Risk	On Target	On Target	On Target

Project Milestones

Milestone	Start Date	End Date	Status
Phase 1: Request for Information	9/19/2022	10/05/2022	Complete
Phase 1: Vendor Demonstrations	10/6/2022	11/11/2022	Complete
Phase 1: Proof of Concept(s)	11/14/2022	~~02/21/2023~~ 03/10/23	Late
Phase 1: Recommendation	2/22/2023	3/13/2023	Late
Phase 2 Develop Project Execution Schedule	2/1/2023	4/25/2023	At Risk

Top Risk / Issues

#	Risk / Issue Description	Severity	Status
1	Resource availability	Moderate	Monitoring
2	Timing of enterprise project (DOA/DET) and impact	Moderate	Monitoring
3	Timeline – project timeline will need to be extended due to contracting issues for the proof of concept. This does not impact any other project.	Low	Reviewing Timeline for adjustment