



*The Commonwealth of Massachusetts
Commonwealth Health Insurance Connector Authority
100 City Hall Plaza, 6th floor
Boston, MA 02108*

DEVAL PATRICK
Governor

GLEN SHOR
Board Chair

JEAN YANG
Executive Director

Board of the Commonwealth Health Insurance Connector Authority

Minutes

Thursday, February 6, 2013
12:00 PM to 3:00 PM
Massachusetts State House
Boston, MA 01233
Gardner Auditorium

Attendees: Jean Yang, Nancy Turnbull, Ian Duncan, Kristin Thorn, George Gonser, Celia Wcislo, Glen Shor, Joseph Murphy, Dolores Mitchell, Rick Jakious and Jonathan Gruber. Louis Malzone joined the meeting by telephone.

The meeting was called to order at 12:12 PM.

- I. Minutes:** The minutes of the January 9, 2014 meeting were approved by unanimous vote.

- II. 2014 Open Enrollment Check-in:** The PowerPoint presentation “2014 Open Enrollment Check-in (VOTE)” was presented by Ashley Hague and Roni Mansur. Ms. Hague began the presentation by explaining that she and Mr. Mansur would provide important updates following Governor Patrick’s announcements earlier in the day. Ms. Hague reminded the Board that at the previous meeting the Health Connector (CCA) had stated that a rapid assessment team was coming in to review the current situation in Massachusetts in order to provide recommendations for a path forward. This group, MITRE, provided a final recommendation on February 4, 2014 and in response the Commonwealth has moved swiftly to act upon those recommendations. As part of this effort, Ms. Hague explained, the Commonwealth engaged a technical advisory vendor for information technology (IT) and operations and has secured a single point of contact to oversee the vendor, CGI, and the project as a whole. Ms. Hague stated that the MITRE report will be available on CCA’s website and representation from MITRE will be available during the meeting to answer questions from the Board. She also stated that she

will be introducing the new project leader and CCA staff recommendation to engage a new vendor in tactical steps moving forward.

Ms. Hague provided an overview of the rapid assessment review done by MITRE, explaining that the review focused on four areas including; project structure, roles and responsibilities; project planning and execution; IT governance and software life-cycle process as well as technical elements. Ms. Hague stated that the MITRE team organized its findings in accordance with these areas, while also conducting in-depth reviews related to concerns identified prior to the assessment by CCA, MassHealth, University of Massachusetts Medical School (UMMS) as well as Berry Dunn, the independent verification and validation services (IV&V) vendor.

Donna Schmidt, the State-based Marketplace Director from the Centers for Medicare and Medicaid Services (CMS) then introduced representation from MITRE to present the key findings of their report. She explained that MITRE's expertise are in IT and system engineering assistance and that they have done an assessment and provided recommendations in these areas, in particular. Richard Wysocki from MITRE presented the findings and recommendations from a review performed by MITRE from January 6, 2014-January 10, 2014. Mr. Wysocki noted that the Health Insurance Exchange Integrated Eligibility System (HIX/IES) is a highly complex system with multiple government entities sharing oversight responsibilities. He noted that the system performance has had a negative impact and that there have been oversight and management challenges of the vendor. Mr. Wysocki reported that CGI failed to utilize schedules, procedures and templates instituted from the beginning of the project to carry out scoped deliverables and took on more work that it was capable of completing despite the Commonwealth's efforts to re-scope the project to ensure critical October 1 functionality. Further, CGI had poor project management, systems engineering, quality management, risk management and systems requirements skills. Mr. Wysocki then presented the near term and long term recommendations for the Commonwealth. In the near term, MITRE recommended establishing one full-time senior government executive who would be accountable for this project, drafting a governance structure that illustrates clear roles and responsibilities as well as drafting and executing a 12-week program plan with a high-level roadmap. In addition, MITRE provided three options related to next steps including; engaging a new vendor and developing a brand new system; engaging a new vendor and improving upon the current system or leveraging the current vendor while also engaging other vendors to improve the current system. In the long term, MITRE recommended executing project management responsibilities, improving the IT vendor's development program and technical performance as well as developing a long-term Commonwealth operations strategy.

Mr. Duncan noted that he has a background in system integration and appreciated the MITRE report. He then stated that while CGI did not do well, as is illustrated in the report, they could not have acted in a vacuum and he would like to know more about the context in which the vendor worked. Michael Oelrich from MITRE responded that within the technical assessment it was reported that there were multiple government agencies each of whom had its own responsibilities, which contributed to communication

challenges such as getting CGI the necessary requirements and ensuring that they understood them properly. Mr. Gruber requested MITRE to conjecture on the extent to which they believed the process failings were due to not having a single authority in place to manage the project and to what extent MITRE believes this will solve the problem going forward. Mr. Oelrich answered that they recommended putting in place a government model of clear roles and responsibilities. While there have already been technical managers and resources put in place, a single point of contact will give direction to those folks in an effective manner. Ms. Turnbull then stated that the Board will be considering Optum to perform a number of activities for this project and asked whether hiring this firm would be consistent with the findings of the report. Mr. Oelrich answered that engaging this type of company would be a way in which to fulfill the recommendations of the report. Mr. Duncan noted that in the May 2012 Board meeting the projected cost of the project was roughly \$112 million. He then asked how much had been expended given what was delivered and then asked MITRE to report on the state of the system. Mr. Oelrich stated that MITRE focused on organization and did not perform a deep technical dive into the coding of the website. He noted that MITRE believes that some of the technology is in reasonable shape but could not provide specifics. Ms. Wcislo then noted to the representation on the phone from CMS that she hopes that they can assist the Commonwealth in transitioning those individuals who currently have coverage but who are at risk of losing such coverage. Ms. Schmidt replied that while she is from the IT department and not the policy department, CMS has worked with Massachusetts to ensure that individuals have access to coverage. Mr. Gruber stated that he believes the MITRE report is helpful to see and believes it is a document to help guide the path forward for this project. Secretary Shor stated that the Commonwealth needs fundamental action steps to ensure rigorous execution, great governance, and superb oversight as well as learning from our mistakes and applying that knowledge going forward. Mr. Duncan asked what the Board's role would be going forward. Secretary Shor explained that the Board will continue to oversee the role of the Health Connector and that this project has significant implications for the missions of the Health Connector. He noted that the Board's oversight and guidance makes the Health Connector stronger and shapes its success. Ms. Yang thanked MITRE for their findings and stated that CCA would make good use of the lessons therein. She then addressed Mr. Duncan's question related to the budget stating that the HIX/IES had a budget of \$68 million including the IV&V vendor and CGI as well as consultants, testers and other specialists. The spending to date, Ms. Yang noted, has been roughly \$15 million of the \$68 million. She explained that this is a milestone based contract and that as delivery has fallen short, payment has not been delivered. Secretary Shor then thanked MITRE and CMS for their assessment and for joining the meeting.

Ms. Hague then provided an overview of the Commonwealth's response to the MITRE report. She explained that the two main steps in response are to have a single individual who will manage the project and directly report to the Governor as well as engage a new vendor. Ms. Hague explained that Sarah Iselin has been hired as the Commonwealth Chief Executive Officer of the HIX/IES project. She stated that her primary responsibility is to ensure tracking of milestones and deliverables and to add an additional layer of transparency to the project by providing regular updates to external

parties on our progress. Ms. Iselin stated that she is deeply committed to ensuring access to healthcare for those most vulnerable among us. She noted that it is a great honor to be asked to play a partnership role with this Board and she deeply respects the role of the Board in setting policy for the Commonwealth. She noted that she will be doing weekly briefings providing metrics on goals in being responsive to the MITRE report and creating a new governance structure. Mr. Jakious stated that the afternoon's conversation had revolved around the IT system but CCA also needs to look at the expensive human systems in place that certainly are just as critical to the success for the upcoming deadline. He further stated that CCA staff should be commended but that there are new challenges that require the Commonwealth to pay attention not only to IT infrastructure but also the human infrastructure. Ms. Iselin agreed that this would be a priority for the project. Ms. Turnbull asked about UMMS's engagement on the project. Ms. Iselin stated that the Commonwealth is transitioning contract management from UMMS to the Executive branch. Secretary Shor then provided a background on Ms. Iselin's work and expressed his extreme confidence in her abilities. He also noted the fact that Ms. Iselin is on leave from a position at Blue Cross Blue Shield but guaranteed that she will not be involved in any work that would compromise the trusted business relationships of carriers who work with the Commonwealth. Secretary Shor thanked Blue Cross Blue Shield and the Massachusetts Association of Health Plans (MAHP) for their constructive dialogue and continued partnership in health care reform implementation. Ms. Hague reminded the Board of the coverage options that the Commonwealth has worked to secure. Further, she noted that the Commonwealth has been looking into several strategies to keep everyone safe in coverage and has been working with CMS, as well. Ms. Wcislo asked whether there was a specific resource for individuals who have urgent medical needs. Ms. Hague answered that CCA is looking into significantly increasing resources for manual work needed in order to enroll individuals but that there is currently an escalation process in place to address such situations. Ms. Turnbull expressed her concern for continued communication during this time. Secretary Shor then added that Ms. Iselin will provide counsel regarding short, medium and long term communications needs and will have more information regarding those goals in a week's time for the Board.

Mr. Mansur then discussed the engagement of Optum-QSSI as a vendor for the Commonwealth's project. He noted that they were instrumental in federal Exchange and have helped other state Exchanges in the process. He explained that the Commonwealth has already engaged Optum for one week and they have first looked at IT fixes, what to prioritize, operational surges and policy options to pursue. Secretary Shor then noted that Executive Office of Health and Human Services Secretary Polanowicz was in attendance at the meeting, further showing a combined Commonwealth effort in this project. Mr. Mansur explained to the Board that the Commonwealth would like to continue to engage Optum for a second phase and that this will require a Board vote. Ms. Mitchell asked what the governance structure was. Mr. Mansur explained that Ms. Iselin and the Commonwealth team make decisions and Optum acts in an advisory role.

Ms. Hague explained that the 300 individuals being brought in by the vendor are meant to assist with data entry and to provide other operational supports to the Commonwealth and that this was based on a rapid assessment by the vendor of what would get the Commonwealth on track. Ms. Yang further explained that this number is subject to

update. Mr. Gonser asked what the \$250,000 charge was. Ms. Yang explained that this was for the initial phase of the project and that a contract of \$250,000 can be entered into by the Executive Director without Board approval. She further stated that \$250,000 is a ceiling and we may pay a subset of this amount. Mr. Mansur then outlined the immediate next steps to be reported at the February 13th Board meeting. Ms. Turnbull asked for more information about Optum's role at the federal level. Secretary Shor noted that he and Secretary Polanowicz had several conversations with CMS about the role of Optum in getting the federal Exchange back on track. At the federal level it was noted that Optum improved project processes and brought coherence and crispness to project execution on the part of the vendors and on the part of government actors. Secretary Shor stated that the Commonwealth is doing a comprehensive assessment of federal funding and is looking at repurposing and prioritizing funds. The Board then voted unanimously to authorize the Executive Director to engage Optum-Quality Software Services, Inc., to provide operational, IT and policy advice and services as set forth in this presentation, commencing February 6, 2014 and continuing throughout 2014 as needed, in accordance with the terms described here.

The meeting was adjourned at 2:15 PM.

Respectfully submitted,
Rebekah D. Diamond