



Health Connector Operations and Project Management (VOTE)

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Background



- The Health Connector procured Dell Marketing, L.P. (Dell) to perform customer service and business operations services in Fall 2012 as part of the transition to becoming an Affordable Care Act (ACA) compliant Marketplace
- In addition, the Health Connector procured Deloitte Consulting, LLP (Deloitte) to perform project management support in Fall 2011 to assist with the transition
- As the Health Connector continues to transition, support from these two vendors has been and continues to be critical
- Today, we will be requesting a vote to support the services that both Dell and Deloitte, as our operations and program management partners, perform for us

Project Management

Fiscal Year 2012-2013 Activity



- After a competitive procurement and board approval, the Health Connector contracted with Deloitte in November 2011 to perform project management services. The contract was for Fiscal Year (FY) 2012, with the option for three one-year extensions
- During FY12, key activities included:
 - Gap analysis of the Health Connector’s operating model relative to the ACA
 - Development of road maps, status reports, workgroup charters, project plans and internal cross-workgroup communications channels
- During FY13 (first extension), key activities included:
 - Project management office to track workgroup milestones, issues and status
 - Project management support during the procurement and onboarding of a customer service and operations vendor and during the 2014 Seal of Approval process
 - Project management support in the development and roll-out of the member transition strategy, including outreach and outbound calling
 - Carrier issue and integration management (data exchange and IT interfaces), including facilitating regular calls with carriers and key Health Connector staff to identify and resolve issues
 - Support for Federal coordination and reporting

Fiscal Year 2014 Activity



- During FY14, activities included:
 - Project management office to track workgroup milestones, issues and status
 - Support for Federal coordination and reporting
 - Contingency planning
 - Project management support in the roll-out of the member transition strategy, including outreach and outbound calling
 - Carrier issue and integration management (data exchange and IT interfaces), including facilitating regular calls with carriers and key Health Connector staff to identify and resolve issues
- We envisioned that project management support would be completed by December 2013 and key activities would either be closed out or transitioned to Health Connector staff. But due to issues with implementation of the HIX/IES, continued effort by Deloitte was required after January 2014, and continuing through the present, including:
 - Project management support in the development and implementation of workarounds and contingencies, including developing processes and tools
 - Operational reporting support
 - Continued carrier integration management, including providing project coordination and subject matter expertise as part of the transition of the 834 (enrollment files) functionality from the HIX/IES project to Dell

Planned Activity for Upcoming Period



- Continued project management support from Deloitte is required throughout the remainder of calendar year 2014 to support the implementation of ongoing implementation projects as part of ACA transition
- Day-to-day project management support from Deloitte will help Health Connector staff work efficiently by continuing to let the PMO coordinate needed activities as staff resources continued to be strained. This includes continuing efforts such as:
 - Support for Federal coordination and reporting
 - Continued project management support for workarounds
 - Operational reporting support
 - Continued carrier integration management, including providing project coordination as part of the transition of the 834 (enrollment files) functionality from the HIX-IES project to Dell
 - Project management and planning support to align operational and customer service to the IT implementation for Fall 2014

Key Terms of Contract Renewal



- Renewing the contract sets the general scope of project management assistance services, but staffing levels will be separately determined through work orders
 - The Health Connector administers the Deloitte engagement in the form of one, two or three-month work orders, which provides the Health Connector the flexibility to “ramp-up” or “ramp-down” support based on our evolving needs
- Costs associated with the work orders are based on a rate table that sets the ceiling for rates for each level of staff resource. We anticipate a 3% increase in the rate tables from FY14 levels
- The engagement with Deloitte has been funded with Federal Exchange Planning and Level 1A and Level 2 Establishment Grants received by the Health Connector. These activities are in scope for federal grant funds
- Provisions in the Master Services Agreement allow for cancellation with Deloitte if required federal grant funding is not available

Operations

Background



- As part of the transition to the ACA, the Health Connector has worked closely with Dell, our Customer Service and Business Operations vendor, to implement a broad range of activities to support customers, promote compliance with new laws and supplement website technology
- Dell has successfully implemented the components of the Customer Service and Business Operations engagement that began in April 2013, including:
 - Launching a new customer service center
 - Establishing and implementing financial management/premium billing functions on an ongoing basis
 - Establishing and implementing eligibility and enrollment support functions on an ongoing basis
 - Reporting
- In addition to these core functions, Dell has also worked with the Health Connector to implement new functions related to regulatory compliance and contingency support
 - Regulatory compliance: Enhancements implemented as a result of Federal guidance
 - Contingency support: Implementation of various technology and operational workaround support needed as a result of challenges with the HIX/IES implementation

Overview of Work Orders

- Today, we are seeking a vote on five (5) work orders initiated with Dell over the past several months related to regulatory compliance and contingency support, including:
 - Extended Retention Period for Telephonic Encounters – retention of phone call recordings for up to 10 years
 - Outbound 820 Carrier Gateway: Development of 820 payment files to carriers
 - Dental Contingency Solution: Implementation of workaround to allow for dental plan selection and enrollment
 - Plan Selection Workaround: Development of web-based tool to allow Customer Service Representatives (CSRs) to enroll individuals in plans outside of the HIX/IES
 - Call Center Staffing: Additional CSR staff required to support customers due to increase in call volume and call length resulting from website and customer service portal challenges

Work Orders in Detail



Work Order	Background	Scope	Timeline	Cost
Extended Retention Period for Telephonic Encounters	On October 30, 2013, the Centers for Medicare and Medicaid Services (CMS) and the Department of Health and Human Services (DHHS) published additional regulation, requiring that records, including telephonic encounters, be retained for ten years. Previously, Dell was only contractually required to retain for several months.	Requires that Dell securely store telephonic recordings, allow for retrieval of such recordings, as well as turn over telephonic recordings at the end of the contract term.	The storage requirements needed to retain telephonic encounters were completed by October 1, 2013. Retention will remain in place through the duration of the contract term.	One-time cost of \$362,830 (infrastructure= \$130,000; resources and oversight= \$232,000). Comprised of telephony infrastructure solution, deployment and oversight resources for the initial setup, ongoing maintenance and support including relevant software updates, ongoing capacity monitoring, backup and retrieval on demand and support for periodic security audits.
Outbound 820 Carrier Gateway	Outbound 820 files are used to exchange financial information with carriers. 820 files were originally included within the scope of the HIX/IES implementation, however, were transitioned to Dell due to constraints with the HIX/IES project scope and timeline.	Configuration of interfaces with our carriers, development of an 820 Electronic Data Interchange (EDI) Companion Guide, Dell interface integration and automation for 14 carriers.	The work required for the Outbound 820 Carrier Gateway was initiated in July 2013 and is continuing through present.	One-time cost of \$615,600 (Softheon product licensing, support and professional services= \$500,000; resources and oversight= \$115,000). Comprised of Softheon product licensing, support and professional services as well as Dell resource and oversight costs.

Work Orders in Detail (cont'd)

Work Order	Background	Scope	Timeline	Cost
Dental Contingency Solution	In Summer 2013, it was determined that the HIX/IES would be unable to support online shopping for non-group dental plans. As a result, the Health Connector engaged Dell to implement a dental workaround, allowing non-group customers to shop for and enroll in dental plans through the call center.	Set-up and configuration of dental rating methodology, development of an in-take and quoting process, enhancements to the Financial Management System (FMS) for enrollment and account maintenance, staffing and training to support dental shopping.	The implementation of the Dental Contingency Solution was completed on October 17, 2013. Services will continue until such time that dental shopping can be conducted online.	One-time cost of \$440,765 (software costs= \$312,000; resources and oversight= \$128,765). Comprised of software, resource and oversight costs.
Plan Selection Workaround	In Fall 2013, it was determined that the HIX/IES would be unable to support subsidized non-group shopping online in time for January enrollment. We pursued a manual workaround, whereby shoppers seeking a subsidy would have their eligibility determination and plan selection done through the call center using spreadsheets. As a means of making this process more robust and less error prone, the Health Connector engaged Dell to develop a plan selection tool to replace the spreadsheet process.	The Plan Selection Tools allows CSRs to log into a secure account, search for an applicant and select a plan from a predefined list. Plan selections are then securely transmitted to the FMS in order to effectuate billing and enrollment. The tool is highly configurable and allows for new populations and plan sets to be loaded in the future as need may arise in the future for manual plan selection.	The Plan Selection Workaround was initiated on January 13, 2014, and is available for use through the contract term.	One-time cost of \$315,000 (software development / infrastructure= \$40,000; resources and oversight= \$270,000). Comprised of software development, infrastructure, resource and oversight costs.

Work Orders in Detail (cont'd)



Work Order	Background	Scope	Timeline	Cost
Call Center Staffing	By the start of Open Enrollment on October 1, 2013, Dell had approximately 65 CSRs on staff to handle inbound phone calls. By mid-October, inbound calls spiked to record levels, due primarily to significant website challenges. Over the coming months, call volume continued to increase and service levels related to average speed of answer and call abandonment rate were not met, resulting in long wait times for callers and overall customer frustration. Starting in October 2013, the Health Connector worked with Dell to significantly ramp-up call center staffing to meet the demand of increased call volume. By March 2013, Dell had approximately 240 CSRs on staff to handle call volume.	Hiring new staff (increasing headcount from 65 to 240 CSRs), offering overtime to existing staff, repurposing outbound call agents to take inbound phone calls, further extending business hours, including opening on certain holidays, opening on Sundays prior to key deadlines, staying open on enrollment cut-off dates and maintaining “extended Open Enrollment hours” through the month of April.	The Call Center Staffing work order began October 2013 and concludes May 31, 2014.	The total cost of the Call Center Staffing work order is \$4,667,996 (monthly breakdown of costs and staff hours, including new agents, supervisory staff, overtime and holiday time, are listed below).

Month	Hours	Cost
October 2013	819	\$27,027
November 2013	910	\$30,030
December 2013	7,386	\$456,138
January 2014	18,574	\$615,758
February 2014	23,660	\$893,963
March 2014	29,120	\$1,191,110
April 2014	31,063	\$1,029,722
May 2014	12,856	\$424,248
Total	124,388	\$4,667,996

Deloitte (project management):

Health Connector staff recommends authorizing a renewal of the Deloitte Consulting, LLP project management agreement for the period from July 1, 2014 through June 30, 2015, with services to be determined by short-term work orders during that period.

Dell (operations):

Health Connector staff recommends authorizing execution of five work orders with Dell Marketing, L.P., as described in this presentation.