MEMORANDUM

To: Terrence Woods, State Chief Information Officer (State CIO)

From: Alicia Miller, Oversight Analyst

Date: April 11, 2024

Subject: Oregon Health Authority (OHA) State Based Marketplace (SBM) Project, Level 3
Stage Gate 2 Conditional Approval

BACKGROUND

In 2010, President Obama signed the Affordable Care Act (ACA) into law. Part of the intent of
the ACA was to make individual health insurance more affordable so that more of the then-
estimated 44 million uninsured Americans could obtain coverage. Under the ACA, if a state does
not administer its own health insurance exchange (Marketplace), the federal government will
step in and do so.

States, like Oregon, that rely on the technology and call center provided by the federal Centers
for Medicare and Medicaid Services (CMS) for plan eligibility, shopping and enrollment
functionalities are known as state-based marketplaces on the federal platform (SBM-FPs).
Oregon is an SBM-FP and Oregonians enroll in Qualified Health Plans (QHP) through
HealthCare.gov which is the front-end of the enrollment technology known as the federal
platform, or federally facilitated marketplace (FFM). Tied to the FFM is a telephone Consumer
Assistance Center (CAC) staffed by federal customer service representatives who help the public
with eligibility, plan enrollment and related support over the phone. Oregon health insurance
companies selling plans through the Marketplace pay a fee for use of the federal technology. The
fee has fluctuated from zero percent to three percent of total premiums paid by Oregonians who
purchase QHPs through the Marketplace. For example, in 2020 Oregonians paid $22.4 Million in
user fees.

In 2018, Oregon's Health Insurance Marketplace Advisory Committee (HIMAC) asked the
Marketplace to begin analyses of rising costs and possible alternatives for Oregon. Becoming an
SBM requires that a state acquire and implement its own SBM technology and accompanying
CAC to provide support for enrollees. After initial analyses showed a likely improvement to
Marketplace effectiveness, benefit to the services received by Oregonians and savings, the
HIMAC ultimately recommended in October 2019 that Oregon procure a state-based enrollment
technology.

DISCUSSION

The OHA SBM Project is subject to Level 3 oversight and has submitted the required artifacts for Stage 2 as indicated in the Required Artifacts Form. These artifacts include:

- Project Management Plan
  - Scope Management Plan
  - Schedule Management Plan
  - Cost Management Plan
  - Stakeholder Management Plan
  - Resource Management Plan
  - Procurement Management Plan
  - Requirements Management Plan
  - Communication Management Plan
    - Communication Matrix
  - Risk and Issue Management Plan
  - Change Management Plan
  - Quality Management Plan
- RFQ/RFP Documents
- Market Research
- Current, Future, and Gap Analysis
- Detailed Project Risk and Issue Log
- Stakeholder Registry
- RACI
- +/-50% Scope, Schedule, and Budget
- Requirements
- Organizational Change Management Plan
- Project Status Reports & Risk Logs

The Project has completed the Request for Quote (RFQ) process and acquired an independent quality management services (iQMS) vendor who recently onboarded to the project and will be kicking off the iQMS engagement the first week of April 2024.

The Project has received approval by the Cyber Security Services (CSS) Business Security Advisor (BSA) for all security readiness activities that have been completed at this point in the project.

The Project is anticipated to complete in April 2027 with an estimated total project cost of $44,776,387.

RECOMMENDATION

Approve the OHA SBM Project through Stage Gate 2, with the following conditions:

1) The Project must submit required project artifacts for each stage from the project's Required Artifacts Form for EIS-P3 review and approval using the PPM collaboration tool (with the exception of the System Security Plan which should be submitted per CSS-BSA instructions),

Mission: Mature enterprise technology governance, optimize investments, ensure transparency, provide oversight, and deliver secure and innovative solutions.

2) The Project must submit monthly project status reports in the PPM tool,
3) The Project must adhere to the Cloud and Hosted Systems Policy (#107-004-150),
4) The Project must maintain the project information within the PPM tool per the Project Manager PPM Update Guide document in the Knowledge Store,
5) The project must continue to engage with the assigned EIS-CSS BSA to ensure compliance with Statewide Information and Cyber Security Standards and Policy towards the completion of security readiness activities,
6) The Project must continue to utilize the services of the iQMS vendor for the duration of the project and begin Major IT Project reporting as required to the Statewide QA Program; additional information can be found here: https://www.oregon.gov/das/OSCIO/Pages/Reporting.aspx
7) The Project must meet monthly with the assigned EIS Oversight Analyst.

Analysis prepared by: _Alicia Miller_   Date: April 11, 2024

Analysis approved by: _Bettina Davis_   Date: 04/11/2024