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Management Consulting for State and Local Governments

independent Quality Management Services (iQMS)

Independent Verification and Validation (IV&V)

Project Oversight & Risk Management

Executive Advisement

iQMS Deliverable 3.3.01: Monthly Status Report (Periodic)

for the

Oregon State-Based Marketplace (SBM)

Prepared for the Oregon Health Authority (OHA)

Version 1.0

July 2024

(Sept. 10, 2024 update following receipt of approval from State on Sept. 10, 2024)

Prepared by
Bluecrane, Inc.

bluecrane ®

Revision Log

Version	Date	Revision Owner	Summary of Changes
0.1	8/21/2024	Elise Barho, *bluecrane*	Completed initial draft of deliverable
0.2	8/23/2024	Anna Brannen, *bluecrane*	Completed content review
0.3	8/25/2024	*bluecrane* professional editor	Completed quality assurance review
0.5	8/26/2024	Allen Mills, *bluecrane*	Submitted draft deliverable version v0.5
0.51	9/6/2024	SBM Project	Distributed comments to *bluecrane*
0.53	9/6/2024	Anna Brannen, *bluecrane*	Responded to comments
0.55	9/8/2024	Holly Brazell, *bluecrane*	Reviewed and verified *bluecrane's* responses
0.6	9/9/2024	Allen Mills, *bluecrane*	Submitted draft deliverable version v0.6
1.0	9/10/2024	Allen Mills, *bluecrane*	Submitted deliverable version v1.0 after receiving approval from State

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1. Structure and Contents of This iQMS Report

This report is the independent Quality Management Services (iQMS) Deliverable 3.3.01 and is provided by Bluecrane, Inc. ("*bluecrane*") for the Oregon Health Authority's (OHA) Oregon State-Based Marketplace (SBM) Project. The sections of this report are:

- **Section 2: Executive Summary** – an overall summary of the project status and accomplishments with aggregate risk information that was compiled using information presented in Section 4
- **Section 3: Project Risk Assessment Summary** – a summary of our periodic assessment results for the project's overall health, scope, schedule, and budget
- **Section 4: Quality Standards** – a scorecard of the pertinent iQMS quality process and product standards followed by the results of our detailed risk assessment for each pertinent category of risk
- **Section 5: Project Schedule** – a high-level view of the project's schedule and milestone status

In addition, our report includes the following appendices:

- **Appendix A: SBM Project Summary and Background** – a high-level summary and background for SBM Project

- **Appendix B: *bluecrane's* Project Risk Assessment Methodology** – a description of our risk assessment methodology which includes: (1) a risk definition, (2) risk probability and impact definitions, (3) risk trends, and (4) color-coding definitions

2. Executive Summary

This report is independent Quality Management Services (iQMS) Deliverable 3.3.01 and is provided by Bluecrane, Inc. ("*bluecrane*") for the OHA SBM Project.

For July, we present in Table 1 an "at a glance" risk summary of the Project's key areas (overall health, scope, schedule, and budget. (In Appendix B Table 13, we describe our color-coding definitions which are used throughout this deliverable. We also describe in Appendix B in Table 12 our current risk trend coding.)

Table 1. "At a Glance" Risk Trends for Key Areas

Project Risk Trends for Three Assessment Periods				
Key Project Area	**Current Risk Trend**	**July 2024**	**Second Quarter (2Q) 2024 (April to June)**	**No Prior Assessments**
Overall Health	⬇	Low	Medium	
Scope	⬌	Low	Low	
Schedule	⬇	Low	Medium	
Budget	⬌	Low	Low	

In July, we closed one risk and updated two risks as discussed in detail in Section 4, which also contains the quality standards we use to assess the Project's overall performance. In Table 2, we provide our high-level scorecard of the quality standards categories and our assessment of the Project's risk level for those categories.

Table 2. Quality Standards Summary High-Level Scorecard

Process Standards			
Categories	**Jul 2024**	**Q2 2024**	**N/A**
Business Mission and Goals	🟩	🟩	
Decision Drivers	🟩	🟩	
Project Management	🟩	🟩	
Project Parameters	🟩	🟩	
Project Team	🟩	🟩	
Organization Management	🟩	🟩	
Customer/User	🟩	🟩	
Organizational Change Management (OCM)	🟩	🟩	
Procurement/Vendor Management	🟩	🟩	

Product Standards			
Categories	**Jul 2024**	**Q2 2024**	**N/A**
Product Content	🟨	🟨	
Development/Configuration Process			
Testing			
Development/Configuration Environment			
Technology	🟩	🟩	
Deployment	🟨	🟨	
Security	🟩	🟩	
Maintenance			

In Table 3, we provide frequency counts and totals from Section 4's detailed risk assessments. We have summarized the detailed information by item type (Risks vs. Issues), status (New, Current, and Closed), and risk levels (Low, Medium, and High).

Table 3. Section 4 Summarized Risks and Issues by Risk Levels

Status	Risks				Issues			
	Low	**Medium**	**High**	**Total**	**Low**	**Medium**	**High**	**Total**
New (Opened This Period)	0	0	0	0	0	0	0	0
Current	0	2	0	2	0	0	0	0
Closed (Closed This Period)	1	0	0	1	0	0	0	0

Summary of the Project's July 2024 Accomplishments

During this assessment period, the Project's key accomplishments were:

- Released the Request for Proposal (RFP)

- Submitted for internal OHA review the draft 2025–2027 Policy Option Paper (POP) narrative and fiscal impact

- Conducted the following Partner Engagement activities:
    - Sent communications to the Industry and Partners groups
    - Provided a Legislative update
    - Presented a PowerPoint slide deck to the Health Insurance Marketplace Advisory Committee (HIMAC)
    - Distributed and posted the SBM Newsletter

For a complete list of the Project's accomplishments and current activities, please refer to the Project's bi-weekly status reports and monthly Executive Steering Committee (ESC) minutes.

Summary of Project's Budget

In July, the Project reported actual expenditures to-date of $219,779 which is less than expected at this point in the Project's lifecycle. As background, the Project's Planning Phase budget is $1.2 million which includes estimates for staff hours and vendor payments. Since approval of that initial budget, the Project has reported that its staffing expenditures are not occurring as rapidly as estimated. This appears to be the result of the staff needing fewer hours than expected to complete their assigned tasks. Additionally, due to the delay in the processing of iQMS deliverables, expenditures for vendor payments are less than expected at this point in the Project's lifecycle. Any risks related to the budget underspend are being closely monitored by the Project's leadership.

Summary of Problems Encountered and Resolution

In July, the Project did not report, nor did we observe any significant problems which would impact scope, schedule, or budget.

3.   Project Risk Assessment Summary

Overall Project Health			
Current Risk Trend	**Three Quarters of Assessments**		
	July 2024	**Second Quarter 2024 (April to June)**	**No Prior Assessments**
⬇	**Low**	**Medium**	

July Status

In July, the Project released its RFP and has responded to vendor questions consistent with its published procurement schedule. The Project expects to begin reviewing submitted proposals on August 23, 2024.

The Project continues to progressively elaborate its requirements into user stories using the Microsoft Azure DevOps (ADO) tool. Furthermore, the requirements have been refined into three groups: Transition, Non-Functional, and Functional. The user stories will be applied to assess vendor proposals to ensure that the key requirements can be met by the vendor's proposed solution.

In addition, during July, the Project completed the following tasks:

- Released the RFP

- Submitted for internal OHA review the draft 2025–2027 POP narrative and fiscal impact

- Conducted the following Partner Engagement activities:
   o Sent communications to the Industry and Partners groups
   o Provided a Legislative update
   o Presented a PowerPoint slide deck to the Health Insurance Marketplace Advisory Committee
   o Distributed and posted the SBM Newsletter

bluecrane Recommended Risk Focus

We recommend that the Project focus on the two risks which have the highest risk exposure scores at this time. These risks are:

- **R2** – Because SBM has a critical dependency on the Oregon Eligibility (ONE) system, if the necessary changes to the ONE system are not made in a timely manner, then SBM's ability to deliver its solution on time may be impacted

- **R3** – If the data currently in Healthcare.gov requires greater analysis, cleansing, harmonization, and validation than what is currently planned, it may result in:
    - More work to convert the old data to the new system
    - Cleaned or "scrubbed" data that may still cause problems in the new system
    - Data conversion problems that could cause significant project delays and/or significant manual workarounds

Current Progress

In Figure 1, we provide tasks complete per the Project's current schedule. The duration analyzed was from July 2024 to March 2027 which is the schedule's overall duration.

Figure 1. Tasks Complete Per the Project's Schedule

PROJECT OVERVIEW

THU 7/6/23   -   WED 3/31/27

% COMPLETE

30%
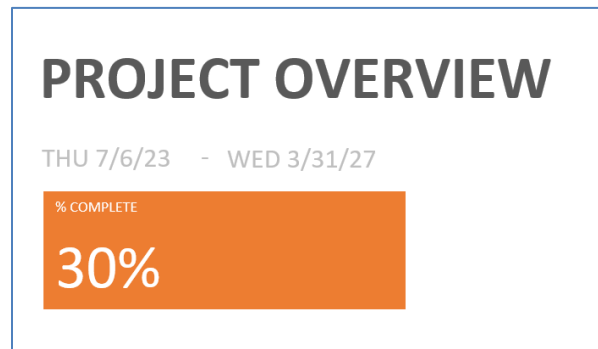
In Figure 2, we provide the Project's "burndown rate" which is planned hours usage over time.

Figure 2. Project's Burndown Rate

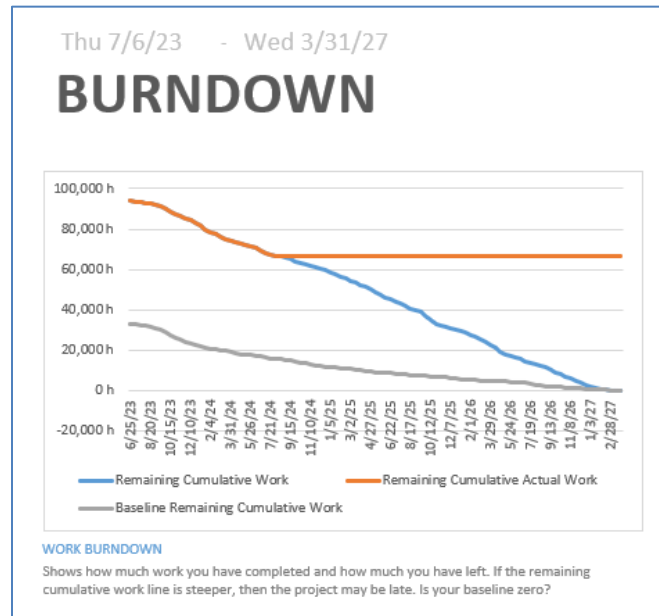Based on the information provided in Figures 1 and 2, our analysis found that the Project is currently on schedule and tasks are occurring as planned.

Furthermore, the Project's schedule has been developed with +/-50 percent accuracy, which is appropriate at this point in the Project's lifecycle. As the Project moves forward on its timeline, the Project expects to update and re-baseline its schedule with more accuracy.

Overall, our assessment found that the Project schedule:

- Is well structured, at a high level, with tasks identified for key activities and milestones
- Adheres to project schedule best practices such as: (1) task definition, including status and percent complete; (2) start and finish dates; (3) predecessor tasks; and (4) resources identified
- Is well maintained and updates occur on a regular cadence

We further note that the Project's go-live is expected to occur in November 2026. Due to the open enrollment timeframe, there is limited flexibility in changing that go-live time period. This means that all of the "go-live critical" activities must be completed within the designated timeframe. Once the selected vendor partner is on board, the Project expects to progressively elaborate its schedule to include the detailed tasks, activities, and milestones to meet that timeframe.

As more becomes known about the Project's future tasks and activities, we will be particularly interested in reviewing schedule details and timeframes regarding the critical work to ensure that the State of Oregon receives a high-quality system that meets the OHA business needs. Specifically, we expect the revised schedule to include the following key milestones and tasks:

- Data Conversion: identification, cleansing, harmonization, and validation
- Testing: test phases (system, User Acceptance, Regression, Smoke), entrance and exit criteria for each phase and each iteration, contingency planning, and defect tracking and resolution
- Operational Readiness: training, readiness assessments, and contingency planning

Project Scope			
Current Risk Trend	**Three Quarters of Assessments**		
	July 2024	**Second Quarter 2024 (April to June)**	**No Prior Assessments**
⬌	Low	Low	

July Status

During July, the Project's scope remained stable and there were no major changes. The Project has a well-developed Scope Management Plan that aligns with industry best practice. The Project also has a Change Management Plan that describes the process for any changes to the scope. The Project's scope is defined through the requirements gathering process documented in the Requirements Management Plan. The Project is using Microsoft ADO to document and approve SBM requirements, as well as for assessing the vendor's ability to meet those requirements.

Project Schedule			
Current Risk Trend	**Three Quarters of Assessments**		
	July 2024	**Second Quarter 2024 (April to June)**	**No Prior Assessments**
⬇	**Low**	**Medium**	

July Status

With the release of the RFP earlier this month, the Project's risk level for its schedule is now low. However, we do strongly encourage the Project to enhance its schedule to include the activities that are occurring between itself and the ONE team so that the currently-planned integration activities can be actively monitored and managed with the same rigor as the rest of the schedule.

Furthermore, the Project's schedule has been developed with +/-50 percent accuracy, which is appropriate at this point in the Project's lifecycle. As the Project moves forward on its timeline, the Project expects to update and re-baseline its schedule with more accuracy.

Overall, our assessment found that Project schedule:

- Is well structured, at a high level, with tasks identified for key activities and milestones
- Adheres to project schedule best practices such as: (1) task definition, including status and percent complete; (2) start and finish dates; (3) predecessor tasks; and (4) resources identified
- Is well maintained and updates occur on a regular cadence

We further note that the Project's go-live is expected to occur in November 2026. Due to the open enrollment timeframe, there is limited flexibility in changing that go-live time period. This means that all of the "go-live critical" activities must be completed within the designated timeframe. Once the selected vendor partner is on board, the Project expects to progressively elaborate its schedule to include the detailed tasks, activities, and milestones to meet that timeframe.

As more becomes known about the Project's future tasks and activities, we will be particularly interested in reviewing schedule details and timeframes regarding the critical work to ensure that the State of Oregon receives a high-quality system that meets the OHA business needs. Specifically, we expect the revised schedule to include the following key milestones and tasks:

- Data Conversion: identification, cleansing, harmonization, and validation

- Testing: test phases (system, User Acceptance, Regression, Smoke), entrance and exit criteria for each phase and each iteration, contingency planning, and defect tracking and resolution
- Operational Readiness: training, readiness assessments, and contingency planning

Project Budget			
Current Risk Trend	**Three Quarters of Assessments**		
	July 2024	**Second Quarter 2024 (April to June)**	**No Prior Assessments**
	Low	Low	

July Status

In July, the Project reported actual expenditures to-date of $219,779 which is less than expected at this point in the Project's lifecycle. As background, the Project's Planning Phase budget is $1.2 million which includes estimates for staff hours and vendor payments. Since approval of that initial budget, the Project has reported that its staffing expenditures are not occurring as rapidly as estimated. This appears to be the result of the staff needing fewer hours than expected to complete their assigned tasks. Additionally, due to the delay in the processing of iQMS deliverables, expenditures for vendor payments are less than expected at this point in the Project's lifecycle. Any risks related to the budget underspend are being closely monitored by the Project's leadership.

The risk level for the budget continues to be Low since the Project's cumulative underspend will likely be reduced over the coming months as iQMS payments occur on a more consistent basis and become more aligned with the Project's schedule.

4. Quality Standards

In this section we provide our quality standards scorecard and the results our detailed risk assessment.

4.1 Quality Scorecard

In Tables 4 and 5 we provide our "scorecards" on how well the Project is meeting the risk levels of the iQMS quality standards checklist mutually agreed to by the Project and our iQMS Team. Within our scorecards, we provide a "rolling" three-month view of our assessment's current and previous results.

Table 4. Quality Process Standards Periodic Risk Assessment Scorecard

#	Categories	Jul 2024	2Q 2024	N/A
Process Standards				
Business Mission and Goals				
1	Project Fit to Customer Organization	🟩	🟩	⬜
2	Project Fit to Provider Organization	🟩	🟩	⬜
3	Customer Perception	🟩	🟩	⬜
Decision Drivers				
6	Political Influences	🟩	🟩	⬜
Project Management (PM)				
10	Definition of the Project	🟩	🟩	⬜
11	Project Objectives	🟩	🟩	⬜
104	Project Metrics	🟩	🟩	⬜
12	Leadership	🟩	🟩	⬜
13	PM Approach	🟩	🟩	⬜
14	PM Communication	🟩	🟩	⬜
16	PM Attitude	🟩	🟩	⬜
17	PM Authority	🟩	🟩	⬜
18	Support to the PM	🟩	🟩	⬜

#	Categories	Jul 2024	2Q 2024	N/A
Process Standards				
Project Parameters				
23	Budget and Resource Size	🟩	🟩	⬜
25	Cost Controls	🟩	🟩	⬜
26	Delivery Commitment	🟩	🟩	⬜
27	Development Schedule	🟩	🟩	⬜
Project Team				
28	Team Member Availability	🟩	🟩	⬜
29	Mix of Team Skills	🟩	🟩	⬜
30	Application Experience	🟩	🟩	⬜
33	Training of the Team	🟩	🟩	⬜
34	Team Spirit and Attitude	🟩	🟩	⬜
35	Team Productivity	🟩	🟩	⬜
Organization Management				
37	Organizational Stability	🟩	🟩	⬜
38	Organization Roles and Responsibilities	🟩	🟩	⬜
41	Executive Involvement	🟩	🟩	⬜

#	Categories	Jul 2024	2Q 2024	N/A
Process Standards				
Organization Management (Continued)				
42	Resource Conflict	🟩	🟩	⬜
Customer/User				
44	User Involvement	⬜	⬜	⬜
45	User Experience	⬜	⬜	⬜
102	User Accessibility	⬜	⬜	⬜
46	User Acceptance	⬜	⬜	⬜
47	User Training Needs	⬜	⬜	⬜
48	User Justification	🟩	🟩	⬜
Organizational Change Management (OCM)				
103	OCM Plan and Program	🟩	🟩	⬜
104	End-User Training	⬜	⬜	⬜
105	Readiness Assessment and Metrics	⬜	⬜	⬜
Procurement/Vendor Management				
106	Contract Administration	🟩	🟩	⬜

Table 5. Quality Product Standards Monthly Risk Assessment Scorecard

Product Standards				
#	Categories	2Q 2024	N/A	N/A
Product Content				
49	Requirements Stability	Green	Green	
50	Requirements Complete and Clear	Green	Green	
51	Testability	Green	Green	
53	Implementation Difficulty			
54	System Dependencies	Yellow	Yellow	
Development/Configuration Process				
55	Alternatives Analysis			
56	Commitment Process			
57	Project's Quality Assurance (QA) Approach			
58	Development Documentation			
107	Legacy System Impacts and Accommodations			
60	Early Identification of Defects			
61	Defect Tracking			
62	Change Control for Work Products			
63	Lessons Learned			
Testing				
108	Testing Strategy and Plan			
109	User Story and Test Case Alignment			
110	Testing Traceability			

Product Standards				
#	Categories	2Q 2024	N/A	N/A
Testing (Continued)				
111	Defect Tracking			
112	Testing Metrics			
Development/Configuration Environment				
67	Vendor Support			
Technology				
72	Availability of Technology Expertise	Green	Green	
73	Maturity of Technology	Green	Green	
Deployment				
76	Customer Service Impact			
77	Data Migration Requirement	Yellow	Yellow	
113	Data Governance			
114	Cutover Strategy and Plan			
Security				
115	Compliance with State Security and Privacy Policies	Green	Green	
116	Security Design, Plan, and System Resiliency			
117	Security Traceability			
118	Security Incident Reporting Process			
119	Availability of Security Expertise	Green	Green	

	Product Standards			
#	**Categories**	**Jul 2024**	**2Q 2024**	**N/A**
	Maintenance			
80	Design Complexity			
81	Support Personnel			
82	Vendor Support			
120	Knowledge Transfer			
121	Information Technology (IT) Portfolio Management and Capabilities			
122	IT Resource Capacity			
123	Business Continuity			
124	Administration of Service Level Agreements (SLA) for Platform, Call Center, and Services			
125	Technology for Platform and Call Center is Kept Current with Industry Standards			

4.2 Detailed Risk Assessment

In this section, we provide the results of our detailed risk assessment based on the quality standards in our iQMS Deliverable 2.1 which has been agreed to by us and the Project. For each quality standard category, we provide the information described in Table 6.

Table 6. Column Definitions for Risk Table

Risk Table Column Title	Column Definition
Status	A designation used to identify the risk or issue as new, current, or closed
Risk # Issue #	A unique number for each risk and issue identified
Std	The process or product standard found in Tables 4 and 5 that the risk pertains to
Statement of Risk	A risk statement for the identified risk
Risk Impact	Our assessment of the risk impact as Very High, High, Medium, Low, or Very Low as defined in Table 10 (Appendix B)
Risk Probability	Our assessment of the risk probability as Very High, High, Medium, Low, or Very Low as defined in Table 9 (Appendix B)
Risk Exposure	The product of Risk Impact and Risk Probability as High Risk, Risk, and Low as defined in Table 11 (Appendix B)

In addition, for each risk or issue identified in this section, we describe:

- What we found during our assessment

- Why we consider it a risk or issue

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- What we consider to be the potential impacts to the Project

- How the Project is currently addressing the situation

- What additional steps would be helpful in mitigating the situation

Table 7. Quality Standards Detailed Quarterly Assessment Findings

Process Standards	
Business Mission and Goals Category	
Low	**Standards:** Project Fit to Customer Organization, Project Fit to Provider Organization, Customer Perception
Risk Assessment	
No risks were identified during this reporting period.	
Decision Drivers Category	
Low	**Standards:** Political Influences
Risk Assessment	
No risks were identified during this reporting period.	
Project Management (PM) Category	
Low	**Standards:** Definition of the Project, Project Objectives, Project Metrics, Leadership, PM Approach, PM Communication, PM Attitude, PM Authority, Support of the PM
Risk Assessment	
No risks were identified during this reporting period.	

Process Standards						
Project Parameters Category						
Low	**Standards:** Budget and Resource Size, Cost Controls, Delivery Commitment, Development Schedule					
Status	**Risk/ Issue #**	**Std.**	**Statement of Risk**	**Risk Impact**	**Risk Probability**	**Risk Exposure (Impact x Prob.)**
Current	CLOSED					
Previous	R1	26 27	If there is a further delay in the release of the RFP, there could be potential downstream impacts to the schedule.	Moderate (6)	Low (0.25)	Low Risk (1.5)

July Status

The RFP was released on July 3, 2024. As a result, R1 is closed.

Risk Assessment

The milestone for releasing the RFP has slipped from April to July—a change of three months. Although the Project is in the Planning Phase, delays such as this one can have downstream effects on the project schedule. The SBM project is a complex undertaking with a duration of over two years to implementation. It is not uncommon for projects of this complexity and duration to not be concerned with schedule slippages in the early phases of a project. However, any slippage in schedule should be assessed for potential long-term downstream impacts.

Potential Impacts

Potential downstream delays to the Project's estimated start and end dates for some tasks and activities could occur.

Determining Factor

Issuance of the RFP in early July, as currently planned, will determine if this remains a risk.

Resolution Strategy

The Project has begun working with a procurement resource who is expected to remain with the Project after the current Lead Procurement Resource retires. We concur with this approach.

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Process Standards

Project Team Category

Low	**Standards:** Team Member Availability, Mix of Team Skills, Application Experience, Training of the Team, Team Spirit and Attitude, Team Productivity

Risk Assessment

No risks were identified during this reporting period.

Organizational Management Category

Low	**Standards:** Organization Stability, Organization Roles and Responsibilities, Executive Involvement, Resource Conflict

Risk Assessment

No risks were identified during this reporting period.

Customer/User Category

Low	**Standards:** User Involvement, User Experience, User Accessibility, User Acceptance, User Training Needs, User Justification

Risk Assessment

No risks were identified during this reporting period.

Process Standards
Organizational Change Management (OCM)

Low	**Standards:** OCM Plan and Program, End-User Training, Readiness Assessment and Metrics

Risk Assessment

No risks were identified during this reporting period.

Procurement/Vendor Management

Low	**Standards:** Contract Administration

Risk Assessment

No risks were identified during this reporting period.

Product Standards						
Product Content						
Medium		**Standards:** Requirements Stability, Requirements Complete and Clear, Testability, Implementation Difficulty, System Dependencies				
Status	**Risk/ Issue #**	**Std.**	**Statement of Risk**	**Risk Impact**	**Risk Probability**	**Risk Exposure (Impact x Prob.)**
Current	R2	54	Because SBM has a critical dependency on the ONE system, if the necessary changes to the ONE system are not made in a timely manner, then SBM's ability to deliver its solution on time may be impacted.	Moderate (6)	Medium (0.5)	Medium Risk (3)
Previous				Moderate (6)	Medium (0.5)	Medium Risk (3)

July Status

During July, the ONE and SBM teams met regularly to continue work on the interface requirements and the vendor onboarding package, which is expected to include:

- A list of current pain points with the existing interfaces
- Interface control documents for the Federally Facilitated Marketplace (FFM)
- Lower-level interface requirements
- Status of authority to connect approval from the federal system
- Security standards that the solution must comply with

- Existing identity management process

Risk Assessment (Updated)

One of the key integrations between the SBM solution and the existing legacy systems will be between SBM and the ONE system. Changes to the ONE system are needed for Electronic Data Interchange (EDI) links. As a proactive project management measure, the Project has begun regular meetings with OHA's ONE team—which is external to the Project's assigned resources. To ensure visibility of the Project with the ONE team, the Project has already submitted a change request for integrating the new SBM interface into the ONE System Roadmap.

The Project is highly dependent on the OHA ONE team to provide available resources and commit to the Project's delivery schedule and milestones. Since the ONE team's activities and priorities are outside of the Project's control and authority, there is a risk that the ONE team's goals and objectives are not fully aligned with the Project, which could ultimately impact the new system's go-live date in 2026. For this reason, it would be good to have additional clarity about the team's roles and responsibilities, a detailed understanding of each team's priorities and commitments, and specifics about what solution will be the system of record. Based upon our understanding of the complexities of this critical integration, it is important that specific goals and milestones are developed and monitored to prevent the risk from occurring.

Potential Impacts (No Change)

The long-term potential impact is the delay of go-live.

Determining Factor (No Change)

The primary determining factor is progress to plan—ensuring the Project's dates and milestones are met. Secondary to this objective measurement is the subjective measurement of the dynamics between the Project and ONE team in teamwork and collaboration. Monitoring the ONE team's progress will provide risk cues for SBM.

Project's Resolution Strategy (No Change)

We concur with the following resolution strategies that the Project has already undertaken:

- Continue regular meetings between the Project and the ONE team

- Ensure visibility of the Project by integrating the SBM interface into the ONE System Roadmap

- Continue to foster open communications and regular meetings between the two teams

- Identify opportunities to accelerate progress by utilizing strategies such as parallel development

- Continue collaboration on timelines and dependencies alignment

bluecrane **Recommended Resolution Strategy (Updated)**

In addition to these mitigation steps, we recommend that the Project develop and implement an approach now (and not wait until the solution provider is on board) to monitoring and measuring current progress against pre-established goals and milestones. Specifically, the two teams should develop a plan for completing the identified work and incorporate that plan into the overall project schedule. The two teams should identify those tasks that can be completed prior to vendor selection and onboarding and those that must wait until the vendor is selected. The teams could also consider developing a combination of Memoranda of Understanding (MOUs) between the ONE and SBM teams, mini-schedules, formal and informal meetings between the management teams, and shared progress reporting.

Product Standards

Development/Configuration Process	
N/A	**Standards:** Alternatives Analysis, Commitment Process, Project's QA Approach, Legacy System Impacts and Accommodations, Development Documentation, Early Identification of Defects, Defect Tracking, Change Control for Work Products, Lessons Learned

Risk Assessment

The project has not begun this category of activities.

Testing	
N/A	**Standards:** Testing Strategy and Plan, User Story and Test Case Alignment, Testing Traceability, Defect Tracking, Testing Metrics

Risk Assessment

The project has not begun this category of activities.

Development/Configuration Environment	
N/A	**Standards:** Vendor Support

Risk Assessment

The project has not begun this category of activities.

Product Standards
Technology

N/A	**Standards:** Availability of Technology Expertise, Maturity of Technology

Risk Assessment

No risks were identified during this reporting period.

Product Standards						
Deployment						
Medium		**Standards:** Customer Service Impact, Data Migration Required, Data Governance, Cutover Strategy and Plan				
Status	**Risk/ Issue #**	**Std.**	**Statement of Risk**	**Risk Impact**	**Risk Probability**	**Risk Exposure (Impact x Prob.)**
Current	**R3**	**77**	If the data currently in Healthcare.gov requires greater analysis, cleansing, harmonization, and validation than what is currently planned, this may result in: • More work to convert the old data to the new system • Cleaned or "scrubbed" data that may still cause problems in the new system • Data conversion problems that could cause significant project delays and/or significant manual workarounds	**Moderate (6)**	**Medium (0.5)**	**Medium Risk (3)**
Previous				**Moderate (6)**	**Medium (0.5)**	**Medium Risk (3)**

July Status

Throughout July, the Project continued meeting with the ONE team to better understand the legacy data and develop the vendor onboarding package.

Risk Assessment (Updated)

For many state government operations, data is owned and administered by state organizations. In the case of the Affordable Care Act (ACA), some of Oregon's data is currently housed in the FFM. Once the SBM is in place, that data will reside in the new solution. The OHA currently relies on the FFM solution for SBM enrollment. Migrating to a new State-Based Marketplace will require conversion of the FFM data into the new solution. The quality of FFM data is unknown and may result in additional complexity as data is converted into the new SBM solution.

Potential Impacts (No Change)

The potential impacts are:

- More work to convert the old data to the new system

- Cleaned or "scrubbed" data may still cause problems in the new system

- Data conversion problems could cause significant project delays and/or significant manual workarounds

Determining Factor (No Change)

The quality of data and complexity of data conversion will not be known until the selected solution vendor is onboarded and begins the development of the data conversion strategy.

Project's Resolution Strategy (No Change)

The Project has:

- Begun an analysis of the legacy data elements

- Placed a requirement in the RFP that the selected vendor must have proven experience converting data from HealthCare.gov

- Established the ONE/SBM Workgroup to develop the vendor onboarding package and to better understand the data from HealthCare.gov

***bluecrane* Recommended Resolution Strategy (Updated)**

In addition to these steps, we recommend that the Project consider asking other states that have moved to SBM to share their experience with their own data transition. We recognize that the Project conducted a market analysis with Nevada, New York,

Pennsylvania, and Virginia. However, the results of that market analysis are varied and range from Lessons Learned to Communication Plans. Our review of the market analysis found it to be informative for several areas of a project's activities; but it is quite limited as to its usefulness for data conversion purposes. For that reason, we recommend that the Project reach out to those states again with very specific questions regarding data conversion. Specifically, we recommend that the Project request a copy of the state's data conversion strategy or plan and then ask:

- About the duration of the data conversion process from the start of data identification through data validation
- How they staffed their data conversion team through their project's lifecycle, including the number of resources, types of resources, and any lessons learned
- Whether they had one conversion of data or multiple conversions and what determined that approach
- About the process that was used for data validation and what level of accuracy/quality was achieved on the final conversion
- What process was in place for data conversion fallout (e.g., was manually data entry required)
- If an outside service provider was used to clean, harmonize, and prepare the data for conversion or did they relay on the vendor and internal resources

In addition, we recommend that the RFP be amended to incorporate our recommendation from Deliverable 3.1.1 (Request for Proposal QC Report) to require proposing vendors to provide a detailed plan for data conversion (e.g., data identification, data cleansing, data harmonization, and data validation approaches and planned activities). If the Project chooses to not amend the RFP, then the Project should explicitly request (during the RFP review process) this same information from each vendor selected for further evaluation.

Furthermore, we recommend that the Project conduct a cost benefit analysis of OHA's ability to successfully complete the data conversion without disrupting other OHA (non-SBM) commitments and priorities. *If the analysis identifies concerns, then consider outsourcing this work to a qualified firm that specializes in this type of work.*

Product Standards

Security

N/A	**Standards:** Compliance with State Security and Privacy Policies; Security Design, Plan, and System Resiliency; Security Traceability; Security Incident Reporting Process; Availability of Security Expertise

Risk Assessment

No risks were identified during this reporting period.

Maintenance

N/A	**Standards:** Design Complexity; Support Personnel; Vendor Support; Knowledge Transfer; IT Portfolio Management and Capabilities; IT Resource Capacity; Business Continuity, Administration of SLA for Platform, Call Center, and Services; Technology for Platform and Call Center is Kept Current with Industry Standards

Risk Assessment

The project has not begun this category of activities.

5. Project Schedule

In Table 8, we provide a high-level view of the Project's current schedule and status of the Project's current milestones. For each of the Project's current milestones, we provide the estimated or actual start and end dates and the currently-reported status. We also include the changes in dates as the schedule is adjusted to accommodate various situations as they occur.

Table 8. Project's Schedule and Milestone Status

Milestone	Estimated End Date	Current Status
Released the RFP	7/2024	Complete
Submitted for internal OHA review the draft 2025–2027 POP narrative and fiscal impact	7/2024	Complete
Conducted the following Partner Engagement activities: • Sent communications to the Industry and Partners groups • Provided a Legislative update • Presented a PowerPoint slide deck to the HIMAC • Distributed and posted the SBM Newsletter	7/2024	Complete
Respond to solution vendor RFP questions	8/2024	In Progress
Conduct partner engagement activities with the Industry and Partners groups	8/2024	In Progress
Conduct Partner Listening Sessions	8/2024	In Progress
RFP Closes	8/2024	On Track

Appendix A: SBM Project Summary and Background

In 2010, President Obama signed the 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. Income-based tax credits that eligible consumers could choose to receive in advance (advanced premium tax credits, or APTC) and subsidies to reduce cost-sharing (cost-sharing reductions, or CSRs)—such as co-insurance, co-payments, and deductibles—are the ACA's primary direct mechanisms to make health insurance more affordable for eligible families and individuals who do not receive health coverage through an employer or a government program. The APTCs and CSRs are available only to consumers who purchase a qualified health plan (QHP) through an exchange which is a public or semi-public entity that administers the provisions of the ACA under state authority, including using technology to determine eligibility for APTCs, allowing consumers to shop for and choose health insurance plans, enrolling consumers in those plans, and storing consumer information. Under the ACA, if a state fails to administer its own exchange, the federal government will step in and do so.

The Oregon Health Insurance Marketplace (Marketplace) is an office of the Health Policy and Analytics (HPA) Division of OHA, Oregon's public health agency. The Marketplace is Oregon's health insurance exchange, and its mission is to empower Oregonians to improve their lives through local support, education, and access to affordable, high-quality health coverage. The Marketplace administers Oregon's health insurance exchange in this state, through which Oregonians may purchase ACA-compliant individual health insurance plans and receive tax credits and cost-saving reductions to make those plans more affordable.

States, like Oregon, which retain direct authority over their exchanges but that rely on the technology and call center provided by the federal Centers for Medicare and Medicaid Services (CMS), a division of Health and Human Services (HHS), for its APTC, CSR, plan eligibility, shopping, and enrollment functionalities, are known as "state-based marketplaces on the federal platform" (SBM-FPs). Thus, because Oregon is an SBM-FP, Oregonians enroll in QHPs through HealthCare.gov, which is owned and managed by CMS. HealthCare.gov, is the front-end of the enrollment technology that is known as the federal platform or FFM. Tied to the FFM is a telephone consumer assistance center staffed by customer service representatives—federal employees or contractors—who help people with APTC and CSR 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 over the years from zero percent to three percent of total premiums paid by Oregonians who purchase QHPs through the Marketplace.

In 2018, the HIMAC asked the Marketplace to begin analyses of rising costs and possible alternatives for Oregon. In the subsequent two years, several states have moved forward with plans to become state-based marketplace states. The advantages of making this change have been illustrated and reinforced with each subsequent state that undertakes it. Becoming an SBM requires that a state

acquire and implement its own enrollment technology and accompanying Consumer Assistance Center (CAC) to provide over-the-phone support for enrollees.

After the initial analyses showed a very likely improvement to Marketplace effectiveness, benefit to the services received by Oregonians, and savings of millions of dollars annually, the HIMAC recommended beginning the process to procure a state-based enrollment technology in October of 2019.

Some key reasons (among many others) for Oregon to consider this change include:

- Increasing the value and the return on investment for Marketplace technology and support for the Oregonians that fund it

- Full access to and control over the enrollment data of Oregonians, which will better inform ongoing efforts to provide improved services to communities of focus in Oregon

- More accurate and real-time demographic data will improve targeted enrollment, outreach, and messaging; this also provides more accurate and comprehensive data to inform Oregon's efforts to contain costs and improve outcomes for all Oregonians, as envisioned by SB 770 (2019)

- Control over the enrollment technology and experience for Oregonians

- Oregonians would see an immediate improvement in customer service and outcomes on implementation; this would also give Oregon the ability to work with a vendor to add desired functions in the future based on the Governor's and Legislature's policy priorities

- With the existence of a competitive market specifically for SBM technology consisting of vendors that have SBM solutions with a proven track record in other states, the competition will serve to contain the cost of the technology

- Ongoing examples of states that are making, or have already made, this transition

Appendix B: *bluecrane's* Project Risk Assessment Methodology

According to the Project Management Institute (PMI), a risk is defined as "an uncertain event or condition that, if it occurs, has a positive or negative effect on a project's objectives." The process of *managing* risks is called "risk management" and is an essential component to project success. In this Section, we provide:

- Descriptions of how we determine risk probability and impact as a component of risk management and assessment

- Detailed information on each risk that we identified during our initial risk assessment

- Our initial assessment's risk heat map based on the risks that we identified during our initial risk assessment

In the practice of risk management, a risk is typically assigned two values:

- A **probability** value that reflects a determination as to whether or not the risk will occur

- An **impact** value that reflects a determination of the consequences to the project should the risk occur

For each risk, impact is multiplied by probability to determine **risk exposure.** A risk exposure value is then calculated, and risks are ranked based on the level of risk exposure (High, Medium, and Low).

The probability of occurrence of a risk is quantified as a percentage and is based on various project parameters such as scope, size, technology, and resources. In Table 9, we provide our ratings for risk probability and the associated assessment determinations for each rating.

Table 9. *bluecrane's* Risk Probability Rating

Probability Rating	*bluecrane's* Assessment Determination	Probability Score
Very High	The risk is one that is almost certainly going to occur	90% (= 0.9)
High	Risk is more likely than 50/50	75% (= 0.75)
Medium	Risk is about as likely to happen as not	50% (= 0.5)
Low	Risk is less likely than 50/50	25% (= 0.25)
Very Low (but noteworthy)	Risk is not likely to ever occur; but, if it should, the impact would be great	10% (= 0.1)

Risk impact is determined by assessing the likely impacts to cost, schedule, and scope/quality *if* the risk event does indeed occur. In Table 10, we provide our ratings for risk impact and the associated assessment determinations for each rating.

Table 10. Risk Impact Rating

	Cost Effect and/or Schedule Effect and/or Scope/Quality Effect			Impact Score
Impact Rating	**Cost Effect**	**Schedule Effect**	**Scope/Quality Effect**	
Very High	>10%	Unacceptable slip of milestone	Unacceptable reduction in scope or quality of deliverable(s)	10
High	8-10%	Major slip of a non-critical-path milestone **or** any slip in the critical path	Major reduction in scope or quality of deliverable(s)	8
Medium	5-7%	Moderate slip of non-critical-path milestones	Moderate reduction in scope or quality of deliverable(s)	6
Low	2-4%	Minor non-critical-path milestone slips, work-around(s) required	Minor reduction in scope or quality of deliverable(s)	4
Very Low	<1%	Possible slip of non-critical-path activities	Possible reduction in scope or quality of deliverable(s)	2

A risk exposure value is then calculated for each risk by multiplying its assessed probability and its assessed impact. Table 11 shows our exposure assessment values that result from the product of probability and impact.

Table 11. *bluecrane's* Exposure Assessment

Exposure Assessment	Product of Impact and Probability
High Risk (Red)	6.6 – 10.0
Medium Risk (Yellow)	2.1 – 6.5
Low Risk (Green)	0.0 – 2.0

In addition, our risk assessment methodology provides "arrows" to illustrate the risk trend for specific risk categories in our assessment as described in Table 12.

Table 12. Legend for Risk Trend Arrows

Arrow	Definition
⟷	No change in the risk level since the previous assessment period
⬇	Risks are decreasing since the previous assessment period
⬆	Risks are increasing since the previous assessment period

Furthermore, we provide a color-coding scale for illustrating the risk level of a project's various categories of risk. In Table 13, we provide descriptions of our risk ratings.

Table 13. *bluecrane's* **Quarterly Project Assessment Color Coding and Definition**

Assessed Status	Definition
Red (High)	The project is experiencing extreme risk. We found one or more risks that project management must address, or the entire project is at risk of failure.
Yellow (Medium)	The project is experiencing moderate risk. We found one or more risks that are significant enough to merit management attention but not one that is deemed "extreme."
Green (Low)	The project is experiencing good health and low risks. We found no unusual or elevated risks that require attention.
To Be Determined (TBD)	This category will be accessed in a future report.
Not Applicable (N/A)	This particular category is not applicable to the project at this time.