

bluecrane

**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 4.1.04: Quarterly QA Status and Improvements Report (1Q 2025)

for the

**Oregon State-Based
Marketplace (SBM)**

**Prepared for the
Oregon Health Authority
(OHA)**

Version 1.0

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Prepared by
Bluecrane, Inc.



bluecrane ®



Revision Log

| Version | Date | Revision Owner | Summary of Changes |
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| 0.1 | 4/2/2025 | Holly Brazell and Bill Creitz, <i>bluecrane</i> | Completed initial draft of deliverable |
| 0.2 | 4/3/2025 | Anna Brannen, <i>bluecrane</i> | Completed content review |
| 0.3 | 4/5/2025 | <i>bluecrane</i> professional editor | Completed quality assurance review |
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1. Structure and Contents of This iQMS Report

This report is the independent Quality Management Services (iQMS) Deliverable 4.1.4 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 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
- **Appendix C: Closed Project Risks** – the risks that we have closed during one of our previous assessment periods
- **Appendix D: Project Assessment Report**
- **Appendix E: Project Budget and Schedule Variance Report**



2. Executive Summary

This report is iQMS Deliverable 4.1.4 and is provided by *bluecrane* for OHA’s SBM Project.

For this assessment period, 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, 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 | First Quarter (1Q) 2025 (Jan to Mar) | February 2025 | January 2025 |
| Overall Health | | Low | Low | Low |
| Scope | | Low | Low | Low |
| Schedule | | Low | Low | Low |
| Budget | | Low | Low | Low |

During this assessment period, we identified one new risk, and we updated the two open 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 | | | | Product Standards | | | |
|--|---------|----------|----------|---------------------------------------|---------|----------|----------|
| Categories | 1Q 2025 | Feb 2025 | Jan 2025 | Categories | 1Q 2025 | Feb 2025 | Jan 2025 |
| Business Mission and Goals | Green | Green | Green | Product Content | Yellow | Yellow | Yellow |
| Decision Drivers | Yellow | Green | Green | Development/Configuration Process | Grey | Grey | Grey |
| Project Management | Green | Green | Green | Testing | Grey | Grey | Grey |
| Project Parameters | Green | Green | Green | Development/Configuration Environment | Grey | Grey | Grey |
| Project Team | Green | Green | Green | Technology | Green | Green | Green |
| Organization Management | Green | Green | Green | Deployment | Yellow | Yellow | Yellow |
| Customer/User | Green | Green | Green | Security | Green | Green | Green |
| Organizational Change Management (OCM) | Green | Green | Green | Maintenance | Grey | Grey | Grey |
| Procurement/Vendor Management | Green | Green | Green | | | | |

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 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| Current | 0 | 2 | 0 | 2 | 0 | 0 | 0 | 0 |
| Closed (Closed This Period) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Summary of the Project’s 1Q 2025 Accomplishments

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

- Closed Request for Proposal (RFP) #12121
- Began reviewing RFP #12121 vendor proposals
- Completed the Evaluation of RFP #12121



- Issued a Notice of Intent to Award (NOIA) to Vimo, Inc., dba GetInsured
- Formed the contract negotiations team and established negotiation processes
- Continued providing updated information for Policy Option Package (POP) #424
- Continued Partner Engagement Activities

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

During this quarter, the Project reported actual expenditures through the end of March of \$742,876, which continued to be less than expected at that point in the Project's lifecycle.

Summary of Problems Encountered and Resolution

During this assessment period, 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 Assessment Periods | | |
| | First Quarter (1Q) 2025 (Jan to Mar) | February 2025 | January 2025 |
| | Low | Low | Low |

1Q 2025 Status

The RFP #12121 closed on January 8, 2025, and the Project issued the NOIA on February 14, 2025. Subsequently, the Project received a protest in response to the NOIA which the Department of Administrative Services (DAS) is responsible for managing. Due to the Project needing to reissue the RFP in October, and now needing to respond to a protest, the time allocated for contract negotiations has been shortened. As a result, the risk trend related to schedule increased in February but was stabilized in March. In addition, we note that the risks to the schedule and overall project health continue to be low. However, we will continue to monitor the timeline—specifically related to contract negotiations through execution.

In addition, the Project has been engaged in series of meetings which are named the “book club” in which team members review other states’ exchange contracts in preparation for the upcoming contract negotiations. These meetings have been ongoing throughout this assessment period. Overall, we have been pleased with the book club’s commitment to the preparation and planning for the negotiations that will soon be underway. Additionally, we have been impressed with the professionalism and leadership of the team. Specifically, we have observed that the team:

- Has varying skill sets, emphases, and levels of experience that seem to blend well
- Provides an approach to analyzing different states' experience with and contracts for similar programs is detailed, thorough, and comprehensive
- Demonstrates a desire to balance the Service Level Agreement's performance requirements with the costs to the program and realistic program expectations
- Reflects an admirable concern for avoiding excessive call answering and hold times for Oregon customers
- Is conscientiously working to implement processes and procedures for the continuous



monitoring of the vendor's performance while emphasizing timeliness and a collaborative "solutions mentality" rather than a "gotcha" mentality

The Project also continued partner engagement activities throughout this assessment period.

bluecrane Recommended Risk Focus

We recommend that the Project focus primarily on the activities associated with RFP #12121 and secondarily on the three open risks. We acknowledge that the Project has drafted mitigation plans for these risks and has made progress on the activities included in the mitigation plans. 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
- **R4** – If there are changes to the existing Centers for Medicare and Medicaid Services (CMS) policies, regulations, or procedures, with respect to state-based exchanges and healthcare policy, the Project may experience changes to its scope and schedule.

Current Progress

In Figure 1, we provide tasks complete per the Project's current schedule. The duration analyzed was from July 2023 to April 2027, which is the schedule's overall duration.

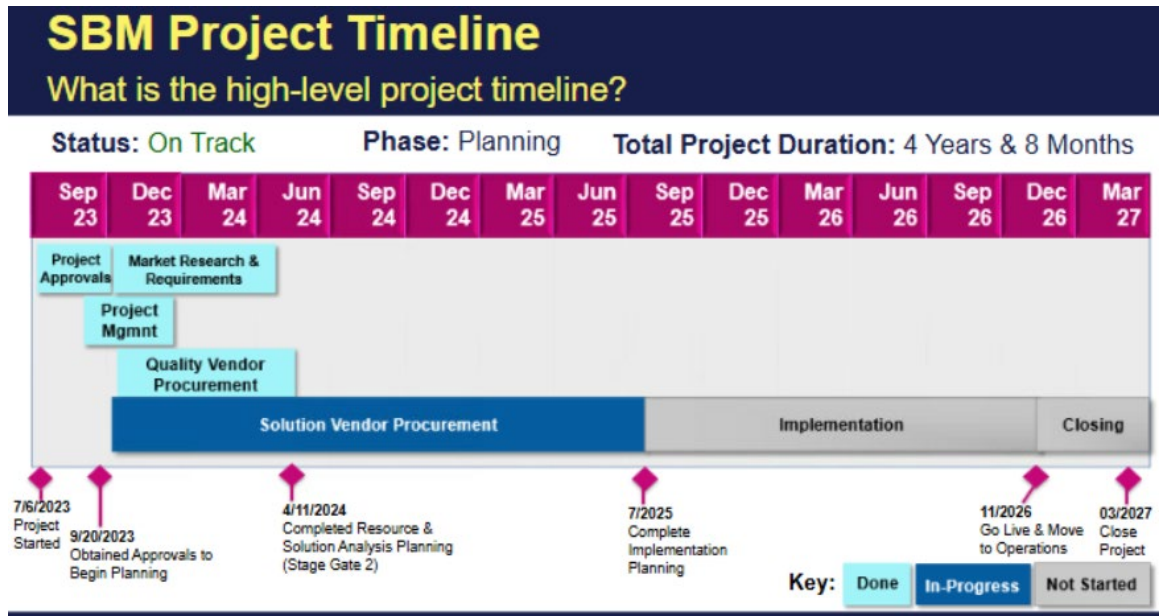
Figure 1. Tasks Complete Per the Project's Schedule





In Figure 2, we provide the Project’s high-level timeline.


Figure 2. Project’s Timeline



By the end of this assessment period, the Project reported being 37 percent complete. Current tasks, which are a result of releasing RFP #12121, have experienced delays over the past two months. In addition, the Project has received a protest which DAS is responsible for managing. Therefore, the time allocated for contract negotiations has been shortened. Currently, it is expected that these activities will not have an impact on the overall timeline.

Moreover, we note that 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 and a contract with the vendor is executed, the Project expects to update and re-baseline its schedule with more accuracy.



| Project Scope | | | |
|---|---|--------------------------|-------------------------|
| Current Risk Trend | Three Assessment Periods | | |
| | First Quarter (1Q) 2025 (Jan to Mar) | February 2025 | January 2025 |
|  | Low | Low | Low |
| <p><u>1Q 2025 Status</u></p> <p>During this assessment period, 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 practices. The Project also has a Change Management Plan that describes the process for any changes to the scope. In addition, the Project is currently reviewing these artifacts in anticipation of updating them as they move from the Implementation Planning Stage into the Execution Stage.</p> <p>The Project's scope is defined through the requirements gathering process documented in the Requirements Management Plan. The Project is using Microsoft Azure DevOps Server (ADOS) to document and approve SBM requirements, as well as for assessing the vendor's ability to meet those requirements. The team will continue to leverage the requirements for use in assessing potential vendors and confirming that their solution will meet the Project requirements.</p> | | | |



| Project Schedule | | | |
|---|---|--------------------------|-------------------------|
| Current Risk Trend | Three Assessment Periods | | |
| | First Quarter (1Q) 2025 (Jan to Mar) | February 2025 | January 2025 |
| | Low | Low | Low |
| <p><u>1Q 2025 Status</u></p> <p>The Project reported being 34 percent complete in January, 35 percent complete in February, and 37 percent complete in March. The Project received a protest in response to the NOIA which DAS is responsible for managing. The Project anticipates that the protest response will be completed at the end of March.</p> <p>However, due to the Project needing to reissue the RFP in October, and now needing to respond to a protest, the time allocated for contract negotiations has been shortened. As a result, the risk trend related to schedule was increased in February, but was still considered as a low risk. The schedule risk trend was stabilized in March.</p> <p>Moreover, we note that 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 and executes a contract with the vendor, the Project will update and re-baseline its schedule with more accuracy, and we acknowledge that the Project has begun this body of work.</p> <p>Overall, our assessment found that the Project schedule:</p> <ul style="list-style-type: none"> • 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 <p>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</p> | | | |



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 Assessment Periods | | |
| | First Quarter (1Q) 2025 (Jan to Mar) | February 2025 | January 2025 |
| | Low | Low | Low |
| <p><u>1Q 2025 Status</u></p> <p>During this quarter, the Project reported actual expenditures through the end of March of \$742,876 which continued to be less than expected at this point in the Project’s lifecycle and within the \$1.2 million budget limitation for the Implementation Planning Stage.</p> <p>Since approval of the initial baseline 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. Also, the Project has delayed the hiring of two Office of Information Services staff members. In addition, the onboarding of the Project Coordinator has been delayed from March 2024 to May 2025. Therefore, the 10 percent monthly contingency fund also remains unused.</p> <p>The Project has also submitted Policy Option Package (POP) #424 for the 2025-2027 biennium and continues to work with the SBM Legislative and Fiscal Readiness Workgroup to secure the</p> <p>Note:</p> <p><i>We acknowledge that the Project Variance Report in Appendix E displays the Budget Variance as red, and therefore the Project Assessment Report in Appendix D displays both the Budget and Overall Health as red. This is in accordance with Enterprise Information Services (EIS) policies and guidelines.</i></p> <p><i>With regard to the SBM Project, the “red” in the Project Variance and Assessment Reports is an indicator that the Project is significantly underspent relative to its current baselined budget and less significantly underspent relative to the \$1.2 million budget limitation. Based on our experience, under most circumstances, a project with significant underspend is likely struggling with not completing tasks as planned, and therefore not incurring the associated costs as planned. However, this is not the situation with the SBM Project. For the SBM Project, the tasks are being completed more efficiently than expected. This has resulted in the Project deferring hiring additional staff until later in the Project’s lifecycle when that staff is actually needed. This delayed hiring is actually a prudent budgetary measure since it does not incur costs for unnecessary labor expenses.</i></p> | | | |



4. Quality Standards

In this section we provide our quality standards scorecard and the results of 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

| Process Standards | | | | |
|-----------------------------------|--------------------------------------|---------|----------|----------|
| # | Categories | 1Q 2025 | Feb 2025 | Jan 2025 |
| 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 | | | |

| Process Standards | | | | |
|--------------------------------|---|---------|----------|----------|
| # | Categories | 1Q 2025 | Feb 2025 | Jan 2025 |
| 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 | | | |



| Process Standards | | | | |
|---|----------------------------------|------------|-------------|-------------|
| # | Categories | 1Q 2025 | Feb 2025 | Jan 2025 |
| 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 | 1Q 2025 | Feb 2025 | Jan 2025 |
| Product Content | | | | |
| 49 | Requirements Stability | | | |
| 50 | Requirements Complete and Clear | | | |
| 51 | Testability | | | |
| 53 | Implementation Difficulty | | | |
| 54 | System Dependencies | | | |
| 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 | 1Q 2025 | Feb 2025 | Jan 2025 |
| Testing (Continued) | | | | |
| 111 | Defect Tracking | | | |
| 112 | Testing Metrics | | | |
| Development/Configuration Environment | | | | |
| 67 | Vendor Support | | | |
| Technology | | | | |
| 72 | Availability of Technology Expertise | | | |
| 73 | Maturity of Technology | | | |
| Deployment | | | | |
| 76 | Customer Service Impact | | | |
| 77 | Data Migration Requirement | | | |
| 113 | Data Governance | | | |
| 114 | Cutover Strategy and Plan | | | |
| Security | | | | |
| 115 | Compliance with State Security and Privacy Policies | | | |
| 116 | Security Design, Plan, and System Resiliency | | | |
| 117 | Security Traceability | | | |
| 118 | Security Incident Reporting Process | | | |
| 119 | Availability of Security Expertise | | | |



| Product Standards | | | | |
|--------------------------|--|--------------------|---------------------|---------------------|
| # | Categories | 1Q 2025 | Feb 2025 | Jan 2025 |
| 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 in Table 7, 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



- 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 |
| <u>Risk Assessment</u> | |
| No risks were identified during this reporting period. | |



Decision Drivers Category

Medium

Standards: Political Influences

| Status | Risk/ Issue # | Std. | Statement of Risk | Risk Impact | Risk Probability | Risk Exposure (Impact x Prob.) |
|----------|------------------|------|---|-----------------|---------------------|---|
| Current | R4 | 6 | If there are changes to the existing CMS policies, regulations, or procedures, with respect to state-based exchanges and healthcare policy, the Project may experience changes to its scope and schedule. | Moderate (6) | Medium (0.5) | Medium Risk (3) |
| Previous | | | | N/A | N/A | N/A |

Risk Assessment

While, to-date, no specific changes have occurred with regard to CMS policies, regulations, and procedures which could impact the Project, many changes are occurring within the federal government and to its workforce. This situation has resulted in a degree of uncertainty on the Project which could have an impact to its future activities. Additionally, there is a degree of uncertainty as to how potential changes could impact federal and state healthcare policy, in general, which could then result in changes to the Project.

Potential Impacts

The potential impacts could be to the Project's scope, delays in planned activities that are dependent on the federal government, and a delay in the go-live.



Determining Factor

The primary determining factor is any changes that occur to CMS policies, regulations, and procedures that impact state-based exchanges or healthcare policy in general and then must be accommodated prior to the go-live.

Project's Resolution Strategy

The Project has also recognized a similar risk and has developed a mitigation plan which includes the continuous monitoring of regulatory changes, establishing a regulatory impact assessment process, and using an agile development methodology for Information Technology (IT) system development which can rapidly accommodate requirement changes.

bluecrane Recommended Resolution Strategy

We agree with the Project's risk mitigation activities related to this risk. In addition, we encourage the Project to submit any documents that require federal approval well in advance in order to accommodate delays as a result of a reduced federal workforce. Additionally, it would be good to identify any project-specific activities which could be impacted by those delays and what "workarounds" (if any) the Project could deploy. This information should be shared with the Project's governance structure to ensure transparency as to the potential risks ahead.



Process Standards

Project Management (PM) Category

Low

Standards: Definition of the Project, Project Objectives, Project Metrics, Leadership, PM Approach, PM Communication, PM Attitude, PM Authority, Support to the PM

Risk Assessment

No risks were identified during this reporting period.

Project Parameters Category

Low

Standards: Budget and Resource Size, Cost Controls, Delivery Commitment, Development Schedule

Risk Assessment

No risks were identified during this reporting period.

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.



Process Standards

Organization Management Category

Low

Standards: Organizational 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.

Organizational Change Management (OCM) Category

Low

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

Risk Assessment

No risks were identified during this reporting period.



Process Standards

Procurement/Vendor Management Category

Low

Standards: Contract Administration

Risk Assessment

No risks were identified during this reporting period.



Product Standards

Product Content Category

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) |

1Q 2025 Status

Between November and February, the meeting among ONE and SBM was canceled as the Project deemed it was not needed. During the March 31, 2025, meeting, the Project provided a Project update to the ONE Team. The Project also provided an opportunity for questions or concerns to be addressed. No questions or concerns were raised during the meeting. We continue to encourage the Project to collaborate with the state management of the ONE team in order to reduce the risks related to SBM's dependency on the ONE system. This type of activity helps build relationships and assists in keeping the SBM Project's priorities at the "top of everyone's mind."



Risk Assessment (No Change)

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 meeting regularly 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 (No Change)

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 Category | |
| N/A | Standards: Alternatives Analysis, Commitment Process, Project's QA Approach, Development Documentation, Legacy System Impacts and Accommodations, Early Identification of Defects, Defect Tracking, Change Control for Work Products, Lessons Learned |
| <u>Risk Assessment</u> | |
| The Project has not begun this category of activities. | |
| Testing Category | |
| N/A | Standards: Testing Strategy and Plan, User Story and Test Case Alignment, Testing Traceability, Defect Tracking, Testing Metrics |
| <u>Risk Assessment</u> | |
| The Project has not begun this category of activities. | |
| Development/Configuration Environment Category | |
| N/A | Standards: Vendor Support |
| <u>Risk Assessment</u> | |
| The Project has not begun this category of activities. | |



Product Standards

Technology Category

Low

Standards: Availability of Technology Expertise, Maturity of Technology

Risk Assessment

No risks were identified during this reporting period.



Product Standards

Deployment Category

Medium

Standards: Customer Service Impact, Data Migration Requirement, 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 | <p>If the data currently in Healthcare.gov requires greater analysis, cleansing, harmonization, and validation than what is currently planned, this may result in:</p> <ul style="list-style-type: none"> • 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) |

1Q 2025 Status

In October, the Project reported that they had reached out to other states who have moved to an SBM and collected their experience transitioning data and lessons learned. In January, the Project continued to collect and review this information. Also, as part of RFP #12121, which was released in November, bidders were asked to provide lessons learned regarding data



conversion from their previous SBM implementations. This information continued to be evaluated by the Project throughout this assessment period.

We encourage the Project to share the lessons learned information with the broader Project team once a vendor is selected and onboarded.

Risk Assessment (No Change)

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 Federally Facilitated Marketplace (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 (No Change)

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 manual data entry required)
- If an outside service provider was used to clean, harmonize, and prepare the data for conversion or did they rely 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 not to 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 Category | |
| Low | Standards: Compliance with State Security and Privacy Policies; Security Design, Plan, and System Resiliency; Security Traceability; Security Incident Reporting Process; Availability of Security Expertise |
| <u>Risk Assessment</u> | |
| No risks were identified during this reporting period. | |
| Maintenance Category | |
| 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 |
| <u>Risk Assessment</u> | |
| 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 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 |
|---|-----------------------------------|----------------|
| RFP #12121 Closes | 12/30/2024 1/8/2025 | Complete |
| Provide Update in Monthly Market Updates | 1/2/2025 | Complete |
| Update in Agent and Assister Newsletter (January) | 1/15/2025 | Complete |
| Provide Quarterly Written Legislature Update | 1/16/2025 | Complete |
| SBM Newsletter (January) | 1/23/2025 | Complete |
| Conduct Partner Listening Sessions | 1/30/2025 | Complete |
| Provide Update in Monthly Market Updates | 2/3/2025 | Complete |
| Approve iQMS 4.1.3 Quarterly QA Status and Improvement Report | 2/6/2025 2/7/2025 | Complete |



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| Milestone | Estimated End Date | Current Status |
|---|---------------------------|-----------------------|
| Complete RFP Evaluations and Select Solution Vendor | 11/18/2024 2/21/2025 | Complete |
| Provide SBM Update for SB 770 Monthly Meeting | 2/14/2025 | Complete |
| Update in Agent and Assister Newsletter (February) | 2/14/2025 | Complete |
| Approve iQMS 3.3.5 Monthly Status Report | 2/24/2025 | Complete |
| Update Website Frequently Asked Questions | 2/28/2025 2/25/2025 | Complete |
| Provide Update in Monthly Market Updates | 3/3/2025 | Complete |
| Tribal Monthly Meeting | 3/14/2025 | Complete |
| Update in Agent and Assister Newsletter (March) | 3/14/2025 | Complete |
| Baseline Project Management Plan | 3/27/2025 May 16, 2025 | In Process |
| Indian Health Care Provider (IHCP) Outreach | 3/27/2025 | Complete |



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| Milestone | Estimated End Date | Current Status |
|---|---|----------------|
| Update Website Frequently Asked Questions | 3/31/2025 | Complete |
| Provide SBM Update for SB 770 Quarterly Meeting | 4/2/25 | On Track |
| Update in Agent and Assister Newsletter (April) | 4/14/25 | On Track |
| HIMAC Presentation | 4/17/25 | On Track |
| Indian Health Care Provider (IHCP) Outreach (Site Visit CTCLUSI) | 4/23/25 | On Track |
| Indian Health Care Provider (IHCP) Outreach (Site Visit Coquille) | 4/23/25 | On Track |
| Conduct Partner Listening Sessions | 4/24/25 | On Track |
| SBM Newsletter (April) | 4/29/25 | On Track |
| Provide Legislature Update | 4/29/25 | On Track |
| Execute Solution Vendor Contract | April 2025 Late July 2025 | 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 Health Insurance Marketplace Advisory Committee 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 | <i>bluecrane's</i> 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 assessed in a future report. |
| Not Applicable (N/A) | This particular category is not applicable to the project at this time. |
| Project Paused/ Closed | The project has been paused or closed and the category is no longer applicable at this time. |



Appendix C: Closed Project Risks

Table 14 contains the Project risks that were identified during one of our periodic assessments, and we have now deemed them as closed. (Risks can be closed for a variety of legitimate reasons such as there is certainty that its probability of occurrence is 0, when it has been successfully mitigated, it has been accepted, or it has become an issue.)



Table 14. Closed Risk Log

| 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 July 2024 | | | | | |
| 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.



Appendix D: Project Assessment Report

| | |
|--|---|
| Project Name: | State-Based Marketplace (SBM) |
| Agency Name: | Oregon Health Authority (OHA) |
| Person completing this form and affiliation: | Holly Brazell, Bluecrane, Inc. |
| Reporting Period: | January 2025 - March 2025 |
| Date when form was completed: | March 31, 2025 |
| Technology Description | To Be Determined (TBD). The Project intends to procure a vendor partner that has a proven technology platform for a State-Based Marketplace and Consumer Assistance Center. |
| Platforms: | TBD |
| % custom: | TBD |
| Funding Description | Other Funds for the Planning Stage |

| | | Rating (rear view) | Rating (fwd view) | Explanation |
|----|-------------------------------|-----------------------|----------------------|--|
| 1 | Overall Project Health | Green | Red | The Project is well managed with active leadership engagement. Minor concerns exist regarding the collaboration with OHA'S Oregon Eligibility (ONE) team and their ongoing ability to provide resources to support the Project. The red rating is in accordance with state policy which requires if one individual health indicator is red, then the overall project health is also red. |
| 1a | Total Cost (Budget) | Green | Red | The red rating is the result of the Project's underspend to its current baselined budget and its \$1.2 million budget limitation. Based on our experience, under most circumstances, a project with significant underspend is likely struggling with not completing tasks as planned, and therefore not incurring the associated costs as planned. However, this is not the situation with the SBM Project. For the SBM Project, the tasks are being completed more efficiently than expected. This has resulted in the Project deferring hiring additional staff until later in the Project's lifecycle when that staff is actually needed. This delayed hiring is actually a prudent budgetary measure since it does incur costs for unnecessary labor expenses. |



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| | | | | |
|----|--------------------------------------|--------------|--------------|--|
| 1b | Schedule | Green | Green | In November, it was determined to be in the best interest of the State to cancel Request For Proposal (RFP) #10624, which was released in July 2024. As a result, the Project quickly pivoted to releasing RFP #12121. Due to the release of RFP #12121, a new RFP timeline was developed, the schedule was re-baselined in November, and the Project is performing to plan. |
| 1c | Scope | Green | Green | Scope is stable |
| 1d | Resource | Green | Green | The Project will be highly dependent on the ONE team to provide resources and commit to the project's delivery schedule and milestones. While this remains a risk, work has continued with the ONE team and the availability of resources has not been observed to be an obstacle during this quarter. |
| 1e | Deliverables (Work Products) Quality | Green | Green | All project management products developed to date have been of good to very high quality. |
| | | | | |
| 2 | Overall Delivery Risk | Low | Low | There are no medium or high risk indicators at this time. Therefore the Overall Delivery Risk is Low. |
| 2a | Business Case | Low | Low | The Project has a well developed Business Case which is consistent with industry best practices. |
| 2b | Technology | Low | Low | The new system is expected to utilize existing, stable technology which is already in use by other states. |



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| | | | | |
|----|---------------------------|-----|-----|---|
| 2c | Funding | Low | Low | The Project has adequate funding to complete its Planning Phase activities. Additional funding will be necessary to successfully meet the Project's go live commitments and has been requested to the Legislature via Policy Option Package (POP) #424 for 2025-2027. |
| 2d | Business Transition | Low | Low | The Project is aware of the need for business transition planning and activities. At this point in the Project's lifecycle, the Project has developed a formal Organizational Change Management plan and has begun identifying potential business impact areas. For example, it has created an inventory of potential impacts to current policies and procedures. |
| 2e | Long-Term Supportability | Low | Low | The Project intends to procure and implement a proven solution that is in operation of jurisdictions of similar size and complexity. Additionally, the solution will be supported by the product developer and the assumption is that the developer will implement a solution that includes long term supportability which should result in low risk. |
| 2f | Long-Term Maintainability | Low | Low | The Project intends to procure and implement a proven solution that is in operation of jurisdictions of similar size and complexity. Additionally, the solution will be supported by the product developer and the assumption is that the developer will implement a solution that includes long term maintainability which should result in low risk. |



Appendix E: Project Budget and Schedule Variance Report

| | |
|--|--------------------------------|
| Agency Name: | Oregon Health Authority |
| Person completing this form and affiliation: | Holly Brazell, Bluecrane, Inc. |
| Reporting Period: | January 2025 - March 2025 |
| Date when form was completed: | 3/31/2025 |

| | | Budget Variance | | | | | | | | | Comments* |
|--|-------------------|-------------------------|----------------------|-----------------|---------------------|---|-----------------|----------------------|-----------------|---------------------|---|
| | | Current Budget Variance | | | | Projected Budget Variance at Completion | | | | | |
| Project | Report as of Date | Actual Expenditures | Planned Expenditures | Variance Amount | Variance Percentage | Date Baseline Occurred | Baseline Budget | Estimate At Complete | Variance Amount | Variance Percentage | |
| SBM Project | 2/28/2025 | \$742,876 | \$ 2,587,126 | \$ (1,844,250) | -71% | Jul-23 | \$44,776,387 | \$ 42,932,137 | \$ (1,844,250) | -4.3% | The Project is significantly underspent to its current baselined budget and its \$1.2 million budget limitation. Based on our experience, under most circumstances, a project with significant underspend is likely struggling with not completing tasks as planned, and therefore not incurring the associated costs as planned. However, this is not the situation with the SBM Project. For the SBM Project, the tasks are being completed more efficiently than expected. This has resulted in the Project deferring hiring additional staff until later in the Project's lifecycle when that staff is actually needed. |
| Budget Variance Key | | | | | | | | | | | |
| <div style="display: flex; justify-content: space-around;"> <div style="width: 20px; height: 10px; background-color: #90EE90; border: 1px solid black;"></div> Less than 5% (+/-) variance from approved baseline budget </div> <div style="display: flex; justify-content: space-around;"> <div style="width: 20px; height: 10px; background-color: #FFD700; border: 1px solid black;"></div> 5-15% (+/-) variance from approved baseline budget </div> <div style="display: flex; justify-content: space-around;"> <div style="width: 20px; height: 10px; background-color: #FF0000; border: 1px solid black;"></div> Greater than 15% (+/-) variance from approved baseline budget </div> | | | | | | | | | | | |

| | | Schedule Variance | | | | | | | | | Comments* |
|---|--------------------|---------------------------|-------------|------------------------|---------------------|---|-------------------|--------------------|------------------------|---------------------|---|
| | | Current Schedule Variance | | | | Projected Schedule Variance at Completion | | | | | |
| Project | Project Start Date | Actual Date | Earned Date | Variance Amount (Days) | Variance Percentage | Date Baseline Occurred | Baseline End Date | Projected End Date | Variance Amount (Days) | Variance Percentage | |
| SBM Project | 7/6/2023 | 02/28/25 | 10/19/26 | 598 | -50% | 11/15/2024 | 03/31/27 | 03/31/27 | 0 | 0.0% | The significant underspend creates an artificially inflated Schedule Performance Index, which also artificially shows the Project significantly ahead of schedule. A better measurement for this project is the project's current schedule, which shows tasks are being completed as scheduled, with some minimal delays. |
| Schedule Variance Key | | | | | | | | | | | |
| <div style="display: flex; justify-content: space-around;"> <div style="width: 20px; height: 10px; background-color: #90EE90; border: 1px solid black;"></div> On schedule or less than 5% behind approved baseline schedule </div> <div style="display: flex; justify-content: space-around;"> <div style="width: 20px; height: 10px; background-color: #FFD700; border: 1px solid black;"></div> Delayed with project duration 5-15% behind approved baseline schedule </div> <div style="display: flex; justify-content: space-around;"> <div style="width: 20px; height: 10px; background-color: #FF0000; border: 1px solid black;"></div> More than 15% behind approved baseline schedule </div> | | | | | | | | | | | |