



*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 4.1.1:  
Quarterly QA Status and  
Improvements Report  
(2Q2024)**

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

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

**Version 1.0**

**July 2024**

*(Aug. 16, 2024 update following receipt of approval  
from State on Aug. 16, 2024)*

Prepared by  
**Bluecrane, Inc.**



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## Revision Log

Version	Date	Revision Owner	Summary of Changes
0.1	7/5/2024	Holly Brazell and Elise Barho, <i>bluecrane</i>	Completed initial draft of deliverable
0.2	7/8/2024	Anna Brannen, <i>bluecrane</i>	Completed content review
0.3	7/9/2024	Allen Mills, <i>bluecrane</i>	Completed quality assurance review
0.5	7/10/2024	Allen Mills, <i>bluecrane</i>	Submitted draft deliverable version v0.5
0.5	7/23/2024	<i>bluecrane</i> iQMS Team	Received comments from State on v0.5
0.52	7/28/2024	<i>bluecrane</i> iQMS Team	Completed revisions for and quality review of v0.6
0.54	7/30/2024	<i>bluecrane</i> professional editor	Completed quality assurance review
0.56	7/31/2024	Anna Brannen and Allen Mills, <i>bluecrane</i>	Conducted walkthrough of v0.6 revisions
0.6	8/2/2024	Allen Mills, <i>bluecrane</i>	Submitted draft deliverable version v0.6
0.61	8/14/2024	<i>bluecrane</i> iQMS Team	Received comments from State on v0.6
0.62	8/15/2024	Anna Brannen, <i>bluecrane</i>	Completed revisions for and quality review of v0.7
0.7	8/15/2024	Allen Mills, <i>bluecrane</i>	Submitted draft deliverable version v0.7
1.0	8/16/2024	Allen Mills, <i>bluecrane</i>	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 4.1.1 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 quarterly assessment results for the project’s overall health
- **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: Project Assessment Report**
- **Appendix D: Project Budget and Schedule Variance Report**



## 2. Executive Summary

This report is independent Quality Management Services (iQMS) Deliverable 4.1.1 and is provided by Bluecrane, Inc. (“bluecrane”) for the OHA SBM Project.

Deliverable 4.1.1 is our first iQMS risk assessment for the SBM Project. Typically, Deliverable 1.1 provides the initial iQMS risk assessment. However, the Project deferred Deliverable 1.1 *until after* the solution vendor has been engaged. As a result, during this assessment period, we discuss for the first time three risks. Because this deliverable documents our first time assessing the Project’s risks, we were unable to assess the Project’s past risk management activities and “risk trends” since we did not produce prior assessments for comparison. Consequently, for this assessment period, there are several areas in which we cannot provide our input as to the Project’s past practices and trends. In future risk assessments, we expect to be able to assess project practices and trends and will report accordingly.

For this assessment period, which encompasses April to June 2024, we present in Table 1 an “at a glance” risk summary of the Project’s overall health and risk of failure. (The descriptions of our color-coding definitions which are used throughout this deliverable can be found in Table 12 [Appendix B].)

**Table 1. “At A Glance” Risk Trends for Key Areas**

<b>Project Risk Trends for Three Assessment Periods</b>				
<b>Key Project Area</b>	<b>Current Risk Trend</b>	<b>Second Quarter (2Q) 2024 (April to June)</b>	<b>No Prior Assessments</b>	<b>No Prior Assessments</b>
<b>Overall Health</b>	<b>Not Applicable (N/A)</b>	<b>Medium</b>		

Also, during this assessment period, we identified three risks which are discussed in detail in Section 4, which 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	Q2 2024	N/A	N/A	Categories	Q2 2024	N/A	N/A
Business Mission and Goals	Green	Grey	Grey	Product Content	Yellow	Grey	Grey
Decision Drivers	Green	Grey	Grey	Development/Configuration Process	Grey	Grey	Grey
Project Management	Green	Grey	Grey	Testing	Grey	Grey	Grey
Project Parameters	Green	Grey	Grey	Development/Configuration Environment	Grey	Grey	Grey
Project Team	Green	Grey	Grey	Technology	Green	Grey	Grey
Organization Management	Green	Grey	Grey	Deployment	Yellow	Grey	Grey
Customer/User	Green	Grey	Grey	Security	Green	Grey	Grey
Organizational Change Management (OCM)	Green	Grey	Grey	Maintenance	Grey	Grey	Grey
Procurement/Vendor Management	Green	Grey	Grey				

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
<b>New (Opened This Period)</b>	1	2	0	3	0	0	0	0
<b>Current</b>	Not Applicable				Not Applicable			
<b>Closed (Closed This Period)</b>	Not Applicable				Not Applicable			

**Summary of the Project’s Accomplishments During 2Q 2024**

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

- Scheduled the Solution Vendor Request for Proposal (RFP) release for early July
- Finalized the sample contract
- Received Enterprise Information Services (EIS) Stage Gate 2 Endorsement



- Completed an iQMS contract
- Approved RFP requirements
- Conducted the following partner engagements and communications activities:
  - Legislative briefing
  - SBM Newsletter
  - Health Insurance Marketplace Advisory Committee (HIMAC) Presentation
  - Partner Listening Sessions (Assisters & Carriers)
- Approved Racial Equity Toolkit

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**

The Project's Planning Phase budget is \$1.2 million which included estimates for staff hours and vendor payments. Since approval of the 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. Appendix D indicates that the Project is sufficiently underspent. Some of this underspend will likely be less over the coming months as iQMS payments occur on a more consistent basis and become more aligned with the Project's schedule. Any risks related to the budget underspend are being closely monitored by the Project's leadership.

### **Summary of Problems Encountered and Resolution**

During 2Q 2024, the Project encountered several challenges related to the release of the RFP. The milestone for releasing the RFP slipped from April to July—a change of three months. The reasons for the delays appear to be primarily related to the Project having had multiple procurement analysts—which has been outside of the Project's control and authority. Each procurement analyst has had a unique perspective on the structure and content of the RFP. This change in staffing and direction has resulted in delays in releasing the RFP which is now scheduled for early July.



### 3. Project Risk Assessment Summary

Second Quarter 2024 Reporting Period: April – June			
Current Risk Trend	Three Quarters of Assessments		
	Second Quarter 2024 (April to June)	No Prior Assessments	No Prior Assessments
Not Applicable	Medium		
<p><b>Summary</b></p> <p>As noted in the Executive Summary, Deliverable 4.1.1 is our first iQMS risk assessment since the Project deferred Deliverable 1.1 <i>until after</i> the solution vendor has been engaged. Even though we are unable to compare this assessment period with previous periods, we can report that, overall, the Project is well-managed and has an engaged and committed leadership team. In particular, we are pleased to report that the Project’s leadership actively monitors existing risks and proactively identifies and manages new risks as the Project progresses through its timeline. Furthermore, during this assessment period, the Project’s accomplishments included:</p> <ul style="list-style-type: none"> <li>• Scheduled the release of RFP for early July</li> <li>• Finalized the sample contract</li> <li>• Received EIS Stage Gate 2 Endorsement</li> <li>• Completed an iQMS contract</li> <li>• Approved RFP requirements</li> <li>• Conducted the following partner engagements and communications activities: <ul style="list-style-type: none"> <li>○ Legislative briefing</li> <li>○ SBM Newsletter</li> <li>○ HIMAC Presentation</li> <li>○ Partner Listening Sessions (Assisters &amp; Carriers)</li> </ul> </li> <li>• Approved Racial Equity Toolkit</li> </ul> <p>At the time of our assessment, the Project was engaged in major activities including:</p>			





- Approving all RFP documents and posting the RFP for the solution vendor
- Publishing the June 2024 Partners Communication
- Submitting the 2025/2027 Policy Option Paper (POP) draft for review
- Conducting ongoing meetings with the Oregon Eligibility (ONE) team

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

Assuming that the release of the RFP occurs on schedule, over the coming months, 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 ONE system, if the necessary changes to the ONE system are not made timely, 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, 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

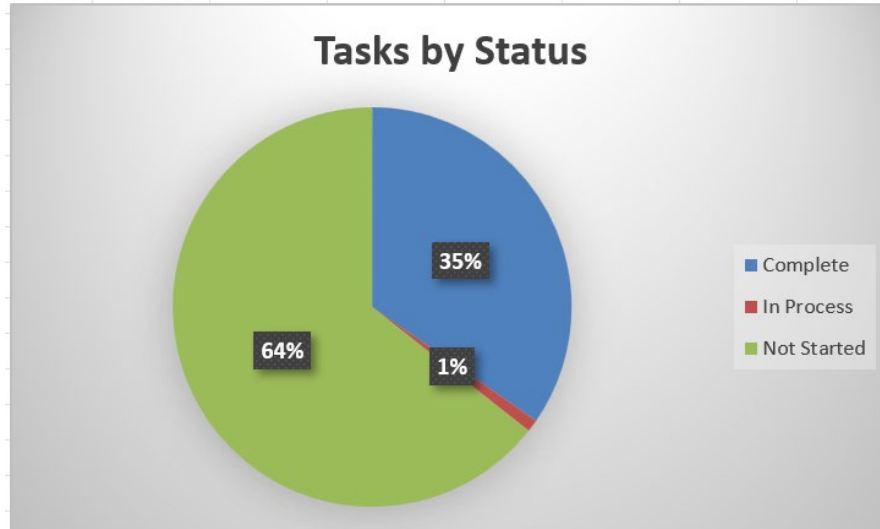
### **Current Progress**

Throughout the assessment period, the project's scope remained stable and there were no major changes. The scope risk level was assessed as Low.

The risk level for the budget was also assessed as 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.

The risk level for the schedule was assessed as Medium due to the delays in the release of the RFP which have been the result of staffing changes outside of the control of the Project. A delay in a critical project milestone, such as the release of the RFP, can have a long-term impact on the overall project schedule. The Project is in the early phase of its lifecycle, and a schedule slippage may not be perceived as critical since the remaining duration of the Project is over two years. But, any slippage, however early or small, has an impact on the schedule and should be monitored closely.

The chart below indicates the percentage of project tasks completed, in process, and not started.



**Q2 Major Milestones:**  
**April – June 2024**

Milestone Title	Milestone Status
<b>Stage Gate 2 Endorsement</b>	Complete
<b>Partner Engagement</b>	Legislature Update: Complete Partner Communications: Completed three SBM Newsletter: Complete HIMAC Presentation: Complete Industry Communications: Complete Partner Listening Sessions (Assisters & Carriers): Completed three sessions
<b>iQMS Contract</b>	Complete
<b>iQMS Deliverables</b>	<ul style="list-style-type: none"> <li>Request for Proposal Quality Control (QC) Report (Contractual Title: Solution requirements related to information and data components of sample final contract)</li> </ul>



	<p>in the RFP) prior to solicitation release v0.5, v0.6, v0.7, v1.0 Approved</p> <ul style="list-style-type: none"> <li>• 2.1 Quality Standards – Operational Definitions Report (Contractual Title: Quality Standards – Operational Definitions Report) v0.5, v0.6, v1.0 Approved</li> <li>• 2.3 Quality Management Plan (of iQMS Contractor) (Contractual Title: Quality Management Plan) v0.5, v0.6, v0.7, v1.0 Approved</li> <li>• 2.4 Baseline Work Plan, v0.5, v0.6, v0.7 In Review</li> </ul>
<b>RFP and Sample Contract</b>	Approved
<b>Racial Equity Toolkit</b>	Approved



## **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 (although for this initial assessment, there is no prior assessment history to include).



**Table 4. Quality Process Standards Quarterly Risk Assessment Scorecard**

Process Standards				
#	Categories	2Q 2024	N/A	N/A
<b>Business Mission and Goals</b>				
1	Project Fit to Customer Organization			
2	Project Fit to Provider Organization			
3	Customer Perception			
<b>Decision Drivers</b>				
6	Political Influences			
<b>Project Management (PM)</b>				
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	2Q 2024	N/A	N/A
<b>Project Parameters</b>				
23	Budget and Resource Size			
25	Cost Controls			
26	Delivery Commitment			
27	Development Schedule			
<b>Project Team</b>				
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			
<b>Organization Management</b>				
37	Organizational Stability			
38	Organization Roles and Responsibilities			
41	Executive Involvement			

**Process Standards**



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



Table 5. Quality Product Standards Monthly Risk Assessment Scorecard

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

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



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





## 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**

<b>Risk Table Column Title</b>	<b>Column Definition</b>
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**

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

**Q2 2024 Status**

The Project has experienced delays in releasing the RFP. For example, the RFP was scheduled to be completed and posted in early April 2024. This did not occur. The reasons for the delays appear to be primarily related to the Project having had multiple procurement analysts—which has been outside of the Project’s control and authority. Each procurement analyst has had a unique perspective on the structure and content of the RFP. This change in staffing and direction has resulted in delays in releasing the RFP, which is now scheduled for early July.\*\*

**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.

**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.

\*\* We note that the RFP was released in July as planned. This risk is expected to be closed in the next iQMS report.



### 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.)
New	R2	54	Because SBM has a critical dependency on the ONE system, if the necessary changes to the ONE system are not made timely, then SBM's ability to deliver its solution on time may be impacted.	Moderate (6)	Medium (0.5)	Medium Risk (3)

**Q2 2024 Status**

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 monthly 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.

**Risk Assessment**

The Project is highly dependent on the OHA ONE team to provide available resources and commit to the Project's delivery schedule and milestones. Additional clarity about roles and responsibilities of each team, detailed understanding of each team's project schedule, and specifics about what system will be the system of record, are required. 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**

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

### **Determining Factor**

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.

### **Resolution Strategy**

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

- Continue monthly 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

In addition to these mitigation steps, we recommend that the Project develop an approach to monitoring and measuring progress against pre-established goals and milestones. This could consist of a combination of Memoranda of Understanding (MOUs), 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.)
New	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"> <li>• More work to convert the old data to the new system</li> <li>• Cleaned or “scrubbed” data that may still cause problems in the new system</li> <li>• Data conversion problems that could cause significant project delays and/or significant manual workarounds</li> </ul>	Moderate (6)	Medium (0.5)	Medium Risk (3)

**Q2 2024 Status**

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. To help the new provider better understand the complexities of the current marketplace data, the Project and the ONE Team have already begun working collaboratively on a vendor onboarding package which will be shared with the new solution provider when it is onboard. The ONE and SBM teams meet regularly to discuss the current-state processes, identify issues and/or gaps with the processes, and plan for future processes.



### **Finding**

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 the data in the FFM is unknown and may be challenging to convert.

### **Risk Assessment**

The quality of HealthCare.gov data is unknown and may result in additional complexity as data is converted into the new SBM solution.

### **Potential Impacts**

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**

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.

### **Resolution Strategy**

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



In addition to these steps, we recommend that the Project consider the following:

- Ask other states that have moved to SBM to share their experience with the data transition
- Amend the RFP 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)
- 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**

<b>Milestone</b>	<b>Estimated End Date</b>	<b>Current Status</b>
Requirements	4/23/2024	Complete
GAP Analysis	4/16/2024	Complete
iQMS Contract	7/10/2024	Complete
Detailed Project Schedule	7/25/2024	In Process
Scope	9/28/2024	In Process
Vendor Procurement	3/14/2025	In Process





## **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	<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**

<b>Cost Effect and/or Schedule Effect and/or Scope/Quality Effect</b>				<b>Impact Score</b>
<b>Impact Rating</b>	<b>Cost Effect</b>	<b>Schedule Effect</b>	<b>Scope/Quality Effect</b>	
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 <b>or</b> 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**

<b>Assessed Status</b>	<b>Definition</b>
<b>Red (High)</b>	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.
<b>Yellow (Medium)</b>	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."
<b>Green (Low)</b>	The project is experiencing good health and low risks. We found no unusual or elevated risks that require attention.
<b>To Be Determined (TBD)</b>	This category will be accessed in a future report.
<b>Not Applicable (N/A)</b>	This particular category is not applicable to the project at this time.



## Appendix C: Project Assessment Report

Project Name:	State-Based Marketplace (SBM)
Agency Name:	Oregon Health Authority (OHA)
Person completing this form and affiliation:	Elise Barho, bluecrane
Reporting Period:	April 2024 - June 2024
Date when form was completed:	June 30, 2024
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	<b>Overall Project Health</b>		<b>Yellow</b>	The Project is well managed with active leadership engagement. Minor concerns exist with the delayed release of the Request For Proposal (RFP) and focused collaboration with OHA'S Oregon Eligibility (ONE) team.
1a	Total Cost (Budget)		<b>Green</b>	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 release in the RFP and the processing of iQMS deliverables, expenditures for vendor payments are less than estimated at this point in the Project's lifecycle.
1b	Schedule		<b>Green</b>	The milestone for releasing the RFP slipped from April to July – a change of three months. The reasons for the delays appear to be primarily related to the Project having had multiple procurement analysts – which has been outside of the Project's control and authority. Each procurement analyst has had a unique perspective on the structure and content of the RFP. This change in staffing and direction has resulted in delays in releasing the RFP which is now scheduled for early July.





1c	Scope		<b>Green</b>	Scope is stable
1d	Resource		<b>Yellow</b>	Resource has been rated yellow because the Project is highly dependent on the ONE team to provide available resources and commit to the project's delivery schedule and milestones. Additional clarity about roles and responsibilities of each team, detailed understanding of each team's project schedule, and specifics about what system will be the system of record is required.
1e	Deliverables (Work Products) Quality		<b>Green</b>	All project management products developed to date have been of good to very high quality.
<b>2</b>	<b>Overall Delivery Risk</b>		<b>Low</b>	Delivery risk is manageable at this time
2a	Business Case		<b>Low</b>	The Project has a well developed Business Case which is consistent with industry best practices.
2b	Technology		<b>Low</b>	The new system is expected to utilize existing, stable technology.
2c	Funding		<b>Low</b>	The Project has adequate funding to complete its Planning Phase activities. Additional funding is expected to be necessary to successfully meet the Project's go live commitments. That funding will be pursued through the appropriate mechanisms once more is known about potential vendor costs.
2d	Business Transition		<b>Low</b>	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.
2e	Long-Term Supportability		<b>Low</b>	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		<b>Low</b>	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.
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## Appendix D: Project Budget and Schedule Variance Report

Agency Name:	Oregon Health Authority
Person completing this form and affiliation:	Elise Barho, Bluecrane, Inc.
Reporting Period:	April 2024 - June 2024
Date when form was completed:	6/30/2024

		Budget Variance									
		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	Comments*
SBM Project	6/30/2024	\$162,979	\$ 858,279	\$ (695,300)	-81%	Jul-23	\$44,081,087	\$ 44,081,087	\$ -	0.0%	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.
		<b>Budget Variance Key</b>									
		<div style="display: flex; justify-content: space-around;"> <div style="width: 30px; height: 10px; background-color: #90EE90; border: 1px solid black;"></div> <div style="width: 30px; height: 10px; background-color: #FFD700; border: 1px solid black;"></div> <div style="width: 30px; height: 10px; background-color: #FF0000; border: 1px solid black;"></div> </div> Less than 5% (+/-) variance from approved baseline budget 5-15% (+/-) variance from approved baseline budget Greater than 15% (+/-) variance from approved baseline budget									

		Schedule Variance									
		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	Comments*
SBM Project	7/6/2023	6/30/2024	12/27/23	186	0%	7/6/2023	04/13/27	04/13/27	0	0.0%	
		<b>Schedule Variance Key</b>									
		<div style="display: flex; justify-content: space-around;"> <div style="width: 30px; height: 10px; background-color: #90EE90; border: 1px solid black;"></div> <div style="width: 30px; height: 10px; background-color: #FFD700; border: 1px solid black;"></div> <div style="width: 30px; height: 10px; background-color: #FF0000; border: 1px solid black;"></div> </div> On schedule or less than 5% behind approved baseline schedule Delayed with project duration 5-15% behind approved baseline schedule More than 15% behind approved baseline schedule									