

Health Benefit Exchange IT Support Project Charter

<p>PROJECT NAME: Health Benefit Exchange IT Support Project</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">Sponsor:</td> <td>California Health Benefit Exchange Board</td> </tr> <tr> <td>Project Mgr:</td> <td>Office of Systems Integration</td> </tr> <tr> <td>Charter Version #:</td> <td>Final</td> </tr> <tr> <td>Updated by:</td> <td>John Heinlein</td> </tr> <tr> <td>Approved By:</td> <td></td> </tr> <tr> <td>Approval Date:</td> <td></td> </tr> </table> <p>PROJECT OBJECTIVE STATEMENT:</p> <p>The objective of the Health Benefit Exchange IT Support Project is to assist the CHBEx Board by development of an IT strategy to meet Exchange requirements, acquisition of the necessary services to implement the strategy, and development and implementation of the mandated IT systems by January 2014.</p> <p>PROJECT SCOPE:</p> <p>IN SCOPE: All activity necessary to achieve the Exchange IT Systems core area's key tasks and milestones as described in the California Exchange Level 1 Establishment Grant Work Plan.</p> <p>OUT OF SCOPE:</p> <p>CUSTOMER BENEFITS:</p>	Sponsor:	California Health Benefit Exchange Board	Project Mgr:	Office of Systems Integration	Charter Version #:	Final	Updated by:	John Heinlein	Approved By:		Approval Date:		<p>SCHEDULE:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">Start Date:</td> <td>July 2011</td> </tr> <tr> <td>End Date:</td> <td>December 2015</td> </tr> </table> <p>TRIPLE CONSTRAINT TRADE-OFF:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">Resources:</td> <td style="width: 10%;">M</td> <td rowspan="3" style="vertical-align: top;"> <i>Select a different flexibility letter for each constraint. Use each letter only once:</i> <i>L = Least Flexible</i> <i>S = Somewhat Flexible</i> <i>M = Most Flexible</i> </td> </tr> <tr> <td>Schedule:</td> <td>L</td> </tr> <tr> <td>Scope:</td> <td>S</td> </tr> </table> <p>MAJOR HIGH-LEVEL MILESTONES</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;">Milestone</th> <th style="width: 20%;">*Planned</th> <th style="width: 40%;">Actual</th> </tr> </thead> <tbody> <tr> <td>Issue Vendor Questionnaire</td> <td>7/22/11</td> <td></td> </tr> <tr> <td>Present alternatives and recommendation(s) to Board</td> <td>9/27/11</td> <td></td> </tr> <tr> <td>Board adopts recommendation(s)</td> <td>10/21/11</td> <td></td> </tr> <tr> <td>Submit vendor solicitation(s) to CMS for approval</td> <td>10/21/11</td> <td></td> </tr> <tr> <td>Receive CMS approval to release vendor solicitation(s)</td> <td>12/9/11</td> <td></td> </tr> <tr> <td>Issue vendor solicitation(s)</td> <td>12/12/11</td> <td></td> </tr> <tr> <td>Receive vendor</td> <td>1/23/12</td> <td></td> </tr> </tbody> </table>	Start Date:	July 2011	End Date:	December 2015	Resources:	M	<i>Select a different flexibility letter for each constraint. Use each letter only once:</i> <i>L = Least Flexible</i> <i>S = Somewhat Flexible</i> <i>M = Most Flexible</i>	Schedule:	L	Scope:	S	Milestone	*Planned	Actual	Issue Vendor Questionnaire	7/22/11		Present alternatives and recommendation(s) to Board	9/27/11		Board adopts recommendation(s)	10/21/11		Submit vendor solicitation(s) to CMS for approval	10/21/11		Receive CMS approval to release vendor solicitation(s)	12/9/11		Issue vendor solicitation(s)	12/12/11		Receive vendor	1/23/12	
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Implementation of the Health Benefit Exchange is mandated under federal and state law.
The creation of the Exchange will also reduce the number of uninsured Californians by creating an organized, transparent marketplace for Californians to purchase affordable, quality health care, to claim available federal tax credits and cost-sharing subsidies.

PROJECT DELIVERABLES:

- Alternatives analysis & Board presentation for IT solution strategy
- Vendor solicitation documents
- Final business and interim detailed design & system requirements documentation
- Final requirements and design documentation
- Comprehensive system test plan (including integration testing, final user testing, end-to-end testing)
- Security Validation Assessment

SUCCESSFUL COMPLETION CRITERIA:

- Successful launch by March 2013 of
 - Information website
- Successful launch by September 2013 of:
 - Comparison tool with pricing information
 - Eligibility and Enrollment functionality - including online, mail, phone, and in person interfaces
 - Successful operational readiness review

proposals		
Board adopts recommended selection(s)	2/29/12	
Vendors start work	3/13/12	
Final requirements (and design) documentation	4/24/12	
Final business requirements and interim detailed design & system requirements documentation	5/22/12	
Preliminary/interim development of baseline system	6/29/12	
Final development of baseline system	9/30/12	
System/integration testing	12/31/12	
Demonstrate Readiness	1/1/2013	
Launch information website	3/31/13	
Final user testing	9/30/13	
End-to-end testing & security validation review	9/30/13	
Operational readiness review	9/30/13	
Launch comparison tool with pricing information	9/30/13	
Launch enrollment functionality	9/30/13	
First effective date of coverage	1/1/14	

** Dates taken from Level 1 Grant Application*

PROJECT BACKGROUND:

On March 23, 2010, President Obama signed the Affordable Care Act (ACA), which extends health care to an estimated 32 million uninsured individuals nationwide and makes coverage more affordable for many others. Governor Arnold Schwarzenegger signed legislation on September 30, 2010 to create the California Health Benefit Exchange. Beginning in 2014, the California Health Benefit Exchange will allow individuals and small businesses to compare plans and buy health insurance on the private market, enhancing competition and provide the same advantages available to large employer groups by organizing the private insurance market, including a more stable risk pool, greater purchasing power, more competition among insurers and detailed information regarding the price, quality and service of health coverage. Further, the Exchange will eventually enroll millions of Californians.

The Exchange will have important roles, including:

- Provide a high quality experience for individuals seeking health care coverage as well as the participants in the Exchange.
- Screen for and enroll individuals in the Exchange, Medi-Cal (Department of Health Care Services) or the Healthy Families Program (Managed Risk Medical Insurance Board) if they are eligible for those programs.
- Certifying qualified health plans
- Coordinate with DHCS, the MRMIB, and California counties to ensure that individuals are seamlessly transitioned between coverage programs if their eligibility changes.
- Work with small employers on the choices and collection of payments for their employees.

PROJECT CORE TEAM MEMBERS

Team Member	Role
Kristine Dudley	OSI Project Director
Harjit Basi	OSI Project Manager
John Heinlein	OSI Senior Analyst
Lori Smith	OSI Project Support
Bill Obernesser	HBEx Information Technology Policy Advisor
Terry Daffin	Vendor Project Manager
Sharon Brunberg	Web Exchange Portal Analyst
Rhoda Miller	SOA/ESB Solution Analyst
Tanya Rhodes	Business Analyst – MEDS Integration
Carl Engel	Enterprise Business Architect
Ajay Gupta Anand Adoni Phil Smith James Jones	Enterprise Technical Architect

- Negotiate with health plans on products to be offered in the Exchange.

While states are waiting for additional guidelines from the federal government regarding health care reform, planning efforts must begin immediately to meet key dates established by the federal government as noted below:

- January 1, 2013 – states must demonstrate their readiness with significant progress towards implementation of a Health Benefit Exchange.
- January 1, 2014 – Completion of a Health Benefit Exchange that California consumers will be able to use to research their health coverage options and access federally-funded tax credits and cost sharing subsidies.

Many changes take effect in Fiscal Year (FY) 2010-11, and significant preparation must also begin in 2010-11 for the activities that will occur between 2010 and 2014.

In June 2011, the California Health Benefit Exchange submitted a Level I Establishment Grant application for the time period July 1, 2011 to June 30, 2012. The funding requested will enable California to engage in planning, research and early implementation as appropriate in all core areas identified in the federal Department of Health and Human Services application. It will also help the state develop policy goals for the California Exchange consistent with state and federal law as well as secure staff, consultants and expert resources and actively engage stakeholders to inform and support Exchange planning and implementation activities.

One of the federal goals that is required of the CHBEx is to “ensure a modular, flexible approach to systems development and complete IT milestones related to Exchange business operations.” Because of its past experience with large-scale IT project planning and development, the Office of Systems Integration has been chosen to assist the Exchange with the IT

PROJECT RISKS:

- Lack of timely revisions to program regulations and other necessary clarifications by federal partners
- Lack of timely development of real-time verification functionality to be provided by federal partners
- Loss of federal funding
- Lack of flexibility in project schedule
- Complexities with interfacing with multiple county eligibility systems, and multiple eligibility programs

PROJECT BUDGET:	\$28,200,000 (Planning and Acquisition phase only)
FUNDING SOURCE:	California Health Benefit Exchange

EQUIPMENT REQUIRED:

Workstations for consultants
Servers – SQL, ESB, WEB, Application, Storage, Data Warehouse (if used)
Network infrastructure

systems piece of the effort.

SPONSOR SIGNATURE

DATE

Sponsor signs here

Insert
date

DEPENDENT PROJECTS:

What projects must be underway or completed before this project can be successful? What projects depend on this one for their successful outcome?

Implementation federal hub for administrative verification; enrollment and data transfer interfaces with other state programs (HFP & MC); financial interfaces (with IRS, employers, small businesses and applicants); interfaces with State insurance regulators

ASSUMPTIONS AND CONSTRAINTS:

<p>Assumptions:</p> <ul style="list-style-type: none">- Exchange IT functionality must be operational by 9/30/2013.- Federal approvals and acquisition processes will be highly streamlined as compared to historical norms.- Adequate federal funding will be available.- Federal guidance and regulations will be forthcoming timely.- No changes in federal or state law, policy or regulation will materially impact the schedule.- Stakeholder involvement will be successfully managed within the boundaries of the schedule.- Development and implementation of Exchange IT functionality can be accomplished in approximately 18 months.- Approval of overall strategy in October 2011 and vendor selection in February 2012 are the only required Board approvals. <p>Constraints:</p> <ul style="list-style-type: none">- Project must operate within the constraints of available federal funding and federally mandated timelines.	