2017

An Assessment of the Unified Health Infrastructure Project

A REPORT TO GOVERNOR GINA M. RAIMONDO

FEBRUARY 15, 2017

Dear Governor Raimondo,

On January 12, 2017, you charged me with conducting a complete review of the Unified Health Infrastructure Project (UHIP) as a result of its present failure to deliver important services to Rhode Islanders. Over 300,000 of our residents rely on the State to accurately and efficiently provide food assistance, childcare subsidies, health insurance, and other vital social services.

While it was understood that the rollout of a large new eligibility system for these programs would require an adjustment period, the problems with UHIP are much more significant than anticipated. Over the last 30 days, I have met with clients, State field and program staff, providers, advocates, Deloitte, and others to diagnose the current situation and to chart a path forward for the State. It has become clear that there is a large gap between the project briefings that the Governor's Office received and the realities on the ground.

There are widespread issues with UHIP that have caused a significant deterioration in the quality of service provided by the State. These problems largely stem from Deloitte's delivery of an incomplete technology system that was not ready to go live in September 2016. The design of the system did not sufficiently account for the specific needs and policies of Rhode Island, and there was not enough testing to ensure that major issues were both identified and addressed before moving forward. Key functionality and interfaces were deferred, requiring our staff to adapt with a host of cumbersome and inadequate manual workarounds, many of which are still in place today.

It is important that we give our hardworking employees — and the advocates and providers who work with them — the recognition they deserve. They are determined to get benefits to our clients and provide services in a responsible manner despite the constraints of the system. The Department of Human Services also had to contend with a reduction in staff resulting from a layoff that was, in retrospect, a mistake. Ultimately, I conclude that we needed more time, training, and staff to be prepared for the complications with the system that was provided by Deloitte.

This report presents an analysis of the UHIP project's challenges and provides recommendations to put the system on track to achieve improved levels of performance and service. Our problems are not unique — many other states have been caught in similar situations — but they have successfully overcome them, and we will too. I am confident that if we follow through on the investments and actions outlined in this document, we will stabilize the system, make steady progress over the months ahead, and achieve the modern, efficient service envisioned for this project.

Eric J. Beane

Chief Operating Officer & Acting Director of the Department of Human Services

Executive Summary

This report presents the results of the 30-day assessment of the UHIP project. It briefly reviews the history of UHIP, analyzes current system status and performance, diagnoses governance and management issues that have hindered project success, evaluates the decision to go live in September, and describes a short-term action plan to stabilize the system. The major findings are as follows:

Historical Project Overview: The UHIP project began in 2011 as the mechanism for the State to implement a health exchange in compliance with the Affordable Care Act (ACA). In 2012, like many other states, Rhode Island took advantage of enhanced federal funding and expanded the vision to include a single, unified eligibility system for virtually all public assistance programs in Rhode Island. After Deloitte provided assurances that it had learned its lessons from difficult system rollouts in other states and that UHIP was ready, the State decided to go live in September 2016.

The Current State of the UHIP System: When it delivered Phase 2, Deloitte provided an inadequate technology system that has resulted in a poor user experience and hardship for clients, workers, and providers. Improvement in system performance has thus far been incremental and halting.

1. Deloitte delivered an IT system that is not functioning effectively. Key applications do not match the needs of the State, important user functionality and interfaces have significant defects or have been deferred, and underlying data issues are causing numerous case errors and errors in reporting.
2. DHS shifted to a new business process that is working poorly due to the issues with the system. All public assistance programs are being affected by significant defects.
3. These effects have been exacerbated by the decision to reduce the workforce in anticipation that worker productivity would improve after go-live.
4. The agencies that are supported by the UHIP system — including DHS, the Executive Office of Health and Human Services, Medicaid, and HealthSource RI — are facing difficulties disbursing benefits in a timely, accurate manner.
5. Due to the program impacts of system deficiencies, and short-term costs needed to stabilize the system, it will take longer than expected for the State to achieve previously anticipated UHIP savings to cover the State share of project costs.

A Diagnosis of Project Governance and Management Shortcomings: The problems with UHIP are very significant, but not intractable. Deloitte did not effectively manage the project and deliver an acceptable system, and the State must now adequately manage Deloitte's shortcomings to facilitate improvement.

1. Although Deloitte was selected for its experience with these types of projects, it has not consistently adhered to industry best practices.

2. The State too heavily relied on Deloitte's industry experience to ensure successful project delivery and therefore did not dedicate adequate State resources to appropriately oversee the vendor.
3. Deloitte's design process did not adequately account for the input of State workers and other end-users of the system.

Critical Decisions in the Path to Go-live: UHIP was not ready to go live in September 2016.

1. Prior to go-live, Deloitte inaccurately assured the Governor that the system was all "green" for readiness.
2. Layoffs at DHS were implemented before the State had the opportunity to evaluate the impact of the flawed rollout on worker productivity.
3. State staff did not receive enough training to prepare them for a new (and incomplete) system.

Short-term Action Plan: The State is moving quickly to hold Deloitte accountable for its mistakes by withholding payments until the UHIP contract can be renegotiated, and has identified critical action steps to stabilize the system and begin the process of returning to acceptable customer service levels across all programs. The State can expect to see improvements in stages over the next year. In the short-term, the State has taken, or will take, the following actions:

1. **Governance:**
   - 1.1. Renegotiate the contract to hold Deloitte accountable and tie any potential future payments to performance goals.
   - 1.2. Establish a new executive management structure.
2. **Technology:**
   - 2.1. Strengthen the State's overall IT project management capacity to enable effective oversight and execution of all technology projects.
   - 2.2. Impose a formal change control process for modifications to the production environment.
   - 2.3. Stabilize peak period technical operations by implementing a change freeze during the beginning of the month.
   - 2.4. Initiate a document repository, in State custody, of project records.
3. **Operations:**
   - 3.1. Implement a comprehensive training plan for DHS employees.
   - 3.2. Begin a temporary staffing surge at DHS field offices and the call center in order to clear pending applications and improve customer service.
   - 3.3. Temporarily increase staffing levels at the HSRI contact center to assist with Medicaid verifications and escalations.
   - 3.4. Pursue federal regulatory flexibility to enable more efficient service delivery.
   - 3.5. Implement a comprehensive employee engagement plan for DHS and EOHHS.
4. **Stakeholder engagement**
   - 4.1. Improve outreach to clients through a variety of platforms.

4.2. Create a formal advisory process and designate specific staff points of contact for advocacy and social service organizations.
4.3. Accelerate the process for providing overdue payments to long term care and child care providers.

With respect to Deloitte, I recommend that the State continue to withhold payment from the vendor and renegotiate the commercial contract with payments tied to performance. Additionally, Deloitte is expected to take the following immediate actions to fulfill its obligations at no additional cost to taxpayers:

1. **Governance**
   1.1. Adhere to professional disciplines and standards of quality for project management.
   1.2. Add senior project leaders to the Rhode Island team.
   1.3. Present an updated, comprehensive project plan with timelines for remediation of ongoing defects and introduction of deferred functionality.
   1.4. Identify and track key performance measures in conjunction with the State.
   1.5. Actively participate in reconstituted project governance boards and committees.
2. **Data**
   2.1. Add a senior data architect to the Rhode Island team.
   2.2. Convene a data review board to evaluate and fix data quality issues.
   2.3. Identify and address top 5 root-cause data issues.
   2.4. Remediate software issues that are identified as root causes for data discrepancies.
3. **Design and Development**
   3.1. Improve the payment process for child care providers.
   3.2. Improve processing and payment for Medicaid long term care applications.
   3.3. Improve staff user experience and fix problems with the worker portal.
   3.4. Take steps to improve the user experience of the customer portal to enable increased utilization as originally envisioned.
4. **Operations**
   4.1. Provide comprehensive training on UHIP to DHS staff.

Historical Project Overview

In early 2011, former Governor Lincoln Chafee issued an executive order that established the Rhode Island Healthcare Reform Commission, which was charged with overseeing implementation of the Affordable Care Act (ACA). Under the ACA, all states were federally required to implement health exchanges by the end of 2013. The Commission recommended that Governor Chafee establish a state-based exchange, and a workgroup began preparing for the procurement of an IT system that would support what later became HealthSource RI (HSRI). In 2012, State leaders under Governor Chafee's direction decided to take further advantage of the enhanced 90/10 federal funding match that was being offered as part of ACA implementation to also upgrade the old system being used for DHS human service programs by adding them to the procurement for a new "Unified Health Infrastructure Project" (UHIP).

In January 2013, Governor Chafee's administration signed a contract with Deloitte to deliver the system. Work on the health exchange ("Phase 1" of the project) began in earnest. Design work on a unified eligibility system for the human services programs ("Phase 2") started shortly after HSRI went live in October 2013. The scope of functionality implemented as part of the UHIP system expanded over time.

Phase 2 was originally scheduled to go live in July 2015. The go-live date was extended in 2015, when the State and Deloitte agreed to a series of contract amendments that amounted to a one-year contract extension. The functionality implemented after this extension was intended to fully unify the underlying databases of HSRI and the DHS eligibility system, and create one common worker portal for both systems called "RI Bridges."

The State went live with the system in September 2016. Aware that Deloitte had recently experienced flawed rollouts in other states such as Kentucky, the Governor requested and received assurances before go-live that the vendor would not be making the same mistakes in Rhode Island. The Governor and the public were informed that there would likely be some system stability issues initially, which is expected with any large technology implementation, but that UHIP would stabilize within a few months. It was expected that thereafter the system would substantially enhance the user experience for clients, staff and providers and provide significant efficiencies in the delivery of benefits.

The Current State of the UHIP System

Five months after go-live, the UHIP system is not meeting expectations and is causing hardship for many of our clients, employees, and providers. Progress so far has been incremental, and the array of outstanding issues suggests that achieving acceptable system performance will take longer than originally anticipated, as has been the case in other states.

Deloitte has delivered an IT system that is not functioning acceptably

The poor performance of UHIP is largely driven by widespread issues with Deloitte's technology. These problems and design missteps continue to impact overall customer service and impede the effective delivery of health and human service programs supported by the system.

- Deloitte's system has not yet been implemented in a way that is fully responsive to the needs of the State. Critical applications suffer from basic design complications that suggest flaws in the vendor's design and testing process, including the worker, customer, childcare and long-term care portals.
- Key policy and program rules have been improperly coded or configured into the system by the vendor, resulting in errors in eligibility determination, benefits issuance, and provider payments, and diminishing worker productivity.
- Basic user functionality and important interfaces, including those that are necessary for compliance with federal regulations, have significant defects or have been deferred, requiring extensive manual workaround processes that make benefits delivery more cumbersome and complicated than it was prior to go-live.
- Underlying data issues limit the State's ability to process eligibility and disburse benefits. At the time of this writing, over 20,000 cases required data updates.

The subsequent sections describe some of the general technical issues with the system that have impacted customer service, as well as some major program-specific issues.

General technical issues

The implementation of UHIP was intended to enable DHS and Medicaid to shift to a new, more efficient way of delivering services. Unfortunately, Deloitte did not adequately deliver the underlying technology necessary to facilitate that new business process.

Traditionally, DHS operated under a model where field staff specialized in specific programs. Since 2011, DHS had been working with staff and unions to improve services by slowly shifting away from a silo model where individual workers specialized in one specific program. Previously, clients were also limited to one field office depending on their area of residence. Now, DHS began to institute a "no wrong door" policy that provided clients with more flexibility in how and when they applied for and received benefits.

Deloitte's system was intended to eliminate remaining silos through a modern technology platform that would reduce the amount of work that needed to be done in field office lobbies. Most applications would come in online or through the call center, and those that were mailed would be shipped to a central scanning facility to be uploaded in to UHIP. This would make it

possible for non-lobby workers capable of determining eligibility for any program to perform this work anywhere in the State. The staff would be assigned tasks electronically as they came in.

Overall, clients would no longer need to spend as much time coming into field offices, and after a period of adjustment, they would get their benefits faster and more efficiently than before.

Worker Portal Challenges: The Deloitte worker portal — the critical user application for all staff who process tasks — still has significant problems, preventing the anticipated benefits of UHIP from becoming a reality.

- Staff experience errors while attempting to use basic portal functions, and DHS staff still do not have a well-functioning worker inbox through which supervisors can assign tasks, requiring a manual task distribution process.
- Design issues make it harder to process applications in a timely manner. As an example, workers often must go through every single screen in an application to update one field of information.

Customer Portal Challenges: Deloitte's customer portal — the component of the system that enables online application — still does not function as intended.

- The State and Deloitte intended to direct clients to apply online, but due to system issues many non-Medicaid applications that were submitted through the online portal since go-live did not reach DHS workers.
- As with the worker portal, design issues make it harder for clients to update their accounts. Users must answer similar questions repeatedly, and are unable to skip to sections of the applications that are most relevant to them if they do not wish to apply to multiple programs at once.

Notices: Because of underlying data issues and Deloitte's incorrect program rules (e.g., incorrect payment or benefit amounts), the system often fails to generate and issue accurate client notices on time. Notices provide basic information to providers and clients, and many are federally required.

Program-specific issues

In addition to the technical issues that have impacted worker productivity and customer service across all programs, we have observed issues with each of the specific programs that fall under UHIP. This section briefly reviews some of the most significant issues that have emerged in the largest State programs, specifically: SNAP, the Child Care Assistance Program (CCAP), Rhode Island Works (RIW), Medicaid, and Long Term Services and Supports (LTSS).

Supplemental Nutrition Assistance Program (SNAP)

SNAP, also known as food stamps, provides $300 million annually in federally funded cash assistance to purchase unprepared foods for over 170,000 Rhode Islanders. To be eligible a household must have a combined income below 130% of the federal poverty line (FPL) — about $26,200 a year for a three-person family.

- UHIP went live without important SNAP functionality and interfaces, including those that verify wage and employment information.

- The system does not readily pull information needed for federal compliance.
- In the period immediately after go-live, many applications were pushed through the determination process to avoid denying eligible SNAP clients their benefits, and it is possible that the State may have to report a significant number of errors.
- UHIP was intended to improve detection of fraud and overpayment through automated system checks, but flaws in the Deloitte system have temporarily diminished the State's ability to perform overpayment recoupment or quality control activities for SNAP.
- Deloitte has not been timely or accurate in sending clients legally required interim and recertification notices. For those clients who do receive a correct notification and submit on time, DHS has been unable to process all of these submissions quickly, causing some recipients to be temporarily cut off from SNAP, which drives more visits to field office lobbies.

Child Care Assistance Program (CCAP)

In FY17, Rhode Island invested over $65 million in State and federal funds on subsidized child care for families that earn below 185% FPL. CCAP services approximately 14,000 children from 8,600 families through 800 home- and center-based providers.

- Deloitte's childcare provider portal did not function at go-live, and some important processes are still not operating correctly, leading to errors in payments for providers.
- Deloitte's rules engine has been interpreting State policy incorrectly, resulting in inaccurate eligibility results and payment calculations.
- Additional issues with enrollment and payment functionality are also placing a significant burden on providers, families and DHS staff. CCAP has been unable to generate timely and accurate notices through the system. To avoid the risk that eligible families will be accidentally dis-enrolled as a result of incorrect information, periodic recertification notices have been delayed until the system stabilizes.

Rhode Island Works (RIW)

Rhode Island Works is the State program that distributes the cash assistance portion of the Temporary Assistance for Needy Families (TANF) block grant, which serves about 10,000 low income Rhode Islanders per month. With TANF, most recipients are required to work with an Employment Career Advisor (ECA) to develop an employment plan that specifies work activities with particular providers, and providers are required to log participant attendance that is regularly checked by ECAs who then issue sanctions or closures for non-compliance. System issues have made it difficult for the ECAs to stay closely engaged with clients to update and follow through on these employment plans.

- Errors in Deloitte's system have led to incorrect benefit calculations.
- Deloitte's system is not correctly generating notices required to end TANF cases, inform individuals of non-compliance, or impose sanctions. Individuals who are ineligible for violating program qualifications or because they have reached the statutory time limit have not been removed from TANF.

- The portal that providers use to upload program attendance information is not functioning, nor is the worker inbox for the ECAs who handle TANF cases.

Medicaid

Medicaid provides health insurance for low-income Rhode Islanders. Medicaid is the largest benefit program run by the State, serving over 287,000 Rhode Islanders with a total budget of over $2.3 billion. Medicaid eligibility and enrollment occurs in two different systems. UHIP makes eligibility determinations, and information for those deemed eligible is then transferred into an enrollment and payment system called the Medicaid Management Information System (MMIS).

- Deloitte has failed to ensure effective communication between MMIS and UHIP, which has resulted in involuntary or incorrect dis-enrollments, incorrect enrollments, and unnecessary payments, and forced staff to spend significant time manually verifying and correcting information that did not correctly flow between the two systems.

Due to the issues with the system, it will take longer than expected for some Medicaid programs that were expected to achieve significant savings after UHIP implementation to work fully effectively.

- The State expected an enhanced capacity to automatically dis-enroll individuals who are no longer eligible for Medicaid, but this functionality only recently began working as intended.
- Deloitte has not successfully introduced functionality for existing cost-avoidance or cost-sharing programs, such as Rite Share or the Medicare buy-in program, forcing the State to use manual workarounds that have decreased participation relative to expectations.
- Deloitte has been unable to categorize Medicaid applicants into the correct sub-programs, which may cause the State to lose the benefit of enhanced federal match for these members or be vulnerable to recoupment of incorrectly claimed federal funds.

Long-term Services and Supports (LTSS)

The LTSS program provides coverage through Medicaid for over 14,000 elderly or disabled Rhode Islanders who require 24/7 care through home-based services, assisted living facilities, or nursing homes. To qualify for LTSS, one must meet income and clinical thresholds, and have less than $4,000 in assets.

- It appears that Deloitte did not sufficiently test the LTSS portion of UHIP, and many basic functions were not workable.
- The system still appears to be making errors in applying LTSS program rules, such as the calculation of cost share amounts.
- Some LTSS applications do not move through the eligibility process because the worker inbox is still not working.

- LTSS applications have been impacted by issues with data conversion from the legacy system, and cases include incorrect information that affects eligibility and payment rates.

LTSS payments had a significant number of pending applications well before UHIP go-live. As a result, some providers have waited more than a year for payment even prior to UHIP implementation. In response, the Rhode Island General Assembly passed a law in 2016 requiring the State to use general revenue to pay providers for any clients with pending eligibility in excess of 90 days. Since go-live, DHS and Deloitte have taken measures to manually clear some of the overdue LTSS applications and make overdue payments to nursing home providers.

System issues have been exacerbated by mistaken personnel decisions

Based on optimistic expectations about system performance, the State executive team believed that the launch of UHIP would significantly improve productivity and require fewer DHS staff to efficiently disburse benefits. Five months after go-live this expectation has not come to fruition. Even if the State had not proceeded with any staff layoffs during the go-live period, the system issues would have prevented us from serving our clients effectively. In retrospect, the State's decision to proceed with layoffs of more than 60 DHS staff was a mistake that exacerbated the depth of the situation we face and also significantly damaged the morale of State staff.

The layoffs reduced the number of field workers available to handle tasks, and eliminated managerial staff with deep institutional knowledge at the agency — people who often served as the primary points of contact for the advocates who help clients access services. Given the serious ongoing productivity issues with the system, it is clear that we need more staff, not fewer, in order to successfully cope with system issues.

Service experience has deteriorated across DHS and HSRI

Although the State anticipated having a downturn in customer service after go live, stabilization is not occurring as quickly as expected. The issues with Deloitte's system have adversely impacted service delivery across a variety of key measures. Extracting basic, reliable data from the system is difficult and time-consuming, but the metrics that are available show suboptimal performance.

The State is currently not meeting its obligation to process benefits in a timely manner.

- Only three-quarters of non-medical applications that must be determined within 30 days are being completed within that timeframe.
- Less than seven out of 10 applications that must be determined within seven days are being completed within the required timeframe.
- Prior to go live, the average time to complete an application determination was six days. It is now roughly 20-27 days.
- There are over 15,000 pending non-medical applications that have yet to be determined. Under a normal steady state, the State would expect to have several thousand pending applications in queue.
- Since go-live, lobby wait times have doubled to at least 90 minutes, and average wait time at the call center is over two hours.

Customer service has also declined for those who are applying for health insurance through HSRI. HSRI has invested considerable resources since 2013 to improve customer service and brand image, and maximize the number of Rhode Islanders who are signing up for coverage. Deloitte's Phase 2 implementation is undoing some of that progress.

- Defects have caused an increase in "escalations" for cases with issues that cannot readily be resolved, resulting in delays in health coverage for some applicants.
- Call volumes to HSRI from navigators who help customers apply increased significantly after go live as a result of difficulties with helping customers use the online portal.
- HSRI estimates that there are at least 14,000 pending Medicaid verification tasks, of which 11,000 are likely at least 30 days overdue. Verifications are checks that must be completed before an individual receives coverage or before an individual who is no longer eligible can be dis-enrolled.
- The number of people who enrolled in health coverage through HSRI declined by 16% in the most recent open enrollment period. Earlier this month, HSRI initiated a "Special Enrollment Period" to allow customers who experienced issues more time to enroll.

Potential budget risk to the State

The State anticipated that implementation of the UHIP system would produce savings that would eventually make up for the State share of overall project costs. Due to Deloitte's failure to deliver an adequately functioning system, it may take longer for the State to achieve such savings relative to previous expectations.

- The State's previous caseload forecasts may turn out to be incorrect for programs that are having issues with eligibility or enrollment.
- The State may not achieve program or personnel savings that were previously anticipated within the same time frame because relevant functionality is working only partially or not at all. There may also be delays in savings because the system is not yet accurately making payments to some providers, resulting in some potential overpayments.
- The State may be subject to federal penalties due to difficulties with administering certain programs.

Beginning down the path to stabilization will require new investments to build State capability to process cases and adequately manage the vendor. These resources could include funding for a staffing increase in DHS field offices, and for additional State technology staff and consulting support. We will continue to evaluate what additional resources may be necessary to stabilize or augment Deloitte's system and create a path to a long-term fix.

A Diagnosis of Project Governance and Management Shortcomings

Deloitte has not effectively managed the project and delivered a system consistent with expectations.

Deloitte has not committed necessary expertise and resources for the project

At the time of the UHIP procurement, the State had many reasons to believe that Deloitte could effectively manage and deliver this transformational project — Deloitte held itself out as the leading vendor with significant experience in developing integrated eligibility systems for other states. However, it appears that Deloitte did not sufficiently leverage this experience and expertise to ensure the successful delivery of Phase 2 of the project and promptly remediate problems as they emerged.

Deloitte did not consistently adhere to industry best practices for managing a project of this size, and project reporting has often been too rosy to provide adequate warning of system errors to state leaders and to the general public.

- Basic project management tools, such as project plans and risk registers, have not always been updated or fully utilized. This has made it difficult for the State to understand the full range of current issues with the system, and to determine whether functionality has historically been delivered on time and with adequate quality control.
- Since go-live, Deloitte has not provided the State with a clearly defined process for identifying and prioritizing problems that emerge with the various parts of the system. In the absence of such a process, prioritization of defect fixes has been haphazard.
- Deloitte has sometimes released changes into production without a clear process for ensuring the State's knowledge, validation and approval.

The State did not have the capacity to recognize Deloitte's shortcomings

While Deloitte has not adequately fulfilled its project responsibilities, the structure and composition of the State team was not calibrated to anticipate this and pursue prompt corrective action.

Given Deloitte's shortcomings, the State needed more staff, and staff with greater expertise, on the project to hold the vendor accountable. Rhode Island fell into a pattern that unfortunately appears to be typical of government IT implementations — our State team did not have the capacity to identify the extent of potential problems and other risks to the project. As a result, Deloitte has exercised its project management responsibilities without an effective independent check from State employees. In the run up to go live, State leaders did not adequately challenge Deloitte's representations regarding UHIP readiness. In addition, State leadership relied mostly upon Deloitte data for public statements on system performance and ongoing issues in the period after go-live.

The State also did not compensate for Deloitte's shortcomings with a strong structure of IT governance of its own. The State's IT team, like Deloitte, did not consistently maintain and update a project plan or risk register. The State also did not maintain its own independent repository of official project records, and instead relied on Deloitte to maintain these materials.

For the state, UHIP project management has been concentrated in an "Executive Leadership Committee" with a composition that has changed over time. This decentralized structure meant that no single individual was ultimately responsible for balancing competing priorities and coordinating decision-making across all of the agencies supporting the UHIP implementation. There was no clear point of contact to ensure that Deloitte was staying on time, on budget, and delivering a high quality product before moving on to developing additional functionality.

Deloitte's design process did not adequately account for the input of State workers and other end users of the system

The design process for Phase 2 of UHIP had many concerning features that were symptomatic of the approach taken to the project as a whole. The design of Phase 2 of UHIP began during the Chafee administration, just a few months after HSRI went live in late 2013. Deloitte used the integrated eligibility system that it had built for Michigan as a foundation that would be configured for Rhode Island, and the State was required to work with Deloitte to ensure that every piece of functionality and interfaces going into the system would accurately reflect Rhode Island's needs.

- Key program and field staff who participated in these design sessions had limited bandwidth to devote to the process while also performing regular duties.
- Many of these staff also report that they developed concerns with the design session process. They report that staff would make extensive comments on pieces of functionality, only to later see a comment spreadsheet from Deloitte that reflected little to none of their input.
- Additionally, program and field staff report that when the time came to test functionality after it had been developed, the majority of their input had not been incorporated into the final product. This is reported across numerous programs and levels, and the deficiencies in functionality that have been observed substantiate these reports.

Critical Decisions in the Path to Go-Live

Knowing what we know now about the readiness of UHIP in September 2016, the decision to go live with Phase 2 was a mistake. Originally, UHIP Phase 2 was supposed to be implemented in July 2015. Following a contract extension, the go-live date for the UHIP system was extended to July 2016, which was later further extended to September 13, 2016 to enable more testing.

Project leaders from Deloitte and the State had strong reasons to meet the go-live date, potentially contributing to an environment where bad news was minimized and important slippage in timelines or quality were not appropriately escalated. By 2016, significant project delays and cost increases created pressure not to incur another delay or additional costs. Members of the Rhode Island General Assembly expressed public concerns about the delay and added costs associated with missing additional deadlines.

Testing and system readiness

The Governor received inaccurate or incomplete information regarding system testing and readiness before go-live. The system status assessment that was presented to the Governor before go-live was highly optimistic. Deloitte's final report before UHIP launched showed that the project was "green" and ready for implementation across all major components, including success of the pilot, the readiness of the interfaces, the results of testing, and other measures. To the extent that staff who participated in testing had concerns about the results, these concerns were not properly communicated to the full UHIP executive team or to the Governor's Office.

Workforce reduction

As part of planning for a rollout in July 2016, the State evaluated potential workforce reductions and office closures at DHS in anticipation that rollout of the system would result in productivity increases and therefore require fewer staff. In retrospect, the assumptions behind these layoffs were flawed. It is clear now that Deloitte's system was not ready and the State needed many more employees, not fewer. The decision to close offices was reversed when it became clear that these were crucial service points for those communities. The decision to move forward with a workforce reduction was a mistake.

Training

DHS staff did not receive adequate training on UHIP from Deloitte. Since the system changed significantly throughout the testing process, trainings completed in Spring 2016 were not necessarily applicable to the actual experience of the system around the time of go-live. Trainings were not set up such that everyone moved through a case together and compared results, and many staff report only having moved through one case end to end, if at all, during the entire training period. Some State field staff also feel that they did not receive sufficient policy training on the details of all of the new programs and eligibility determinations that they would be expected to handle, making it especially difficult for them to adjust to the new system and business processes after go-live.

Short-term Action Plan

The State is moving quickly to hold Deloitte accountable for its mistakes, and has identified critical action steps to stabilize the system and begin the process of returning to acceptable customer service levels across all programs. The State will continue to withhold payments from Deloitte indefinitely pending renegotiation of the UHIP contract, and will be closely monitoring Deloitte to ensure that it adheres to its commitments. The State has also identified preliminary metrics and benchmarks that will be used to track progress toward system improvement in the months ahead.

In the short term, the State will move forward on improving project governance, the technology operation, field operations, and stakeholder engagement. Over the last 30 days, the State has already begun implementing many of the following actions, and will continue to pursue corrective action with a greater sense of urgency than was previously the case.

Initiative	Components
Governance	
Renegotiate contract	• Continue to withhold payments and tie any potential future payments to Deloitte to performance goals.
Executive management	• In the short term, the Acting Director will have overall responsibility for UHIP turnaround efforts, and will continue to finalize an interim operational team. • UHIP IT operations now have an experienced lead dedicated to the project full time. • All functional areas will have clear leads.
Technology	
Strengthen State IT project management	• Strengthen the State's overall IT management capacity to enable stronger oversight and execution of technology projects throughout government. • Augment State staff and procure additional consulting support to manage Deloitte and evaluate deliverables, support release management, and provide testing support.
Change control	• Impose a formal change control process for modifications to the production environment.
Change freeze	• Stabilize peak period technical operations by implementing a change freeze during the beginning of the month.
Document control	• Initiate a document repository, in State custody, of project records.

Operations	
Training for DHS	• Implement a comprehensive training plan for DHS employees. • Increase training for supervisors and managers. • Develop a competency based training curriculum for all staff.
Staff increase	• Begin a temporary increase in staff at DHS field offices and the call center in order to clear pending applications and enable prompt customer service. • Temporarily increase staffing levels at the HSRI contact center to assist with Medicaid escalations and verifications.
Employee engagement	• Implement a comprehensive employee engagement plan. • Create a suggestion box for DHS, EOHHS, and HSRI employees that preserves the option of anonymity for responses. • Institute field supervisor focus groups to provide a steady forum for feedback from the front lines.
Federal requirements	• Explore options for regulatory flexibility from the federal government to enable more efficient application processing.
Stakeholder Engagement	
Clients	• Use emails, robo-calls, and texts where possible to inform clients regarding important changes in DHS procedures, deadlines for re-certifications and other interim submissions, and requests for missing information. • Use stakeholder advisory groups as forums to disseminate information to clients. • Make greater use of radio public service announcements and social media to broadly disseminate information.
Advocates	• Create a formal process for collaborating with advocates to identify and fix technical and process issues by creating a new monthly "UHIP workgroup." • Institute a listserv for social service providers that will provide regular updates from the State. • Designate specific staff members to serve as points of contact for direct service organizations that need to raise client-specific concerns.
Providers	• Ensure that all long term care payments are up to date.
Federal partners	• Continue extensive collaboration with relevant federal agencies and increase communication as required.

The State also expects that Deloitte will take the following actions to more adequately fulfill its project obligations.

Initiative	Components
Governance	
Project management	• Adhere to professional disciplines and standards of quality by ensuring that the Rhode Island team is properly staffed with the requisite skillsets and meets established industry standards for project management. • Add senior leaders to team, and practitioners from Deloitte's consulting group as needed to address deficient areas. • Join reconstituted project governance boards and committees.
Timelines	• Present a clear and comprehensive project plan with timelines for remediation of ongoing defects and introduction of deferred functionality.
Performance measures	• Identify and track key performance measures in conjunction with the State.
Data	
Personnel	• Add a Senior Data Architect to the Rhode Island team.
Review board	• Convene a data review board to evaluate and fix data quality issues. • Work with the State to review data discrepancies, re-evaluate decisions made during data conversion, and proactively monitor system for data anomalies.
Remediation	• Identify and address top five root cause data issues that are impacting benefit or payment delivery. • Remediate software issues that have been identified as root causes of data discrepancies.
Design and Development	
Payment for child care	• Add Deloitte's national expert for child care systems to the Rhode Island project team. • Help the State enhance training plans for child care providers to improve the user experience with the child care portal. • Resolve the identified system co-pay issues and distribute updated co-pay data to the provider community. • Design and implement a solution to automate the enrollment of DCYF children into CCAP.

	• Update the child care provider dashboard to improve access to attendance information, recertification dates, and payment due dates. • Implement a new 12-month child care recertification timeline with appropriate FPL.
Payments for long term care	• Add a senior Medicaid program specialist to the project team. • Complete an inbox to help a specialized unit of workers process LTSS applications more effectively. • Implement software to send notices to LTSS providers regarding eligibility authorization. • Design an automated process for the State's new 90-day presumptive eligibility policy.
Client experience	• Add a user experience senior manager and integrated eligibility specialist to the project team to review the user interface and recommend improvements. • Conduct usability and regression tests of customer portal. • Implement usability improvements.
Worker experience	• Meaningfully address problems with staff user experience and the worker portal. • Release a functional worker inbox. • Develop a field manager's guide to assist DHS supervisors with day-to-day operations and use of the RIBridges system.
Operations	
Training	• Enhance training for State staff. • Add an expert in human capital development to advise the Rhode Island team on enhancing training. • Provide more training for the State Staff Development Unit on RIBridges. • Continue child care portal training sessions for home-based providers. • Develop a new hire onboarding training strategy for DHS. • Develop and deliver new system training for all DHS field staff to prepare them to use deferred functionality not yet introduced.

The State has identified a preliminary set of metrics that will be tracked and regularly reported to the public to evaluate whether system performance is meaningfully improving for the users. This information will be released as a dashboard during the first week of every month. Further analysis will be done to determine appropriate targets for improvement on these metrics.

- Overdue applications and payments
- Percentage of applications with 30-day target determined within 30 days
- Percentage of applications with 7-day target determined within 7 days
- Average lobby wait time
- Average call center wait time

The State will hold Deloitte accountable and set a goal of achieving the following short, medium, and long-term benchmarks:

Timeline	Projected Progress
Less than 3 months	• Stop the growth in pending applications and begin to achieve week over week reductions. • Require Deloitte to execute its IT turnaround plan, with a first wave of improvements to the child care, long term services and supports, and worker portals. • Reach sufficient staffing for State and Deloitte to stabilize the system.
3-6 months	• Improve the customer user experience to produce, for example, measurable self-service enrollment for SNAP and other DHS benefits. • Observe gains in worker productivity through significant processing time reductions. • Significantly improve application determination times. • See improvements in late or inaccurate provider payments. • Correct most remaining data conversion issues.
6-12 months	• Reduce pending applications to steady state levels. • Ensure that the system is ready to handle open enrollment with significant increases in self-service rates through the customer portal. • Ensure that there are few to no late or inaccurate payments through the system. • Ensure that there are no remaining data conversion issues.

Conclusion

UHIP presents the State with a challenging but manageable situation. In order to meet these challenges, the State will act with greater urgency and transparency, as it has done over the last 30 days.

It is clear today that this project needed more time, more people and more training before it went live. The state's vendor has fallen short of its promise on a number of fronts, and the State was neither sufficiently informed nor prepared to respond to these shortcomings. Our residents who rely upon the State to deliver needed benefits have borne the brunt of these mistakes, but many others are being adversely impacted as well. The public is understandably frustrated by the length of time that these problems have persisted.

While Deloitte's delivery of an inadequate UHIP system has been a difficult experience for Rhode Island, our state is far from the first to confront the impact of a troubled technology rollout. We will be able to achieve stability on a quicker time horizon as long as we move quickly to take corrective action. With strategic investments, we can tackle the pending work to be done, and rapidly build a team that can hold Deloitte accountable to its commitments.

As significant as the current problems are, the UHIP system does have the potential to substantially ease the process of delivering benefits for everyone involved, even if it takes longer than expected to get there. The State's dedicated staff, providers, and advocates stand ready to move forward, and we will work together to ensure that our residents get the level of service that they deserve.