ECONOMIC SERVICES ADMINISTRATION
ESAR Strategic Modernization

Transforming Lives

2016 SUPPLEMENTAL BUDGET

Request	FY16	FY17	15-17
FTE	Placeholder	Placeholder	Placeholder
GF-State	Placeholder	Placeholder	Placeholder
Total	Placeholder	Placeholder	Placeholder

DECISION PACKAGE SUMMARY

The Economic Services Administration (ESA) requests funding for Eligibility Service and Automated Client Eligibility Service (ACES) Remediation (ESAR) Strategic Modernization, which includes an Enterprise Architecture (EA) assessment, an Applications Lifecycle Management (ALM) tool suite, to support all of the ESAR components. This is necessary to ensure a strong foundation for federally funded rules development and modernization. These Strategic Modernization activities will be supported by the ESAR Project Management Office (PMO) and, per the requirement of both the Office of the Chief Information Officer (OCIO) and Centers for Medicare and Medicaid Services (CMS), will receive independent oversight from Quality Assurance (QA) and Independent Verification and Validation (IV&V) consultants. By funding this request, ESA is expected to develop a strategic EA roadmap that aligns with the statewide EA initiative, procure and implement an ALM tool suite that will support longevity and sustainability of ESA applications.

PROBLEM STATEMENT

The Affordable Care Act (ACA) gave states the option to develop a state-based exchange for health care insurance purchasing or use the federal exchange. The state of Washington elected to develop a state-based exchange. To comply with the federal Center for Medicare and Medicaid Services (CMS) requirements for a state-based exchange, the existing eligibility system (ACES) has to be modified and enhanced. The effort to do this has three phases:

In Phase 1 of the ESAR project, a new eligibility service was designed and implemented to allow clients who are eligible for Medicaid, based on their Modified Adjusted Gross Income (MAGI), to submit applications through the Health Benefit Exchange (HBE) HealthPlanFinder (HPF) software. HPF and ACES share common data and clients and must work in synchronization so that ACES can fulfill its function as the "system of record" for all Medicaid recipients including those who now apply through HPF. ESAR Phase 1 work included establishing these linkages as well as removing from ACES medical assistance forms now provided via HPF. This phase of the ESAR project was completed on schedule to meet the October 1, 2013 deadline.

ESAR Phases 2 and 3, funded in the 2015-17 Biennium Budget (Ch. 4, Laws of 2015, Sec 705), were intended to build on the success of Phase 1 and continue the work of modernizing ACES, including the Eligibility Rules Migration (ERM). During ESAR Phase 2 and 3 Discovery, a number of questions arose as to whether the current design of the system would provide adequate performance once all human services eligibility rules for cash, medical, and food programs were moved from Common Business Oriented Language (COBOL) to the new Operation Decision Manager (ODM) rules

engine. ESA management decided the ESAR project must perform a technology architecture assessment to ensure a strong foundation for the rules development. An Independent Verification & Validation (IV&V) vendor conducted this assessment from May through July 2015. The resulting Technical Assessment identified risks and corresponding recommendations.

On July 28, 2015, the ESA management, in conjunction with the Office of the Chief Information Officer (CIO), made the decision to stop work on the ERM portion of the ESAR project. Instead, focus shifted to developing a plan to address the IV&V vendor's recommendations and related Medicaid Information Technology Architecture (MITA) compliance. By completing this work prior to the ERM planned for Phases 2 and 3, ESA will improve operations through infrastructure changes that are consistent with new IT standards (including data security standards) and state and federal requirements.

Without first strengthening the foundation of the ACES complex in preparation for federally funded ERM, ACES faces a sharp increase in maintenance and operation costs as the availability of staff and contractors with the knowledge of legacy systems retire. In addition, ACES would be increasingly out of sync with state and federal IT standards. Completing this foundational work now will allow the state of Washington to take advantage of enhanced federal cost-sharing rates.

PROPOSED SOLUTION

Implementing ESAR Strategic Modernization will include the following:

- Acquisition of an EA consultant to aid in documenting the DSHS/ESA Information Technology modernization roadmap
- Acquisition and implementation of an Application Lifecycle Management (ALM) tool suite to meet federally required best practices and standards for requirements management, traceability and testing

Funding will pay for state staff, eligibility vendor and contracted staff necessary to support the above activities. The planning phase will determine the specific course of action and timeframe. Implementing ESAR Strategic Modernization will push out the completion date for ESAR Phases 2 and 3.

EXPECTED RESULTS

DSHS/ESA desires the following outcomes as a result of ESAR Strategic Modernization:

- DSHS/ESA IT modernization roadmap
- A fully integrated ALM tool suite that meets federally required standards and the in-house knowledge and skills necessary to utilize the applications
- Implementation of federally mandated ACA requirements to the ES

STAKEHOLDER IMPACT

Stakeholders will be kept apprised of all ESAR project activity through regular communication adhering to project management best practices. DSHS/ESA does not anticipate any customer-facing changes as a result of the ESAR project.