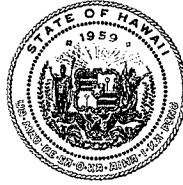**DAVID Y. IGE**
GOVERNOR

TODD NACAPUY
CHIEF INFORMATION
OFFICER

OFFICE OF ENTERPRISE TECHNOLOGY SERVICES
P.O. BOX 119, HONOLULU, HAWAI'I 96810-0119
Ph: (808) 586-6000 | Fax: (808) 586-1922
ETS.HAWAII.GOV

October 5, 2018

The Honorable Ronald D. Kouchi,
   President, and
   Members of The Senate
Twenty-Ninth State Legislature
Hawaii State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Scott K. Saiki,
   Speaker, and
   Members of The House of Representatives
Twenty-Ninth State Legislature
Hawaii State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

Pursuant to HRS section 27-43.6, which requires the Chief Information Officer to submit applicable independent verification and validation reports to the Legislature within ten days of receiving the report, please find attached the report the Office of Enterprise Technology Services (ETS) received for the Hawaii Department of Human Services Systems Modernization Project Independent Verification and Validation (IV&V) report.

In accordance with HRS section 93-16, this report may be viewed electronically at http://ets.hawaii.gov (see "Reports").

Sincerely,

TODD NACAPUY
Chief Information Officer
State of Hawai'i

Attachment (1)
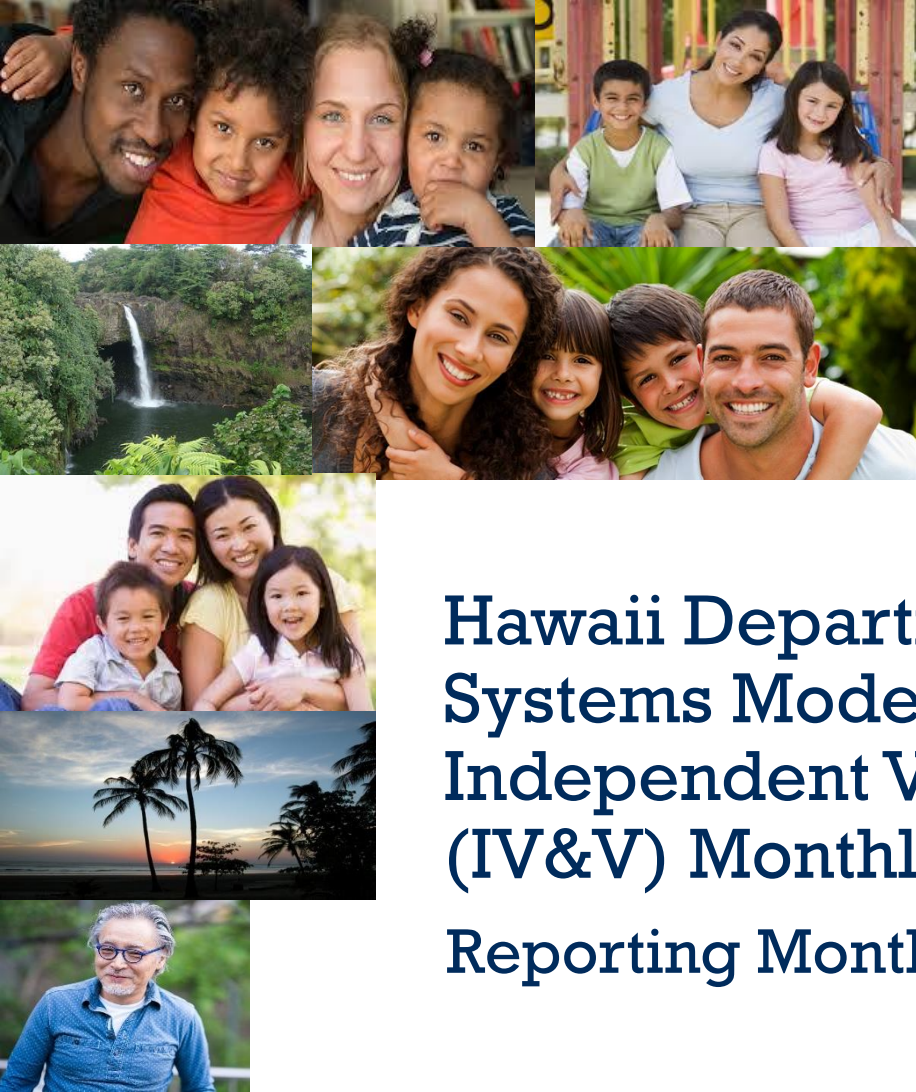
Hawaii Department of Human Services Systems Modernization Project Independent Verification & Validation (IV&V) Monthly Status Report

Reporting Month: August 2018

Overview

Executive Summary

Executive Summary
IV&V Project Summary

PCG began working with DHS in June 2018 to provide oversight services on the Benefits Eligibility Solution (BES) modernization project. These services include assessing the transitions from the incumbent support vendor, KPMG, to DHS' Enterprise System Integrator (ESI), BIAS, and the new Application System Integrator (ASI), Unisys. The ESI transition completed before PCG's services began, and therefore our ESI assessment has focused on ongoing Maintenance and Operations (M&O) activities between BIAS and DHS, and BIAS' ability to support future work with Unisys.

In general, this monthly report was designed to provide updates on PCG's activities throughout the month and ongoing IV&V findings and recommendations related to the BES Project. PCG will provide two separate reports for each of the aforementioned assessments, which will contain any major findings and a determination on how well the ESI and ASI are positioned to support DHS in the future. While activities related to the two transition assessments are shared in this monthly report, the final findings and recommendations will be delivered in standalone deliverables. Our initial set of activities and preliminary observations are provided on the following pages.

Jun	Jul	Aug	Category	IV&V Observations
(L)	(L)	(L)	IV&V Activities	The IV&V team completed activities for the ESI M&O assessment and attended BES kickoff activities. The team focus is shifting to ASI transition assessment activities and BES project startup activities.
(n/a)	(n/a)	(M)	Transition Assessment – ESI M&O (KPMG to BIAS)	The ESI M&O Team is focused on upgrades for the Identity Management (IDM) project and meets weekly with DHS to prioritize additional upcoming work. Communication and governance processes continue to improve although there remain areas in need of remediation. Overall, the ESI is able to maintain the Enterprise Platform but should refine their governance processes to ensure they can continue supporting multiple vendors concurrently. The IV&V Team will provide a full description of findings and recommendations in our final assessment report that will be released later this month.

Executive Summary
IV&V Project Summary

Jun	Jul	Aug	Category	IV&V Observations
n/a	n/a	**M**	Transition Assessment – M&O to ASI (KPMG to Unisys)	The IV&V team attended the BES project kickoff and is reviewing transition documents as they are made available. There is a preliminary concern that the planned transition schedule may not be long enough to allow for all transition activities to complete. The transition was initially planned for six months and may be reduced to three months.
n/a	n/a	**L**	Benefits Eligibility Solution (BES)	The BES project kicked off this month. The selected vendor, Unisys, conducted an overview session to review their approach and the overall project timeline. BES DD&I activities will begin following the transition of M&O to Unisys.
n/a	n/a	n/a	CCWIS Solution (CCWIS)	The CCWIS project has not yet started. A start date is not yet known.
n/a	n/a	n/a	Transition Assessment – BES from Design, Development and Integration (DDI) to M&O	Transition date is not yet known.
n/a	n/a	n/a	Transition Assessment – CCWIS from DDI to M&O	Transition date is not yet known.

IV&V Findings and Recommendations

IV&V Findings and Recommendations
Transition Assessment – ESI M&O (KPMG to BIAS)

Status	IV&V Observations
M	The IV&V Team interviewed key stakeholders involved with the ESI M&O activities to gather data and feedback on the ESI M&O activities. These interviews included staff from: DHS MQD, DHS OIT, KPMG, and BIAS. The interviews revealed positive aspects of the transition and ongoing M&O activities: 1. The ESI is successfully supporting the Enterprise Platform. Over the last year there have been several successful production releases and component upgrades that indicate the ESI is capable of maintaining the existing solutions and enhancing components as needed. 2. The ESI and existing ASI have fostered an open environment to help each other and have been responsive to DHS needs. Although issues have arisen, both parties have responded quickly to resolve those issues. 3. MQD workers have been pleased with the responsiveness and cordialness of the Help Desk when calling in to resolve concerns. Overall, support of the Enterprise Platform has been successful. Updates to the Enterprise Content Management (ECM) component were completed, and ongoing and upcoming projects include updates to the Identity Management (IDM) component, Consent Management Platform, and migrating SharePoint servers.

IV&V Findings and Recommendations
Transition Assessment – ESI M&O (KPMG to BIAS) – Cont'd

Status	IV&V Observations
M	Several common themes were discussed in these sessions and represent areas for improvement, including: 1. Lack of established governance processes by the ESI has lead to confusion about the platform rules and guidelines, including which vendor should have access to system environments and components at any given time and who should be contacted if issues arise. These processes are necessary to ensure all platform participants and vendors are following the same procedures and should be developed quickly before the new ASI comes on board. 2. Poor communication by the ESI to key stakeholders has resulted in inefficient meetings involving many attendees but not the right decision makers. The ESI should look to identify key meeting participants and conduct pre-meeting workshops and direct communications to reduce the volume and length of meetings. 3. Lack of ESI staff expertise in key areas such as the Enterprise Content Management (ECM) solution components and Project Management (PM) has resulted in longer than expected resolution times and workarounds. The ESI should look to bring in senior technical and PM staff to more quickly resolve issues. 4. Roles and responsibilities are unclear for the DHS teams as to who should be directing vendor staff and how much authority they have to enforce contract terms, Service Level Agreements, and deliverable timelines. DHS is working to mitigate this risk by bringing in an Enterprise Officer and should clarify the roles for the PMO, OIT, and individual staff as well as their specific tasks, areas of responsibility, quality controls, and deliverables. The IV&V Team will share the full report on the identified findings and recommendations our draft assessment report later this month.

IV&V Findings and Recommendations
Transition Assessment – M&O to ASI (KPMG to Unisys)

Status	IV&V Observations
M	The new ASI vendor, Unisys, conducted a project kick-off that introduced key team members, reviewed a high-level schedule, and the planned scope of the upcoming project. The IV&V Team was surprised to hear that several deliverable expectation documents (DEDs) have already been provided to DHS for review. These documents are helpful to ensure involved parties agree on document content and structure, and the IV&V team will look to review the DEDs in the next month. The IV&V team also understands that DHS does not plan to extend KPMG's existing M&O contract and will look to complete the M&O transition within 3 months instead of the originally planned 6 months. Based on experience with the ESI transition, there is a risk that there will not be adequate time for the ASI turnover, and that the efficacy of turnover is satisfactory. To mitigate this risk, it is IV&V's understanding that DHS plans to contract with KPMG for follow-on support on a retainer basis for two months. DHS continues to evaluate how to measure the completeness and effectiveness of training/turnover to assure that transition activities and knowledge transfer is complete as a method of mitigating the risk. PCG will continue to monitor this topic and has requested transition artifacts for review.

IV&V Status

IV&V Engagement Status

IV&V Engagement Area	Status	Comments
IV&V Budget	🟢	
IV&V Schedule	🟢	
IV&V Deliverables	🟢	Debriefing with the State's Chief Innovation Officer for the IV&V Report began on 8/31/2018 and will occur the first Monday of each month going forward. Debriefings will include key stakeholders from DHS.
Centers for Medicare and Medicaid Services (CMS) IV&V Progress Reports	n/a	Not required until start of BES DDI
CMS Milestone Reviews	n/a	Not required until start of BES DDI
IV&V Staffing	🟢	
IV&V Scope	🟢	

Engagement Rating Legend							
n/a	Not Applicable	L	Green – The engagement area is within acceptable parameters	M	Yellow – The engagement area is somewhat outside acceptable parameters.	H	Red – This engagement area poses a significant risk to the IV&V project quality and requires immediate attention

IV&V Activities

- IV&V activities completed in monthly reporting period:
  - Assessment of ESI M&O procedures
  - Assessment of ESI and ASI interactions
  - Conducted interviews with key stakeholders
  - Reviewed in progress transition deliverables and provided feedback to DHS

- IV&V work in progress in monthly reporting period:
  - Attend ESI project meetings (see Additional Inputs page for details)
  - Assessment of ASI onboarding activities

- Planned IV&V activities for next reporting period:
  - Review of ESI deliverables
  - Assessment of ESI procedures
  - Assessment of ESI and ASI interactions
  - Assessment of ASI transition activities

Deliverables Reviewed

Deliverable Name	Deliverable Date	Version
ASI Onboarding Deep Dive – DHS Enterprise Platform	8/15/2018	N/A
M&O Governance – ESI Knowledge Sharing with Unisys	8/17/2018	N/A
Lokahi Alliance – ASI Onboarding Workshop	8/19/2018	N/A

Additional Inputs

- Meetings Attended/Observed:

    - ASI onboarding – SharePoint and ServiceNow Workshop – 8/2/18
    - DHS MQD Interview for ESI Assessment – 8/3/18
    - DHS OIT Interview for ESI Assessment – 8/6/18
    - KPMG Interview for ESI Assessment – 8/7/18
    - ESI Platform Deep Dive – 8/8/18
    - BIAS Interview for ESI Assessment – 8/10/18
    - M&O Governance - ESI Knowledge Sharing with Unisys – 8/13/18
    - BES Kickoff – 8/30/18
    - KOLEA Functional Overview and Demo – 8/31/18
    - BIAS/DHS Project Meeting – recurring
    - Platform M&O Scheduling Meeting – recurring
    - IDM Technical Touch base Meeting – recurring
    - IDM Scheduling Meeting – recurring
    - Weekly IDM Touch base – recurring
    - Project Status Report-Out Weekly Meeting – recurring
    - Platform M&O Status and Whiteboard Meeting – recurring
    - Weekly Change Advisory Committee - recurring
    - Enterprise Operations Committee Meeting – recurring
    - Operations Committee Meeting – recurring
    - Data Governance Meeting – recurring
    - Help Desk Touchpoint - recurring

- Project Artifact Inputs:

    - Meeting agendas and minutes

Appendix A – Risk Identification Report

Appendix A – Risk Identification Report

- No Risks or Issues have been formally identified to date for the BES DD&I project.

- The complete Risk Identification Report (or Log) for the ESI Transition Assessment will be included with PCG's draft assessment report to be provided in September 2018.

Appendix B – Acronyms and Glossary

Acronym	Definition
APD	Advance Planning Document
ASI	Application System Integrator
CM	Configuration Management
CMMI	Capability Maturity Model Integration
CMS	Center for Medicare and Medicaid Services
DDI	Design, Development and Implementation
DED	Deliverable Expectation Document
DHS	Hawaii Department of Human Services
DLV	Deliverable
E&E	Eligibility and Enrollment
EA	Enterprise Architecture
ECM	Enterprise Content Management (FileNet and DataCap)
ESI	Enterprise System Integrator (Platform Vendor)
ETS	State of Hawaii Office of Enterprise Technology Services
FIPS	Federal Information Processing Standard
HIPAA	Health Information Portability and Accountability Act of 1996
IAR	Initial Assessment Report
IDM	Identity and Access Management (from KOLEA to State Hub)
IEEE	Institute of Electrical and Electronics Engineers
IES	Integrated Eligibility Solution
ITIL	Information Technology Infrastructure Library
IV&V	Independent Verification and Validation

Appendix B – Acronyms and Glossary

Acronym	Definition
M&O	Maintenance & Operations
MEELC	Medicaid Eligibility and Enrollment Life Cycle
MEET	Medicaid Eligibility and Enrollment Toolkit
MOU	Memorandum of Understanding
MQD	Hawaii Department of Human Services MedQuest Division
NIST	National Institute of Standards and Technology
OE	Operating Environment
PAR	Periodic Assessment Report
PMBOK®	Project Management Body of Knowledge
PMI	Project Management Institute
PMO	Project/Program Management Office
QA	Quality Assurance
QM	Quality Management
RFP	Request for Proposal
RMP	Requirements Management Plan
RTM	Requirements Traceability Matrix
SEI	Software Engineering Institute
SLA	Service-Level Agreement
SME	Subject Matter Expert
SOA	Service Oriented Architecture
SOW	Statement of Work, Scope of Work
VVP	Software Verification and Validation Plan
XLC	Expedited Life Cycle

Appendix C – Project Background

Systems Modernization Projects

The DHS Enterprise Program Roadmap includes contracting with three separate vendors with the following high-level scope:

- ESI or Platform Vendor – provides the shared technology and services required for multiple Application DDI vendors to implement and support functionality that leverages the DHS Enterprise Platform.

- ASI or ASI Vendor – responsible for the DDI of the Benefits Eligibility Solution enhancing the currently implemented Medicaid E&E Solution (BES Project) and providing support for the combined Solutions.

- CCWIS Vendor – responsible for the DDI of the CCWIS Solution to meet the needs of child welfare services and adult protective services (CCWIS Project) and providing support for the Solution.

Appendix C – IV&V Project Background

IV&V Project

IV&V performs objective assessments of the design, development/configuration and implementation (DDI) of DHS' System Modernization Projects. DHS has identified three high-risk areas where IV&V services are required:

- Transition of M&O from DHS' incumbent vendor to the ESI and ASI vendors
- BES DDI
- CCWIS DDI

IV&V is responsible for:

- Evaluating efforts performed by the Projects (processes, methods, activities) for consistency with Federal requirements and industry best practices and standards
- Reviewing or validating the work effort performed and deliverables produced by the ASI vendors as well as that of DHS to ensure alignment with project requirements
- Anticipating project risks, monitoring project issues and risks, and recommending potential risk mitigation strategies and issue resolutions throughout the project's life cycle
- Developing and providing independent project oversight reports to DHS, ASI vendors, State of Hawaii Office of Enterprise Technology Services (ETS) and DHS' Federal partners