

ITERATIVE PROJECT REPORT FOR PROGRAMS & MULTI-YEAR PHASED PROJECTS

Submitted to Large Project Oversight on 05/26/2016

GENERAL INFORMATION

Program Name: WSI Claims and Policy System (CAPS), formerly called System Replacement Program

Current Projects in this Report: Closeout of Project 1, Startup of Release 2

Agency Name: Workforce Safety and Insurance

Project Sponsor: Clare Carlson

Project Manager: Jennifer Kunz

PROJECT DESCRIPTION

The Workforce Safety and Insurance (WSI) Claims and Policy System (CAPS) Program (formerly called System Replacement Program) replaces core business applications in order to improve customer service, meet WSI's anticipated demand for growth and enable WSI to remain current with technology. A phased, evolution implementation approach is being used.

WSI completed a comprehensive planning and analysis phase in June 2015 and launched this large, multi-year program in July 2015. The program consists of several phases and within each phase there are multiple projects delivering functionality in a production environment, ready to be used.

Project 1, Shared Components Releases 0-1 (Forms) and DB Consolidation, began in July 2015 and completed six weeks ahead of schedule in early April 2016 and 20.7% under budget. Project 1 focused on delivering forms functionality (specifically adding, viewing, and maintaining forms) in the new CAPS user interface. The underlying databases were also consolidated. Project 1 was a success due to the strong collaboration of WSI, ServiceLogix, ITD, and other contracted services from TEKsystems. The leadership provided by ServiceLogix and their development framework has been a key success factor.

Project/Release* 2 Shared Components (Work Management Core functionality) kicked off in April 2016 and will deliver functionality including the viewing, maintaining, and launching of work events. The baseline completion date is September 30, 2016 and the baseline budget is \$1,640,032. WSI has again engaged consulting partner, ServiceLogix, a software firm with proven success in similar industries and extensive knowledge with the existing PowerComp system used at WSI. ServiceLogix will support WSI's small team with resources and provide the leadership for the application re-factoring. The Information Technology Department (ITD) and TEKsystems will also continue to support WSI with resources and project management.

*NOTE: The terms project and release are generally synonymous, but 'release' is preferred beginning with Release 2; this aligns with the terminology and supporting documents of ServiceLogix.

Background

From January 2008 through December 2012, extensive efforts were made by WSI to replace the current claims and policy computer systems with a purchased solution from a software vendor. The software vendor contract expired the end of December 2012 and a decision was made not to extend the contract, effectively terminating the course of the initiative prior to successful implementation. Efforts then continued with planning the strategy and determining the best alternative for continuing in order to achieve the original objectives along with any new objectives.

From February 2013 through June 2015, WSI completed six steps at the direction of the ESC in preparation of any procurement related to replacing the current claims and policy systems. These six steps included performing lessons learned, reviewing business processes, performing market research, performing an architecture review, developing a new

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charter, and reviewing requirements. WSI also retained the services of Major Oak Consulting as an independent third party to perform an objective evaluation of various options to replace WSI's core business systems. The ESC approved moving forward with Major Oak's recommendation to implement the "Evolutionary Approach" for WSI's core system replacement/upgrade which minimizes risks and costs.

Also during this time frame from January through June 2015, a core planning team worked with WSI and ITD staff (with support from the ESC, Governing Committee, and various WSI/ITD/OMB staff) to complete a comprehensive Planning and Analysis Phase which included a Database Consolidation Analysis and Design, a Detailed Evolution Roadmap, a Program Plan and Schedule, and Procurements for the next phase.

BUSINESS NEEDS AND PROBLEMS

The specific primary business needs to be met (with measurements detailed in the next section) through the program are as follows:

- Provide current industry web-based technology for core business systems supporting Injury Services and Employer Services and replace existing client-server based systems
- Provide a system with enhanced reporting and accessibility to information

As described in the project charter, this program also aligns exceptionally well with WSI's organizational purpose and mission.

PROJECT FORMAT

Program Start Date: 7/1/2015

Budget Allocation at Time of Initial Start Date: \$5,760,000 for the 2015-2017 biennium

How Many Phases Expected at Time of Initial Start Date: At this time, we expect four phases and 20 projects

Phased Approach Description: This program consists of four phases and within each phase there are multiple projects delivering functionality in a production environment, ready to be used. Over the course of each project, the application user interface will be re-fac'd into a new user interface and the data and programming logic retained, a key success factor. The first project also included the consolidation of the underlying databases. This "Evolutionary Approach" minimizes risk and costs and will replace WSI's core systems incrementally *into production with usable functionality* approximately every 6-10 months.

Estimated End Date for All Phases Known at Time of Initial Start Date: The last phase is expected to end in 2023.

PROJECT ROAD MAP

The project road map shows the high level plan or vision for the program/projects/phases. It is intended to offer a picture of the lifespan of all the effort that is expected to be required to achieve the business objectives.

Project or Phase	Title	Scope Statement	Estimated Duration (months)	Estimated Budget
PHASE 1	Planning and Analysis	COMPLETE	Completed 6/30/15	N/A
PHASE 2 (IN PROGRESS)	DB Consolidation and Shared Components Refacing			

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Project or Phase	Title	Scope Statement	Estimated Duration (months)	Estimated Budget
Project 1	Shared Components Releases 0-1 (Forms) and DB Consolidation	COMPLETE: Delivered the refaced Work Management Forms functionality into production Consolidated the PICS and CMS databases into one	10 months – Completed 4/8/16 (See next section for Actual Duration)	\$1,793,317 (See next section for Actual Cost)
Release 2	Work Management Part 1 (Core)	IN PROGRESS: Deliver the refaced Work Management Core functionality into production	6 months	\$1,640,000
Release 3	Work Management Part 2 (Reassignment & Tools)	Deliver the refaced Work Management Reassignment and Tools functionality into production	6 months	\$1,400,000
PHASE 3 NOT STARTED)	Policy (PICS) Application Refacing		2.5 years, 6 Projects/Releases	\$10,000,000
Release 4	Registration	Deliver the refaced PICS Registration functionality into production		
Release 5	Policy Maintenance Part 1	Deliver the refaced PICS Policy Maintenance Part 1 functionality into production		
Release 6	Policy Maintenance Part 2	Deliver the refaced PICS Policy Maintenance Part 2 functionality into production		
Release 7	Policy Maintenance Part 3	Deliver the refaced PICS Policy Maintenance Part 3 functionality into production		
Release 8	Payroll Reporting	Deliver the refaced PICS Payroll Reporting functionality into production		
Release 9	Activities Inquiry (Dashboards)	Deliver the refaced PICS Activities Inquiry (Dashboards) functionality into production		
PHASE 4	Claims (CMS) Application Refacing		3.5 years, 11 Projects/Releases	\$15,000,000
Release 10	Claim Registration	Deliver the refaced CMS Claim Registration functionality into production		
Release 11	Claim Parties & Maintenance Part 1	Deliver the refaced CMS Claim Parties and Maintenance Part 1 functionality into production		
Release 12	Claim Parties & Maintenance Part 2	Deliver the refaced CMS Claim Parties and Maintenance Part 2 functionality into production		
Release 13	Wages and Reserves	Deliver the refaced CMS Wages and Reserves functionality into production		
Release 14	Payments Part 1	Deliver the refaced CMS Payments Part 1 functionality into production		
Release 15	Payments Part 2	Deliver the refaced CMS Payments Part 2 functionality into production		
Release 16	Medical Part 1	Deliver the refaced CMS Medical Part 1		

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Project or Phase	Title	Scope Statement	Estimated Duration (months)	Estimated Budget
		functionality into production		
Release 17	Medical Part 2	Deliver the refaced CMS Medical Part 2 functionality into production		
Release 18	Field/Fraud/Claim Inquiry	Deliver the refaced CMS Field/Fraud/Claim Inquiry functionality into production		
Release 19	Legal/Rehab	Deliver the refaced CMS Legal/Rehab functionality into production		
Release 20	Claims Tools/Administration	Deliver the refaced CMS Claims Tools/Administration functionality into production		
PHASE 5	Transition, Program Closeout		5 months	\$45,000

Notes:

PROJECT BASELINES

The baselines below are entered for only those projects or phases that have been planned. At the completion of a project or phase a new planning effort will occur to baseline the next project/phase and any known actual finish dates and costs for completed projects/phases will be recorded. The startup report will be submitted again with the new information.

Project or Phase	Baseline Start Date	Baseline End Date	Baseline Budget	Actual Finish Date	Schedule Variance	Actual Cost	Cost Variance
Project 1	7/1/2015	5/19/2016	\$1,630,288	4/08/2016	3.8% ahead	\$1,292,069	20.7% under
Release 2	4/11/2016	9/30/2016	\$1,640,320				
Release 3							

Notes:

OBJECTIVES

Note: *The objectives for the WSI CAPS program were defined in the project charter at the program level; this means each project will meet a portion of the measurements, but full benefit measurements will not be available until the evolution of each of the systems is complete (i.e. the end of each phase and/or the program).

Project or Phase	Business Objective	Measurement Description	Met/ Not Met	Measurement Outcome
	Business Need 1: Provide current industry web-based technology for core business systems supporting Injury Services and Employer			

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Project or Phase	Business Objective	Measurement Description	Met/ Not Met	Measurement Outcome
	Services and replace existing client server based systems.			
Phase 3 Rel 6 2020	Objective 1.1: Maintain or improve upon existing business functionality/capabilities (i.e. at a minimum, no loss of current process efficiencies and automation)	Measurement 1.1.1: Upon completion of the "Policy Evolution" (including Billing and Workflow) implementation, there will be no measureable loss of policy process efficiencies as measured by operating reports. The most recent operating report prior to the start of the Policy Evolution will be used as the benchmark and will be compared to the first available operating report following the completion of the Policy Evolution.		
Phase 3 Rel 6 2020		Measurement 1.1.2: Upon completion of the "Policy Evolution" (including Billing and Workflow) implementation, all new policy related process changes, enhancements, and efficiencies identified by the WSI continuous improvement team for inclusion in the Policy Evolution are fully deployed and functioning according to documented requirements.		
Phase 4 Rel 11 2023		Measurement 1.1.3: Upon completion of the "Claims Evolution" (including Bill Review and Workflow) implementation, there will be no measureable loss of claims process efficiencies as measured by operating reports. The most recent operating report prior to the start of the Claims Evolution will be used as the benchmark and will be compared to the first available operating report following the completion of the Claims Evolution.		
Phase 4 Rel 11 2023		Measurement 1.1.4: Upon completion of the "Claims Evolution" (including Bill Review and Workflow) implementation, all new claims related process changes, enhancements, and efficiencies identified by the WSI continuous improvement team for inclusion in the Claims Evolution are fully deployed and functioning according to documented requirements.		
Phase 5 2023	Objective 1.2: Enhance customer and staff accessibility to policy and claims related applications and corresponding data/information	Measurement 1.2.1: Upon completion of the "Policy Evolution" (including Billing and Workflow) implementation, WSI staff (with the appropriate security) will have access to the Policy system from anywhere there is an internet connection.		
Phase 3 Rel 6 + 6 months 2020		Measurement 1.2.2: Within six months following the completion of the "Policy Evolution" (including Billing and Workflow) implementation, employers will have self-service access to premium and loss data specific to their account for purposes of managing their policies and claim losses.		

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Project or Phase	Business Objective	Measurement Description	Met/ Not Met	Measurement Outcome
Phase 4 Rel 11 2023		Measurement 1.2.3: Upon completion of the "Claims Evolution" (including Bill Review and Workflow) implementation, WSI staff (with the appropriate security) will have access to the Claims system from anywhere there is an internet connection.		
Phase 4 Rel 11 +6 months 2024		Measurement 1.2.4: Within six months following the completion of the "Claims Evolution" (including Bill Review and Workflow) implementation, employers, providers, and injured workers will have self-service access to claim related data specific to their account/entity.		
Phase 5 2023	Objective 1.3 Improve policy and claims system navigation and ease of use for WSI staff	Measurement 1.3.1 Upon completion of the Policy and Claims Evolution implementations there is a single user interface for accessing policy and claims functionality.		
		Measurement 1.3.2: Upon completion of the Policy and Claims Evolution implementations WSI staff will be surveyed to determine the user interface ease of use.		
Phase 3 Rel 6 + 6 months 2020	Objective 1.4 Improve ability to respond to customer and staff requests	Measurement 1.4.1 Within six months following the completion of the "Policy Evolution" (including Billing and Workflow) implementation, there will be a 20% reduction in the turn-around time for completing policy related system change/enhancement requests. Prior to the start of the Policy Evolution a benchmark of the average turn-around time for completing policy related system change/enhancement requests will be established from ITSM and will be compared to the average turn-around time for completing requests after six months following the completion of the Policy Evolution.		
Phase 3 Rel 6 + 6 months 2020		Measurement 1.4.2: Within six months following the completion of the "Policy Evolution" (including Billing and Workflow) implementation, there will be a 10% reduction in the amount of time spent by WSI policy staff in providing employers with reports and information. Prior to the start of the Policy Evolution a benchmark of the average amount of staff time per month spent providing employers with reports and information will be established and will be compared to the average amount of time spent providing reports and information after six months following the completion of the Policy Evolution.		
Phase 4 Rel 11 +6 months 2024		Measurement 1.4.3: Within six months following the completion of the "Claims Evolution" (including Bill Review and Workflow) implementation, there will be a 20% reduction in the turn-around time for completing claims related system change/enhancement requests.		

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Project or Phase	Business Objective	Measurement Description	Met/ Not Met	Measurement Outcome
		Prior to the start of the Claims Evolution a benchmark of the average turn-around time for completing claims related system change/enhancement requests will be established from ITSM and will be compared to the average turn-around time for completing requests after six months following the completion of the Claims Evolution.		
Phase 4 Rel 11 +6 months 2024		Measurement 1.4.4: Within six months following the completion of the “Claims Evolution” (including Bill Review and Workflow) implementation, there will be a 10% reduction in the amount of time spent by WSI Injury Services staff in providing employers, providers, and injured workers with reports and information. Prior to the start of the Claims Evolution a benchmark of the average amount of staff time per month spent providing employers, providers, and injured workers with reports and information will be established and will be compared to the average amount of time spent providing reports and information after six months following the completion of the Claims Evolution.		
	Business Need 2: Provide a system with enhanced reporting and accessibility to information			
Phase 5 2023	Objective 2.1 Improve data integrity of/between core business systems supporting Injury Services and Employer Services	Measurement 2.1.1: Eliminate redundant data between claims and policy systems. During database consolidation planning and design identify and document the occurrences of redundant data between claims and policy systems. Upon completion of database consolidation verify that all occurrences of data redundancy have been eliminated.		
Phase 5 2023	Objective 2.2 Maintain access to all legacy data supporting Injury Services and Employer Services	Measurement 2.2.1: Access to all legacy data (i.e. history data) is available throughout and following project completion without having to access multiple systems.		
Phase 3 Rel 6 2020	Objective 2.3 Improve reporting and Business Intelligence (BI) capability	Measurement 2.3.1: Upon completion of the “Policy Evolution” (including Billing and Workflow) implementation, an easy method of accessing Policy summary and detail information from a single set of screens is available to WSI employees.		
Phase 4 Rel 11 2023		Measurement 2.3.2: Upon completion of the “Claims Evolution” (including Bill Review and Workflow) implementation, an easy method of accessing Claim summary and detail information from a single set of screens is available to WSI employees.		

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POST-IMPLEMENTATION REPORT

Post-Implementation Reports are to be performed after each project or phase is completed. A “PIR” is a process that utilizes surveys and meetings to determine what happened in the project/phase and identifies actions for improvement going forward. Typical PIR findings include, “What did we do well?” “What did we learn?” “What should we do differently next time?”

Project	Lesson learned, success story, idea for next time, etc.
Project 1	<ol style="list-style-type: none"> 1. The new CAPS forms functionality successfully meets the needs of WSI end users. The survey respondents who use the forms functionality rated it Above Adequate or Excellent. A few specific comments include: <ol style="list-style-type: none"> a. “Positive reception of the Forms functionality by the entire agency!! Smooth deployment of the Forms functionality along with the (high) degree of readiness leading up to the deployment” b. “I think this project was an excellent start in laying the foundation for the entire program and future projects to come!!” 2. The project was completed six weeks ahead of the Baseline Schedule and 20.7% under the Baseline Budget. All deliverables were produced on-time and accepted per the agreed-upon Acceptance Criteria. 3. The survey results show that Communication Management activities were rated as Excellent. There was one outlier of Above Adequate and one of Below Adequate. 4. Comments were positive and one highlighted the tremendous success of the Communications Team, an internal group to WSI. 5. Regarding Organizational Change Management, a question in the survey was “how effective were the overall executive and senior managers in addressing, leading, and supporting the project in an effective, positive and energizing manner?” The majority of respondents rated it Excellent with one comment as follows: “this project went so smoothly that there weren't any major issues for executive and senior managers to address but their support in providing approvals, in celebrations, and overall presence was invaluable!” 6. According to survey results, Issue and Testing Management were effective with the majority of ratings Excellent, a couple at Above Adequate, and one at Below Adequate; comments were positive and there was constructive feedback regarding a need for improvement in the testing of day-in-the-life scenarios.
Release 2	

COST BENEFIT ANALYSIS

Anticipated Benefits of Resolving Business Need 1:

- WSI business operations continue at current, and in some cases enhanced, levels of efficiency without adding additional staff; WSI remains current with 3rd party products (ex. Fee Schedules) and compliant with ND statute and/or federal requirements.
- Internal WSI staff will have access to core business systems from anywhere there is an internet connection facilitating performing of job responsibilities from outside the standard work environment; external customers will have self-service access to data and information relevant to their account or ID, reducing the amount of time and impact on WSI customer service.
- WSI internal users will have a single user interface for accessing both claims and policy data and functionality where there is common look and feel in navigating the applications; reduced learning curve and training requirements for learning the applications and becoming proficient in using them.

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Anticipated Benefits of Resolving Business Need 2:

- Major interfaces will no longer exist so will not need to be supported or maintained; single source of data used for calculating medical assessment billings eliminating the need to keep multiple occurrences of data in sync resulting in elimination of potential data integrity issues and data discrepancies due to timing of interfaces; single source of employer demographic data eliminating the need to keep multiple occurrences of data in sync resulting in elimination of potential data integrity issues and reports or forms going to incorrect entities or addresses.
- All WSI data continues to be available and easily accessible for reporting, data analytics, and future “business intelligence” capabilities.
- WSI employees will have a quick easy way to view summary and detail information related to policies and claims. This can be especially valuable for customer service in answering calls.

KEY CONSTRAINTS AND/OR RISKS

Risks:

- Staff availability is limited; without enough people dedicated up front, the project schedule and cost could be impacted
- The Configuration Management Plan approach for working, including part-time remote team members, will need to be fully tested in Release 0; if there are problems uncovered in Release 1 when development is occurring, the project schedule could be impacted
 - This Risk did not become an actual event and will be removed for the current project, Release 2
- If the approach for Limited Development is not followed, the project team, schedule and cost will be impacted; other staffing may need to be added
- With the long duration of this project there are unforeseen changes and impacts that could impact many areas of the project, in particular staff retirements and turnover

Constraints:

- WSI and ITD resources (business, technical) are limited in the number of staff available
- WSI and ITD resources are limited in experience with the current and preferred technologies
- The full program schedule cannot be established due to the long duration; therefore, schedule management is constrained to each project/release
- Future funding appropriations are necessary to complete all projects
- Cost, schedule, scope, and quality are often in conflict during projects. The sponsor and ESC elected to prioritize these constraints as follows for the program:
 - Quality
 - Scope
 - Schedule
 - Cost