



Information Technology Department

600 E Boulevard Ave., Dept 112 • Bismarck, ND 58505-0100 • (701) 328-3190

June 7, 2013

TO: Members of the Legislative IT Committee
 Legislative Council
 RE: Large Project Summary Report

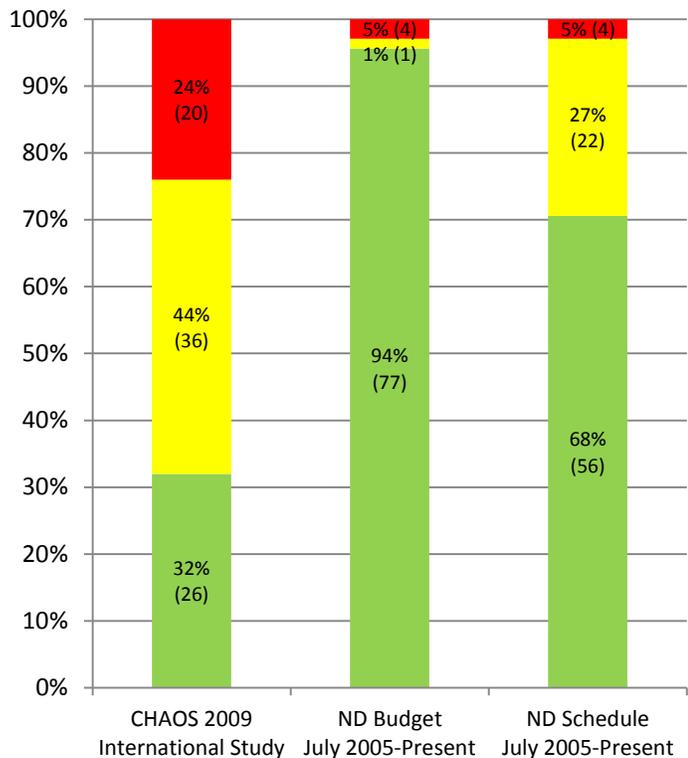
Greetings,

Attached to this cover letter is the Large Project Summary Report for the period ending March 31, 2013.

A historical review of projects completed to date can be viewed graphically below. The legend for this graphic is defined below and aligns North Dakota's mandated thresholds with the criteria of The Standish Group CHAOS Report 2009 (Column 1). Columns 2 & 3 represent those projects that have completed since July 2005, representing the application of budget/schedule variance in accordance with NDCC 54-59-23.

- Green** = Within Threshold
- Yellow** = Beyond Threshold But Obtained Strategic Objectives
- Red** = Terminated or Did Not Obtain Strategic Objectives

Completed Projects Historical Analysis by Percentage (Project)





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No projects were reported complete this quarter.

Agency	Project	Budget	Schedule
N/A	N/A	N/A	N/A

6 projects were reported in the planning stage this quarter.

Agency	Project
Adjutant General	Statewide Records Management System
Department of Human Services	Eligibility System Modernization
	Operating Rules
Information Technology Department	Billing System Rewrite
Job Service North Dakota	Wyoming, Colorado, Arizona, North Dakota UI Consortium (WyCAN)
Veterans Home	Electronic Medical Records

1 project moved into the execution phase this quarter.

Agency	Project
Adjutant General	Central Electronics Bank Dispatch System



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The following 2 projects have a budget in excess of \$5,000,000 and will receive ongoing cover letter reports regardless of project health.

Agency	Project
Department of Human Services	Medicaid Systems Project
<p>DHS is reporting the project as RED overall. The project is reporting 6.3% BEHIND schedule and 9.2% UNDER budget when measured against the current baseline of October 1, 2013. The current baseline will have the project complete 148% BEHIND schedule and 31.0% OVER budget when measured against the original baseline. Due to the lack of a schedule from Xerox the project is no longer operating with appropriate project management controls in place. The approved May 2012 detailed schedule is no longer being followed. Xerox has not provided DHS with an acceptable alternative detailed schedule with appropriate project controls in place. Xerox is providing data regarding the May 2012 controls, but since the work being performed does not correspond to these controls and there is no way to crosswalk between them, there is no way to measure the true status of the project. This places significant risk for the successful completion. As of the April 1st report, there were still 522 defects and over 4300 System Integration Test cases in failed status. Xerox is currently passing an average of 100 test cases per week and resolving an average of 4 defects per week.</p> <p>There were two very positive events during this period, New Hampshire went live on the Xerox MMIS system and (on April 8th) DHS went live with the Provider Enrollment portion of the North Dakota solution. The Department continues to use all provisions available through the contract to ensure the state is held harmless from the vendor failing to meet key milestones. The Executive Order Executive Steering Committee is engaged in meetings and decisions about project actions and vendor communication.</p>	
Workforce Safety and Insurance	Information Technology Transformation Program
<p>This project has reported an overall status of RED. The budget variance is reported as 33.2% OVER and the schedule variance is reported as 153.8% BEHIND when measured against their original baselines. The Aon eSolutions contract expired on December 31, 2012. Due to ongoing performance and quality issues, a decision was made not to extend the contract, effectively terminating the contract before completion of the project. In conjunction with this, a decision was also made to discontinue use of the Mitchell Bill Review software, SmartAdvisor, for reviewing and processing of medical bills, and return to using the functionality in the existing Claims Management System (CMS).</p> <p>WSI is currently in the process of determining the best alternative for moving forward with the project. This is being done in close consultation with and at the direction of the Executive Steering Committee (ESC). At a meeting on February 27th the ESC endorsed a process that should assure that any money spent for technology will be well planned, monitored, and controlled, resulting in a high likelihood of success.</p>	



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Of the remaining 15 active projects, 12 were reported as **GREEN**, 2 were rated **YELLOW**, and 1 was rated **RED**. The following active project is being monitored closely due to budget/schedule variance concerns.

Agency	Project
Bank of North Dakota	CashPlus
This project is currently reporting as RED . Mid-January BND was advised by Fundtech that they would not be able to complete the Fed Fund Sweep Enhancement by the baseline completion date of 4/12/13. The project is deliverable-based therefore cost variance will not be impacted. On March 5, 2013 BND advised SITAC that the project schedule variance was over 20%. BND provided details with regards to causal factors, lessons learned and their recovery strategy. BND's recovery strategy is to work with the vendor and internal BND staff to re-baseline the project.	
Department of Health	NDIIS
This project has an overall operational status of YELLOW . The budget variance is reported as 1.4% OVER and the schedule variance is reported as 27.4% BEHIND when measured against their approved baselines. Although certain integration issues have been resolved, the project work has not yet been able to catch up enough to calculate under the 20% variance threshold.	
Information Technology Department	HITC Health Information Network
This project is presently reporting as YELLOW . During this quarter, the State mutually terminated its contract with Axolotl/Optum in February 2013 and procured a new vendor, Orion Health. This has brought the project up to a yellow status because the budget is largely unspent (no funds were paid to Axolotl/Optum) and it is still expected to meet its objectives once the work resumes with the new vendor. A re-baseline of the project will occur regarding the change in vendor scope. The end date for the project will remain March 14, 2014.	

Please refer to the Large Project Quarterly Report for more information about each project. Feel free to contact me with any questions.

Sincerely,

Mike Ressler

Mike Ressler
Interim Chief Information Officer