

# Vermont's IE&E System Modernization

## VT Integrated Eligibility System Project

### Executive Summary

The Vermont Integrated Eligibility System (VT-IES) Project is a crucial part of the state's effort to modernize its Integrated Eligibility and Enrollment (IE&E) system. The current system faces operational and technical challenges impacting Vermonters and state staff. The VT-IES Project aims to address these issues by implementing a base-level, customer-focused integrated eligibility system (IES) through a phased, modular procurement strategy. The new IES will consist of a Customer Portal, Case Management, and a Rules Engine, replacing legacy enrollment systems and optimizing eligibility, enrollment, and customer management functionality.

The new IES will provide Vermonters with a centralized, simplified, and user-friendly experience for applying and managing benefits. It will ensure secure enrollment, personalized access, streamlined applications, and comprehensive customer service. State staff will benefit from reduced manual work, improved data integrity, and automated processes. The VT-IES project has identified high-level objectives to improve the customer experience and streamline operations, emphasizing centralizing customer data, meeting compliance guidelines, and ensuring financial integrity. The VT-IES project also recognizes the challenges of modernizing an IE&E system and plans to apply modular and incremental development principles to implement an IES that is flexible, interoperable, and extensible while leveraging existing state technology platforms. Integrating the new IES with existing systems and adherence to standards will be crucial. As such, the procurement process will engage experienced vendors capable of implementing complex solutions. The VT-IES project timeline is expected to be three (3) to four (4) years of design, development, and implementation. Still, it plans for timely and incremental delivery and release of improvements, ensuring a continuous and iterative approach to system enhancements.

The VT-IES Project aligns with the broader IE&E System Modernization effort and aims to simplify benefit application and management for Vermonters, providing a better experience for Vermonters and state staff. It focuses on customer needs, streamlining processes, and leveraging technology while considering integration challenges and compliance requirements.

### IE&E Program Overview

Approximately one in three Vermont residents enroll in economic and healthcare benefits annually. However, the current eligibility and enrollment systems suffer from operational and technical inefficiencies. This results in a fragmented and cumbersome experience for Vermonters and State Staff, highlighting the need for a more streamlined and coordinated process. Vermonters face challenges during the enrollment process, including the requirement to submit the same information multiple times. Limited data access and coordination across programs when dealing with call centers is an ongoing problem. Additionally, approval timelines are often lengthy, and the information provided can be confusing. Another issue is the inability to apply for all benefits simultaneously. State staff members also encounter difficulties delivering services due to manual and labor-intensive processes. Staff are burdened with memorizing complex rules and procedures, and the existence of customer information in multiple enrollment systems makes it challenging to provide comprehensive customer service. Moreover, the

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current legacy enrollment systems pose significant risks to the state, as they are isolated and difficult to maintain, and updating them is costly. Additionally, there is a shortage of staff available to handle these systems' maintenance effectively. These factors underscore the need for a more efficient IES in Vermont.

### IE&E System Modernization

The State of Vermont recognizes the importance of modernizing its IE&E system to ensure it can support its residents and protect the most vulnerable. Ongoing modernization efforts are necessary to ensure compliance with federal and state regulations, including federal reporting, HIPAA compliance, and meeting technical requirements set by the Centers for Medicare & Medicaid Services (CMS) and the Food and Nutrition Services (FNS).

To address the operational and technical inefficiencies, the VT-IES Project aims to implement a base-level customer-focused Integrated Eligibility and Enrollment system. This will be achieved through a phased, modular procurement strategy that includes the development of a Customer Portal, Case Management, and Rules Engine. The project aims to replace outdated legacy enrollment systems and optimize functionality for eligible programs, focusing on eligibility determination, enrollment processes, and customer management. The new IES will comprise functional modules that provide Vermont residents with a personalized and comprehensive access point. This user-centric system will allow individuals to apply for, receive, and manage health coverage and economic assistance benefits. The goal is to create a welcoming and streamlined experience for applicants. Furthermore, the new core system will enable the IE&E Program to adapt to external factors and facilitate ongoing modernization efforts.

### VT-IES Vision & Goals

The Vermont IE&E Program envisions a future where eligible Vermont residents have a straightforward and convenient method to apply for, access, and manage their healthcare and economic assistance benefits. This vision is driven by the desire to eliminate coverage gaps and improve outcomes for individuals and communities. The VT-IES Project aims to enhance the customer experience for both Vermonters and State Staff by focusing on achieving the following top three outcomes:

**Simplified and Streamlined Application Process:** The VT-IES Project seeks to create a more user-friendly and efficient application process, reducing the need to submit redundant information and navigate numerous systems. This outcome aims to make it easier for individuals to apply for multiple benefits, resulting in a more cohesive and coordinated enrollment process.

**Seamless Access to Benefits:** The project aims to ensure that eligible Vermonters can easily access the healthcare and economic assistance benefits they need without facing unnecessary hurdles. By implementing the new IES system and its functional modules, individuals will have a centralized access point that provides comprehensive information about available benefits and enables them to manage their coverage. This outcome aims to reduce confusion and provide a more user-centric approach to benefit access.

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**Improved Efficiency and Effectiveness for State Staff:** The VT-IES Project recognizes the challenges faced by State Staff in delivering services to Vermonters. By implementing a modernized system with a customer portal, case management capabilities, and a rules engine, the project aims to enhance the effectiveness and efficiency of State Staff in managing eligibility and enrollment processes. This outcome aims to reduce manual and labor-intensive tasks, enable better coordination across programs, increase data quality, and simplify procedures for State Staff, improving their ability to serve Vermonters.

### VT-IES Objectives

The VT-IES Project has established high-level objectives to guide its actions and measure progress toward achieving the project goals for Vermonters and State Staff. These objectives are as follows:

#### For Vermonters:

1. Provide a web-based customer portal that enables Vermonters to easily apply for benefits, report changes, and access case information and notices in a timely and straightforward manner.
2. Offer a user-friendly experience for applying and maintaining multiple benefits during renewals and life-changing events, ensuring continuity of services.
3. Ensure a secure enrollment experience that accurately enrolls customers in the appropriate programs and allows them to understand and utilize their benefits when needed.
4. Provide an application that is accessible through various channels, including electronic and mobile-friendly interfaces, catering to the customer's choice.
5. Develop a streamlined online application that determines eligibility and enrollment for both health and economic benefit programs.
6. Create an inclusive and accessible application and user-support experience that addresses physical and social barriers, such as transportation, internet access, language, gender identity, race, ethnicity, disability, and more.
7. Simplify the process for Vermonters to choose programs, make payments, receive assistance, and improve efficiency.
8. Implement auto-renewal of services and benefits through an electronic self-service portal that leverages electronic data sources for reporting changes.
9. Provide eligibility and enrollment notices and updates promptly and concisely through the customer's preferred language and channel.

#### For State Staff:

1. Implement an enrollment process that reduces manual data entry, enabling staff to focus on unique and complex case management scenarios and supporting customers.
2. Utilize Business Process and Workflow Automation to manage daily business functions, such as approval hierarchies and internal process notifications.
3. Offer an online learning experience for staff to easily adapt to system updates, perform new processes, and utilize the VT-IES system.

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4. Enhance data integrity and automate enrollment processes to reduce the need for staff involvement in back-end transactions.
5. Ensure State staff can easily comprehend eligibility and case status, request customer verification, and interpret the next steps.

### For the new IES:

1. Centralize customer health and economic benefits data from the existing separate legacy systems into a unified solution.
2. Maintain current functionality and services for end-users as enhancements are added while aligning with Vermont's fiscal resources.
3. Deliver accurate and timely determination and notification of benefits to customers.
4. Establish a single, or connection to, a primary data management solution supported by automated data verification through electronic data sources or other identity verification tools.
5. Design a flexible solution that can adapt to future State needs, including emergency public health requirements and existing programs.
6. Ensure financial integrity in the administration of benefit programs.
7. Maximize the reuse of existing State technology platforms wherever feasible.
8. Comply with all Federal and State mandates, rules, and regulations.

These high-level objectives provide a roadmap for the VT-IES Project, outlining specific actions and measurable steps needed to achieve the project's goals of improving the experience for Vermonters and State Staff and modernizing the IE&E system in Vermont.

### VT-IES Scope

The VT-IES Project will seek to centralize eligibility and enrollment functionality for Qualified Health Plans (QHP), Medicaid coverage, and economic benefit programs. Table 1 outlines the high-level in-scope programs, the two primary systems used for eligibility determination and enrollment, ACCESS and Vermont Health Connect (VHC), and the annual average statistics as defined in the IE&E Operating Advanced Planning Documents (OAPD) as of 03/31/2023. This program list is subject to change.

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Table 1: Supported In-Scope Programs, Source Systems & OAPD Average Statistic

Supported In-Scope High-Level Programs	Source System	OAPD Average Annual Statistic
<b>Medicaid</b>		197,247
Medicaid for the Aged Blind, Disabled (MABD)	ACCESS	
Medicaid for Children and Adults (MCA)	VHC	
<b>SNAP (3SquaresVT)</b>	ACCESS	70,929
<b>Qualified Health Plans (QHP)</b>	VHC	24,425
<b>LIHEAP (Fuel Assistance)</b>	ACCESS	23,728
<b>TANF (Reach Up)</b>	ACCESS	9,497
<b>CHIP (Dr. Dynasaur)</b>	VHC	4,694
<b>Pharmacy Programs (Healthy Vermonters)</b>	ACCESS	1,220
<b>General Assistance (GA) / Emergency Assistance (EA)</b>	ACCESS	716
<b>Refugee Medical Assistance (RMA)</b>	ACCESS	0
Total		<b>333,150</b>

**Note:** ACCESS supports additional State Programs and services outside of IE&E.

The IE&E Program requires a solution that can meet the IE&E requirements for all in-scope programs, support existing State and Federal program requirements and mandates, and be extensible to incorporate changes by the state or its Federal partners and the approved exceptions as outlined in Vermont's Global Commitment to Health 1115 Waivers.

For details on the VT 1115 Waiver, please refer to the following link:

<https://www.medicaid.gov/medicaid/section-1115-demo/demonstration-and-waiver-list/83391>.

### VT-IES Procurement Approach

The VT-IES Project has adopted a procurement strategy to implement a base-level Integrated Eligibility and Enrollment system consisting of a Customer Portal, Case Management, and a Rules Engine. The primary objective of this strategy is to enhance the customer experience for Vermonters and State Staff. While the Request for Proposal (RFP) will describe the base-level IES, the IE&E Program acknowledges that vendors may offer additional functionalities beyond those outlined in the RFP or enable a complete integrated eligibility system. The bidder response format will allow vendors to present their proposals and showcase any additional functionalities their solution can offer through configuration or customization.

Recognizing the complexities of modernizing an IE&E system, Vermont intends to engage a single vendor with experience implementing complex solutions within state governments. The VT-IES RFP will outline mandatory vendor qualifications, with a requirement that the vendor (Prime only, with or without the engagement of sub-vendors) must have prior experience with engagements of similar size, complexity, and scope to this procurement.

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### VT-IES Cost Allocation Methodology

The VT-IES RFP will document high-level functional and non-functional requirements, and business flow diagrams, which will be categorized based on their module and sub-module definitions as depicted in Vermont's Cost Allocation Methodology (CAM). The CAM determines how the design, development, and implementation (DDI) costs related to modernizing the State's IE&E systems across benefiting programs are split between CMS, FNS, and the State of Vermont. Vendors will be responsible for tracking DDI hours specific to the IES "functions" depicted in Figure 1.

Figure 1: IE&E Module/Sub-Modules per Vermont's CAM



### Validating Vermont's System Modernization Approach

Vermont has engaged with other states and conducted three Requests for Information (RFI) between November 2022 and April 2023. These RFIs were aimed at soliciting feedback from the vendor community regarding Vermont's IE&E System Modernization procurement approach. The feedback received during this outreach process confirmed that Vermont's procurement approach involved implementing a base-level IE&E system with an estimated implementation timeframe of three (3) to four (4) years. The feedback from other states highlighted the common challenges of system modernization with limited resources. Recognizing the importance of securing the resources needed for successful modernization efforts, Vermont confirmed that a broad range of prime vendors would qualify to bid on the VT-IES procurement. This approach increases the likelihood of attracting vendors who can provide the required resources and expertise to support the IE&E Program's modernization goals.

To further support the planning and procurement efforts of the IE&E Program, Vermont has engaged the technical advisory services of [NTT DATA](#). NTT DATA has contributed its expertise and guidance to assist

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Vermont in effectively navigating the complexities of the project and ensuring a well-informed and successful VT-IES procurement process.

### Implementation Approach

Vermont has prioritized the implementation of functionality for the Customer Portal and ACCESS-based programs, recognizing the value and benefits they offer to multiple user groups. However, Vermont expects to collaborate with the selected vendor to determine the most suitable implementation approach based on the state's needs and the vendor's recommended technical solution. This collaboration will consider factors such as legacy system constraints, mandated technologies, program sequencing, and prior modernization efforts. By considering these variables, the collaboration aims to address the challenges and opportunities specific to Vermont.

In response to the VT-IES RFP, the vendor will be expected to demonstrate an approach and solution that is flexible, robust, and interoperable, meeting the specific needs of the VT-IES Project. The proposed solution must align with Vermont's vision of providing its population with customer-focused access and service experience. Additionally, the vendor must outline a plan for timely and incremental delivery and release of improvements, ensuring a continuous and iterative approach to system enhancements. The proposed solution is expected to align with the state's enterprise approach to technology for the IE&E program, ensuring consistency and integration within the broader technology landscape.

The IE&E Program expects vendor bid submissions to outline their proposed implementation approach and schedule, considering federal expectations for piloting new systems in limited production environments. This consideration reflects the need for a well-planned and phased approach to system implementation, ensuring the successful adoption and integration of the new system while minimizing risks.

### Integration Approach

The VT-IES procurement is designed to reduce dependencies on existing legacy systems and create a new system that can operate independently. However, throughout the modernization effort, there will still be a need for data integration with legacy functionality or programs that have not yet been modernized or are not included in the scope of this effort. The extent of integration with the legacy system(s) will depend on the specific functionality provided by the module or component being implemented, as well as the dependencies between the functionality remaining in the legacy system and other IE&E programs that rely on the data or outcomes of the implemented module or component(s).

It is recognized that there may be changes to legacy processes or systems required to comply with Federal and State mandates or policy changes while the new system's Design, Development, and Implementation (DDI) is underway. These changes may necessitate integration into programs that are outside the scope of the IE&E effort. Vermont's objective is to develop as much of the new system as possible outside of the legacy systems to ensure the integrity and stability of those systems.

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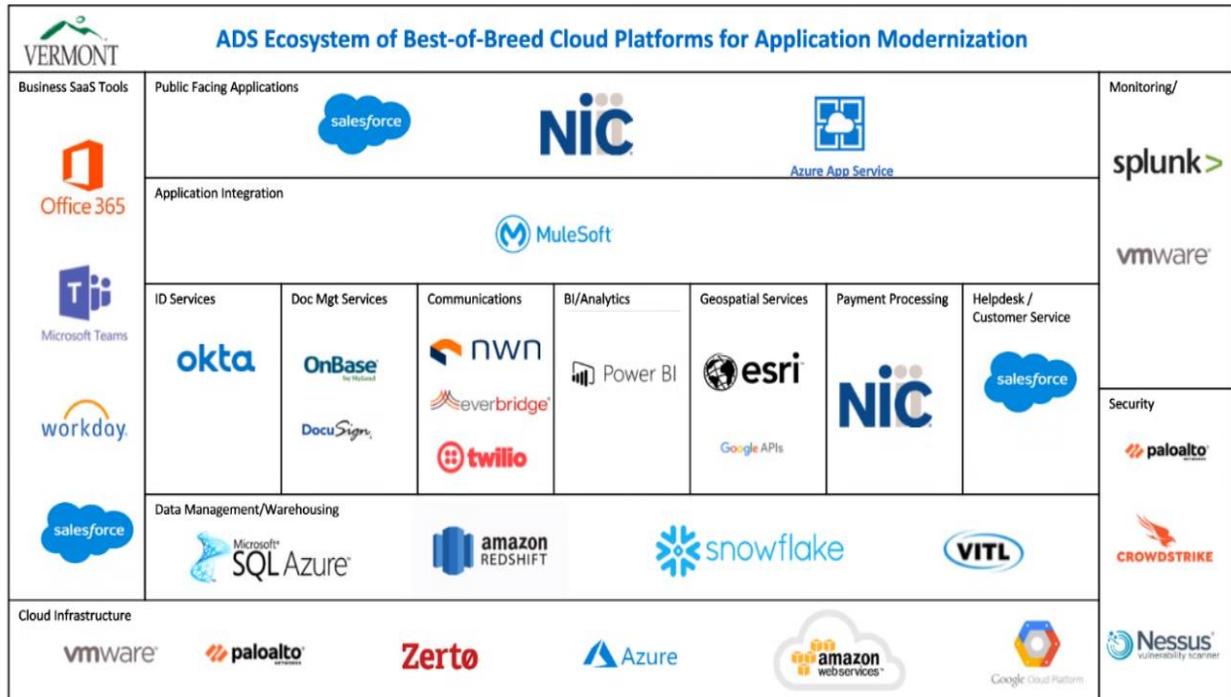
### Technical Approach

The approach to DDI will follow the CMS and FNS standards for modularity, which requires encapsulated functionality that, by its nature, allows the swap of a function/module without affecting the whole system. Modules will adhere to the Medicaid Information Technology Architecture (MITA) 3.0's framework requirements – Technical, Business, Information, and Data Architectures. The state intends to apply hybrid agile principles and user-centered design in the planning and implementation of these modules. Business process improvements will be designed and implemented with the release of new technical capabilities to ensure stakeholders can realize the intended business benefits as IE&E system capabilities become available.

The state's technical vision for IE&E includes the following:

- Modular and incremental modernization of system functionality.
- Building seamless, configurable, interoperable, extensible, and maintainable systems.
- A preference to reuse and/or interface with existing State technology platforms where possible but open to alternatives with justification. (See Figure 2). Leverage open standards with "low code" and highly configurable modular development.

Figure 2: Current State Technologies



**Note:** While this is a list of existing state technologies, not all are used for the IE&E solution

The State of Vermont has identified several core components of its IE&E infrastructure and expects vendors to integrate with these technologies to support their identified functionality within the IES. These technologies include:

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- OnBase for Enterprise Content Management (ECM) and document storage.
- Hyland Content Composer for correspondence.
- MuleSoft for data and application integration.
- Okta for Identify Access Management (IAM) and Single Sign On (SSO), and
- Verato for Master Person Index.

While the state expects vendors to integrate with these core technologies, the focus is on receiving the best value proposal. Vendors may propose leveraging some or all the current State technologies or suggest alternative solutions that meet the requirements and objectives of the VT-IES Project. The state is open to considering vendor-supplied technologies if they align with the goals and vision of the project.

### Timeline & Dependencies

The IE&E Program plans to release the VT-IES Request for Proposal (RFP) for federal partner review in the second half of CY2023. The subsequent DDI period is expected to span three (3) to four (4) once a vendor has been contracted. The timeline is subject to contract approval from CMS and FNS, as well as state and federal funding approval. The successful implementation of the VT-IES Project relies on the state's procurement process and project management practices. These practices will ensure the effective execution of the proposed modular development approach, allowing for the incremental delivery of functionality and the seamless integration of modules. Additionally, the VT-IES Project is subject to mandated Federal and State laws, regulations, and policies related to security, privacy, disaster recovery, and system technology. Compliance with these regulations is crucial to safeguarding data, ensuring privacy, and maintaining the integrity and availability of the system.

### In Closing

The VT-IES Project is an integral component of IE&E System Modernization and will work with other initiatives to simplify the process of applying for and managing healthcare and economic services benefits for Vermonters. This document is for informational purposes only and is subject to change. The IE&E Program is committed to ongoing engagement with other states and the vendor community. Future outreach or solicitation of an RFI does not commit the IE&E Program or the State of Vermont to award a contract.