NM DWS Project Portfolio Update

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Agenda

- Technology Division Status
- Project Reviews
    - UI Tax and Claims System
        - uDetect Predictive Analytics, TRR, Appeals
    - Consortium
    - Non-PCC Project Initiatives

UI Tax & Claims System

- Change and Release Management by NMDWS staff – support team includes matrix of contractor staff
- Significant cross training occurring – use of hybrid agile methodology to achieve success and place DWS staff in lead roles
- Monthly minor/fix releases combined with longer cycle enhancements
- Prioritization based on Business Operational reviews and CCB process
- Longer cycles – moved to project efforts and managed accordingly
  - uDetect Predictive Analytics, Tax Rate Reform, Appeals Process Improvements
- Current O&M received legislative funding, expected RFP 2nd quarter
- Expansion of framework and reuse of infrastructure beyond UI
- Establishment of PMO overall

Enterprise UI System Project (UIA) Performance

- NMDWS has seen dramatic results in performance data since the launch of the new UI Tax & Claims System in 2013. The new system not only enhanced the level of service provided to unemployed workers and businesses but strengthened the state's ability to prevent, detect, and recover improper UI payments. The system integrated automated cross-match tools with external systems such as the State Information Data Exchange System (SIDES) and databases such as the National Directory of New Hires.

- NMDWS has reduced UI fraud by as much as $10 million, or 60%, (from 5.22% in 2012 to 2.11% in 2013) and New Mexico's UI program is ranked number one in the United States by the U.S. Department of Labor (USDOL) for quality of claims determinations (quarter ending September 2013). New Mexico has also significantly dropped from ranking 4th highest in the nation for improper payments in 2011, down to 26th highest in 2013. Improper payments are currently less than 8% for 2013.

- Performance levels have also exceeded expectations. The percent of eligible UI claims issued a determination within twenty-one days from the date of claim has jumped from a low of 55.4 percent to 89.8 percent, and the percent of all first payments made within fourteen days after the waiting week has increased to 88.9 percent, up from 70.8 percent.

- Service levels have greatly improved with the new system. As opposed to the old tax and claims systems, the new fully-integrated system rarely has any disruptions and system outages and scheduled downtime has been minimal

- Finalist for 2014 NASCIO Recognition Awards.

uDetect Predicative Analytics

- The State of New Mexico Department of Workforce Solutions (DWS) is seeking to gain insight into the sources, causes, and factors of overpayment fraud in Unemployment Insurance.

- The purpose of the project is to improve the detection and reduction of overpayment fraud through the use of uDetect™, an analytical system comprised of algorithmic solutions which will be customized to DWS historical data to identify unemployment insurance claims with a higher propensity to involve fraudulent activity.

- This supports our strategic goal to reduce the amount of improper payments by focusing on the reduction of unemployment insurance fraud. This was included in our 2013 Supplemental Budget Requests and is directly supported with US Department of Labor funding.

- Potential extension into other state agencies supporting intra state goals

uDetect Predictive Analytics

- Phase 1. Algorithmic Solutions Analysis: Evaluate, customize, and enhance uDetect fraud detection on unemployment insurance claims from DWS. -- **this research has been completed** and was precursor to pursuing solution.

- Phase 2. Scoring Engine Deployment: Implement Scoring Engine for uDetect in a technology solution to score unemployment insurance claims for the purpose of identifying and reducing potential overpayment fraud. (In Process)

- Phase 3. uFACTS Integration: Integrate the uDetect Scoring Engine within the uFACTS application, including configuration of input and output data streams to the Scoring Engine and design and development of a user interface. (In Process)

- Phase 4. Business Implementation: Enhance the businesses process whereby claims messaging and processing incorporating analysis results and subsequently managed within uFACTS (In Process)

Project: uDetect Predictive Analytics

Summary

During this project, Deloitte and DWS resources will implement the uDetect Predictive Analytics system within the uFACTS system. The project has three Phases: Engine, uFACTS Integration, and Business Implementation. These phases proceed concurrently over the course of the project.

G	G	G
Schedule	Resources	Risks

Current Activities

- Complete stakeholder interviews and document findings
- Draft application prioritization to review with Executive Steering Committee meeting
- Gather uDetect™ Engine requirements
- Setup uDetect™ Engine Development environment on the Deloitte infrastructure
- Preliminary project plan completed and reviewed

Upcoming Activities

- Come to consensus on uDetect™ application prioritization
- Draft high level benefit and cost calculations
- Update project plan based on estimated timeframe for prioritized applications
- uDetect™ Engine Requirements walkthrough and JAD session with DWS
- Finalize project plan, incorporating prioritization feedback

Key Issues

- None at this time

SDLC	Initiation	Planning	Execution	Testing	Close
Date	7/23/2014	8/8/2014	8/9/2014	3/27/2014	6/4/2014

Key Milestones	Scheduled Completion	Actual Completion
Project Plan (updated)	8/22/2014	
Business Implementation Requirements and Reporting Documents	10/17/2014	
uDetect™ Engine Design	10/6/2014	
uDetect™ Engine Development	12/19/2014	
UIA Integration Design	12/16/2014	
UIA Integration Development	2/3/2015	
Final Release	TBD	

Key Risks

Risk Description	Severity	Probability
None at this time		

UI Tax & Claims System Enhancement – Major Project

Summary

DWS' and Deloitte's teams will implement the new Tax Rate features in the UIA system as outlined in new Employer Tax Rate Legislation. The Legislation replaces the reserve ration system with benefit ratio system effective January 1, 2014. A new method is also employed for assigning contribution rates for new employers based on an industry average.

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Schedule	Resources	Risks

Completed Activities

- User Acceptance Testing (UAT) in progress (8/4 – 822)
- SOP and Training material drafts completed (final submission on 8/27)
- Code merge from Gold (July build) to TRR completed (8/19)
- 2015 Rate data analysis and revenue projections in progress
- Release/Integration plan completed (8/15)

SDLC	Initiation	Planning	Execution	Testing	Close
Date	12/2/2013	12/2/2013	1/15/2014	3/17/2014	10/30/2014

Key Milestones	Scheduled Completion	Actual Completion
System Requirements & Design	2/28/2014	3/7/2014
SOP	8/11/2014	
Application Development	7/3/2014	7/3/2014
Application Testing	9/19/2014	
Communications Plan	6/23/2014	4/21/2014
Training	9/19/2014	
Regulations	10/30/2014	
Implementation	9/12/2014	

Upcoming Activities

- Drafting and completion of informational flyer for employer
- Release/Integration execution

Key Risks

Risk Description	Severity	Probability
None at this time.		

Key Issues/Concerns

Uncovered few bugs in data from the data analysis exercise. Were able to accommodate the fixes in the timeline.

Summary

The Appeals Tribunal processes are manually intensive; utilizing paper forms with several "hand-offs." The intent of this project is to streamline and automate Appeals Tribunal processes by first reviewing document scanning and UIA capabilities, then based on "current state" process, produce a gap analysis for key stakeholder and executive staff review. Key Stakeholders and executive staff will then review options and determine which solutions will be implemented.

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Schedule	Resources	Risks

Current Activities

- Business focus area prioritization meeting – completed on Mon 8/11
- Project kick-off meeting – completed on Tue 8/12
- Business Requirements document drafting in progress (targeted completion – Wed 8/20)
- Production releases planning in progress (targeted completion - Fri 8/22)
- Re-baselining project schedule

Upcoming Activities

- Project Charter and Business Requirements document sign-off
- Project Plan draft
- JAD scheduling

Key Issues

None

SDLC	Initiation	Planning	Execution	Testing	Close
Date	3/28/14	4/15/14	TBD	TBD	TBD

Key Milestones	Scheduled Completion	Actual Completion
Project kick-off meeting	4/2/14	8/12/14
Document "Current State" Processes	4/30/14	5/9/14
Complete Gap Analysis	05/14/14	5/19/14
Project Plan draft	8/22/14	
JAD kick-off	8/25/14	

Key Risks

Risk Description	Severity	Probability
Appeals tribunal SME's availability for JAD sessions	H	M

UI Tax & Claims System Enhancement – Minor Project

Consortium Overall Objectives

- REDUCE THE COST OF NEW ENHANCEMENT DEVELOPMENT RELATED TO SPECIFIC PROJECTS BASED ON CODE SHARING AND COLLABORATION.

- IMPROVE MODERNIZATION EFFORTS AND ENSURE CONTINUAL IMPROVEMENT BY PROVIDING SUPPORT FOR OTHER STATE ORGANIZATIONS BASED ON BEST PRACTICES AND LESSONS LEARNED

- PROVIDE MEANS TO CONDUCT JOINT DEMONSTRATION PROJECTS IN ISOLATED ENVIRONMENT TO IMPROVE APPLICATION FUNCTIONALITY AND ADDRESS COMMON CRITICAL FAILURES/ISSUES

- IMPROVE UIA PERFORMANCE THROUGH SHARING OF COMMON CONFIGUATION SETTINGS AND RESULTING OUTCOMES

- Supports inter state collaboration goals

Consortium Status

- This is an ongoing collaboration with other states to ensure information sharing including lessons learned for both direct members and potential members. The scope includes a secured information sharing portal and a R&D for demonstration project.

- Provides a means to exchange technical specifications, use cases, design documents and application code free of charge to other states either at a modular, (State Information Date Exchange Marketing-SIDES, Treasury Off Set Program –TOPS, Cross-matches etc.) or as a complete integrated UI application.

- Provide a joint test bed for selected demonstration projects with states that have similar UIA foundational code and structure

- Initial demonstration project will be focused on incorporating enhanced security controls at the data level and producing monitoring reports from a similar and like UIA and DB code/structure base.

- Expansion to other states highly likely with potential for additional funding by US DOL.

- Site established, access provided, efforts underway

- Extension of funding through December 2014

Project: Consortium Project

Summary

The Consortium Project is aimed at providing a shared database and software application, modeled on NM's UIA System, to be used by consortium members to a) collaborate on solutions to common problems, b) share experiences, best practices, and lessons learned.

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Schedule	Resources	Risks

Current Activities

- Provide consortium users with access to the Consortium R&D System
- Conduct collaboration sessions to identify potential initiatives in the area of role management to improve internal security

Upcoming Activities

- Identify consortium users and create AD accounts
- Identify secure workstations and alter firewall(s) to allow access
- Distribute user guides and provide assistance to consortium users

Key Milestones	Scheduled Completion	Actual Completion
Make database and system available to consortium users	06/15/2014	
Provide Consortium Users with userid's, passwords, and roles	08/01/2014	08/20/2014 (est)
Conduct collaboration sessions with Consortium designees	08/01/2014	08/31/2014 (est)

Key Issues

* Multiple state team participation coordination impacting timelines

Non-PCC Project Initiatives

- Single Sign On
- Exadata – DR and performance support
- Worker Opportunity Tax Credit
- Labor and Industrial (Public Works and Apprenticeship)

Project: Single Sign-On

Summary

NMDWS will implement a single-sign-on (SSO) to address the challenging task of authentication, authorization and accounting for customers credentials. Today constituents utilizing NMDWS online services have an excess of credentials (user ids and passwords) for online applications. The intent of this project is to provide a solution which allows constituents and agencies to establish a user-friendly approach along with a stronger security posture.

Current Activities

- Conducted Map Session to begin documenting the Project Milestone, tasks and activities
- Documented the Application attributes
- Several meetings discussing the short and long term SSO design solution

Upcoming Activities

- Complete the short and long term SSO design solution
- Complete the Work Break Down Structure

Key Issues

- None

Summary

NMDWS will purchase and install new oracle hardware 1/8 rack (second exadata). Intent is to upgrade the existing ¼ rack (current exadata) and move it to DoIT (Santa Fe) and use as Test and back-up environment. This will allow DWS to have a full disaster recovery method and sufficient downtime available to update/upgrade any Oracle products on exadata. Reuse of framework beyond UI.

Current Activities

- Held the project kick-off meeting with internal stakeholders and external vendor support.
- Prepare for Mapping Session

Upcoming Activities

- Define the requirements and design future state system
- Conduct the Mapping Session
- Develop Project Schedule

Key Issues

None

Summary

A new system will be developed and implemented for the Work Opportunity Tax Credit (WOTC) business unit. This new system, modeled after one used in the State of Kentucky, will feature web-based self-service functionality for employers and third-party agents who apply for tax credits for hiring certain categories of hard-to-employ individuals. Along with enhanced automation for WOTC internal staff.

Current Activities

- User acceptance testing by WOTC completed
- Bulk upload demo for TPAs held on 8/18
- PROD environment set up completed
- Bulk upload testing by TPAs on PROD environment started on 8/19
- Initial communication sent to TPAs

Upcoming Activities

- Complete communications plan by 8/28
- Complete development/verification of reports
- Complete all User Guides by - ~~8/15~~ 8/22
- Complete TPA bulk upload testing by - 8/27
- Deployment/cut-over plan by – 8/29
- Go Live on 9/2

Key Issues

- Quality of software and thoroughness of testing – large number of bugs reported in testing. Post go live plan needs to be created

- Resource challenges impacting timelines – Phil tied up with SSO, Lynn moved to L&I, and DBA in training

Summary

The Labor and Industrial Division, specifically Public Works (PW) and State Apprenticeship Agency (SAA) processes are manually intensive; utilizing paper forms, excel spreadsheets, and outdated databases. The intent of this project is to streamline and automate the processes by develop a single database for both PW and SA agency, developing reports, querying capabilities and eliminating paper forms. Reuse of UI framework.

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Current Activities

- Resource planning completed to deploy project by mid-Dec 2014
- 2 BAs and 4 Developers assigned to meet the target date
- JAD sessions started from 8/19
- Completed high level design
- Develop Use Cases that are needed for JAD sessions
- Parallel development started by 4 developers

Upcoming Activities

- Complete development of Use Cases by 8/29
- Continue with JAD sessions thru 9/19
- Start writing test plan and test scripts

Key Issues

- Testing Resources to be assigned before JADs begin. Delay will impact the schedule

- Define process and escalation path for better coordination and communications among different team members

Contact/Questions

- Sue Anne Athens, CIO (505)841-8465