CIO Report to the Legislative Finance Committee
October 9, 2008

A. MITA Compliance and Exceptions to Information Technology (IT) Standards, Policies and Statute (2-17-515, MCA)

1. MITA Compliance
No compliance issues to report.

2. Exception Requests

There are no state policies or standards prohibiting the use of Bluetooth technology. However, based on a number of requests from agencies, the CIO has issued a CIO Advisory that describes the security risks associated with equipment using Bluetooth technology. The advisory reminded agencies that department heads are responsible for establishing internal controls to insure proper use of this technology and for disciplinary action as required to insure accountability for any improper disclosure of information or data (Section 2-15-114, MCA).

The Department of Administration (SABHRS) requested an exception to the ePass Montana for Secured Access standard in order to allow the HR Self-Service processes that use the SABHRS Outward Facing Portal to continue through August 2009.

Approval of this exception allows ePass to be incorporated into the current HR processes before the start of the 2009 Annual Change period.

We have approved this exception request.

The DOA SABHRS Finance & Budget Bureau (FAB) requested an exception to the ePass Montana for Secured Access standard in order to allow the DEQ ePayment processes that use the SABHRS Outward Facing Portal to continue through September 2009**.**

Approval of this exception allows ITSD and SABHRS FAB staff to collaboratively work together to include the necessary changes to the code and technical infrastructure to meet the requirements of the ePass for Secured Access standard. The e-Bill module will allow DEQ customers to pay for a variety of services on-line.

We have approved this exception request.

There were no hardware or software exceptions granted during this period.

B. IT Projects   (2-17-526, MCA)

Additional detailed information can be found in the IT Portfolio Report and the on individual Project Summary Reports.

1. Completed Projects

Transportation – Site Manager Materials Manager Implementation
The purpose of the project is to implement the materials management functions within the Trns•port module, Site Manager to various entities inside and outside the department. This will provide MDT with an accurate materials administration utilizing national DOT best practices. The original schedule was very aggressive to meet the goal of implementing the Material and Construction modules simultaneously. The project management team has extended the time frame to be able to maintain quality. They have completed assessing quality versus schedule and have completed a change order to extend the schedule to April 8, 2009 and reduce external costs by $175,500.

Revenue - Real and Personal Property Valuation and Assessment System (PVAS)
The Department of Revenue, Property Assessment Division is replacing five legacy computer systems (MODS, BEVS, CAMA, UAS, and Landisc) with one Real & Personal Property Valuation and Assessment System to be used statewide. All counties are in production with the new system.

2. Active Projects – Green Assessment

Administration – Network Expansion
The Network Expansion project supports the need to develop a converged telecommunications network environment as outlined in the State's Enterprise Strategic Architecture Plan published December 1, 2006. The funding approved by the legislature supports the technology upgrades needed to provide upgrade of the capitol complex fiber backbone, establishment of a non-state DMZ, peering of internet portals in the Helena and Eastern Montana Network Aggregation sites, and bandwidth upgrades for state offices and university units throughout the state to support the next generation network and services.

Health and Human Services - MMIS (Medicaid Management Information System)
MMIS is the Medicaid payment system that houses information related to enrolled providers and eligible Medicaid, CHIP and MHSP clients. The MMIS system adjudicates Medicaid, CHIP and Mental Health claims as well as information related to different payment systems (i.e. RBRVS, OPPS, fee for service). DPHHS has contracted with Fox Systems to complete an analysis of the current MMIS and make recommendations for continuing to use the current system, updating the current system, or total replacing the MMIS system. Fox's report is due June 30, 2008. DPHHS received $200,000 in state general fund dollars and is matching the funds with federal funds for a total budget of $2 million (09/10 funding).

Health and Human Services – ICD-10 (International Classification of Diseases)
This project is dependent on passage of a federal mandate to implement ICD-10 (International Classification of Diseases) coding requirements. If mandated the MMIS system will need to be enhanced to replace the current ICD-9 coding with ICD-10 codes. At this time, there is no required timeframe to implement. HB4 provided $2.7M in federal matching funds to match $300,000 in state general funds for a total project budget of $3 million.

Health and Human Services - Food Stamp Eligibility Determination
The project will replace portions of The Economic Assistance Management System (TEAMS), a 1980s mainframe system used to determine eligibility for Food Stamps, TANF (Temporary Assistance for Needy Families) and Medicaid. Currently many of the eligibility functions are performed manually on spreadsheets outside the system, leaving room for errors, inconsistency, and consuming valuable staff time. Currently TANF and Food Stamp eligibility are determined in TEAMS, with both combined in one system, changes necessary for Federal mandates are more difficult and require more time to complete than if the programs were separated. HB4 provided $13M of which $6.5M will be federal dollars. The

Food Stamps System Planning Advanced Planning Document (PAPD) was approved by the Food and Nutrition Service (FNS). DPHHS has contracted for a professional project manager and for assistance developing the RFP and procurement documents. The development RFP will be released this summer. Completion of the project is anticipated in 2011, although this estimate is not solid until the final planning is complete.

Health and Human Services - TANF (Temporary Assistance for Needy Families)
TANF is a new system designed to replace portions of The Economic Assistance Management System (TEAMS), a 1980s mainframe system used to determine eligibility for Food Stamps, TANF and Medicaid. TEAMS was later enhanced to include case management functionality for the TANF Program. Currently many of the eligibility and case management functions are performed manually on spreadsheets, leaving room for errors, inconsistency, and consuming valuable time. HB4 provided $7.6M in general funds to match $8.6M in federal funds. A 3.5 year development schedule is planned with an anticipated completion in 2011, although this estimate is not solid until the finally planning is complete. The development RFP will be released in the summer.

Health and Human Services - MACWS (CAPS)
The Montana Automated Child Welfare System (MACWS) is an automated social services system covering all major program areas of child protection, juvenile corrections and probation. The new CAPS will replace a mainframe system that does not meet mandated reporting requirements which are handled manually today. HB4 provided $27.1M in funding of which $15.2M is a general fund match. The CAPS System Planning Advanced Planning Document (PAPD) is being prepared for the Food and Nutrition Service (FNS). The RFP will be released very late in 2008. Development is expected to take about four years. Implementation will be in 2011.

Health and Human Services - CHIMES
CHIMES is a Medicaid eligibility system that will replace the Medicaid component of TEAMS, a mainframe based system currently used to determine eligibility for Medicaid, Food Stamp, and TANF programs. CHIMES will incorporate all Medicaid healthcare programs in one central system while moving the legacy system off the state mainframe. CHIMES will be used by county Public Assistance Bureau staff to determine applicant eligibility for approximately 40 Medicaid program coverage groups, as well as the Medicare Savings programs known as QMB, SLMB and Q11. The development of CHIMES will alleviate many existing problems, optimize interface processes, and dramatically improve the delivery of service to nearly 80,000 Montana Medicaid enrollees.

DPHHS has negotiated a $4.5M time and materials contract with Northrop Grumman for completion of the system.

Justice – MERLIN (Temporary Registration, Driver Control, Driver Licensing)
MERLIN is the continuation of the Team 261 project for improving efficiency and services within the Department of Justice, Motor Vehicle Division. The project is made up of three components: Core Accounting, Titling and Registration, Driver Control and Licensing. MERLIN will implement a customized commercial package over two years. Funding is being managed by splitting off non-essential requirements into separate statements of work (SOW) that will only be implemented as funding becomes available. The agreed-to fixed fee mandatory work is now fully funded. Contingency funding will be built by finding other sources of funds (e.g., grants) to help offset existing project costs (e.g., hardware purchases).

Passage of HB90 allows for the expansion of scope (enhancements through another Statement of Work) and increased funding stability (e.g., MVD can use for contingencies as needed). The budget remains at $28.5M with the passage of HB90. Delivery is scheduled for December 2008.

Justice – Drivers License System
The project will replace the current drivers' license system with an inter-operative system that includes integrated components (hardware, software & card production services) for appointment scheduling, automated driver license knowledge testing, digital driver license and identification card production, imaged-based facial recognition services and a functional method of authenticating supporting documents provided by customers. Goals of this project are to reduce lines at driver services stations from 2 hours to 30 minutes, integration with MERLIN, and compatibility with the Real ID act. Costs for the system will be funded through user fees. The contract with L-1 Solutions was signed in August 2007.

Montana State Fund – Insurance Intelligence
The Insurance Intelligence program is a multi-phase project that will implement a Workers Compensation insurance solution to replace the current Data Warehouse system. The first phase, program initiation, will (a) document business and technical requirements (b) complete an RFP for selecting vendors, software, and hardware (b) build an off-site proof of concept, (c) develop a project budget/charter/plan for the next phase (project 1).

Revenue – Taxpayer Access Point
TAP is phase IV of the IRIS project that will be one of the steps to help provide more accessible electronic filing and Telefile options to taxpayers who need it. TAP will result in more accurate return processing, improve voluntary compliance, improve the quality of services provided to citizens of Montana, and ease the burden of complying with the tax system. FAST Enterprises, LLC will commit to a one year TAP implementation period which will allow taxpayers to start using some functionality as early as the 2008 tax season.

Transportation – Site Manager Construction Manager Implementation
The purpose of the project is to implement the construction management functions within the Trns•port module, Site Manager to various entities inside and outside the department. This will provide MDT with consistent and accurate construction contract administration utilizing national DOT best practices. The team has formed a SiteManager Users of Montana Implementation Team from across the state that meets on a monthly basis to discuss project status and monitor progress and risks. Pilot projects are under way.

3. Active Projects – Yellow Assessment

No projects in Yellow status to report

4. Active Projects - Red (Challenged) Assessment

Administration – Enterprise System Service Centers (ESSC)
ESSC will construct redundant centers to house data, network and voice operations. Agencies will be encouraged to centralize/consolidate in the new facilities to improve efficiency and effectiveness of services. Miles city was announced as the location of the eastern site. The Helena site will be located near the MDT offices east of the Interstate. Since the project funding in HB4 was passed in the last legislative session, construction costs have increased dramatically. The project team is managing the size and scope of the project to remain within budget.

Project has been moved to Red Status because of funding concerns

5. IT Programs

Programs are collections of interrelated smaller projects aimed at a single goal. Programs' budgets, timelines, and scope change through time. The program sponsors often do not exert direct control over the program participants. Classic project management measurements of progress are often inaccurate.

Administration - Interoperability Montana (Public Safety Radio)
This project will create a statewide public safety radio system implemented through a series of regional installations. This project consists of nine consortiums (eight voice radio and one mobile data) led by local emergency response groups with state and federal partnership. All 56 counties and seven Tribal nations are members of a consortium. Representatives from each consortium sit on the Interoperability Montana Project Directors Board. This Board sets priorities for system development and approves individual projects. The project primarily utilizes homeland security funding, with state and local supplements.

The Interoperability Montana Governance Committee (IMGC) June meeting focused on a proposal to formalize governance for the IM Project. The IM project's legal authority will be established in a Memorandum of Understanding between the consortia and state agencies. The Northern Tier consortium and selected Interoperable Montana sites are just starting the implementation of their infrastructure, microwave network, and radio assets. Northern Tier microwave installation and testing is on track with radio trunking to be available to roughly half the sites by the end of this construction season.

Administration - Enhanced 9-1-1 (E9-1-1) Program
The project will implement statewide E911 service, including Phase II wireless capability. Enhanced 911 provides the phone number and location information to the Public Safety Answering Point (PSAP). Phase II wireless provides the phone number, location and GPS coordinates to the PSAP. The project also includes an emergency notification service and a redundant network. Thirty six (36) Public Safety Answering Points (PSAP's) have committed to using the statewide contract for services from Century-Tel. The original goal was 35 participating PSAPs. Thirty one (31) are in production. Nineteen PSAPS continue to use Qwest. The timetable for PSAPs to convert is primarily based on their ability to build highly accurate addressing records. Conversion will extend through September 2008.

Justice - Broker System
This project will create an interface system (broker) for transmitting data and transactions between applications at Justice, Corrections, and the Courts. The Integrated Justice Information System (IJIS) Broker is an extendable open standards platform. Multiple individual modules will be implemented to serve the data exchange needs of several agencies and bureaus within agencies.

The project has had several scope changes as a result of detailed requirements gathering. This has affected the overall budget and timeline. The IJIS Broker is now in pilot with the first information exchange partner. Individual data exchanges include:

- Driver History (complete)
- Criminal Photo Repository (complete) - see the MT Missing Persons website
- Crime Victim Notification
- Enhanced E2E Fingerprint Processing
- eCitation
- eDisposition

Transportation – Traffic Safety Records
The Traffic Records Strategic Plan Implementation (TRSPI) project's objective is a measurable reduction of traffic accidents and related fatalities. This will be accomplished by linking individual agencies' disparate systems and databases which house crash-related data. The project funding will come primarily from National Highway Traffic Safety Administration (NHTSA) administered grants over the next four years. The estimated future funding available from NHTSA is approximately $500,000 annually for four years. The first year of the project (2007) was focused on securing grant funding and identifying sources of necessary data. In future years, as funding becomes available, the program will generate separate smaller IT projects that will aggregate and share crash-related data from individual agencies.

C. Policies (5-12-205, MCA)

The Policy and Planning Services Bureau was dissolved during the recent reorganization of ITSD and some personnel were reassigned to the CIO Support Section to take over the CIO Policy Program. Work is progressing on the following policies and procedures.

- **Guidelines for Statewide Information Systems Security (Published July 28th)**
  The purpose of these guidelines is to describe for all state agencies the framework for development of a comprehensive, collaborative security program to ensure the integrity, availability, confidentiality of state information systems, the data contained in those systems, and to identify the anticipated timeframes for implementation of statewide policies to implement the overall IS security program.

- **Legacy Policy Update**
  The "legacy" policies published on the Enterprise Information Technology Publications webpage (http://itsd.mt.gov/policy/itpolicy.asp) have undergone a review. Legacy policies are those policies published prior to July 2006. During the review, the following actions were performed:
  o Identified and corrected obsolete contact information,

  o Identified and corrected references to organizations that have become defunct or have been superseded by other organizations,

  o Changed the format of all policies to a common format,

  o Made other non-material changes.

- **IT Project Management Policy**
  The development team has completed the initial draft of the Project Management Policy and the associated procedure. The policy has been revised by the new PMO and is undergoing review by ITSD's senior management team.

- **Procedure for Establishing and Conducting IT Pilots**
  The procedure has been updated to reflect ITSD's organizational changes and ITSD's senior management team is evaluating the procedure.

- **Computer Security Incident Management Policy**
  ITSD has drafted statewide policy and standards on Computer Incident Management. These documents are currently with DOA legal for review.

- **Information Security Roles**
  ITSD has drafted statewide policy and standards on Information Security Roles. This document is currently with to DOA legal for review.

The policy development teams are also working on IT planning and IT procurement policies.

D. State Strategic IT Plan (2-17-522)

State Strategic Plan
The State Strategic Plan for Information Technology was delivered to the Governor on March 1, distributed electronically on April 1, and hardcopies were distributed.

Agency IT Plans
Agency IT plans are composed of three parts: the Template, Supplements and MBARS IT Projects module. The Template is the main body of the agency plan that contains goals, objectives, and information on the agency infrastructure. The detailed project level information is contained in Supplements; one for each project or initiative. Supplement budget information is entered in the MBARS IT Projects module. ITSD received 95 supplements and evaluated them before submitting to the budget office. The CIO approved 28 of the 30 agency IT Plans received.

E. Coordination with OBPP

OBPP and DOA/ITSD continue working toward the goal of coordinating the IT planning and budgeting cycles. The objective of the revised process is the one-time collection of information required for the evaluation of IT projects. ITSD prepared an evaluation for OBPP of the IT projects and initiatives described in the Supplements. OBPP will use this information when constructing the Governor's budget proposal.