

Dear Governor Shumlin,

I am writing to express concern with the progress and management of the Health Systems Enterprise in Vermont.

My frustrations with administration of Vermont's health insurance exchange, Vermont Health Connect, are well known. Its extraordinary costs and inability to achieve full functionality are well-documented. In fact, I have repeatedly suggested that Vermont move to a federal exchange, or a partnership exchange, to give Vermonters and small businesses access to a system that works and is more affordable in terms of future maintenance costs.

Now we have learned that you are negotiating with yet another IT vendor on another massive IT project, known as the Health Systems Enterprise project at a cost of nearly \$100 million.

Like virtually every system in state government, there is no doubt Vermont's aging eligibility system requires an upgrade. The current ACCESS system is more than 30 years old. It doesn't provide the efficiency, value, productivity or accountability we need to more efficiently and successfully protect the most vulnerable. There is no better example of the necessity of bringing state government into the 21st Century. But it has to be done right.

Failure to learn from previous mistakes will exacerbate existing challenges and continue to frustrate Vermonters who want to see state government become more effective and live within its means.

It is also concerning that the vendor you are negotiating with, WiPro, a company based in India with much of their work outsourced to India, does not have a track record of success in building Integrated Eligibility systems. In fact, it's my understanding they have only been awarded a contract in one other state -- Nebraska -- and the project has already been plagued with delays and problems. I am also troubled that WiPro's outsourcing, if it occurs on this project, could prevent Vermonters from attaining potential job opportunities.

As you know, the House and Senate Institutions Committees decided not to fund the Health Systems Enterprise Projects through the Capital Bill, as you proposed last session. With that in mind, I urge delaying the award of this contract until you, at the very least, demonstrate to the full legislature clear project expectations and management protocols. This is far too important to become another example of why state government can't be trusted with IT projects.

Sincerely,

Phil Scott
Lt. Governor