



Department of Health
2021-23 First Supplemental Budget Session
Maintenance Level - M3 - HELMS Project Budget

Agency Recommendation Summary

The Department of Health is implementing a new licensing and enforcement system for health care providers and facilities. The Health Care Enforcement and Licensing Management System (HELMS) will transform licensing and enforcement processes, improve data security, support electronic records management, and improve access to information. The project has experienced unanticipated delays and issues that will extend the timeline by seven (7) months and increase costs by \$6.5 million.

Fiscal Summary

Fiscal Summary <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2022	2023	2021-23	2024	2025	2023-25
Staffing						
FTEs	0.4	12.2	6.3	0.0	0.0	0.0
Operating Expenditures						
Fund 001 - 1	\$101	\$142	\$243	\$0	\$0	\$0
Fund 001 - 7	\$13	\$19	\$32	\$0	\$0	\$0
Fund 02G - 1	\$2,555	\$3,610	\$6,165	\$0	\$0	\$0
Fund 202 - 1	\$25	\$35	\$60	\$0	\$0	\$0
Total Expenditures	\$2,694	\$3,806	\$6,500	\$0	\$0	\$0
Revenue						
001 - 0597	\$13	\$19	\$32	\$0	\$0	\$0
02G - 0299	\$2,555	\$3,610	\$6,165	\$0	\$0	\$0
202 - 0420	\$25	\$35	\$60	\$0	\$0	\$0
Total Revenue	\$2,593	\$3,664	\$6,257	\$0	\$0	\$0

Decision Package Description

The HELMS project is overseen by the state IT Investment Pool through gated funding. The project was estimated to cost \$24.9 million after an initial re-baseline of the budget in 2020. Actual cost of the project will be recovered through an assessment on each provider and facility. This proposal relies on existing balance in all the relevant accounts to support HELMS. DOH does not anticipate the need to raise healthcare professional or facility fees to finish the implementation of this project.

The HELMS project has experienced some unanticipated issues that caused delays, will extend the overall project timeline by seven (7) months, and increase costs by an additional \$6.5 million (bringing the total project cost to \$31.4 million). The additional time and cost increases are largely the result of not having complete information during contract negotiations with the integration services vendor. As the Department of Health (DOH) completed the discovery phase of the project with the vendor, new information came to light that caused the vendor and the department to reassess the resources and time required to complete the project.

Specific factors that led to the extension in the project timeframe and budget include:

- Higher than expected costs for the Salesforce platform;
- Incorrect assumptions about our ability to allow the vendor to access the existing ILRS database;
- Slower than anticipated data migration progression resulting in a 15-week delay;
- Delays in security design reviews and approvals resulting in a 10-week delay; and
- Unforeseen delays in setup of the infrastructure.

These issues will require an additional 13,500 hours for the vendor and 8,500 hours for department staff to complete the project requirements.

DOH requests authority to spend an additional \$6.5 million to complete the HELMS project. The components of this cost increase include:

- \$3,471,000 Contracted services – system integration, quality assurance and contract staff,

- \$1,287,000 6.0 FTE for DOH staff time and related costs,
- \$1,049,000 software subscriptions and,
- \$255,000 for 1.3 FTE IT System Administration to begin the transition to maintenance and operations.

Funding for the project will be recouped through an assessment on licensed health care professionals and facilities. The average annual assessment per provider and facility will increase by \$3 (from \$13 to \$16 annualized) for a total of \$66 per licensee.

Ensuring DOH completes HELMS will result in 1) improved access to inspection data; and 2) potential for increased data collection that will help DOH better understand access to care issues and enforcement issues related patient safety. This could help DOH make policy decisions that benefit at-risk populations, rural communities, tribes, etc.

Alternatives Considered

Alternative 1: Stop the project and continue using the existing system. This alternative would result in a loss of \$10.7 million investment, require licensees and facilities to pay for those costs without return in efficiencies, and the need to support manual process and other systems planned to be integrated into HELMS. The current system is legacy technology that is no longer supported by the vendor. Continuing to use it over time places continuity of operations at risk.

Alternative 2: Stop the project pursue a competitive procurement for a different software platform. This alternative would also result in a loss of investment, increase costs to licensees and facilities, and further delay the timeline. Any previous investments would be lost, and implementation would move to late FY 2025.

Alternative 3: Reduce project scope. This alternative presents high risk of business operations becoming less efficient and effective because of a less capable system. The current legacy system has complex business logic and integrated parts that cannot be removed to have a functioning system.

The major consequence of not funding this proposal include:

- The integration services vendor could pull out of the contract and bring the project to a halt.
- Stakeholders would not see the benefits of the new system.
- DOH would continue using an aging legacy system that does not meet business needs and limits cost-effective changes required by the legislature.
- There could be cost over-runs later in the project due to change orders, additional schedule delays, and reduced system functionality would be imminent.
- IT market conditions change often and it's likely the prices would increase from those negotiated in the current vendor contracts.
- In addition to the loss of \$10.7 million already invested, total project cost to start over with another RFP would be an estimated \$43.5 million (total project cost if the decision package is funded will be \$31.4 million)

Assumptions and Calculations

Expansion, Reduction, Elimination or Alteration of a current program or service:

N/A

Detailed Assumptions and Calculations:

See Financial Calculator

Workforce Assumptions:

N/A

How is your proposal impacting equity in the state?

HELMS has several features which will improve the ability for the public, researchers, and government agencies to obtain health care information. HELMS will include data on practice locations and health specialties for providers which will allow public health agencies, researchers, and others to identify gaps in services. This information will guide the development of services to underserved populations that will benefit most, including communities of color, underprivileged, and rural populations

Strategic and Performance Outcomes

Strategic Framework:

This proposal supports the Governor's Results Washington goal areas of healthy and safe communities and efficient, effective, and accountable government. It also supports the agency and division goals of equity, innovation, engagement, access to care and patient safety. The proposal does this by ensuring we complete HELMS realize our objectives of:

- better access to inspection and enforcement data to ensure we are keeping patients safe;
- increased data collection to help us better understand access to care issues, and
- data informed policy decisions that address health inequities and disparities.

The proposal supports the agencies transformational area of data, information, and technology innovations through the continuation of the project resulting in better data collection to inform policy decisions and increased efficiency and use of resources by combining multiple data systems into one.

Performance Outcomes:

Upon completion, the new HELMS will:

- reduce the risk of system failure;
- reduce the risk of inappropriate access to sensitive information;
- support electronic records management thus reducing the risk and labor-intensive manual effort associated with paperbased records;
- provide rolebased security to support best practices, such as separation of duties; and
- increase public access to information to support personal health care decisions.

Specific to the HELMS project itself, this proposal will help DOH:

- implement HELMS within scope, schedule, and budget;
- implement webbased access for healthcare providers to review and manage relevant information (e.g., credential application status, address updates, compliance, and discipline related information). This capability is anticipated to be phased in by program; by the end of the project, all provider types will be able to use this feature. Goal: 100 percent of providers can review and manage relevant credential and enforcement information by June 30, 2023;
- associate healthcare providers with their practice locations where state law or rule requires reporting of practice location. Goal: Implement for 100 percent of Medicaid providers by June 30, 2023; and
- provide access to electronic investigation records for healthcare regulatory boards, commissions, and committees. Goal: Implement electronic access to investigation records for 100 percent of disciplinary authorities by June 30, 2023.

Other Collateral Connections

Puget Sound Recovery:

N/A

State Workforce Impacts:

N/A

Intergovernmental:

N/A

Legal or Administrative Mandates:

N/A

Stakeholder Response:

Health profession associations – In preliminary presentations on this proposal, the associations present had concerns with the costs and ensuring future cost controls. With those concerns, we believe the associations see the benefit of the system and will be neutral or supportive of the proposal.

Health care facilities associations – We have not heard concerns from facilities.

Changes from Current Law:

No changes are required.

State Facilities Impacts:

N/A

Reference Documents

[2021-23 PL-Increase Spending Authority for HELMS Project \(IT Addendum\) \(1\).docx](#)

IT Addendum

Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?

Yes

Objects of Expenditure

Objects of Expenditure <i>Dollars in Thousands</i>	Fiscal Years		Biennial	Fiscal Years		Biennial
	2022	2023	2021-23	2024	2025	2023-25
Obj. A	\$22	\$954	\$976	\$0	\$0	\$0
Obj. B	\$10	\$342	\$352	\$0	\$0	\$0
Obj. C	\$2,657	\$766	\$3,423	\$0	\$0	\$0
Obj. E	\$5	\$1,670	\$1,675	\$0	\$0	\$0
Obj. J	\$0	\$19	\$19	\$0	\$0	\$0
Obj. T	\$0	\$55	\$55	\$0	\$0	\$0

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