Alaska's Eligibility Information System Modernization Project

Post-Mortem

Reflecting on the Good and the Bad from Alaska and 18F's first RFP

December 18, 2017

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Background

Alaska's Department of Public Assistance recently announced the award of their first agile software development contract to Resource Data, Inc., an Alaskan company based out of Anchorage, AK. This is the first of many smaller contracts that Alaska is going to award as part of implementing their modular approach to modernizing their Medicaid Eligibility Information System (EIS). See Alaska's GitHub repository for additional background information on the modernization strategy and the first RFP that will update the Search functionality of the existing system.

Purpose

On December 18, 2017, the Medicaid Modernization Team from Alaska and 18F held a "Post-Mortem" session as part of our commitment to continuous improvement. In thinking about the first buy in our modular procurement strategy, we considered what things worked well, and what things did not work well? The context for this exercise included all of the work leading up to the point where an award was made to Resource Data, Inc.

What worked well?

The team was asked to identify a number of items that seem to work well during the procurement, whether it was under our team's control or not.

The narrow scope of the first contract

The team found that the narrow scope of the contract allowed for the vendors' to focus on the true technical approach that they were going to take for the specific search functionality. Because we weren't talking about hypothetical things that might be needed in a few years, the vendors could propose some specific ideas they had for how to approach the work.

- "The scope was narrow enough that technical people on the vendor team could show expertise".
- "Vendor selection went very fast".
- "We could identify vendors that really did their homework/ differentiate from those who did not".
- "We went into the buy with a good amount of information that we could use in vendor assessment".

The evaluation process

The team was satisfied that the final decision to award to Resource Data, Inc. reflected the best value for the project. The process allowed the team to use their subjective judgement in deciding the technical scores for the vendors. The evaluation criteria was meaningful to what the state was looking for from the vendors.

- "The process worked! A great vendor...got the contract."
- "Amazing amount of latitude for decision-making rests with the procurement officer [and the proposal evaluation team]. Very efficient."
- "Somehow the cheapest vendor was also the best, which is a good sign."
- "The evaluation sections were the right things to score"
- "PEC discussion of reviews of proposals was helpful"

Questions and answers on GitHub

We thought that GitHub issues was an effective way of responding to questions and comments from vendors. We found that it made it much smoother to respond to multiple comments coming from multiple companies. We also liked the way we could link to changes we decided to make in response to a vendors' comments as part of our responses.

- "Q/A with vendors worked excellently"
- "Github issues worked well for soliciting vendor feedback"
- "Using issues for Q&A was smooth, especially given the # of contributors"
- "Vendor questions were answered very quickly"

Technical prototyping was useful

The Alaska and 18F teams worked early in the project to identify technical risks and unknowns. To help address these prior to an award to a vendor, the Alaska and 18F teams developed a technical prototype to demonstrate the feasibility of the technical approach, and to help build out and exercise the state's new CI/CD pipeline (VSTS + Azure). The source code for the prototype and a resultant report on findings and outstanding issues was included as part of the solicitation materials on Github.

- "Prototype helped guide vendors"
- "Prototype helped us get AK organized for a vendor (cloud, CI/CD, etc)"
- "Prototype helped us to narrow in on focus- made the RFP a much better product"
- "Vendors liked and were helped by our prototype work"
- "Tech prototype eliminated much [of the] risk"

The vendor interviews

The team found the interviews offered even greater insights into the vendors and their approaches. They liked that the way they were structured allowed for similar questions to be asked of all the vendors, while allowing a deeper dive into certain areas based on what we were hearing. Hearing from the actual team that would be doing the work offered the evaluation team some great insights.

- "Vendor interviews were incredibly valuable"
- "Interviews were þä"

- “Interviews were the most helpful part”
- “Interviews answered many questions”

The vendors and their helpful feedback!

Early on, we identified a risk that vendors that are proficient in agile, user-focused development might not be interested in bidding on a government contract. Based on the feedback from interested vendors throughout the RFP process, we are fairly certain that risk has been mitigated. We received valuable comments from over a dozen companies on our draft RFP that helped us as we revised and issued our final RFP. Questions asked by the vendors throughout the process helped us to identify gaps in our documentation and approach and led to what we consider a solid final RFP.

- “We wound up with [quite a few] vendors that would have been acceptable.”
- “Wide range of vendor responses. good litmus test for project”
- “Vendors seemed interested in following our progress”
- “Vendors knew and understood modular approach”
- “Posting a draft of the RFP [on GitHub] was a good idea”
- “Vendors called out our shortcomings in prototype”

What didn’t work well?

A lot of time and effort for contract of this size

We felt that there was a lot of time spent from the initial February workshop in Anchorage to the release of the final RFP in November. Especially given the relatively small budget and time period for the first contract.

- A lot of overhead (time / effort) for relatively small RFP
- Speed to procurement ~ 9 mos
- Large effort for a vendor that is on a task order system
- Almost 9 months from start of project to 1st RFP
- Tech/security issues slowed us down
- Some of our outstanding technical risks weren't necessary

Action Items:

The team thought there were valid reasons for the length of time from kickoff of the project to award of the first contract. The prototyping work, learning to work in agile ways, setting up the DevOps pipeline, and figuring out how to fold some of the modern concepts into the standard RFP template allowed us to become better prepared for working with new vendors. We feel that the foundational work and templates will make the next RFP much easier to pull together and get feedback from vendors.

Action items:

- Mark Headd lead up a team to draft a blog post of how prototyping and foundation work led to a better environment for bringing on vendors.
- Randy Hart copy the existing RFP into a new repo, noting areas that will need to be updated vs. areas that should be good as a template.

Fewer vendors responded to final RFP than expected

We had high expectations for the number of vendors that would compete for the first contract based on the amount of interest expressed throughout the RFI and draft RFP process. We had comments and feedback from more than 15 very strong companies, but only got proposals from 6. We want to increase the size of the vendor community that follows our work and make RFP offers.

- “Far less vendors submitted than [were following the RFP on GitHub]”
- “Feedback from some vendors after award missing”
- “I hope that vendors will get over their distaste for .NET.”
- “I'd like more viable vendors bidding.”

Action Items:

- Randy Hart and Jon Geselle email participating vendors for their feedback on the progress, via a short google form that should be lightweight for vendors.
- Post the Google Form on the main Alaska Repo.
- Post anonymized results of the vendor feedback in the GitHub Repo.

The evaluation factors and points

Although we awarded the first contract to a talented team that looks very well-positioned to deliver, there were some potential problems with how we structured our evaluation criteria. Alaska typically employs a points-based / objective proposal evaluation schema that makes it more difficult for their evaluation teams to use their subjective judgement in the evaluation of proposals. Luckily, the procurement officer in charge of the process found ways to allow the evaluation team to exercise their discretion as they considered the proposals and vendor interviews. There were still ways that we might want to reconsider evaluation criteria and weighting in our future RFPs.

- "Point distribution could be adjusted"
- "Having vendor interviews as a separate evaluation category"
- "The points system was a little bit constraining (although I think [the procurement officer] did a great job of keeping it as subjective as possible)."
- "If we put the budget out, we should hope that vendors propose to the budget to avoid any future gaming of the point system".

Action Items:

- Randy Hart and Jon Geselle ensure the next RFP doesn't have a separate evaluation factor for "Verbal Interviews", but allows the verbal interviews to be considered alongside the written proposal in evaluating the other evaluation factors.
- Once scope of the next procurement is finalized, consider reducing the number of evaluation factors.
- Consider including a statement that vendors should propose labor hours that equate to the budget number that is included in the RFP. Although no one "bought in" for the first procurement, it's a risk in the future due to the points system.

Requirements from Federal funding authorities don't always align with modular contracting for agile software development.

Alaska was completely willing to try an agile, user-focused approach to product development and acquisitions. Explaining what we were doing to their funding

authorities in CMS proved to be a major challenge that required a lot of overhead. CMS has well-intentioned regulations and analysts, but the artifacts and documentation they require from states is counter to modern software processes. The disconnect between modern and traditional approaches to software led our team to spend too much time responding to questions from central governance vs. planning for a better approach to Medicaid systems.

Leadership in CMS advocated for Alaska to take this new approach, but the message didn't filter down throughout the organization.

- "Getting fed buy-in for new process was/is a challenge"
- "Budget questions weren't answered until late in the process"
- "Lots of cycles burned talking to CMS"

Action Items:

- 18F - Continue working with CMS team to consider possible changes that can be made in order to align governance with agile practices.
- Ensure budget is below $500K for the first few RFPs, to develop track record of delivering and to build trust with federal partners.
- Alaska continue working with CMS to educate them on what we're doing and why.

The systems we used for our draft and final RFP aren't aligned

We thought the completely open approach to drafting and posting our solicitation documents was a positive. However, the existing systems we use to collaborate internally and externally were a challenge. Alaska uses the Vendor Self Service (VSS) platform to post their procurement documents. Alaska is also not allowed to use certain collaboration systems, such as Google Docs, due to central IT rules. We were able to work around these constraints but they were challenging.

- "Keeping VSS and GitHub synced [was a problem]"
- "Syncing documents between Github and vendor self-service system was hard"
- "It was kind of a heavy lift to track Q&A responses. Google docs would make it much more efficient"

Action Items:

- Alaska is not allowed to use Google Docs, so we will continue using Trello and other tools for collaboration.
- Jon will post a link to the RFP's GitHub account in VSS for the next procurement. Any amendments will be made on GitHub vs. trying to keep the GitHub and VSS versions synchronized.

Interviewing every vendor might have wasted the time of the vendors and the government.

The vendor interviews were seen as overwhelmingly positive, but we should consider whether some of the interviews added value to our ultimate award decision. The interviews helped us to understand some of the confusing/overlooked parts of vendors' written proposals. But some of the written proposals were off-base enough that we probably shouldn't have wasted the vendors' time by asking them to prepare and participate in a second round. We should consider whether there is a way to distinguish vendors that are likely to stand a chance of award at the time of written proposals.

- "...some interviews were unnecessary"
- "It might have been a waste of PEC and vendor time for a few of the interviews to have occurred."
- "We could have been more cohesive/prepared as a group for interviews"

Action Items:

- Jon Geselle to investigate whether there is a mechanism to shortlist vendors based on evaluation of written proposals.