



STATE OF WISCONSIN
Department of Employee Trust Funds
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Information Technology (IT) Strategic Plan Update Fiscal Year 2017

Prepared March 2016

1. Top Five IT Goals

The Department of Employee Trust Funds (ETF) administers retirement, insurance and other benefit programs for state and local government employees and retirees of the Wisconsin Retirement System (WRS). The WRS covers nearly all public employees in the state except those employed by the City of Milwaukee and Milwaukee County and some very small governmental employers. The WRS currently has approximately 1,500 employers, 256,000 active members, 164,000 inactive members, and 193,000 retired members. The group health insurance program covers approximately 250,000 lives.

ETF also administers a number of other employee benefit programs, available to all state employees and some local government employees.

Strategies

The Department's overall strategic plan was recently updated to include the following goals:

- 1) Maintain compliance with industry financial and accounting standards, federal and state laws, agency rules, policies and procedures.
- 2) Administer program benefits and services that are sustainable for our members and employers.
- 3) Employ business practices that incorporate documentation, testing, evaluation, and risk management.
- 4) Expand metric-based decision making to contain costs, maximize quality, and add value for our customers.
- 5) Optimize business processes and systems that must be integrated, secure, and flexible.
- 6) Develop and implement a secure, intuitive benefits administration system that empowers our customers to access online benefits information and self-service tools.
- 7) Provide information and education, accessible services, and interactive communications to meet customers' needs.
- 8) Foster a diverse and skilled workforce that is adaptive, collaborative, forward-thinking, accountable, and productive.

As part of the recommendations from the November 2015 Segal Consulting report, ETF is proceeding with the development and distribution of the following Requests for Proposals (RFP) in 2016:

- Evaluate a self-insurance approach for health insurance benefits
- Data Warehousing and Business Intelligence for health insurance cost, quality and performance monitoring
- Wellness Program
- Pharmacy Benefit Manager

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IT Plans

The Department continues to work to replace all of its line-of-business legacy applications with a purchased public employee benefits administration system (BAS). In February 2014, ETF signed a contract with Vitech Systems Group to implement their V3 system to meet all of ETF's line-of-business processing needs. In November 2015, the first of three releases went live. ETF, Vitech and DET have been working on Releases 2 and 3. This project is expected to wrap up in 2019.

The mission of ETF's IT shop is to maximize the value that we provide to our internal business partners and external customers. As we embrace enterprise technical service offerings from DET and partner with Vitech for our new benefits administration system, we are developing future state core competencies that will focus more on business automation, and the use and exploitation of technologies for our business programs. This focus is in alignment with the Department's strategic goals.

In SFY17, ETF's top Five IT goals are:

- 1) BAS
 - a. Optimize BAS Rollout 1: Imaging, Workflow, and Content Management. After Rollout 1 go-live in November 2015, there are some remaining enhancements to be released into the product.
 - b. Continue to work on BAS Rollout 2, currently scheduled to go-live in January 2018. Rollout 2 is focused on functionality for benefit processing, employer reporting, and limited member access. It will entail significant bridging and interfacing between ETF legacy systems and the new BAS.
 - c. Decommission ETF legacy business as they are replaced by the BAS.
- 2) Continue our Data Integrity project to profile and cleanse our legacy data and prepare it for conversion to the BAS.
- 3) Support key initiatives at ETF, particularly in the Office of Strategic Health Policy and the process management efforts in the Division of Trust Finance.
- 4) Complete the re-hosting of ETF's technical infrastructure to the DET data centers.
- 5) Enhance overall ETF cyber-security through various projects and initiatives.

ETF has not begun budget planning for SFY17 at the time of the writing of this plan. An estimate of ETF's IT-related expenditures for SFY17, using the FY16 budget as a basis, is approximately \$17M.

This number includes compensation for agency staff in IT job classifications in our internal IT bureau and our Office of Enterprise Initiatives, but not the staff in IT job classifications located in other parts of the organization. The estimate includes hardware, software, DET charges for mainframe, infrastructure and BAS hosting, and network services, VMS

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contractors, IT-related training and travel, and vendor costs associated with our TIM initiatives. This number doesn't yet reflect charges for STAR as they are still being estimated.

2. Agency Projects

1) Project Name: Transformation, Integration, Modernization (TIM) – Benefits Administration System (BAS)			
2) Project Type: <input type="checkbox"/> New FY17 <input checked="" type="checkbox"/> Ongoing			
3) Project Description: ETF will replace all its line-of-business computer applications with the Vitech V3 benefit administration system. This four-year project will be completed in three rollouts: 1) Imaging, workflow, & document management; 2) CRM, Employer portal & reporting & administration functionality; 3) Benefits administration, & member portal. This system will interface with STAR. ETF is hosting this system at DET.			
4) Project Schedule	Start: March 2014	Completion: 2019	
5) Application Platform:	<input type="checkbox"/> Mainframe	<input type="checkbox"/> Windows Multi-Tier	<input type="checkbox"/> Client-Server
	<input checked="" type="checkbox"/> Web Internet	<input type="checkbox"/> Web Intranet	<input type="checkbox"/> Physical
6) Application Type:	<input type="checkbox"/> Consolidated	<input type="checkbox"/> Co-located	<input type="checkbox"/> Virtual
	<input type="checkbox"/> State Developed	<input type="checkbox"/> SaaS	<input type="checkbox"/> Transfer
	<input checked="" type="checkbox"/> COTS	<input checked="" type="checkbox"/> Vendor (DET) Managed/hosted	<input checked="" type="checkbox"/> Other (specify) _____ Consulting services
7) Technical Architecture Components: Vitech's V3 BAS is a purchased system that requires extensive configuration and some customization. Major technologies are Java and Oracle Database. Most of the functionality is proprietary to Vitech.			
8) Estimated Total Project Hours: 4 Years + 1 Year Warranty		8a.) Estimated Total Project Cost: \$28.5M	
9) Related Projects and Dependencies: Data Integrity, FMIS			
10) Is this a High-Profile Project? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (If Yes, complete information below.)			
Executive Sponsor: Bob Conlin		Division: Office of the Secretary	
Business Sponsor: TIM Steering Team		Division: Enterprise	
Senior Project Manager: Bob Martin		IT Authority: Steve Mueller	
Is Full Funding for Project Approved/Secured?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Funding Source for the Project: <input type="checkbox"/> GPR \$ _____		<input type="checkbox"/> PR \$ _____ <input checked="" type="checkbox"/> SEG \$28.5M	
		<input type="checkbox"/> FED \$ _____	
11) Issues that may influence successful execution of the project: See 9. Issues below			

1) Project Name: Transformation, Integration, Modernization (TIM) - Data Integrity		
2) Project Type: <input type="checkbox"/> New FY17 <input checked="" type="checkbox"/> Ongoing		
3) Project Description: ETF has contracted via a RFP with ICON Technologies to profile, cleanse, and assist with the conversion and migration of all legacy line-of-business data to the new BAS.		
4) Project Schedule	Start: January 2013	Completion: Commensurate with the final phase of the BAS implementation – May, 2019

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	<input type="checkbox"/> Mainframe	<input type="checkbox"/> Windows Multi-Tier	<input type="checkbox"/> Client-Server
5) Application Platform:	<input type="checkbox"/> Web Internet	<input type="checkbox"/> Web Intranet	<input type="checkbox"/> Physical
	<input type="checkbox"/> Consolidated	<input type="checkbox"/> Co-located	<input type="checkbox"/> Virtual
6) Application Type:	<input type="checkbox"/> State Developed	<input type="checkbox"/> SaaS	<input type="checkbox"/> Transfer
	<input type="checkbox"/> COTS	<input type="checkbox"/> Vendor Managed/hosted	<input checked="" type="checkbox"/> Other (specify) ___ Consulting services
7) Technical Architecture Components:			
8) Estimated Total Project Hours:		8a.) Estimated Total Project Cost: <u>\$2.95M</u>	
9) Related Projects and Dependencies: Required for the data conversion to the BAS			
10) Is this a High-Profile Project? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (If Yes, complete information below.)			
Executive Sponsor: Bob Conlin		Division: Office of the Secretary	
Business Sponsor: TIM Steering Team		Division: Enterprise	
Senior Project Manager: Bob Martin		IT Authority: Steve Mueller	
Is Full Funding for Project Approved/Secured?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Funding Source for the Project:		<input type="checkbox"/> GPR \$ _____ <input type="checkbox"/> PR \$ _____ <input type="checkbox"/> SEG \$ <u>2.95M</u> _____	
		<input type="checkbox"/> FED \$ _____	
11) Issues that may influence successful execution of the project: See 9. Issues below			

1) Project Name: ETF Infrastructure Rehosting (to DET)			
2) Project Type: <input type="checkbox"/> New FY17 <input checked="" type="checkbox"/> Ongoing			
3) Project Description: ETF is moving all its IT infrastructure to DET's data centers and taking advantage of DET's hosting services.			
4) Project Schedule	Start: June 2014	Completion: Winter 2015-16	
5) Application Platform:	<input type="checkbox"/> Mainframe	<input checked="" type="checkbox"/> Windows Multi-Tier	<input type="checkbox"/> Client-Server
	<input checked="" type="checkbox"/> Web Internet	<input checked="" type="checkbox"/> Web Intranet	<input type="checkbox"/> Physical
	<input checked="" type="checkbox"/> Consolidated	<input type="checkbox"/> Co-located	<input checked="" type="checkbox"/> Virtual
6) Application Type:	<input type="checkbox"/> State Developed	<input type="checkbox"/> SaaS	<input type="checkbox"/> Transfer
	<input type="checkbox"/> COTS	<input type="checkbox"/> Vendor Managed/hosted	<input type="checkbox"/> Other (specify) ___ Consulting services
7) Technical Architecture Components: Windows, Linux, WebSphere, SQL, etc.			
8) Estimated Total Project Hours:		8a.) Estimated Total Project Cost: <u>\$880K</u>	
9) Related Projects and Dependencies: This project timeline is set so as to avoid any conflicts with other major initiatives such as BAS and STAR.			
10) Is this a High-Profile Project? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (If Yes, complete information below.)			
Executive Sponsor: Dana Perry		Division: Management Services	
Business Sponsor: TIM Steering Team		Division: Enterprise	
Senior Project Manager: Raffi Mesdjian		IT Authority: Steve Mueller	

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Is Full Funding for Project Approved/Secured?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	
Funding Source for the Project:	<input type="checkbox"/> GPR \$ _____	<input type="checkbox"/> PR \$ _____	<input type="checkbox"/> SEG \$ _____ \$880K _____
	<input type="checkbox"/> FED \$ _____		
11) Issues that may influence successful execution of the project: See 9. Issues below			

3. Potential Agency Projects

None

4. IT Infrastructure Projects or Expenditures

Other than the ETFIR project (2. above), which is expected to run through calendar year 2016, ETF does not at this time expect to have any infrastructure projects during SFY17 that exceed \$100,000.

5. ETF Plans to Migrate to Office 365

ETF is about to start the third and final year of our Microsoft Enterprise Agreement (EA). This agreement will expire at the end of fiscal year 2017. ETF expects to begin our project to migrate to Office 365 sometime in early-to-mid calendar year 2017.

6. ETF Plans to Migrate to VoIP

ETF will move to the new Hill Farms state office building in early calendar year 2018. We plan to partner with DET to pilot VoIP in multiple ETF business units prior to our move to the new building.

7. *Response removed for Web publishing purposes.*

8. ETF Application Portfolio Assessment

ETF has several mission critical business applications with a very high level of business value. Many of these applications are not on the most current technologies. With the BAS and STAR projects, ETF is in a very unique position over the next few years to uplift the overall technical condition of our application portfolio nearly across the board.

9. Additional Issues & Activities

In fiscal year 2017 ETF will be assessing business intelligence and data warehouse technologies and solutions. We will do this in close partnership with DET.

Issues that may impact the successful execution of our agency IT plan are:

1. Inadequate internal staffing to meet demands (business and IT resources);
2. Staff turnover, finding and keeping talent
3. State and/or federal legislative changes affecting our programs
4. Workload increases due to an increase in participants seeking benefits and services
5. Department of Administration Division of Enterprise Technology (DET) priorities requiring ETF IT managers and staff resources, DET rates and DET resource availability to work on ETF's priorities

Please contact Steve Mueller, CIO/IT Director, at 608-266-3960 if you have any questions.