

Hawaii Details 12-Year IT Roadmap To Streamline Business Processes While Improving Efficiency

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Earlier this month, Hawaii unveiled a plan to overhaul the state's use of technology to streamline business processes to improve the delivery of government programs and services.

As part of this, the newly-created Office of Information Management and Technology developed a 12-year roadmap which outlines the necessary steps that will drive the decade-long business and technology transformation. The Transformation Plan was developed in consultation with state agencies and after a thorough review of national best practices and lessons learned from other states. The effort is one of the key initiatives under Governor Neil Abercrombie's New Day Plan, which calls for a transformation focused on jobs and investments in people to "ensure long-term economic prosperity and resilience."

"A solid foundation must be built that will enable the state to continuously adapt in order to provide services, now and in the future," said Hawaii CIO Sanjeev "Sonny" Bhagowalia. "This 12-year plan, which includes two years of planning and 10 years of implementation in multiple phases, will revolutionize the way information is managed to improve how programs and services are delivered to the public."

As reported, Governor Abercrombie appointed Bhagowalia as its first chief information officer in 2011, after recognizing that a large-scale effort was needed. Hawaii said the state has "not significantly invested in technology for more than 30 years," while noting that "transforming the state's \$11 billion business enterprise with 220 business functions and services across 35 distinct lines of business is an enormous endeavor."

The Transformation Plan will morph the current paper-based and inefficient business environment into a future environment that is more cost-efficient, digital, and mobile-accessible. It will also consolidate the state's 743 fragmented legacy systems into fewer, but, integrated, enterprise-wide solutions that facilitate improved information sharing.

Currently, Hawaii spends about 1.4% of its annual budget on technology, while most states invest around 2% to 3%. Industry best practices suggest spending between 3% and 5% of the annual budget on technology to realize the greatest benefits.

The **Business and Information Technology/Information Resource Management (IT/IRM) Transformation Plan** includes three major components:

1. Streamlining and improving current business processes and applications to directly benefit the public.
2. Leveraging the state's investment in shared support services and technology infrastructure.
3. Establishing a strong organization-wide management and oversight framework, including policies, processes, performance measures, program management and organizational change management.

As part of the transformation, Hawaii has identified 11 top strategic technology priorities, which include:

1. **Enterprise Resource Planning (ERP)** - Hawaii is moving forward with implementation of an enterprise-wide ERP system that will replace the large majority of the current central systems within the Enterprise Support Services band.
2. **Tax Modernization** - This involves a strategic initiative to explore ways to streamline and modernize tax processing away from the current Integrated Tax Information Management System (ITIMS). It will expand the overall use of electronic tax filing, electronic payment, improved analytics, and improved case management processing to streamline and decrease cycle times for the citizens of the state.
3. **Health IT** - Envisioning a more effective, efficient, patient-focused healthcare system, Hawaii's Transformation Plan includes a four-point strategy of innovations for Delivery System Improvements, Payment Reforms, Health IT and Healthcare Purchasing. Hawaii is seeking systemic improvements in public health through measuring health status, performing assessments, and the tracking of preventions, promotion, and outcomes. The State will look to use Electronic Health Records and a secure exchange of information to improve care coordination, reduce duplication and waste, empower patient engagement in their health, and enable public health analytics to shape policy decisions that will improve the overall health system.
4. **OneNet/Enterprise Services Network** - A single network, OneNet, will look to fulfill the network needs of all state departments and employees and citizens with guaranteed performance levels.
5. **Adaptive Computing Environment (ACE)** - Establishes a consistent configuration for computing devices across the State using pre-approved vendors. State employees can order standard systems that are engineered to operate most efficiently in the OneNet environment. Choices are provided based on job classification for mobile/tablet solutions, laptop/desktop, or a strictly virtual environment for certain work. These systems require fewer support resources than non-standard configurations, enhance overall support effectiveness, and reduce total cost of ownership.
6. **Shared Services Center** - For the future State vision, the goal will be to have five fully meshed functional shared services centers (SSC) distributed across the islands to provide high availability, redundancy, fault tolerance, data backup and replication, disaster recovery, and always-on services to Hawaii. Connections between shared services centers will be provided with dedicated high-speed fiber optic lines with service providers and State wireless connections acting as redundant and backup links respectively.
7. **Information Assurance & Privacy** - Hawaii has a fully integrated Security Operations Center (SOC) and Computer Security Incident Response Center (CSIRC) to: provide uninterrupted security services while improving security incident response times; reduce security threats to the State; and enable quicker, well-coordinated notification to all State Departments regarding security threats or issues.
8. **Mobile Computing** - Hawaii is aiming to establish a standard mobile applications solution pattern and approach with standard methods, skill development, contractor resources, and tools/technologies in conjunction with the adoption of preferred smartphones and tablets. Since mobile application development has a very small footprint in the State at this time, this initiative will need to analyze, pilot, and invest/implement in a standard approach, capabilities, and tools for developing mobile applications.
9. **E-Mail, Collaboration and Geospatial** - This effort is looking to provide several integrated services in a single environment, including integrated multi-media online communications services; collaboration and conferencing services, and multimedia content and information services.
10. **Open Government** - Seeks to establish a State of Hawaii data.gov internal and public-facing website to facilitate the sharing of master data sets.
11. **Hawaii Broadband** - Hawaii currently has many broadband projects underway as part of the Hawaii Broadband Initiative (HBI) with departmental participation that highlights the importance of the program. An assessment of the current program illuminates the fact that there must be strong unification of these disparate efforts within an established, disciplined program management framework with continual progress reports.

Our Take: Overall, we applaud the actions taken by the new CIO to outline how the State of Hawaii can streamline its operations while improving efficiencies through the use of technology. With this in mind, Deltek expects opportunities in the areas of IT refresh, systems integration, portal development, broadband, and IT services to arise as a result of these significant IT efforts.

In terms of contracts, Hawaii currently has over 154 active GovWin tracked opportunities. The following is a breakdown of Hawaii's top 5 opportunities (in terms of value) across all market verticals:

1. **Pharmacy Benefit Management Services and Fiscal Agent Services In Support of Pharmacy Claims Processing:** Value: >\$30 million; Primary Requirement: IT

4. Professional Services; Award Date: February 2013.

2. **Statewide Telecommunications Equipment**; Value: >\$30 million; Primary Requirement: LAN/WAN Equipment; Award Date: January 2014.

4. **Hawaii Broadband Initiative**; Value: >\$30 million; Primary Requirement: Fiber Optic Materials & Components; Award Date: June 2013.

4. **Health Insurance Exchange Services**; Value: <\$30 million; Primary Requirement: Information Technology; Award Date: November 2012.

5. **Third Party Administrator (TPA)**; Value: <\$30 million; Primary Requirement: Information Technology; Award Date: July 2013.