# ICA Claims/ALJ System Modernization Project

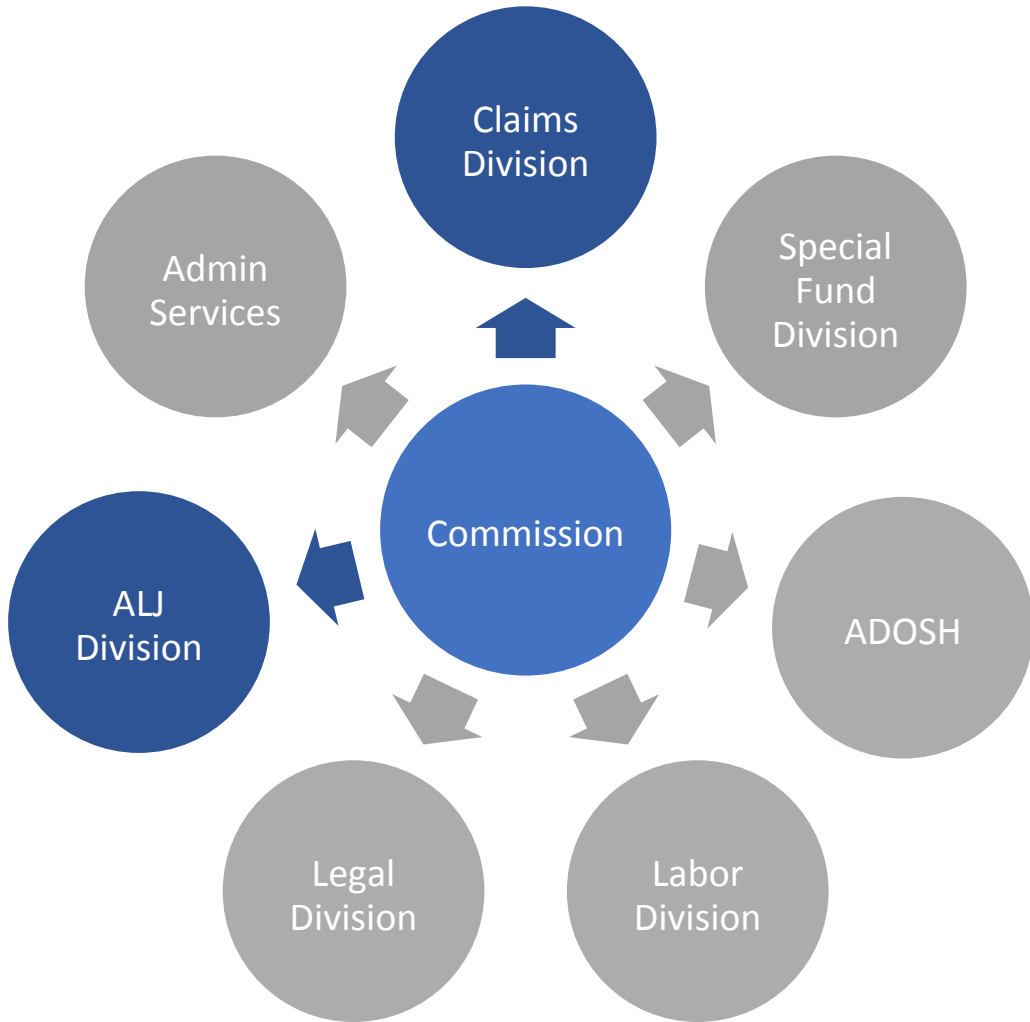# Industrial Commission of Arizona

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11/14/2018

# Agency Overview



The Industrial Commission administers and enforces state laws relating to the protection of life, health, safety, and welfare of Arizona's employees.

| FY 2018 | Budget Resources |
|---|---|
| General Fund: | $0 |
| Other Appropriated Funds: | $19,881,300 |
| Other Non-Appropriated Funds: | $20,967,100 |
| **Total Funds:** | **$40,848,400** |

# Current Claims System

Outdated technology
- 25+ year old legacy mainframe application
- 4 legacy applications + paper processes

Limited Data Reporting

Poor User Experience
- Limited integration among multiple applications
- Lack of self-service opportunities
- Significant manual processes by staff
- Frequent system crashes resulting in agency wide outages

# Current Internal User Experience

# Current Claims System Technical Risk

## Current platform

- Claims System application developed in 1991
- Shrinking pool of skilled development staff to support old technology
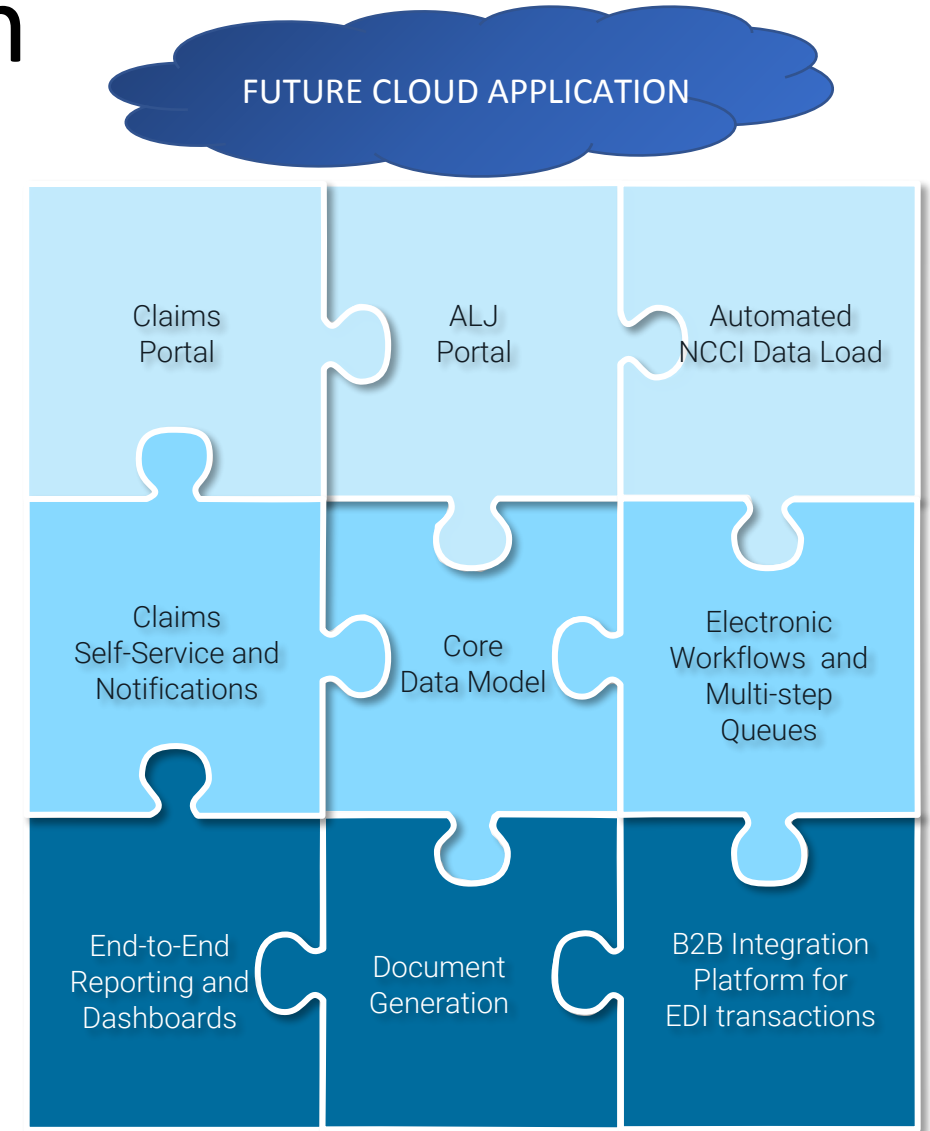
## Inflexibility

- Extensive code modifications are required to accommodate business changes
- Legacy code is incompatible with modern coding standards
- Non-relational database structure

## System security

- Existing code does not support modern security requirements

# Proposed New Claims System

- Salesforce Platform - SaaS (Software as a Service)
  - Aligned with State's Cloud-First Strategy
  - Fast, Low-Cost Implementation & Deployment. In contrast to traditional on-premise solutions
  - Scalable, more secure, more reliable, quicker to deploy, and more innovative
  - Updateable/Configurable. Applications can be updated on demand to adapt to business changes
  - Cloud Maturity. The platform has been available since 2007 and over 4 million custom apps have been created
  - Secure. FedRAMP Certified – GovCloud
- Data Integration: Mulesoft
- Document Management: ViewCenter 5.0
- Document Creation: Drawloop & Adobe Sign for electronic signature
- GovCloud: AWS Cloud Hosting

FUTURE CLOUD APPLICATION

Claims Portal

ALJ Portal

Automated NCCI Data Load

Claims Self-Service and Notifications

Core Data Model

Electronic Workflows and Multi-step Queues

End-to-End Reporting and Dashboards

Document Generation

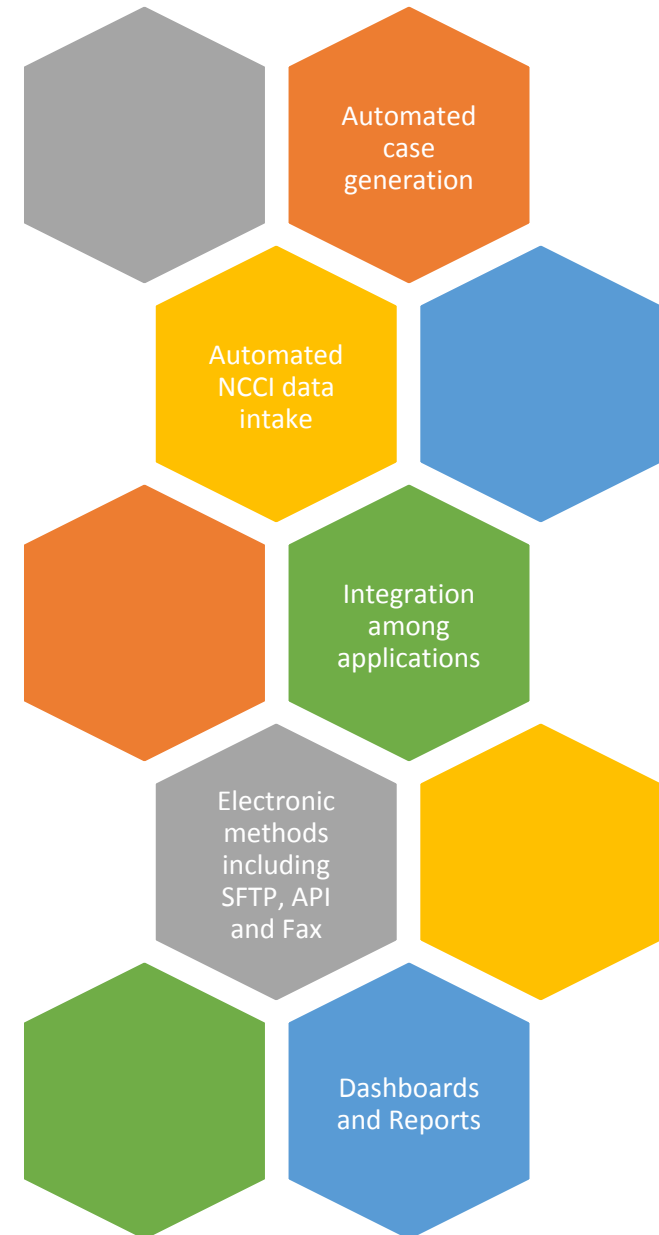B2B Integration Platform for EDI transactions

# Project Milestones Achieved

- Automated claims management system implemented using Salesforce Service cloud

- New Interested Parties Portal implemented using Salesforce Community cloud

- Implemented webforms with validations and electronic signature process

- Capability for Interested Parties to request access to a case file, add files, download files

- Automated form intake processes using electronic methods like SFTP/API/Webforms

- Automated document generation using pre-defined templates

- Automated workflows to allow team members to focus on most important tasks
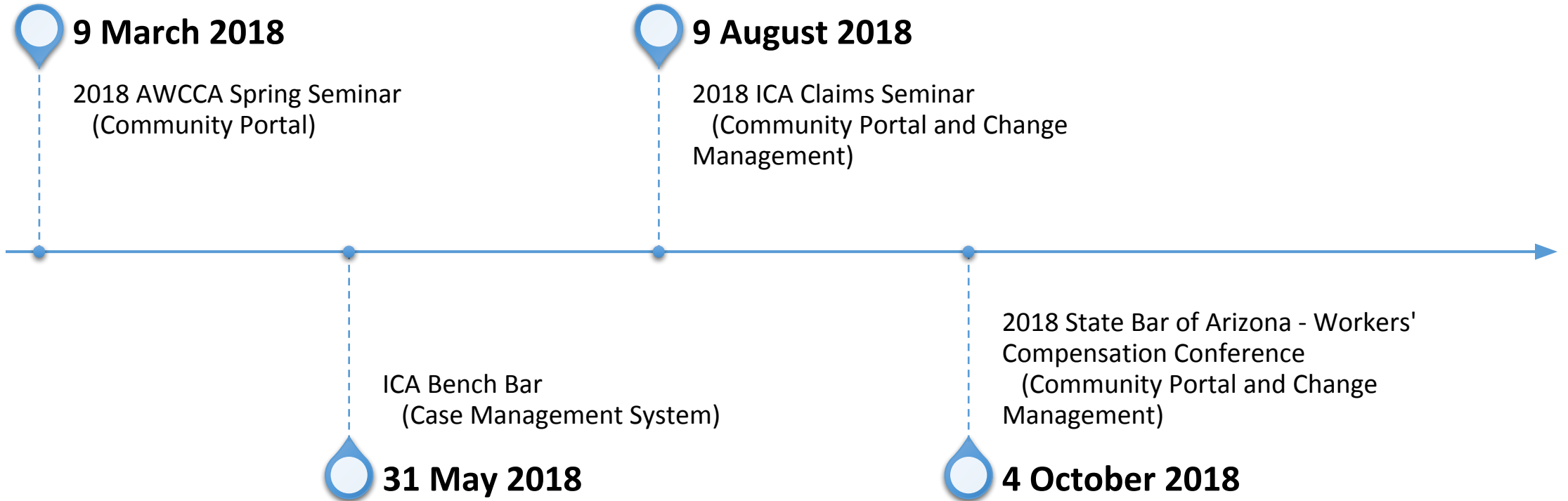
# Project Milestones Achieved (cont.)

- Automated case generation for Administrative Law Judge Division (ALJ)

- Automated NCCI data intake and carrier information management

- Integrated external applications including ICM ViewCenter, JWS with Claims and ALJ application

- Ability to serve parties electronically through SFTP, API, and fax

- Dashboards and Reports for key performance indicators

- Organizational/external customer change management activities and user preparation

Automated case generation

Automated NCCI data intake

Integration among applications

Electronic methods including SFTP, API and Fax

Dashboards and Reports

# Demonstrations of the New Claims and ALJ System for External Customers

**9 March 2018**

2018 AWCCA Spring Seminar
(Community Portal)

**9 August 2018**

2018 ICA Claims Seminar
(Community Portal and Change Management)

ICA Bench Bar
(Case Management System)

**31 May 2018**

2018 State Bar of Arizona - Workers' Compensation Conference
(Community Portal and Change Management)

**4 October 2018**

# New Features Required for Launch based on Customer and End-User Feedback

- Integration with Pitney Bowes Mail Management System

- Migration of ICA's document management system, Viewcenter, to Amazon Web Services (AWS)

- G-Suite integration

- Additional/advanced web forms for use by carriers

- Ability for community and internal users to view Court of Appeal documents and merge and zip all documents for a claim or case for easy access and viewing

- Advanced logic for electronic submissions that have gone unsigned by the public

- Enhanced outbound document flow that incorporates ICA mail room hours, holidays and weekends in order to obtain an accurate certificate of service date

- Advanced logic for ALJ outbound document captions to take into account multiple claimants, carriers, employers, and defendants-in-interest
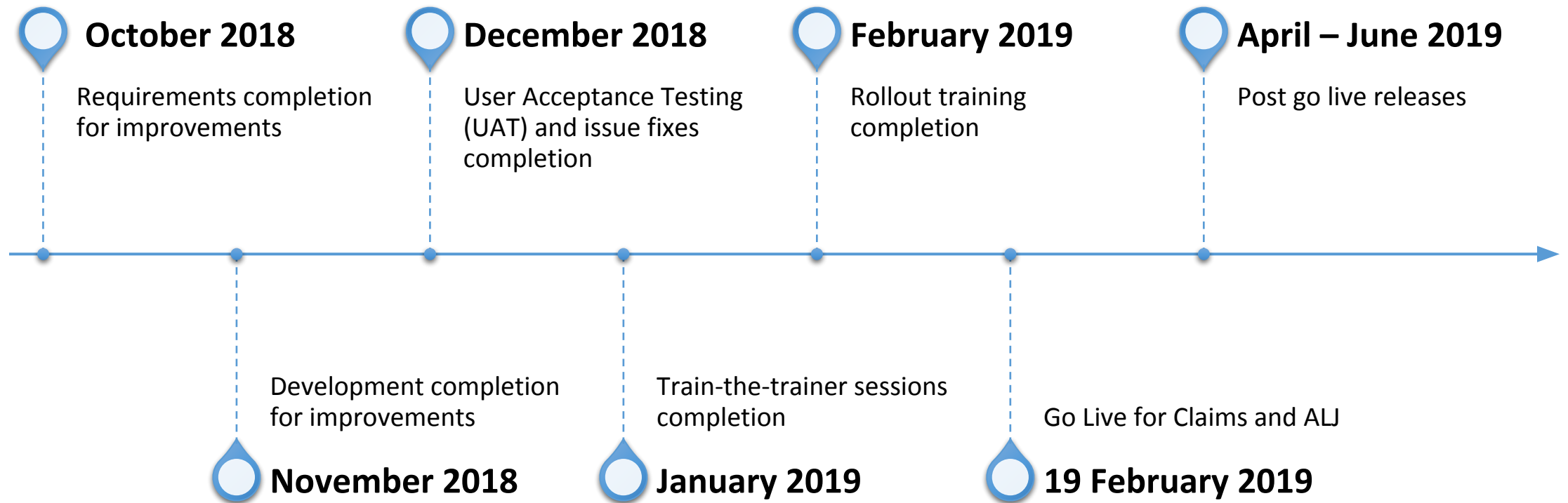
# Proposed Improvements Post Launch

- ALJ Electronic Service for ICA outbound documents and documents uploaded by Interested Parties

- Features to satisfy all requirements requested by the Court of Appeals including user-friendly document titles

- Automated upload of ALJ JAVS hearing recordings to claim and ALJ case file

- BLS Annual Report

# Project Cost Adjustments

|  | Original Project Cost | Modified Project Cost | Change in Cost |
|---|---|---|---|
| Year 1 - Professional & Outside Services | $1,252,560.00 | $1,453,648.57 | $201,088.57 |
| Year 1 - Licensing & Maintenance Fees | $325,997.00 | $325,997.00 | $0.00 |
| **Year 1 – Total Project Cost** | **$1,578,557.00** | **$1,779,645.57** | **$1,779,645.57 (+12.74%)** |
| Years 2 thru 5 - Operational Costs | $314,007.00 per year | $314,007.00 per year | $314,007.00 per year |
| **Impact to General Fund** | **$0** |  |  |

# Revised Schedule and Go-live Timeline

**October 2018**

Requirements completion for improvements

**December 2018**

User Acceptance Testing (UAT) and issue fixes completion

**February 2019**

Rollout training completion

**April – June 2019**

Post go live releases

Development completion for improvements

**November 2018**

Train-the-trainer sessions completion

**January 2019**

Go Live for Claims and ALJ

**19 February 2019**

# Project Risks

| Identified Risk | Mitigation |
|---|---|
| Timeline | • Multi-phased development |
| Aggressive Schedule | • Mitigated with multi-vendor solution<br>• Agile development<br>• Project management In-house and with vendors |
| Bridging New System to Old | • Early engagement of staff for workflow documentation<br>• Testing early/often<br>• Legacy system available for production through launch |
| Impacts to ICA Staff | • Communication plan<br>• Organizational change management<br>• Training<br>• Community outreach for feedback |

# Project Summary of Benefits

Moves Claims System to new customer-focused, efficient cloud-based platform

Replaces unstable legacy systems within the agency

Meets Governor's goal of service through digital governance

Provides increased flexibility to adapt when necessary

Establishes consortium model, proven to be efficient in high-volume states

Utilizes development teams on-site in Arizona

Improves internal and external customer experience