

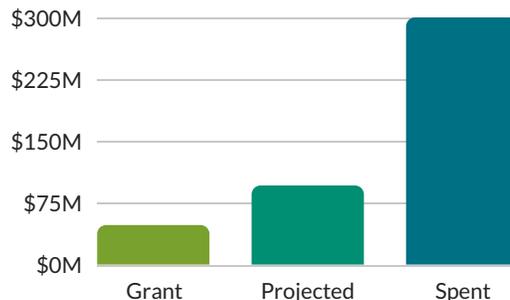
Cover Oregon Failed Implementation

Project Summary

Cover Oregon was the State of Oregon's program to implement the federally mandated healthcare exchange. Oregon elected to build and operate its own exchange and decided to go wall-to-wall with the use of **Oracle software and used Oracle resources to support the implementation.**

The website was unable to process any enrollments and the state had to hire or reassign nearly 500 people to process the paper applications Oregon residents were required to mail in. With **\$300M spent and not a single application taken through the exchange**, Oregon and Oracle filed dueling lawsuits in 2014.

Spend vs. Planned



Key Decisions

1. Taking on a project with a firm deadline – risk on quality or budget
2. Deciding to make the project bigger by combining with replacement project
3. Using a combination of software that has never been used in practice

Project Timeline



Key Takeaways

- Involvement of multiple bureaucratic organizations complicates decision making and results in complex governance
- Audit results should be taken seriously
- Combining projects increases risk

What went wrong?

Cited in the federal CMS report, this disaster was the result of:

1. Poor Project Management
2. Poor Contract Management
3. Poor Software Management
4. Lack of System Environments
5. Poor Testing
6. No Funding in place to move environment forward.

Lessons Learned

1. Limit scope or have scope off-ramps when delivery date not negotiable
2. Take action on independent assessments
3. Vendor management & contracting matters
4. Internal talent is a leading indicator of project success

*This is a compilation of publicly available information.