



ADMINISTRATION FOR
CHILDREN & FAMILIES

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February 21, 2025

Barbara C. Guinn
Commissioner, DHS
State of New York
New York Office of Temporary and Disability Assistance
40 North Pearl Street
Albany, NY 12243

Re: NY-2024-12-11, NY-2024-12-16, and NY-2025-01-17

Dear Commissioner Guinn:

This letter is in response to three submissions from New York dated December 10, 2024 (NY-2024-12-11), December 13, 2024 (NY-2024-12-16), and January 16, 2025 (NY-2025-01-17). NY-2024-12-11 is New York's response to a request for additional information, NY-2024-12-16 is a request from New York to approve the Advance Planning Document submitted in June of 2024, and NY-2025-01-17 is New York's Annual Advance Planning Document Update in response to previous correspondence. These letters are in response to previous correspondence (NY-2024-06-18 and NY-2024-09-04). NY-2024-06-18 requested the U.S. Department of Health and Human Services (HHS) review and approve the state's Implementation Advance Planning Document Update (IAPDU)/Annual Advance Planning Document Update (AAPDU) for the Enrollment and Eligibility (E&E) Integrated Eligibility System (IES) project. NY-2024-09-04 was the state's response to our Request for Additional Information about the IAPDU/AAPDU.

New York's IES project is an information system benefitting multiple federally funded programs: Office of Child Support Services (OCSS), Centers for Medicare & Medicaid Services (CMS), and Food and Nutrition Service (FNS). The IES will be a flexible, state-wide solution that will support state and local workers and other designated partners by providing a sustainable, trusted, and efficient system to improve the state's and local social service districts' (SSDs) abilities to achieve their core missions.

The state's desired outcomes are as follows:

- Improve client outcomes,
- Client-focused service delivery,
- Improve referrals and inter-agency coordination,
- Improve worker experience,
- Provide a flexible state-wide solution,
- More efficiency and accurate service delivery,
- Maximize the value of state and federal investments through reuse of existing systems,
- Reduce operational costs.

This review includes revisions/supplemental information provided in the following submissions:

- NY-2024-06-18 – This was the state's submission of an IAPDU/AAPDU for federal fiscal year

2025.

- NY-2024-09-04 – This was the state’s response to HHS’s Request for Additional Information about the state’s IAPDU/AAPDU. In summary, we requested additional details about the program’s roadmap, contingency planning, the funding request, the canceled child support module procurement, and more details about completed activities and planned activities for the child support component of the system.
- NY-2024-12-11 – This is the state’s response to NY-2024-09-04 in which the state responded to our request for additional information about the project, including an updated procurement tracker, closeout documentation for the Deloitte Systems Integrator and PBITS contracts, more details about “rollover funds,” and more information about changes to the project’s approach.
- NY-2024-12-16 – This letter requests full approval of the state’s IAPDU/AAPDU, dating back to the NY-2024-06-18 submission.
- NY-2025-01-17 – This submission provides an updated version of the state’s IAPDU/AAPDU with information such as more detail about rollover funds and information about New York’s considerations of transfer systems for components of the IES project.

In the IAPDU/AAPDU (NY-2025-01-17), New York requests approval of federal financial participation from the Centers for Medicare & Medicaid Services, Office of Child Support Services, and Food and Nutrition Services for the following design, development, and implementation activities:

- IES Program – System Integration (SI) procurement.
- Platform and Share Services (PSS) – design of the training environment and build of various PSS environments; development of shared services for the IES Program.
- Eligibility, Enrollment, and Case Management (EECM) – iterative development of the EECM in alignment with Human Centered Design (HCD).
- IES Financial Management (FM) – iterative requirements process using Elaborated Requirements (ER) and Joint Application Requirements sessions as inputs.
- Fair Hearings (FHS) – modular based delivery approach with replacing system/components of the FHS ecosystem.
- Organizational Change Management (OCM) and Training – review the latest Request for Proposals based on previous information. Evaluate vendor responses, onboard the selected OCM vendor, and execute planned activities.
- Data Management (DM) – identify, document, and elaborate on functional and non-functional requirements.
- Child Support (CS) – release a procurement for technical resources and development.

After reviewing the state’s submissions for CMS and OCSS, HHS is disapproving the state’s Annual Advance Planning Document Update, including the request for federal financial participation from the Centers for Medicare & Medicaid Services and Office of Child Support Services based upon the following reasons:

1. Since 2016, the state has made minimal progress on the development of the IES project. Although, the state developed a Mobile Document Upload system and the Hearing Recording System between 2018 and 2021, five other key modules within the IES project are not complete: Shared Services, Fair Hearings, Eligibility Enrollment Case Management, Financial Management, and Child Support.
2. Since federal fiscal year 2021, HHS has approved a total of \$121,262,726 in federal financial

- participation (\$52,458,620 from CMS and \$68,804,106 from OCSS).
3. Poor communication from state leadership about written monthly status reports and key updates or changes, such as the failure to inform ACF and CMS about New York's plans to terminate the Deloitte Systems Integrator contract.
 4. Lack of lessons learned from the failed project has not been provided.
 5. There are several discrepancies in the state's budget, such as lack of clarity year over year between what was approved and what was claimed. This needs to be validated by the state.
 6. The project lacks a detailed plan or schedule with clear milestones through 2028, the project's go-live date.
 7. New York's IES project leadership transitioned several times, which hampered progress and resulted in a loss of institutional knowledge.
 8. Lack of clarity of requirements has been an ongoing impediment to the success of this project.

Unfortunately, we cannot continue to provide funding for a project that has made minimal progress since 2016. In addition to the termination of the requested funding, OCSS disapproves any drawdown on previously approved title IV-D funding. We encourage the state to devise a plan that will deliver results and achieve the desired outcomes of the project, while ensuring efficient, effective, and economical uses of taxpayer dollars.

All HHS Advance Planning Documents, Requests for Proposals, and contracts, along with a cover letter should be sent to Nick Mozer, State Systems Coordinator for HHS (HHSMulti-ProgramAPDSubmissions@acf.hhs.gov) and the HHS program offices participating in the funding of a project.

If you have questions or concerns regarding this letter, please contact Nick Mozer, State Systems Coordinator for HHS at HHSMulti-ProgramAPDSubmissions@acf.hhs.gov.

Sincerely,

Kevin M. Duvall
Chief Technology Officer
Administration for Children and Families

cc:

MES Clearance, CMCS/CMS
Raghavan Varadachari, ACF/OCSS