

**Department of  
Veterans Affairs**

**Memorandum**

Date: March 20, 2009

From: Under Secretary for Health (10)

Subj: Replacement Scheduling Application (RSA) Development Program Concerns

To: Acting Assistant Secretary for Information & Technology (005)

1. A 1998 Government Accounting Office (GAO) report addressing excessive wait times for Veterans identified the need for a Replacement Scheduling Application (RSA). In February 2001, VISN 16 and 17 were selected to lead this effort. This initial effort by Veterans Health Administration (VHA) lasting over 5 years and costing more than \$75M failed to deliver any useable product, and was one of the issues that precipitated the move toward the Department of Veterans Affairs (VA) information technology (IT) realignment. In response to VA's realignment directive, on November 4, 2006, VHA development responsibility was transferred to the Office of Information & Technology (OI&T) on an interim basis, which was subsequently completed on April 1, 2007.
2. In September 2007 Carnegie Mellon – Software Engineering Institute (SEI) completed an assessment of RSA on behalf of both OI&T, Office of Enterprise Development (OED) and VHA (Attachment 1). This extensive assessment identified numerous risk indicators and concerns, most significant of which, was the lack of a master schedule at the enterprise level for RSA and all related applications, components, and infrastructure, as well as an insufficient level of coordination with other VHA projects. SEI also indicated a great deal of concern that there appeared to be no one in charge of integration at the overall program and national implementation level. Additionally, SEI pointed out, in their assessment, that the likelihood of the RSA program achieving at least two of their major mission objectives was low, which they define as conditions not favorable for a successful outcome. These two objectives were:
  - By the end of the alpha phase (6 months), RSA and all interfaces with other applications, components, and the infrastructure will function as required.
  - By mid-October (10/12) one scheduler will be able to completely schedule one appointment using RSA alpha.
3. In September 2008, there was a meeting with VA's Deputy Secretary who was specifically concerned that there had been no real progress on the RSA program or any product delivered to the field. Based on that meeting, VHA agreed to a "spiral" development approach with reduced functionality in the first increment. This was done to facilitate getting some initial enhanced scheduling capability to

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the field in calendar year (CY) 2009. Additionally, specific direction was given to OED to discontinue the "stand-alone" Alpha Code. A key determinant of this de-scope was that the current Alpha Code was not deployable nationally, and that work on that code version was needlessly diverting critical OED programmatic resources. At that time, VHA gave approval to OED to work with VHA subject matter experts (SME's) concentrating on a deployable national "Beta" product. The goal was to have a smaller (less functionality), but workable scheduling enhancement to the field by the end of CY 2009. Despite that direction, OED continued to work to fix numerous defects in the Alpha Code although that product was no longer viable. While a January 2009 offsite by OED finally resulted in a refocus on the Beta product, OED's assessment of this code, to date, has shown significant test failures. These results give both OED and VHA little confidence that continued testing will have any significant results or that the current Beta product will prove successful without a major redesign. Southwest Research Institute (SwRI) was issued a cure letter in late February 2009 and ultimately terminated.

4. On Wednesday, March 18, 2009, Dr. Cross, VHA's Principal Deputy Under Secretary for Health was briefed by OED on the status of the RSA program (Attachment 2). The specific results of that briefing are disturbing to VHA because of OED's continued failure to deliver on one of both Congress' and VA's highest priorities. Of even greater concern is the fact that this was the first time my office was formally notified that the RSA problems were so significant that the program had been "suspended" until another course of action could be determined.
  
5. The result is that a program starting as far back as 2001, and having spent significant funds, still has not developed a single scheduling capability it can provide to the field nor is there any expectation of delivery in the near future. While corrective actions such as a teaming arrangement with Space and Naval Warfare Systems Command (SPAWARs) and a new program manager for the RSA have been put in-place, there are still many concerns that puts in question OED's ability to ever complete some variant of RSA. The following are some of the issues/concerns generated by OED's brief:
  - Time and dollars expended over the last 8 months applying fixes to Alpha that have been known to be not viable.
  - Beta Code will not have the fixes achieved in Alpha Code.
  - Enterprise requirements (functional and technical) are just now being delineated and mediated between various VHA business owners and technical teams.

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- Beta Code has severe defects and is highly likely not to be a viable solution without significant rework.
  - The lack of a defined HealthVet (HeV) architecture integration that defines/drives schedule requirements between critical applications and common services.
  - Almost complete turnover of technical teams with current vacancies. New project teams, even if more and appropriately skilled, will have significant ramp up time.
  - Lack of institutional knowledge and technical expertise will create significant risk and low confidence of any plans forward.
6. At the conclusion of the brief, OED stated that they would have a series of possible alternatives to present to VHA by mid-April. In VHA's opinion, there was nothing in this presentation that gave any assurance that one of the proposed alternatives would be any better than past solutions and development efforts. As such, VHA believes that future expenditures, now estimated to be over \$215M through FY13, be held in abeyance until an independent analysis of alternatives (AoA) can be completed. VHA and OI&T agree that the AoA should include a range of options to include purchase of an off-the-shelf package, as well as cost, schedule and risk for each alternative proposed.
7. A principle request made by OED was that VHA provide SMEs for any future efforts. VHA has already committed a number of SME's, but will direct that additional personnel be assigned to the Integrated Program Team, which can continue to develop time-phased requirements to help support the AoA when it commences. I am personally committed to making this program a success and will commit any and all resources as necessary to get the job done and a viable product to the field to help relieve the large scheduling workload.
8. Finally, as you well know, the impact of the above decisions regarding RSA are significant, and likely to generate intense Congressional and Office of Management and Budget (OMB) interest with the high probability of a directed GAO investigation. This is also of concern particularly because of the numerous representations of clear progress we have been making, not only to Congress and OMB, but more importantly to our health care providers who are eagerly waiting for this capability to enhance VHA's ability to provide state-of-the-art and quality care.
9. In addition to alerting the Secretary, which we need to do at once, I would also suggest we consider an internal audit (Inspector General) to demonstrate a proactive approach to both recognizing the issue and solving the problem. Additionally, there have been just recently, indications of an extensive schedule delay with the critical development of the Pharmacy Re-Engineering (PRE) 0.5 Order Check Enhancement project. As you know, any delay in this program has

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severe safety implications. The number of programs that we see and hear being delayed makes it evident that we again be proactive by conducting immediately an end-to-end status check of all our development programs. We should also start the process, which VHA and OI&T have previously discussed for an independent look at the way we do development in order to mine any critical lessons-learned and potential different methodology for how we do systems design, development and implementation such as out-sourcing some level of our development. Finally, we will need a very clear communications plan for how we tell the story both inside and outside VA.

10. I look forward to working with you on this issue of vital importance to VA and welcome your suggestions for reconciling this critical issue. In the end, we both need to work together to get a workable scheduling package to the field to ensure we continue to be recognized as the organization that provides "The Best Care Anywhere."



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