



Stage 1 Business Analysis

California Department of Technology, SIMM 19A.3 (Ver. 3.0.9, 02/01/2022)

1.1 General Information

1. **Agency or State entity Name:** 4260 - Health Care Services, Department of

If Agency/State entity is not in the list, enter here with the [organization code](#).

[Click or tap here to enter text.](#)

2. **Proposal Name and Acronym:** HR+ Modernization (HR+ Mod)

3. **Proposal Description: (Provide a brief description of your proposal in 500 characters or less.)**

The Department of Health Care Services (DHCS) HR+ Mod project seeks to replace existing processes and systems with a comprehensive human resource and supporting financial management solution that will improve the Department's ability to manage employee information, hiring, onboarding, offboarding, timekeeping, position control, data, cost allocation, and data exchange. Today, the Department's antiquated systems and processes do not allow DHCS to operate efficiently. The systems are not maintainable, cannot be enhanced, require manual workarounds, and do not allow for information exchange with modern systems. The HR+ Mod project will provide DHCS with a modern solution that meets today's human resources and supporting financial management needs and will improve program operating efficiency.

4. **Proposed Project Execution Start Date:** 10/1/2026

5. **S1BA Version Number:** Version 1

1.2 Submittal Information

1. **Contact Information**

Contact Name: Abhinash Rathore / Lisa Hein

Contact Email: Abhinash.Rathore@dhcs.ca.gov / Lisa.Hein@dhcs.ca.gov

Contact Phone: (916) 616 2732 / (916) 954-1050

2. Submission Type: **New Submission**

If Withdraw, select Reason: [Choose an item.](#)

If Other, specify reason here: [Click or tap here to enter text.](#)

Sections Changed, if this is a Submission Update: (List all sections changed.)

[N/A](#)

Summary of Changes: (Summarize updates made.)

[N/A](#)

3. Attach [Project Approval Executive Transmittal](#) to your email submission.

4. Attach [Stage 1 Project Reportability Assessment](#) to your email submission.

1.3 Business Sponsorship

1. Executive Champion (Sponsor)

Title: [Deputy Director](#)

Name: [Scott R. Carney](#)

Business Program Area: [Administration Program](#)

Title: [Deputy Director, Chief Financial Officer](#)

Name: [Lori Walker](#)

Business Program Area: [Fiscal Program](#)

2. Business Owner

Title: [Chief, Human Resources Division \(HRD\)](#)

Name: [Landai Dong](#)

Business Program Area: [HRD](#)

Title: [Chief, Financial Management Division, \(FMD\)](#)

Name: [Addie Aguirre](#)

Business Program Area: [FMD](#)

3. Product Owner

Title: [Chief, Medi-Cal Enterprise Systems Modernization Division \(MESMD\)](#)

Name: [Steve Trimble](#)

Business Program Area: [Enterprise Technology Services \(ETS\)](#)

TIP: Copy and paste or click the + button in the lower right corner on any section to add additional Executive Champions, Business Owners, or Product Owners with their related Business Program Areas as needed.

1.4 Stakeholder Assessment

The Stakeholder Assessment is designed to give the project team an overview of communication channels that the state entity needs to manage throughout the project. More stakeholders may result in increased complexity to a project.

1. Indicate which of the following are interested in this proposal and/or the outcome of the project. (Select 'Yes' or 'No' for each.)

State Entity Only: [Yes](#)

Other Departments/State Entities: [Yes](#)

Public: [No](#)

Federal Entities: [No](#)

Governor's Office: [No](#)

Legislature: [No](#)

Media: [No](#)

Local Entities: [No](#)

Special Interest Groups: [No](#)

Other: [No](#)

2. Describe how each group marked 'Yes' will be involved in the planning process.

[Staff involved in human resources and related financial management processes will be included in the activities for discovery, gap analysis, business analysis, testing, User Acceptance Testing \(UAT\) and organizational change management.](#)

[Statewide system entities like the California Department of Human Resources \(CalHR\), State Controller's Office \(SCO\) and Financial Information System for California \(FI\\$Cal\) are not expected to have any direct participation in the project. DHCS staff will work with CalHR, SCO and FI\\$Cal to develop an information exchange mechanism.](#)

1.5 Business Program

1. Business Program Name: [HRD and FMD](#)

2. Program Background and Context: (Provide a brief overview of the entity's business program(s) current operations.)

The Department is a complex enterprise of almost 5,100 positions, with currently a 19 percent vacancy rate, 1,800 annual requests for personnel action amongst over 50 divisions representing 159 classifications at 19 locations supporting Medi-Cal, behavioral health, and other health programs with a budget of about \$156 billion annually. To operate these programs and provide health care services to over 15 million Californians in Medi-Cal, DHCS is using antiquated business processes and systems. These antiquated systems and manual processes contribute to numerous siloed and disparate systems, delayed examinations, up to 90 days to fill positions from the job posting date, and workload either absorbed by others, performed through retired annuitants or contractors, or postponed until the resources are available. Departmental performance is ultimately impacted and can result in state and federal programmatic compliance shortfalls.

HRD under Administration program is dedicated to supporting the goals and objectives of the Department as a trusted partner in maintaining a healthy, effective, and productive workforce.

FMD under Fiscal program ensures fiscal accountability of programs by overseeing the financial operation of DHCS, including financial reporting, resource management, and budget development and oversight. FMD also provides financial support to programs that provide guidance and consultation on contracts and purchasing services.

The ability of HRD and FMD to support DHCS personnel is negatively impacted by the legacy systems as discussed below.

- a. **Hiring:** To complete the hiring process, HRD manually downloads, screens, and redacts the applications received in Examination and Certification Online System (ECOS), and uploads them into Business Workflow Automation System (BWAS). The hiring managers then use this information to continue with their hiring actions. To complete the process, the staff must leverage multiple systems including Human Resources Information System (HRIS), and SCO Personnel Information Management System (PIMS), to upload and manually input the information.
- b. **Staff Updates, Onboarding and Offboarding:** Currently, when staff are onboarded, offboarded or need to make changes to their records they must figure out the processes and procedures and access multiple systems to complete their tasks. New staff must be granted access to multiple systems and are required to submit service tickets if access has not been granted. Supervisors must make additional requests and provide additional guidance. There is no self-help option, so existing staff use emails or navigate to multiple systems to get and provide the information that is required.
- c. **Timekeeping Management:** There are numerous approvals methods required for completing the time worked reports. Currently, all information is manually keyed into HRIS by the attendance coordinators. FMD currently utilizes traditional methods to collect and process the timekeeping information and ensure detailed time studies and Employee Master File (EMF) are compiled on time. This allows the division to appropriately claim federal funding and meet cost allocation regulations. FMD relies on many divisions to collect the timekeeping data, which analysts review for accuracies and then manually update the coding in the FI\$Cal system labor module for monthly labor and cost allocation.

The FMD analyst must then manually key the information into FI\$Cal. The entire file process for these multiple files - one monthly and one quarterly (also called FI\$Cal Employee Drill and

Time Study Drill Report) is a manual process and is very resource dependent. This manual workload is complex, excessive and requires extensive and significant effort to track, prepare and manually enter the information into the FI\$Cal system without the ability to verify valid coding before uploading it to FI\$Cal. Despite staffs' best efforts to process the information accurately and produce a timely Labor File, the overall manual process consumes a substantial number of resources and is always at risk of clerical errors and delays.

- d. **Position Control and Reporting:** It is difficult to manage positions and get accurate reporting because multiple systems including BWAS, HRIS, SCO, PIMS, and SCO Management Information Retrieval System (MIRS) store varying levels of distinct data and updates are performed manually. There are daily and weekly updates needed to BWAS for any Request for Personnel Action (RPAs) with changes in established positions. HRIS interfaces with BWAS to update valid position numbers. Monthly SCO authorized position text file is provided to HRIS to complete position reconciliation. SCO authorized position files are downloaded and run the reconciliation drill for the monthly vacancy report. Annually the files are downloaded and uploaded to HRIS to complete the Schedule 8 reconciliation.
- e. **Information Exchange and Reporting:** Staff manually downloads files from one system and uploads them to another system to achieve consistent data. Multiple user groups must collaborate and share files via email to keep the attendance and salary information in both systems up to date. A modern system could seamlessly perform this task in real-time. The technologically disparate systems are unable to communicate or interoperate. Divisions within DHCS have their own applications for their HR management needs. This creates more silos, additional maintenance costs, and more workarounds for HRD staff to keep the information synchronized.

3. How will this proposed project impact the product or services supported by the state entity?

Before implementation, the HR+ Mod project will require resources to support the planning and Project Approval Lifecycle (PAL) efforts from HRD, FMD, ETS, and all impacted DHCS programs of the intended solution.

During the implementation, the project team will require resources to implement the solution, subject matter experts from the program areas and organizational change management (OCM) support. The project will implement an OCM and training effort to support HRD, FMD, and other end users across the enterprise.

In preparation for completing implementation, the project will obtain user acceptance of the solution, publish documentation, conduct knowledge transfer, conduct lessons learned, and release resources back to their functional areas. The project will develop a Post-Implementation Evaluation Report (PIER) within eighteen months of project implementation.

Once implemented, DHCS anticipates that the solution will enable the enterprise to provide faster processing and management of the positions that are turned over and filled annually across 50 divisions. The new solution and processes will eliminate manual work and provide improved reporting and robust, accurate data for management and decision making.

TIP: Copy and paste or click the + button in the lower right corner to add Business Programs, with background and context and impact descriptions as needed.

1.6 Project Justification

1. Strategic Business Alignment

Enterprise Architect

Title: [Senior Enterprise Architect, Enterprise Strategy and Services Branch](#)

Name: [Ioana Alcouffe](#)

Strategic Plan Last Updated? [7/5/2023, \(To be published soon for 2023-2027\)](#)

Strategic Business Goal: [Strengthen Operations - Enhance our organizational structures, processes, and systems to improve program administration.](#)

Goal Objective: [Implement sustainable improvements to the highest-risk and highest-impact organizational infrastructure.](#)

Alignment: [The Department is currently utilizing systems and processes that do not meet the needs and requirements of the organization. By updating the Department's human resources and financial management systems and processes, we will achieve operational efficiencies, provide accurate reports, and support compliance with oversight agencies.](#)

TIP: Copy and paste or click the + button in the lower right corner to add Strategic Business Goals and Alignments as needed.

Mandate(s): [None](#)

Bill Number/Code, if applicable: [N/A](#)

Add the Bill language that includes system-relevant requirements:

[N/A](#)

TIP: Copy and paste or click the + button in the lower right corner to add Bill Numbers/Codes and relevant language as needed.

2. Business Driver(s)

Financial Benefit: [No](#)

Increased Revenue: [No](#)

Cost Savings: [No](#)

Cost Avoidance: [No](#)

Cost Recovery: [No](#)

Will the state incur a financial penalty or sanction if this proposal is not implemented? [No](#)

If the answer to the above question is “Yes,” please explain:

N/A

Improvement

Better Services to the People of California: No

Efficiencies to Program Operations: Yes

Improved Equity, Diversity, and/or Inclusivity: No

Improved Health and/or Human Safety: No

Improved Information Security: No

Improved Business Continuity: No

Improved Technology Recovery: No

Technology Refresh: No

Technology End of Life: No

1.7 Business Outcomes Desired

Executive Summary of the Business Problem or Opportunity:

The Department has not updated its core human resources and related financial management systems in over two decades. During this time, the Department has absorbed other state agencies and increased in complexity and breadth of programs. The Department must modernize its technical and business capabilities to meet today's challenges and reporting requirements. Additionally, modernizing business operations now, as the (California State Payroll System (CSPS) effort is underway, is timely and essential because DHCS existing legacy systems may not be able to interface with CSPS unless a new solution is implemented.

The current systems require human resources and financial management staff to conduct many manual processes and work in many siloed and disparate systems to support all the program areas.

A modern solution will address the following issues:

1. Improve the productivity of all the DHCS employees including HRD and FMD staff: Automated processes will replace time-consuming manual processes. The current portfolio of systems providing human resources and financial management support are comprised of legacy systems. These systems are not only antiquated but also operate in silos. The systems require manual steps to share information. In general, these systems prevent efficiency and collaboration. The project will reengineer these processes to provide streamlined workflow and to eliminate manual steps.
2. Enable improved accuracy in timekeeping: Positive timekeeping will be able to replace current reporting which is a manually intensive process that consumes a substantial number of resources and is always at risk of clerical errors and delays. The current timekeeping systems

are not designed to support positive timekeeping, so staff provides historical timekeeping information which is not as accurate. The project will replace the legacy systems with a modern solution that supports positive timekeeping and enables the Department to improve the quality of its data and cost allocation reporting.

3. **Ensure report accuracy:** Unified data will replace data fragmentation without a common identifier that spans across siloed systems. Current reporting relies upon reconciling data from multiple systems that may not share common data identifiers. The project will develop and share a data dictionary that will enable accurate reporting.
4. **Provide self-service options to staff:** Self-service options will replace assorted forms and emails to get and exchange information. Currently staff is not able to utilize self-service tools and staff assistance requires manual, human intervention to make changes to information. The project will develop self-service options that will enable staff to make changes without assistance.

Objective ID: 1.0

Objective: Staff Updates, Onboarding and Offboarding DHCS can improve program efficiencies by providing new employees with clear processes including self-service options and a single point of entry for onboarding. This improvement will enable DHCS to increase the enterprise's productivity because new staff members will spend less time doing administrative tasks.

Metric: 1.1 Reduce the amount of time for staff to administratively onboard within one year of implementation.

Baseline: It currently takes a new staff member 7 days to onboard.

Target Result: Reduce the amount of time for staff to onboard to 2 days as measured by a time study.

Objective ID: 2.0

Objective: Timekeeping Management - Improve program efficiencies by reducing the amount of time required to perform manual labor and allocation processes. Improving the efficiency of this process will enable staff to spend less time processing corrections, researching, and conducting quality control checks.

Metric: 2.1 Reduce the amount of time to perform monthly labor and allocation processes within one year of implementation.

Baseline: The monthly labor processes currently take 3 weeks and cost allocation processes take 2 weeks.

Target Result: The monthly labor processes will take 1.5 weeks and cost allocation processes will take 1 week. This will be measured by a time study.

Objective ID: 3.0

Objective: Position Control and Reporting- Currently, position reporting capabilities are limited and required reports are late or non-existent. DHCS can improve program efficiencies by enabling the organization to deliver accurate reporting of position vacancies in real-time. This will allow DHCS to make decisions that are informed by accurate, timely data.

Metric: Reduce the amount of time from request to receipt of properly formatted position vacancy reports within 6 months of project implementation.

Baseline: It currently takes 10 weeks to produce a vacancy report.

Target Result: The new solution will enable us to get a current vacancy report within 10 minutes.

Objective ID: 4.0

Objective: Information Exchange and Reporting - Currently, the processes to exchange information with internal and external systems require manual intervention and file manipulation. The new solution will enable DHCS to share and receive accurate, timely information with other systems efficiently without manual intervention.

Metric: Reduce the amount of staff time needed monthly to prepare and conduct file uploads within one year of project implementation.

Baseline: It currently takes staff 2.5 weeks to prepare and conduct file uploads.

Target Result: The new solution will reduce the amount of time for staff to prepare and manage information exchange to 1.5 weeks utilizing time study to measure performance.

Objective ID: 5.0

Objective: Hiring: The current systems impede the Department's ability to process personnel and financial transactions expediently. Currently staff is required to access four systems to complete a hiring package. The new solution will enable the Department to increase accuracy and reduce the time required to manage personnel and related financial transactions such as hiring packages.

Metric: Reduce the amount of time required to process and complete hiring packages within one year of implementation.

Baseline: It currently takes 90 days to complete a hiring package.

Target Result: The new solution is expected to reduce this by 50% to 45 days to complete a hiring package.

TIP: Copy and paste or click the + button in the lower right corner to add Objectives as needed. Please number for reference.

TIP: Objectives should identify WHAT needs to be achieved or solved. Each objective should identify HOW the problem statement can be solved and must have a target result that is specific, measurable, attainable, realistic, and time-bound. Objective must cover the specific. Metric and Baseline must detail how the objective is measurable. Target Result needs to support the attainable, realistic, and time-bound requirements.

1.8 Project Management

1. Project Management Risk Score: 1.1

(Attach a completed [Statewide Information Management Manual \(SIMM\) Section 45 Appendix A Project Management Risk Assessment Template](#) to the email submission.)

2. Project Approval Lifecycle Completion and Project Execution Capacity Assessment

Does the proposal development or project execution anticipate sharing resources (state staff, vendors, consultants, or financial) with other priorities within the Agency/state entity (projects, PALs, or programmatic/technology workload)?

Answer: Yes

Does the Agency/state entity anticipate this proposal will result in the creation of new business processes or changes to existing business processes?

Answer (No, New, Existing, or Both): Both New and Existing Processes

1.9 Initial Complexity Assessment

1. Business Complexity Score: 1.7

(Attach a completed [SIMM Section 45 Appendix C](#) to the email submission.)

2. Noncompliance Issues: (Indicate if your current operations include noncompliance issues and provide a narrative explaining how the business process is noncompliant.)

Programmatic regulations: Yes

HIPAA/CIIS/FTI/PII/PCI: No

Security: No

ADA: No

Other: No

Not Applicable: No

Noncompliance Description:

Programmatic regulations – Yes

Probationary reports and performance appraisals were not provided for all eligible staff, inadequate positive pay tracking resulted in overpayment, and lack of personnel record management.

3. Additional Assessment Criteria

If there is an existing Privacy Threshold Assessment/Privacy Information Assessment, include it as an attachment to your email submission.

How many locations and total users is the project anticipated to affect?

Number of locations: 19

Estimated Number of Transactions/Business Events (per cycle): Over 10,000 per month

Approximate number of internal end-users: 4,000

Approximate number of external end-users: 0

1.10 Funding

Planning

1. Does the Agency/state entity anticipate requesting additional resources through a budget action to **complete planning** through the project approval lifecycle framework? Yes

If yes, when will a budget action be submitted to your Agency/DOF for planning dollars?

1/10/2024 Governor's Budget BCP for 2024-25 funds

Please provide the Funding Source(s) and dates funds for planning will be made available:
General Fund = 50% / Federal Fund = 50%, FY 2024-25

Project Implementation Funding

1. Has the funding source(s) been identified for **project implementation**? Yes

If known, please provide the Funding Source(s) and dates funds for implementation will be made available:

General Fund = 50% / Federal Fund = 50%, FY 2025-26

Will a budget action be submitted to your Agency/DOF? Yes

If "Yes" is selected, specify when this BCP will be submitted: FY 2024-25

2. Please provide a rough order of magnitude (ROM) estimate as to the total cost of the project:
Between \$10 Million and \$50 Million

End of agency/state entity document.

Please ensure ADA compliance before submitting this document to CDT.

When ready, submit Stage 1 and all attachments in an email to ProjectOversight@state.ca.gov.

Department of Technology Use Only

Original "New Submission" Date: [8/24/2023](#)

Form Received Date: [8/24/2023](#)

Form Accepted Date: [8/24/2023](#)

Form Status: [Completed](#)

Form Status Date: [8/24/2023](#)

Form Disposition: [Approved](#)

If Other, specify: [Click or tap here to enter text.](#)

Form Disposition Date: [8/24/2023](#)

Department of Technology Project Number (0000-000): [4260-249](#)