Enterprise Objective Monitoring and Control Services

Puerto Rico Medicaid Program

Service Level Agreements Aid & Template

Version 1.0

Submitted by:

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Table of Contents

Revision History

The Puerto Rico Medicaid Program's (PRMP's) Program Management Office (PgMO) will store the approved Service Level Agreement (SLA) Plan Aid and any approved revisions on the PRMP PgMO SharePoint site or in an alternative location specified by PRMP. PRMP and PRMP's PgMO will make the plan available to project stakeholders as needed.

Table 1 presents the revision history for this document. When changes occur, PRMP's PgMO will increment the version number and the date. PRMP PgMO will record the name of the person making the change and a description of the change in the revision history.

Table 1: Revision History

Date	Document Version	Description	Author(s)
Aug/05/2022	1.0	Initial delivery	BerryDunn PgMO Team

Introduction

PRMP's long-term strategy for the administration of its Medicaid program includes goals and objectives that will transform the agency into an information-driven organization with improved program oversight, increased credibility, and modernized technology. PRMP is working to engage all Medicaid stakeholders in contributing to the success of all Medicaid Enterprise System (MES) projects and operations.

PRMP has established a PgMO to provide guidance, support, and oversight for Vendor projects within the Medicaid Enterprise. As part of this initiative, PRMP has created project management (PM) plan aids to assist with the efficient and effective management of all MES projects. Major components of project management include applying best practice processes, tools, and techniques to help in the successful execution of projects. The PM plan aids provide guidance for more predictable and consistent processes, and practices, which will result in meeting the goals and objectives of PRMP and Vendor partners, as well as stakeholder expectations.

PRMP may expect Vendors to develop and submit SLAs for the project(s) for which they are providing services. Vendors should reach out to PRMP's Leadership with any questions they may have or for feedback when revising any established and approved SLAs to help ensure they meet PRMP expectations.

The Introduction section of this document provides information on the SLA plan aid's purpose and objectives, scope, standards, assumptions, dependencies, and constraints. The section has been developed to define the meaning of an SLA and ensures vendors understand and can more easily work with PRMP in their development of SLAs. Table 2 provides the definition of an SLA per A Guide to the Project Management Body of Knowledge (PMBOK® Guide) [1].

Table 2: SLA Definition

Term	Definition
Service Level Agreement	An SLA is an agreement between a Service Provider and a customer. This agreement describes the service, documents the service level targets, and specifies the responsibilities of the Service Provider and the customer.
Key Performance Indicator (KPI)	KPIs are metrics that organizations use to track and measure the success of their initiatives.
Performance Measure	A performance measure is a numeric description of a vendors' work and the results of that work

Purpose and Objectives

Project Management Institute® (PMI®), in its "A Guide to the Project Management Body of Knowledge (PMBOK® Guide)," defines an SLA as a commitment between a service provider

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[1] Unless otherwise noted, all references to the PMBOK Guide® are for the sixth edition.

and a customer. It can take the form of a legally binding document within a contract between a company and its service provider.

Each Vendor is expected to provide the PRMP Project Lead with their feedback on the proposed SLAs for review and approval before the execution of the project.

The purpose of having PRMP Vendor SLAs is to:

- Help ensure that the proper expectations are addressed to provide consistent service support and delivery to the PRMP by the service provider(s).

The objectives of PRMP Vendor SLAs are to:

- Provide clear reference to service ownership, accountability, roles, and/or responsibilities.

- Present a clear, concise, and measurable description of service.

- Match perceptions of expected service provision with actual service support and delivery.

Integration with the PRMP Outcomes Management Plan

PRMP's Outcomes Management Plan (OMP) describes the approach PRMP is taking to organize initiatives around enterprise goals and outcomes, and the connection to a metrics-enabled enterprise. The OMP describes the decomposition of enterprise goals and objectives according to the following structure:

Goal -> Outcome -> Measure -> Metric -> Target -> SLA

Outcome statements can be either specific to a project or to the overall operations of the enterprise. They describe the desired client-oriented results, where the client is either an internal client, an organizational partner, or beneficiary. For each outcome statement, supporting measures and metrics identify how PRMP will track progress and maintain the intended outcome of the SLA.

SLAs will serve to align vendors and contractors to PRMP stated needs by contractually obligating vendors to maintain target levels set by PRMP, thereby aligning incentives of all parties.

Scope

The scope of this PM plan aid can be used as a framework that provides PRMP with a complete picture of how the Vendor plans to comply with project requirements by specifying the terms and agreements governing the service engagement.

In Scope

Vendors shall identify all project tasks related to the SLA as part of the overall project management plan. A task is defined as a single piece of work, or units of related work, which must be completed to satisfy a project deliverable or requirement of a deliverable.

Once all SLAs are reviewed by PRMP as having all project desired outcomes incorporated and PRMP and the vendor has reached consensus; the SLAs will be documented from the original Request for Offers (RFO), Request for Proposal (RFP), Request for Quotations (RFQ) document(s), or other procurement documents.

Out of Scope

Any scope exclusions must be in alignment with all procurement documents, Vendor's proposal, Performance Standards, and the final signed contract.

Approach

This section describes assumptions, dependencies, constraints, standards, and references. The SLA Plan Aid takes into consideration the assumptions, dependencies, and constraints for the system implementation projects as described in this section.

Assumptions

Per the Project Management Body of Knowledge (PMBOK) Guide®, an assumption is a factor expected to be in place or to be in evidence. The assumptions related to the development of SLAs are:

- SLAs developed for a project should align with guidelines provided in this document and any contracts provided by PRMP.

- Changes to SLAs are agreed upon with PRMP, documented, and communicated to all Stakeholders as laid out in the Change Management Plan.

- Vendors will maintain SLA reports until the expiration of the contract period.

Constraints

Per the PMBOK Guide®, a constraint is the state, quality, or sense of being restricted to a given course of action or inaction. An applicable restriction or limitation, either internal or external to the project, which will affect the performance of the project or a process. The following constraints exist within the SLA Plan Aid but are not limited to:

- Accuracy of the data being calculated

- Access to tools and software to store, calculate, and report data.

Dependencies

Per the PMBOK Guide®, a dependency is a logical relationship between two activities, or between an activity and a milestone. For example, an activity that cannot begin until another activity has been finished has a dependency. A dependency identified for the SLA Plan Aid is:

- Performance Management Plan – The Performance Management Plan Aid is a document intended to provide guidance to PR MES Vendors on PRMP's expectations regarding performance management.

- Communications Management Plan – The Vendor's Communications Management Plan identifies communications receptors and frequency, which would also apply to communication of SLA performance.

Standards and References

PRMP's PgMO and MES Vendors are expected to use the appropriate standards and references for the MES project. The PRMP PgMO will review and approve the methodologies used using best practices. PRMP's PgMO may request the Vendor incorporate additional standards and references, if applicable, for the content of a project management plan. Vendors are expected to monitor applicable standards and industry best practices. Vendors should plan to work with PRMP to determine if updates are required to their project management plans when a new applicable standard (or version of a standard) is released.

For the development of this Plan, PRMP's PgMO used the following industry standards and best practices:

- A Guide to the PMBOK®, Project Management Institute® (PMI®), sixth edition

Roles and Responsibilities, RACI Model

This section describes the primary roles and responsibilities of stakeholder groups as they relate to SLA management including project staff, sponsors, and stakeholders. Table 3 illustrates the stakeholders that are responsible (R), accountable (A), consulted (C), and informed (I). The RACI acronym is defined as follows:

- **Responsible:** This stakeholder does the work to complete the task area. This stakeholder might also serve as an accountable stakeholder for some task areas.

- **Accountable:** This stakeholder delegates work and is the last one to review the task area before it is deemed complete. According to best practice, one stakeholder (or the lowest number possible) should be deemed accountable.

- **Consulted:** This stakeholder provides input based on how the task area will impact the future work of the project and the stakeholder's expertise.

- **Informed:** This stakeholder should be aware of the progress associated with the task area.

Table 3 provides insight into how PRMP and the PgMO will interact with documentation management processes and responsibilities. The Vendor should propose its own stakeholder groups and develop their RACI matrix according to its team's organizational structure.

The following RACI Matrix gives Vendors the RACI matrix that has been developed for PRMP and/or PgMO responsibilities. This matrix can be edited from this baseline if deviations are discussed with PRMP and the PgMO to determine what is appropriate for the project.

Table 3: RACI Matrix for SLAs

Task Area	PRMP Leadership	PRMP Program Director	PRMP PgMO	PRMP Project Lead	Vendor Project Manager
SLA Definitions	I	C	R	A	I
SLA Agreements	I	I	R	A	I
SLA Monitoring	I	I	I	A	R
SLA Reporting	I	I	I	A	R
SLA Breach	I	C	C	A	R

PRMP Leadership

PRMP is the Medicaid agency responsible for administering the Medicaid Program in Puerto Rico, including the Children's Health Insurance Program (CHIP), and a waiver-based section 1915(a) program. PRMP is an agency within the Puerto Rico Department of Health (PRDoH).

While leadership roles vary between projects, in general, The PRMP Leadership Stakeholder Group refers to the PRDoH Secretary, PRMP Executive Director, and the PRMP Executive Steering Committee.

PRMP Program Director

An important aspect of the PRMP Program Director's role is to assess Vendor SLAs and provide guidance on organizational change management and readiness needs.

PRMP Program Leads

To oversee each of the PR MES projects PRMP will appoint a Program Lead. The Program Lead collaborates with the Vendor's Project Manager to help ensure the project execution and implementation are in accordance with the approved schedule and processes defined by PRMP's PgMO.

PRMP Program Leads will have joint responsibility with the Vendor Project Manager for revising and agreeing upon Service Levels requirements for the project.

PRMP PgMO

PRMP has designated the PRMP PgMO to provide program management guidance and collaborative oversight for its MES initiatives.

As part of this responsibility, PRMP's PgMO has developed this SLA Plan Aid as a guide for the project's tasks to be completed in compliance with established agreements.

The PRMP PgMO will be informed on all program-level SLAs; however, the Vendor(s) have the primary responsibility for reporting compliance to the agreed-upon SLAs.

Vendors

Vendors implementing one or more MES projects or supporting other PRMP activities are responsible for managing SLAs in accordance with the signed contracts. The Vendor Project Manager is responsible for reporting SLAs issues to the PRMP Program Lead and PRMP PgMO.
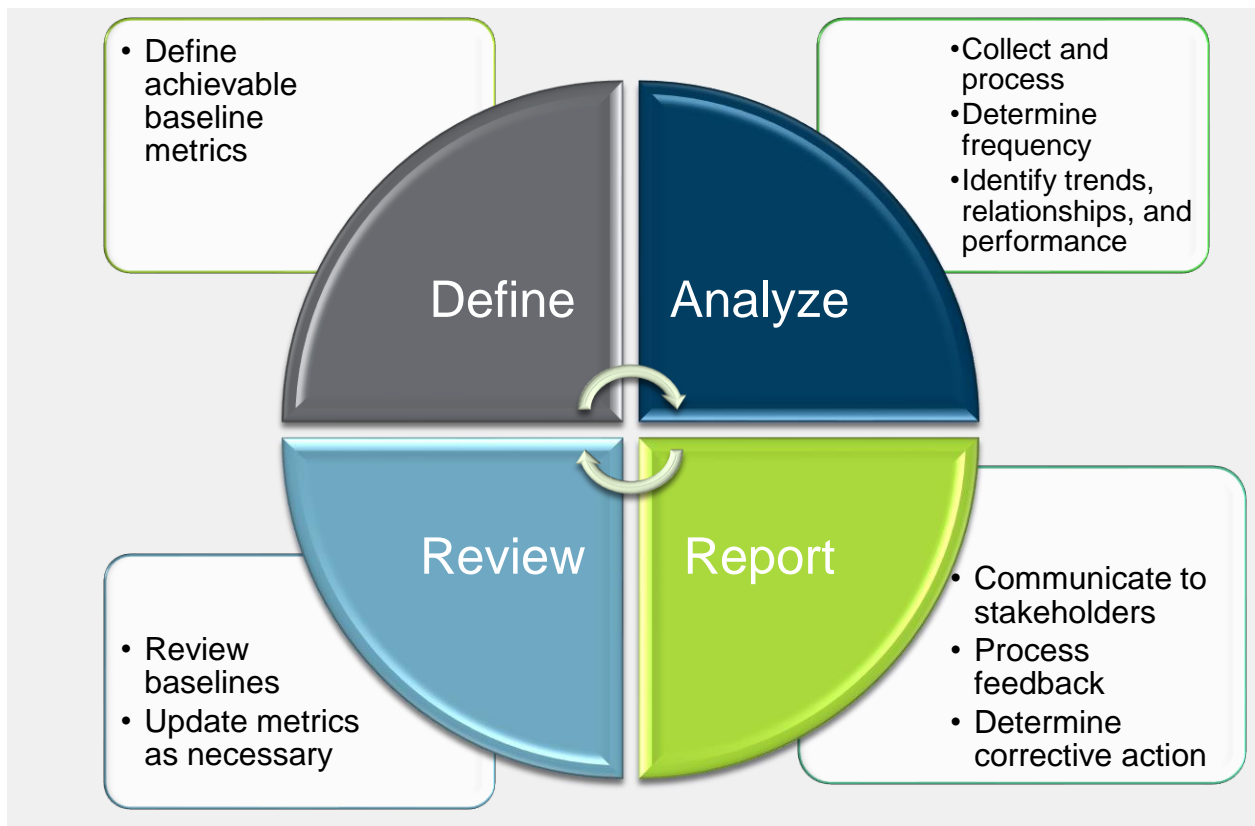
PRMP anticipates that Vendors will maintain adequate SLA management, including providing SLA status reports delivered to the PgMO and the Project Lead.

The Vendor Project Manager will consult with PRMP Program Leads when providing feedback on required SLAs, identifying any issues with the proposed SLAs to PRMP's PgMO.

Assessment and Guidance Strategy

This section outlines a strategy for establishing baseline SLA metrics, collecting, and analyzing SLA data, updating SLA metrics, and establishing and maintaining Vendor communications surrounding corrective action plans. Figure 1 details PRMP PgMO's recommended strategy for SLA assessment and guidance. The graphic depicts a strategy for ongoing monitoring and review of SLAs and highlights the necessity for escalation of SLA metrics that are not in compliance with contract provisions. As PRMP moves to an outcomes driven organization SLAs will become more significant and prevalent in contracts and agreements that PRMP has entered or will enter.

Figure 1: SLA Assessment and Guidance Strategy

- Define achievable baseline metrics

- Collect and process
- Determine frequency
- Identify trends, relationships, and performance

Define | Analyze

Review | Report

- Review baselines
- Update metrics as necessary

- Communicate to stakeholders
- Process feedback
- Determine corrective action

3.1 Defining Achievable Metrics

Defining achievable SLA metrics in system Vendor contracts is necessary to protect PRMP's financial investment in system implementation projects. In cases where the federal government provides Federal Financial Participation (FFP) for a Vendor contract, PRMP is required to exercise due diligence and protect the interests of CMS.

SLA metrics should be reasonable and achievable. Vendors should develop SLA metrics to help ensure protection if contract objectives are not met. Vendors should work with the PRMP

Program Director and PRMP Program Leads to develop reasonable and achievable SLA metrics.

3.2 Collecting and Analyzing Metrics

Vendors should report SLA metrics to the PRMP Program Director and PRMP Program Leads in a timely manner and in alignment with contractual reporting obligations. Vendors should analyze reports required by PRMP to the level needed to determine if they have met the specified SLA for the reporting period. If a Vendor does not supply the necessary information for the PRMP Program Director or PRMP Program Leads to determine SLA compliance for the reporting period, then PRMP may request additional reporting.

The Vendor PM can use manual or automated tools to collect, analyze, and generate SLA metrics. PRMP has begun to require SLA Reports as a deliverable from MES vendors. This report should align with the SLAs that are defined in the contract that MES vendors enter with PRMP.

3.3 Updating Baseline Metrics

Throughout the life of the contract, Vendors might need to update baseline metrics to reflect unanticipated factors not considered during contract negotiation. Additionally, Vendors might need to add SLAs to oversee and track new processes. These changes can be made upon mutually agreeable terms and documented in the Vendor's Statement of Work (SOW).

3.4 Communicating Results and Taking Corrective Action

When the PRMP Program Director or PRMP Program Lead determines that a Vendor is not meeting SLAs, the contract will be reviewed to determine if damages should be assessed against the Vendor, or if PRMP Leadership should take other corrective action. Vendors should refer to their individual contracts on frequency and method of reporting performance metrics to PRMP. When an SLA is not met, the Vendor should submit for approval to PRMP a written CAP, no later than ten (10) business days from the date PRMP requests the CAP. PRMP will consider extensions to the ten (10)-day timeline on a case-by-case basis. The CAP will include, at a minimum:

- Deficient SLA(s)

- Full description of the issue

- Root cause analysis

- Risks related to the issue

- The resolution, including any failed solutions implemented prior to resolution

- Proposed corrective action to avoid missing the SLA in the future

The Vendor will implement the proposed corrective action only upon PRMP approval of the CAP.

4.0 Service Level Agreement Templates

This section defines the SLA template and suggested attributes required to report SLA metrics. This section also describes the monitoring and reporting attributes for SLA Reporting. This section should be used as a guide on how the vendor will report on SLAs to PRMP.

4.1 SLA Metric Template

When developing SLAs, several identifying attributes should be gathered and documented to help ensure the reporting is in alignment with contract obligations. Table 4 attributes, at a minimum, should be referenced to document each identified SLA metric:

Table 4 - SLA Metric Template

SLA Template	
SLA Description	You can use **XXX-YYY–ZZZ**, where XXX is for an SLA Code (i.e., SLA-001, SLA-002, etc.), YYY = Number of SLA within the group, i.e., SLA-001-001: SLA-001 (Code), 001 (SLA Deliverable), and ZZZ is a consecutive number within the group.
	Include a description of the SLA details, SLA breach period, origin (if known), and agreed response time.
	Example:
	SLA-003: Solution Availability
	Description:
	Solution Availability Service Level is defined as the percentage of possible uptime in a month that the environments are available to authorized solution users or to perform in a backup capacity, including all weekends and holidays. Negotiated downtime for system maintenance during off-peak hours is not included in the calculation of solution availability.
Target	Target on the SLA to fix the non-compliance issue. (i.e., Level 5 incidents will be fixed 95% of the time within 24 hours)
	Example:
	1. The system shall be accessible 99% of the time during working hours, except for scheduled downtime.
	2. Authorized solution user access shall be available 99% of the time twenty-four hours per day, seven (7) days per week, except for scheduled downtime.
	3. Authorized solution user access: Unscheduled production downtime for the solution is to be one (1) hour or less in total within any given twenty-four-hour period.

	4. All other solution components: Unscheduled production downtime for all components of the EDS is to be 1% or less during the monthly reporting period. 5. The production environment shall be accessible 99% of the time except for scheduled downtime.
Measurement	Document the measure level agreed-on incidents, the nature of the problem, the official start time for the incident, a solution description and anticipated duration for remedy. A Corrective Action Plan with information on what was the measure level agreed upon, how a non-compliance event occurred, and a solution description with an anticipated duration for the remedy must be submitted for each incident. Example: Up to 5% of the monthly operating fee, as follows: Any two (2) of ten (10) not met: 1% Any three (3) of ten (10) not met: 2% Any four (4) of ten (10) not met: 3% Any five (5) of ten (10) not met: 4% More than five (5) not met: 5%
SLA Reporting Period	(Period of time to report, within or without compliance, on the SLA agreement) Example: By the 10th of each month, the Vendor is to report on these KPIs as follows: The previous month's availability to include: • Daily accounting of downtime minutes during the scheduled availability period • A total accounting of downtime minutes per month during the scheduled availability period • Percentage of downtime as measured against the KPI metric • Production normal business downtime • Production other downtime • Failover downtime • Test environment downtime • Vendor network connectivity downtime • CAP if the KPI metric is not achieved

4.2 SLA Status Report Template

When developing a Status report, several identifying attributes should be gathered and documented to help ensure Status Reports meet the needs of the PRMP Program Director and PRMP Program Leads. Table 5 attributes, at a minimum, should be included in the SLA Status Report:

Table 5 - Sample SLA for Status Report

SLA-001-001 Service Level Agreement for Weekly Status Report	
SLA Description	Vendor XXXX agrees to deliver Status Reports on Mondays, following the reported week, to stakeholders identified in the Communications Management Plan. These reports shall include accurate previously agreed-upon information.
Target	Complete reports delivered to stakeholders on or before 9:00am on the proposed day. For non-compliance deliveries, a Corrective Action Plan (CAP) must be created, identifying the most cost-effective actions that can be implemented to correct the error causes to help ensure compliance afterwards.
Measurement	Complete Status reports should be received no later than Monday, 3:00pm after the reported week. For non-compliance issues, document the measure level agreed-on incidents, the nature of the incident, the official start time, a solution description, and anticipated fix date/time. After the incident is resolved, include the resolution status.
SLA Reporting Period	Weekly

Appendix A: Acronyms and Abbreviations

Table 6 presents a list of the acronyms and their definitions used in this document.

Table 6 - Common Acronyms and Abbreviations

Acronym	Definition
CAP	Corrective Action Plans
CHIP	Children's Health Insurance Program
CMS	Center for Medicare and Medicaid Services
EOMC	Enterprise Objective Monitoring and Control
IT	Information Technology
KPI	Key Performance Indicators
MES	Medicaid Enterprise Systems
OIAT	Oficina de Informática y Avances Tecnológicos
OMP	Outcomes Management Plan
PgMO	Program Management Office
PMBOK®	A Guide to the Project Management Body of Knowledge
PMI®	Project Management Institute®
PRDoH	Puerto Rico Department of Health
PRMES	Puerto Rico Medicaid Enterprise System
PRMP	Puerto Rico Medicaid Program
RACI	Responsible, Accountable, Consulted, Informed
RFO	Request for Offers
RFP	Request for Proposal
RFQ	Request for Quotation
SLA	Service Level Agreement