



The Commonwealth of Massachusetts
Office of the Inspector General

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Judy Hause
Director, Nutrition Division – WIC Nutrition Program
Massachusetts Department of Public Health
250 Washington Street, 6th Floor
Boston, MA 02108

Dear Director Hause:

As you know, the Massachusetts Office of the Inspector General (OIG) conducted a partial review of the Massachusetts Department of Public Health's (DPH) receipt of a \$909,000 "WIC Miscellaneous Technology" grant (WIC Grant) from the United States Department of Agriculture (USDA) under the American Recovery and Reinvestment Act of 2009 (ARRA). DPH used this WIC Grant to modify *Eos*, its new web-based information system for the Women, Infant, and Children Nutrition Program (WIC). According to DPH, it needed to modify *Eos* before it became part of the Commonwealth's "Virtual Gateway"¹ managed by the Executive Office of Health and Human Services (EOHHS).

The OIG is reviewing ARRA-related grants to identify potential vulnerabilities to fraud, waste, and abuse and other risks that could negatively impact the accountability, transparency, and anti-fraud mandates contained in the statutory language and interpretive guidance of ARRA. Our review should not be construed as an audit, investigation, or a comprehensive programmatic review. The OIG intends these reviews to assist recipients of ARRA funding to identify and address risks.

The OIG identified that DPH has used the WIC Grant for three purposes. Initially, DPH applied for the grant to modify *Eos* to meet accessibility requirements mandated by the Massachusetts' Information Technology Division (ITD). According to the grant, DPH needed to "... employ the services of a software systems consultant/agency to design and construct a separate Graphical User Interface (GUI) intended for use by persons with vision and/or mobility disabilities." DPH completed this task well below budget leaving approximately \$300,000 of the initial \$909,000 grant funding available.

¹ According to the Commonwealth's website, the Virtual Gateway is the Commonwealth's internet portal to provide the public, medical providers, community organizations and agency staff with on-line access to health and human services.

DPH requested and the USDA approved a grant amendment to use funds for a program to test the system's accessibility compliance and obtain final ITD approval. DPH completed this testing which cost approximately \$15,000, again below budget estimates.

DPH again requested and the USDA approved another grant amendment to use the balance of grant funds, approximately \$285,000, to create a Data and Reporting Warehouse for the *Eos* system. DPH informed the OIG that it planned to use the same *Eos* vendor under a contract extension. DPH intended this reporting project to improve and streamline *Eos* reporting capabilities. DPH considered this function a "wish list" item that could not be afforded under the original system contract. The data warehouse will allow DPH to run queries and reports while the system remains in use. As originally designed, system reporting would have to be done during "off hours" or by shutting down the intake process because "real time" data would be needed. The warehouse allows data to be stored and manipulated without interrupting daily system operations. Work has yet to begin on this project; therefore the OIG did not include this task in its review.

Background

WIC is a federal nutrition assistance program administered by the commonwealth through DPH's Bureau of Family Health and Nutrition. The WIC program provides services through 35 local agencies that manage 130 sites. According to the USDA, the purpose of WIC is to provide nutritious supplemental foods, nutrition education, and health and social services to low-income pregnant, postpartum, or breastfeeding women, as well as to infants and children up to five years of age. While the program is targeted at mothers, any legal guardian of a child under five, whether male or female, can apply for WIC. The program provides assistance through monthly benefit checks to recipients so that they may purchase types of food outlined by DPH and the USDA.

History of WIC Information System In Massachusetts

According to DPH, prior to the adoption of *Eos*, the WIC program relied on an obsolete legacy information system developed in the 1980s that ran on a "DOS" platform. In late 2004, DPH began a planning process with the USDA that would enable DPH to secure federal funding to develop what is now known as *Eos*.

In March 2005, DPH issued a Request for Responses (RFR) for system development. The RFR stated that DPH intended to "transfer an existing Web services WIC client information system into the EOHHS [Executive Office of Health and Human Services] Virtual Gateway and align it to the services Oriented Architecture defined by the Information Technology Architecture." DPH received and evaluated three responses and selected Ciber, Inc. as the winning bidder. In August 2005, DPH entered into a

\$4,730,000 contract (now approximately \$14 million)² with Ciber, Inc. to develop and deploy a web-based WIC application called "MA WIC IS." Ciber, Inc. intended to use an existing WIC system it had developed for the State of Wisconsin and customize it for Massachusetts.

DPH originally estimated that the system would be completed by July 2007. However, according to DPH, numerous changes in USDA requirements during development delayed completion until June 2010. Although operational, DPH continues to modify *Eos* using ARRA funds.

Accessibility Requirements

According to DPH, USDA does not require an accessibility component for WIC information systems. The general public, WIC applicants and WIC beneficiaries do not have access to *Eos*. Only approximately 600 DPH and vendor employees have system access. However, the Massachusetts ITD required that any new systems meet state accessibility requirements, known as the "Massachusetts Enterprise IT Accessibility Standards" (Enterprise Standards) and "Web Accessibility Standards."

ITD published the Enterprise Standards in June 2008, more than three years after DPH had issued the RFR for system development. However, ITD took the position that *Eos* must be brought into accessibility compliance prior to implementation. According to DPH, it appealed to ITD to temporarily waive the accessibility requirements since *Eos* had been substantially designed and ready to be brought "on-line." Moreover, the legacy system had already been placed "off-line" in anticipation of *Eos*. ITD granted a waiver to allow *Eos* to go on-line before the accessibility upgrades had been made.

The OIG notes, that according to DPH, accessibility, although an important ITD requirement, might not have been an immediate *Eos* concern. According to DPH, there are currently no visually impaired DPH or vendor employees working in the WIC program. At the vendor level, *Eos* is only used for client intake. Intake consists of verifying written documentation pertaining to applicant identity, residence, income, MassHealth eligibility, health records, as well as measuring an applicant's height and weight. Intake could also require drawing applicant blood samples for testing. DPH staff use *Eos* to test vendor compliance, review records, and to generate program reporting.

According to DPH, it did not have the funding to comply with the required ITD changes. As a result, in 2009 DPH applied for and received a USDA ARRA-funded WIC Grant for \$909,000 in October 2009. The accessibility upgrades have been completed using ARRA funding and the system is now accessible to any visually impaired users. The upgrades cost approximately \$600,000. The upgrades consisted of making various

² According to DPH staff, the lengthy system development timetable and changes in program requirements by the USDA and some by the Commonwealth increased contract costs. USDA funded all contract cost increases.

system software changes. According to DPH, the accessibility features have not been used to date.

ARRA Funding Review

The OIG examined DPH's procurement of services under the WIC Grant. DPH issued a change order to its contractor Ciber, Inc. to perform the system upgrades. DPH attempted a competitive process, but no bidders expressed interest. As a result, DPH had to pay Ciber, Inc, its system designer, what both parties agreed to be a reasonable price. Ideally, the accessibility requirements should have been known before DPH issued the RFR for system development. However, ITD's retroactive application of its Enterprise Standards to the *Eos* system required the expenditure of approximately \$600,000 in ARRA funds. The OIG does not question ITD's policy decision or DPH's choice of Ciber, Inc. to perform the work. The OIG does point out that contract add-ons and change orders issued well into a contract do not provide the awarding agency with ample assurance that it has received a reasonable price or best value from its contractor. This is especially true when, as in this case, the awarding agency has no choice but to use the incumbent to meet a mandatory change that could have put the entire system implementation in jeopardy.

For the \$15,000 testing compliance project, DPH appears to have acted prudently by using a competitive RFR process.

As stated earlier, since the data warehouse and reporting project remains an on-going task, the OIG did not review this expenditure. Moreover, as the OIG limited its review to ARRA-funded items, we did not review the original *Eos* system RFR or subsequent system development.

The OIG review, limited to a portion of the WIC Grant, did not identify any material findings related to the procurement of services using ARRA funds.

I appreciate your cooperation with this review. Please do not hesitate to contact us with any questions or concerns you may have.

Sincerely,

Gregory W. Sullivan
Inspector General

cc: Dr. John Auerbach, Commissioner, Department of Public Health
Sarah Bourne, Director of Assistive Technology, Information Technology Division