

VistA-Laboratory IS System Re-engineering - 2008

PART I - A

PART I: SUMMARY INFORMATION AND JUSTIFICATION

In Part I, complete Sections A, B, C, and D for all capital assets (IT and non-IT). Complete Sections E and F for IT capital assets.

OMB Text Limitations - SHORT ANSWER(250 Characters), MEDIUM ANSWER(500 Characters) and LONG ANSWER(2500 Characters)

Section A: Overview (All Capital Assets)

I.A.1) Date of Submission (mm/dd/yyyy)

Sep 11, 2006

I.A.2) Agency

029 - Department of Veterans Affairs

I.A.3) Bureau

00 - Agency Wide Initiatives

I.A.4) Name of this Investment:(SHORT ANSWER)

VistA Laboratory IS System Re-engineering-2008

I.A.5) Unique Project(Investment) Identifier: Update the UPI using the Exhibit 53 tab.

029-00-01-11-01-1222-00

I.A.6) What kind of investment will this be in FY2008? (Please NOTE: Investments moving to O&M ONLY in FY2008, with Planning/Acquisition activities prior to FY2008 should not select O&M. These investments should indicate their current status.)

Acquisition

I.A.7) What was the first budget year this investment was submitted to OMB?

FY2004

I.A.8) Provide a brief summary and justification for this investment, including a brief description of how this closes in part or in whole an identified agency performance gap: (LONG ANSWER)

The purpose of this project is to enhance the Veterans Health Administration (VHA) Laboratory Service's information system and associated business processes to address current deficiencies and meet future needs. VHA's Laboratory Service (Pathology and Laboratory Medicine Service) is a critical part of offering high quality clinical care to veterans. This service provides the principal medical diagnostic laboratory testing and transfusion functions in all VA medical centers and sets the standards for quality, test methods, and procedures for clinical laboratory testing in the medical centers. The Service relies heavily on information technology to support all phases of their activities, from specimen collection to dissemination of results. The current Laboratory Information System was created more than 20 years ago and has now exceeded its useful life. In FY2005 approximately 215 million billable laboratory tests were conducted throughout the VHA (an increase of approximately 27% since 2003), and almost 80% of clinical decisions are based on the patient's laboratory test results. Currently laboratory information is "facility focused" (records maintained locally) and not "patient focused" (portability of information to another facility) and upgrading the current system to meet future requirements (HDR, HealthVet and interoperability between DoD and PHS as per public law 107-287) would be extremely difficult (due to current software architecture) and costly. As of April 2006, there are 381 enhancement requests and 585 defects that have been logged and still outstanding. Many cannot be addressed due to the nature of the current application design and architecture. Only after the limitations with the current Laboratory Service information technology are removed will improvements in providing clinical diagnostic services be realized. This project includes re-engineering the business processes as well as enhancing the system that supports these processes. This project supports VHA's strategic goals of ensuring timely response to changes in the clinical, business and regulatory environments. The project was granted Milestone 0 approval by the VA Enterprise Information Board (EIB) on 2/20/2003 and EA review in July 2003. Directed funding reductions have delayed planned acquisition however in FY06 the project successfully completed an acquisition decision briefing to the VHA OI HPMO. During Q2FY07 the acquisition decision brief will take place with OI&T. Project acquisition is expected in FY07 with initiation of a proof of concept in Q4FY07.

I.A.9) Did the Agency's Executive/Investment Committee approve this request?

Yes

I.A.9.a) If "yes," what was the date of this approval?

May 25, 2006

I.A.10) Did the Project Manager review this Exhibit?

Yes

I.A. 11) Project Managers Contact Information

	Project Managers Names (SHORT ANSWER)	PM Phone	E-mail (SHORT ANSWER)
Primary in-house	Latham, Cheryl	518-449-0263	cheryl.latham@va.gov

I.A. 12) Has the agency developed and/or promoted cost effective, energy-efficient and environmentally sustainable techniques or practices for this project.

Yes

I.A. 12.a) Will this investment include electronic assets (including computers)?

Yes

I.A. 12.b) Is this investment for construction or retrofit of a federal building or facility? (Answer applicable to non-IT assets only)

No

I.A. 12.b.1) If "yes," is an ESPC or UESC being used to help fund this investment?

I.A. 12.b.2) If "yes," will this investment meet sustainable design principles?

I.A. 12.b.3) If "yes," is it designed to be 30% more energy efficient than relevant code? (Answer applicable to non-IT assets only)

I.A. 13) Does this investment directly support one of the PMA initiatives?

Yes

I.A. 13.a) If "yes," check all that apply:

	PMA Initiatives for XML Submission	PMA Initiatives
Yes	Human Capital	- Human Capital
		- Budget Performance Integration
		- Financial Performance
Yes	Expanded E-Government	- Expanded E-Government
Yes	Competitive Sourcing	- Competitive Sourcing
		- Faith Based and Community
		- Real Property Asset Management
		- Eliminating Improper Payments
		- Privatization of Military Housing
		- Research & Development Investment Criteria
		- Housing & Urban Development Management & Performance
		- Broadening Health Insurance Coverage through State Initiatives
		- "Right Sized" Overseas Presence
Yes	Coordination of VA and DoD Programs and Systems	- Coordination of VA & DoD Programs and Systems

I.A. 13.b) Briefly describe how this asset directly supports the identified initiative(s)?(MEDIUM ANSWER)

The investment supports the coordination of VA & DoD Programs and Systems and federal interagency E-Gov initiatives for interoperability of health care standards by ensuring standardized exchange of lab health information for VA and the DoD patients. The alternatives analysis supports a COTS solution and the project is working collaboratively with DoD, given their competitively awarded Lab/AP COTS contract that enables VHA to purchase an industry solution at pre-negotiated rates through GSA.

I.A.14) Does this investment support a program assessed using the Program Assessment Rating Tool (PART)? (For more information about the PART, visit www.whitehouse.gov/omb/part.)

No

I.A.14.a) If "yes," does this investment address a weakness found during a PART review?

No

I.A.14.b) If "yes," what is the name of the PARTed program? (SHORT ANSWER)

I.A.14.c) If "yes," what rating did the PART receive?

I.A.15) Is this investment information technology? (See section 53.8 for definition)

Yes

I.A.16) What is the level of the IT Project? (per CIO Council PM Guidance)

Level 1

I.A.17) What project management qualifications does the Project Manager have? (per CIO Council PM Guidance)

Qualification Status	Qualification Status for XML Submission	Description
1	(1) Project manager has been validated as qualified for this investment	(1) - Project manager has been validated as qualified for this investment.
		(2) - Project manager qualification is under review for this investment.
		(3) - Project manager assigned to investment, but does not meet requirements.
		(4) - Project manager assigned but qualification status review has not yet started.
		(5) - No Project manager has yet been assigned to this investment.

I.A.18) Is this investment identified as "high risk" on the Q4 - FY 2006 agency high risk report (per OMB's "high risk" memo)?

Yes

I.A.19) Is this project (investment) a Financial Management System? (see section 53.3 for definition)

No

I.A.19.a) If so, does this project (investment) address a FFMA (Federal Financial Managers Integrity Act) compliance area?

I.A.19.a.1) If yes, which compliance area?

I.A.19.a.2) If "no," what does it address? (MEDIUM ANSWER)

I.A.19.b) If "yes," please identify the system name(s) and system acronym(s) as reported in the most recent financial systems inventory update required by Circular A-11 section 52 (LONG ANSWER)

I.A.20) What is the percentage breakout for the total FY2008 funding request for the following? (This should total 100%)

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Percentage of Total Investment	
% Hardware	0.00
% Software	50.00
% Services	50.00
% Others	

I.A.21) If this project produces information dissemination products for the public, are these products published to the Internet in conformance with OMB Memorandum 05-04 and included in your agency inventory, schedules and priorities?

NA

I.A.22) Contact information of individual responsible for privacy related questions:

Contact Name: (SHORT ANSWER)	Heidi Hamzi
Phone Number:	202-565-8346
Title: (SHORT ANSWER)	IT Specialist
E-mail: (SHORT ANSWER)	heidi.hamzi@va.gov

I.A.23) Are the records produced by this investment appropriately scheduled with the National Archives and Records Administration's approval?

Yes

PART I - B

PART I: SUMMARY INFORMATION AND JUSTIFICATION

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Section B: Summary of Funding (All Capital Assets)

I.B.1) FILL IN TABLE IN CURRENT VALUES (in millions)

(Estimates for BY+1 and beyond are for planning purposes only and do not represent budget decisions)

Provide the total estimated life-cycle cost for this investment by completing the following table. All amounts represent budget authority in millions, and are rounded to three decimal places. Federal personnel costs should be included only in the row designated "Government FTE Cost," and should be EXCLUDED from the amounts shown for "Planning," "Full Acquisition," and "Operation/Maintenance." The total estimated annual cost of the investment is the sum of costs for "Planning," "Full Acquisition," and "Operation/Maintenance." For Federal buildings and facilities, life-cycle costs should include long term energy, environmental, decommissioning, and/or restoration costs. The costs associated with the entire life-cycle of the investment should be included in this report.

Category of Funds	PY-1 and Earlier	PY 2006	CY 2007	BY 2008
Planning				
Budgetary Resources	4.170	2.172	0.000	0.000
Acquisition				
Budgetary Resources	0.000	0.000	5.000	2.000
Total, Sum of Stages				
Total, Resources (Plan & Acq)	4.170	2.172	5.000	2.000
Operations & Maintenance				
Budgetary Resources	0.000	0.000	0.000	0.000
Total, All Stages Resources	4.170	2.172	5.000	2.000
Government FTE Costs	0.400	0.648	1.430	1.800
Govt. FTE Numbers	4	6	13	14
Total, All Stages Resources + FTE	4.570	2.820	6.430	3.800

Government FTE Costs SHOULD NOT be INCLUDED as part of the TOTAL, All Stages Resources represented.

Note: 1) For the cross-agency investments, this table should include all funding (both managing partner and partner agencies). 2) Total, All Stages Resources should equal Total, All Stages Outlays.

I.B.2) Will this project require the agency to hire additional FTE's?

Yes

I.B.2.a) If Yes, How many and in what year? (MEDIUM ANSWER)

The project expects to hire 7 FTE (FY07), 1 FTE (FY08), 2 (FY2010) and 1 (FY2011).

I.B.3) If the summary of spending has changed from the FY2007 President's budget request, briefly explain those changes. (LONG ANSWER)

The summary of spending reflects revised funding levels in FY07 and FY08 that ensure project funding aligns with the VA overall funding strategy. The directed funding reductions required restructured funding requirements for FY09 and beyond to restore levels of service and reflect spending requirements for acquisition of a Laboratory Information Management System (LIMS) documented in the Cost Benefit Analysis (CBA) of May 2006. The revised funding level in FY07 (-\$12M) will support a phased acquisition strategy and initiation of proof of concept which was delayed in FY06. Due to the directed funding reductions in FY08 (-\$24.34M) the initial acquisition schedule will be extended through FY08. In addition to the revised funding levels, minor adjustments to the summary of spending include \$480K directed funding reduction for FY06 since funds were set aside in a planning package but were not released to the project and \$2.599M transfer in FY05 primarily to the OI Common Services and Blood Bank projects. These minor adjustments bring the summary of funding table in alignment with funding values actually received in prior periods. A revised baseline reflecting the amounts shown in the BY 2008 Summary of Funding table has been submitted.

PART I - C

PART I: SUMMARY INFORMATION AND JUSTIFICATION
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Section C: Acquisition/Contract Strategy (All Capital Assets)
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<i>I.C.1) If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why? (LONG ANSWER)</i>

EV is not specifically required in contract language, however the work planned and performed is documented in ITPO in the project WBS which is controlled using Earned Value. The documentation includes a time phased project budget, detailed project schedules based on deliverables and milestones, tracking of manpower resources and requirements and performance measurement.
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<i>I.C.2) Do the contracts ensure Section 508 compliance?</i>

Yes

<i>I.C.2.a) If the Contracts WILL NOT ensure Section 508 Compliance, explain why:</i>

<i>I.C.3) Is there an acquisition plan which has been approved in accordance with agency requirements?</i>
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Yes

<i>I.C.3.a) If "yes," what is the date?</i>

Mar 31, 2006

<i>I.C.3.b) If "no," will an acquisition plan be developed?</i>

<i>I.C.3.b.1) If "no," briefly explain why: (MEDIUM ANSWER)</i>

PART I - E

PART I: SUMMARY INFORMATION AND JUSTIFICATION
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Section E: Security and Privacy (IT Capital Assets only)

System/Application Level Information:
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<i>In order to successfully address this area of the business case, each question below must be answered at the system/application level, not at a program or agency level. Systems supporting this investment on the planning and operational systems security tables should match the systems on the privacy table below. Systems on the Operational Security Table must be included on your agency FISMA system inventory and should be easily referenced in the inventory (i.e., should use the same name or identifier).</i>

<i>All systems supporting and/or part of this investment should be included in the tables below, inclusive of both agency owned systems and contractor systems. For IT investments under development, security and privacy planning must proceed in parallel with the development of the system(s) to ensure IT security and privacy requirements and costs are identified and incorporated into the overall lifecycle of the system(s).</i>
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<i>I.E.1) Identified the IT security costs for the system(s) and have integrated those costs into the overall costs of the investment:</i>
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Yes

<i>I.E.2) Is identifying and assessing security and privacy risks a part of the overall risk management effort for each system supporting or part of this investment.</i>

Yes

<i>I.E.3) Have any weaknesses, not yet remediated, related to any of the systems part of or supporting this investment been identified by the agency or IG?</i>

No

<i>I.E.3.a) If "yes," have those weaknesses been incorporated into the agency's plan of action and milestone process?</i>

PART I - F

PART I: SUMMARY INFORMATION AND JUSTIFICATION

In Part I, complete Sections A, B, C, and D for all capital assets (IT and non-IT). Complete Sections E and F for IT capital assets.

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Section F: Enterprise Architecture (EA) (IT Capital Assets only)

In order to successfully address this area of the business case and capital asset plan you must ensure the investment is included in the agency's EA and Capital Planning and Investment Control (CPIC) process, and is mapped to and supports the FEA. You must also ensure the business case demonstrates the relationship between the investment and the business, performance, data, services, application, and technology layers of the agency's EA.

I.F.1) Is this investment included in your agency's target enterprise architecture?

Yes

I.F.1.a) If "no," please explain why? (LONG ANSWER)

I.F.2) Is this investment included in the agency's EA Transition Strategy?

Yes

I.F.2.a) If "yes," provide the investment name as identified in the Transition Strategy provided in the agency's most recent annual EA Assessment. (MEDIUM ANSWER)

Vista Laboratory Information System

I.F.2.b) If "no," please explain why? (LONG ANSWER)

I.F.3) FEA SERVICE REFERENCE MODEL:

I.F.3) Identify the service components funded by this major IT investment (e.g., knowledge management, content management, customer relationship management, etc.). Provide this information in the format of the following table. For detailed guidance regarding components, please refer to <http://www.whitehouse.gov/omb/egov/>.

SERVICE COMPONENT TABLE:

	Agency Component Name(SHORT ANSWER)	Agency Component Description (MEDIUM ANSWER)	FEA SRM Service Type	FEA SRM Component (a*)	FEA Service Component Reused : Component Name (b*)	FEA Service Component Reused : UPI (b*)	Internal or External Reuse? (c*)	BY Funding Percentage (d*)
1	Customer / Account Management	Customer / Account Management	Customer Relationship Management	Customer / Account Management	Customer / Account Management		No Reuse	0.000
2	Process Tracking	Process Tracking	Tracking and Workflow	Process Tracking	Process Tracking		No Reuse	0.000
3	Outbound Correspondence Management	Outbound Correspondence Management	Routing and Scheduling	Outbound Correspondence Management	Outbound Correspondence Management		No Reuse	0.000
4	Ad Hoc	Ad-hoc, OLAP, Standardized/Can-ned Rpt	Records Management	Ad Hoc	Ad Hoc		No Reuse	0.000
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	NOTE:
	<i>(a*) - Use existing SRM Components or identify as "NEW". A "NEW" component is one not already identified as a service component in the FEA SRM.</i>
	<i>(b*) - A reused component is one being funded by another investment, but being used by this investment. Rather than answer yes or no, identify the reused service component funded by the other investment and identify the other investment using the Unique Project Identifier (UPI) code from the OMB Ex 300 or Ex 53 submission.</i>
	<i>(c*) - 'Internal' reuse is within an agency. For example, one agency within a department is reusing a service component provided by another agency within the same department. 'External' reuse is one agency within a department reusing a service component provided by another agency in another department. A good example of this is an E-Gov initiative service being reused by multiple organizations across the federal government.</i>
	<i>(d*) - Please provide the percentage of the BY requested funding amount used for each service component listed in the table. If external, provide the funding level transferred to another agency to pay for the service.</i>

I.F.4) FEA TECHNICAL REFERENCE MODEL:

I.F.4) To demonstrate how this major IT investment aligns with Reference Model (TRM), please list the Service Areas, Service Specifications supporting this IT investment.

TECHNICAL REFERENCE MODEL TABLE:

	FEA SRM Component (a*)	FEA TRM Service Area	FEA TRM Service Category	FEA TRM Service Standard
1	Customer / Account Management	Service Access and Delivery	Service Requirements	Legislative / Compliance
2	Customer / Account Management	Service Access and Delivery	Delivery Channels	Intranet
3	Customer / Account Management	Component Framework	Security	Supporting Security Services
4	Customer / Account Management	Service Interface and Integration	Interface	Service Description / Interface
5	Process Tracking	Service Access and Delivery	Delivery Channels	Intranet
6	Process Tracking	Component Framework	Security	Supporting Security Services
7	Outbound Correspondence Management	Service Access and Delivery	Access Channels	Other Electronic Channels
8	OLAP	Component Framework	Data Management	Reporting and Analysis
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	NOTE:		
	<i>(a*) - Service Components identified in the previous question(I.F.3) should be entered in this column. Please enter multiple rows for FEA SRM Components supported by multiple TRM Service Specifications</i>		
	<i>(b*) - In the Service Specification field, Agencies should provide information on the specified technical standard or vendor product mapped to the FEA TRM Service Standard, including model or version numbers, as appropriate.</i>		
	<i>I.F.5) Will the application leverage existing components and/or applications across the Government (i.e., FirstGov, Pay.Gov, etc)?</i>		
	No		
	<i>I.F.5.a) If "yes," please describe. (LONG ANSWER)</i>		
	This investment will not be using any of the existing components and/or applications across the Government. However, the re-engineered Lab system will implement the standards proposed by the Consolidated Health Informatics group, which is one of the eGov Initiatives.		
	<i>I.F.6) Does this investment provide the public with access to a government automated information system?</i>		
	No		
	<i>I.F.6.a) If "yes," does customer access require specific software (e.g., a specific web browser version)?</i>		

PART II - B

PART II: PLANNING, ACQUISITION AND PERFORMANCE INFORMATION

Part II should be completed only for investments which in FY2008 will be in "Planning" or "Full Acquisition," investments, i.e., selected one of these three choices in response to Question 6 in Part I, Section A above.

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Section B - RISK MANAGEMENT (All Capital Assets)

II.B.1) Does the investment have a Risk Management Plan?

Yes

II.B.1.a) If "yes," what is the date of the plan?

Jan 27, 2006

II.B.1.b) Has the Risk Management Plan been significantly changed since last year's submission to OMB?

No

II.B.1.c) If "yes," describe any significant changes: (LONG ANSWER)

II.B.2) If there currently is no plan, will a plan be developed?

II.B.2.a) If "no," what is the strategy for managing the risks? (LONG ANSWER)

II.B.3) Briefly describe how investment risks are reflected in the life cycle cost estimate and investment schedule: (LONG ANSWER)

The above Section B Risk Table describes the mitigation approach for each of the investment risks and the degree to which the investment risk mitigation costs are contained within the cost estimates. In assessing the risks, provisions exist in the LSRP's development lifecycle to create multiple control points to assess risk exposure and closure. A guiding principle is to maximize business value while delivering within OMB cost and schedule constraints. The cost estimate embodies several stakeholder review points and iteration assessment control points to evaluate progress toward project goals and to allow project management to steer the project towards a successful delivery. The project intends to take the approach of structuring a program to deliver in less then cost estimates, thereby providing a risk reserve to accept some new requirements and mandates over the course of the project while ultimately delivering within cost-schedule profiles.

PART II - C

Part II: Planning, Acquisition And Performance Information

Part II should be completed only for investments which in FY2008 will be in "Planning" or "Full Acquisition," investments, i.e., selected one of these three choices in response to Question 6 in Part I, Section A above.

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C) Cost and Schedule Performance:

Identify in this section the proposed change to the original or current OMB-approved baseline. What are the new cost and schedule goals for the phase or segment/module (e.g., what are the major investment milestones or events; when will each occur; and what is the estimated cost to accomplish each one)? If this is a new investment in the FY 2008 Budget year or if the agency does not intend to propose a new baseline modification, this section will be blank for your budget submission.

II.C.1) Is the department requesting a change in the performance baseline?

Yes

II.C.2) Does the earned value management system meet the criteria in ANSI/EIA Standard – 748?

No

II.C.3) What costs are included in the reported Cost/Schedule Performance information (Government Only/Contractor Only/Both)? (Per OMB requirements Cost/Schedule Performance information should include both Government and Contractor Costs).

Contractor and Government

II.C.4) Comparison of Initial Baseline and Current Approved Baseline:

II.C.4) Complete the following table to compare actual performance against the current performance baseline and to the initial performance baseline. In the Current Baseline section, for all milestones listed, you should provide both the baseline and actual completion dates (e.g., "03/23/2003"/ "04/28/2004") and the baseline and actual total costs (in \$ Millions).

Description of Milestone	Init BL Planned Completion Date	Current BL Completion Date Planned	Current BL Completion Date Actual
BPR, requirement and trade analysis	Mar 1, 2006	Sep 30, 2006	
Other Planning Support	Mar 1, 2006	Sep 30, 2006	
Initial Security & Certification Accreditation	Sep 1, 2007	Sep 30, 2007	
Candidate Architecture, Prototype & Alternative		Sep 30, 2006	Sep 29, 2006
Architecture & Development		Sep 30, 2007	
Development, Testing and Implementation		Sep 30, 2008	

