

# Enterprise Objective Monitoring and Control Services

## Puerto Rico Medicaid Program Risk and Issue Management Plan Aid

V0.x



GOVERNMENT OF PUERTO RICO

Department of Health  
Medicaid Program

**Submitted by:**

BerryDunn  
2211 Congress Street  
Portland, ME 04102-1955  
207.541.2200

**Bill Richardson, Principal**

[brichardson@berrydunn.com](mailto:brichardson@berrydunn.com)

**Zach Rioux, Engagement Manager**

[zrioux@berrydunn.com](mailto:zrioux@berrydunn.com)

**Andrea Thrash, Program Manager**

[athrash@berrydunn.com](mailto:athrash@berrydunn.com)

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## Revision History

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

Table 1 presents the revision history for this document. When changes occur, the PRMP PgMO will increment the version number and the date. The 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**

Version	Delivered Date	Description	Author(s)
1.0	6/22/2022	Initial delivery	BerryDunn PgMO Team

## Introduction

PRMP is committed to successful projects for the residents of Puerto Rico and has established a PgMO to provide guidance, support, and oversight for vendor projects within the Medicaid Enterprise.<sup>1</sup> The PRMP PgMO has created plan aids to assist in effectively and efficiently accomplishing executed projects. Project management involves applying best practice processes, tools, and techniques. The PRMP PgMO aids provide guidance for more predictable and consistent plans, processes, and practices, which will result in meeting the goals and objectives of PRMP and vendor partners and will meet stakeholder expectations.

The Risk and Issue Management Plan Aid is a living document intended to provide PRMP vendors with guidance on PRMP’s expectations regarding management of project risks and issues. PRMP expects vendors to develop and submit a Risk and Issue Management Plan for the project(s) for which they are providing services. They should reference this document when creating their Risk and Issue Management Plans to help ensure PRMP’s expectations are met and that there is a common understanding between PRMP and the vendor regarding risk and issue management. The PRMP PgMO will update this Risk and Issue Management Plan Aid when new applicable standards (or versions of a standard) are released or when there are changes to PRMP policies that affect risk and issue management.

If a vendor finds a contractual conflict with guidance provided in this plan aid, vendors should defer to their contract and/or any updated PRMP guidance.

The Introduction section of this document provides information on the Risk and Issue Management Plan Aid’s purpose and objectives, scope, standards, assumptions, dependencies, and constraints. To help ensure an understanding of a risk versus an issue, Table 2 provides definitions for each item based on *A Guide to the Project Management Body of Knowledge (PMBOK® Guide)*.<sup>2</sup>

**Table 2: Risk and Issue Definitions**

Term	Definition
Risk	A risk is an uncertain event or condition that, if it occurs, has a positive or negative effect on one or more project objectives.
Risk Management	Project risk management includes the process of conducting risk management planning, identification, analysis, response planning, response implementation, and monitoring risk on a project. The objectives of project risk management are to increase the probability and/or impact of positive risks and to decrease the probability and/or

<sup>1</sup> In this aid, “vendor” refers to both solution vendors that implement and maintain systems within the Medicaid Enterprise Solution (PRMES), and other entities that provide non-solution-related PRMES services to PRMP.

<sup>2</sup> Unless otherwise noted, all references to the PMBOK Guide® are for the seventh edition.

Term	Definition
	impact of negative risks, in order to optimize the chances of project success.
Issue	An issue is a current condition or situation that might have an impact on the project objectives. In some instances, an existing risk could materialize into an issue.
Issue Management	Issue management is the process of managing and controlling issues that arise during the project.

## Purpose and Objectives

The purpose of the Risk and Issue Management Plan Aid is to:

- Document the processes for identifying and analyzing risks, planning, and implementing risk responses, and monitoring the risks.
- Document the processes for identifying, prioritizing, resolving, and closing issues.

The objectives of the Risk and Issue Management Plan Aid are to:

- Provide guidance to the Puerto Rico Medicaid Enterprise Systems (PRMES) vendors in the development of their Risk and Issue Management Plans. These plans shall demonstrate the vendors' processes for managing risks and issues, including coordinating with the PRMP project managers to identify, report on, and manage risks and issues. MES vendor Risk and Issue Management Plans shall include provisions to help ensure all identified risks and issues are transparent to PRMP.
- Provide a process for escalating program-level risks and issues within the Medicaid Enterprise, including but not limited to, escalation within the project, program, and enterprise levels.
- Establish consistency across all PRMP Medicaid Enterprise projects and initiatives related to risk and issue management.

## Scope

The Risk and Issue Management Plan shall address risk categories and provide a rating process to help the project team prioritize risks. The Risk and Issue Management Plan shall also address the planning and execution of risk responses. As part of risk and issue management planning, vendors are required to:

- Define process steps
- Document when and how often they will conduct the risk and issue management process throughout the life cycle of the project
- Add the related activities to the project schedule

The Risk and Issue Management Plan shall address all risks and issues that might have an impact on project success. The process shall include the steps for prioritizing risks and issues to allow project teams to focus on resolution of the highest-priority issues. The Risk and Issue Management Plan should also include:

- **Templates:** A risk and issue memorandum, risk and issue log, or other documents that standardize information capture and communication related to risks and issues
- **Processes:** Descriptions about how vendors manage risks and issues, including tracking, management, quality processes, reporting, and tools used
- **Standards:** Descriptions of the industry standards vendors employ to manage risks and issues

## In Scope

Vendors shall identify all the items subject to risk and issue management as part of the overall project. Vendor-specific Risk and Issue Management Plans shall include content describing:

- How the vendor manages risks and issues
- How the vendor monitors risks and issues
- How the vendor implements quality management
- How the vendor plans to report on risks and issues
- How the vendor develops and implements risk responses, including options for mitigation strategies
- How the vendor will resolve issues

## Out of Scope

Vendors shall list the items related to risk and issue management considered out of scope. Any scope exclusions must be in alignment with the Request for Proposals (RFP), vendor's proposal, and the final signed contract as necessary.

## Approach

The Risk and Issue Management Plan Aid takes into consideration the assumptions, dependencies, and constraints for projects as described in this section.

## Assumptions

Per the *PMBOK Guide*<sup>®</sup>, an assumption is a factor expected to be in place or to be in evidence. PgMO made the following assumptions related to the Risk and Issue Management Plan:

- Vendors shall use their own risk management processes to identify and analyze risks and to plan and execute risk responses. Vendors shall coordinate the process with

PRMP project managers and will provide transparency to PRMP. The vendor's own risk management processes will adhere to any guidelines provided in this document.

- Vendors will use their own issue management processes to identify, assign, resolve, and close issues. Vendors shall coordinate the process with PRMP project managers and will provide transparency to PRMP. The vendor's own issue management processes will adhere to any guidelines provided in this document.
- PRMP will have a complementary risk and issue management process overseen by PRMP project managers and supported by the PRMP PgMO.

## Constraints

Per the *PMBOK Guide*<sup>®</sup>, a constraint is a limiting factor that affects the execution of a project or process. There are no constraints identified for the PRMP Risk and Issue Management Plan.

Vendors shall identify constraints in their Risk and Issue Management Plans relating, but not limited to:

- Risk management methodology, including, but not limited to, tools and data sources
- Data quality
- Tool access

## Dependencies

Per the *PMBOK Guide*<sup>®</sup>, 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.

This Risk and Issue Management Plan does not have any dependencies on other plans or processes. However, per the *PMBOK Guide*<sup>®</sup>, all approved subsidiary management plans within the Project Management Plan (PMP) should be taken into consideration in order to make the Risk Management Plan consistent. The methodology outlined in other PMP components might influence how a vendor develops its Risk and Issue Management Plan.

## Standards and References

This section provides an initial list of standards and references applicable to the Risk and Issue Management Plan. Per the *PMBOK Guide*<sup>®</sup>, a standard is a document established by an authority, custom, or general consent as a model or an example. A reference is a source of information and context.

The PRMP PgMO and PRMP vendors are required to use the appropriate standards and references. The PRMP PgMO might incorporate additional standards and references if appropriate for the plan content.

Vendors shall develop their Risk and Issue Management Plans using the following industry standards:



- *PMBOK® Guide*, Seventh Edition, Project Management Institute® (PMI®), Chapter 11 – Project Risk Management
- Practice Standard for Project Risk Management, PMI®
- Capability Maturity Model Integration (CMMI®) for Development, Version 1.3, Software Engineering Institute, Process Area: Risk Management
- Other Standards

Vendors are expected to monitor applicable standards and industry best practices. Vendors shall work with PRMP to determine if updates are required to their Risk and Issue Management Plans when a new applicable standard (or version of a standard) is released.

## Roles and Responsibilities

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

- **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 aims to provide insight into how PRMP and the PgMO will interact with project risk and issue management processes and responsibilities. The vendor should propose its own stakeholder groups and RACI matrix according to its team’s organizational structure. Table 3 provides vendors with the RACI matrix 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 Risk and Issue Management**

Task Area	PRMP Leadership	PRMP Program Director	PRMP PgMO	PRMP Project Lead	PRMP Risk & Issue Manager	Vendor
Planning	C	C	C	A	C, I	R
Management: Risk and Issue Identification	I	C	C	C, I	A	R
Management: Risk and Issue Analysis	I	I	C	C, I	A	R
Management: Risk and Issue Responses	I	C	C	C, I	A	R
Monitoring/Reporting	I	I	I	C, I	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 might vary between projects, in general, the PRMP Leadership stakeholder group refers to the Secretary, Executive Director, and the Executive Steering Committee.

## PRMP Program Director

The PRMP Program Director is a member of the PRMP PgMO.

An important aspect of the PRMP Program Director's role is to assess risks in terms of the interaction of risks between PRMES projects and across PRMP, including whether any risks identified in a project have broader implications.

## PRMP Project Lead

PRMP typically appoints a Project Lead to oversee each of the PRMES projects under PRMP programs, utilizing the defined PRMP PgMO processes. The Project Lead collaborates with the vendor's Project Manager to help ensure the project execution and implementation is in accordance with the approved schedule and processes defined by the PRMP PgMO.

The PRMP Project Lead will have joint responsibility with the vendor Project Manager for identifying, classifying, and determining severity of risks, as well as raising risks and issues with the PRMP PgMO.

## PRMP Risk & Issue Manager

The PRMP Operations Risk & Issue Manager is responsible for the risk and issue management process for the PRMES. The PRMP Operations Risk & Issue Manager identifies and analyzes various project risks and issues, develops risk management controls, implements risk response strategies, evaluates and monitors risks and issues, and communicates recommendations to management. Vendors shall collaborate with and be responsible to the PRMP Operations Risk & Issue Manager throughout a project's life cycle.

## PRMP PgMO

PRMP has designated the PRMES PgMO to provide program management guidance and collaborative oversight for its IT initiatives. As part of this responsibility, the PRMP PgMO has developed this Risk and Issue Management Plan Aid as a guide for project-specific Risk and Issue Management Plans.

Each vendor shall create an individual Risk and Issue Management Plan to manage risks and issues and shall collaborate with the PRMP PgMO to gain approval of the process. The PRMP PgMO is responsible for helping to identify and document program-level risks and issues and for communicating with the project team; however, the PRMP Project Lead and vendor(s) have primary responsibility for identifying and documenting project-level risks and issues.

## Vendors

The vendors implementing one or more IT projects or supporting other PRMP activities are responsible for developing a project-specific Risk and Issue Management Plan, obtaining PRMP and PRMP PgMO approval of the plan, and managing risks and issues in accordance with that plan. The vendor Project Manager is responsible for reporting risks and issues to the PRMP Project Lead, the PRMP Operations Risk & Issue Manager, and the PRMP PgMO.

In accordance with the assumptions described in this document, PRMP anticipates that vendors will maintain the risk register and the issue register, including recording risks and issues and generating reports. The vendor Project Manager will have joint responsibility with the PRMP Project Lead for identifying, classifying, and determining severity of risks, as well as raising risks and issues with the PRMP PgMO.

## Risk Management

Project risk management includes the processes of conducting risk management planning, identification, analysis, response planning, response implementation, and monitoring project risk. The objective of project risk management is to increase the probability or impact of positive risks (opportunities) and reduce the probability and impact of negative risks (threats).

### Plan Risk Management

The risk management component of the Risk and Issue Management Plan shall contain a section that clearly delineates the vendor's strategy for risk management, outlining the project-level procedures for identifying, documenting, tracking, analyzing, and developing response strategies for risks throughout the project. The vendor's plan shall provide an approach that:

- Aligns with the *PMBOK Guide*<sup>®</sup> standards for risk management
- Coordinates and works with PRMP, project managers, vendors, and PRMP PgMO to identify, manage, and respond to risks
- Implements and maintains a separate risk register for each project

### Determine Risk Sources and Categories

The Risk and Issue Management Plan shall identify the potential risk sources and categories. Examples include:

- Plan and schedule
- Organization and management
- Environmental components
- User involvement
- Requirements management
- Personnel and staffing

### Define Risk Parameters

The Risk and Issue Management Plan shall define the risk parameters for evaluating and prioritizing risks. Specifically, the plan shall define:

- Probability of occurrence (risk likelihood)
- Risk impact on project objectives
- Risk severity
- Risk response approach
- Thresholds to trigger management action

Vendor Risk and Issue Management Plans must include a process for using the probability of occurrence and the potential risk impact to create a risk-severity or risk-rating matrix. Tables 4 and 5 depict how the PRMP PgMO defines and categorizes risk severity and risk values. Vendors shall use risk severity and risk values as defined in Tables 4 and 5 unless there is a project-specific or tool-specific reason that would negatively impact the project’s efficiency or effectiveness by using the defined risk severity and risk value designations. Vendors shall propose and discuss deviations from these scales with PRMP and receive PRMP approval prior to using alternative designations and document the agreed-upon approach in their Risk and Issue Management Plans.

**Table 4: Risk Severity**

Probability	Risk Level				
5 (Near Certainty)	5 – Moderate	10 – Moderate	15 – Significant	20 – Significant	25 – Significant
4 (High Likely)	4 – Minimal	8 – Moderate	12 – Moderate	16 – Significant	20 – Significant
3 (Likely)	3 – Minimal	6 – Moderate	9 – Moderate	12 – Moderate	15 – Significant
2 (Unlikely)	2 – Minimal	4 – Minimal	6 – Moderate	8 – Moderate	10 – Moderate
1 (Remote)	1 – Minimal	2 – Minimal	3 – Minimal	4 – Minimal	5 – Moderate
Impact →	1 – Minimal	2 – Minor	3 – Moderate	4 – Significant	5 – Severe

The Risk and Issue Management Plan shall define the thresholds for management action. For example, Table 5 defines the thresholds used in Table 4.

**Table 5: Risk Values**

Risk Value	Risk Level	Definition
15 – 25	Significant	Major disruption likely. Change in approach required. Mitigation required. Management attention required.
5 – 12	Moderate	Some disruption. Client might want to consider an alternative approach. Mitigation recommended. Management attention recommended.
1 – 4	Minimal	Minimal impact. Oversight required to help ensure risk remains low. Mitigation not necessary.

The objective of defining thresholds is to determine the urgency in the planning and execution of risk responses. The Risk and Issue Management Plan shall define thresholds and define the management action required for risks identified as Moderate and Significant.

## Manage Individual Risks

The Risk and Issue Management Plan shall describe the process for risk identification and analysis as well as for risk response planning and execution. Figure 1 illustrates the overall process for individual project risk management.

**Figure 1: Risk Management Process**



Depending on the complexity of the risk, the project team can execute these processes at the time of risk identification. Complex risks requiring additional research or analysis might require a more elaborate sequential process.

### Risk and Issue Management Tools and Data Sources

In their Risk and Issue Management Plans, vendors shall describe the tools used for risk and issue management as well as the data sources for identifying risks and issues.

#### Identify Risk

Participants in risk identification could be any stakeholder involved in the project, including the PRMP Project Manager, Vendor Project Manager, PRMP PgMO team members, vendor staff, and subject matter experts (SMEs). The Risk and Issue Management Plan shall provide a mechanism to allow these stakeholders to bring risks to the attention and action of the project manager.

It is desirable to identify risks as early as possible in the project to allow the project team time to develop and implement responses early to reduce the likelihood of occurrence. As part of the risk identification process, the project manager and project team members should consider the project deliverables, assumptions, constraints, Work Breakdown Structure (WBS), cost/effort estimates, resource plan, and other key project documents when determining the potential occurrence of a risk.

The Risk and Issue Management Plan shall provide a process for assigning each identified risk to a risk owner. The risk owner can be the stakeholder who identified the risk, the risk manager (if assigned), or a project team member with the skill set to implement the risk response. To the extent that a risk affects the capabilities of the product or the supported business processes, the risk owner will coordinate the planning and execution of risk responses with the relevant business owner.

#### Risk Register and Reporting

The Risk and Issue Management Plan shall also define a risk register. The risk register captures the details of the identified risks, including the risk identifier, a description of the risk, and the assigned risk owner. The risk register will need to be reported in an Excel format.

When identified, the vendor will log risks in its risk register. The risk register will include, at a minimum the elements listed in Table 6.

**Table 6: Risk Values**

Risk Register Element	Definition
Identification (ID) Number	Indicates the risk ID number
Risk Title	Provides the title of the risk
Project Name	Provides name of the project(s) impacted by the risk
Date Identified	Indicates the date the risk was identified
Risk Description	Provides a detailed description of the risk
Risk Probability	Indicates probability of the risk
Risk Severity	Indicates the severity of the risk
Risk Impact	Indicates the impact of the risk
Risk Level	Indicates the risk value rating for the risk
Status	Indicates the status of the risk (e.g., Open, Under Review, Closed, Watch)
Status Change Date	Indicates the most recent date the risk status changed
Risk Response Options	Provides a detailed description of risk response options. Vendors are expected to provide an analysis on multiple options for mitigating a risk and reasons options were not chosen as the mitigation strategy
Selected Risk Response Strategy	Provides a description of the selected risk response strategy, including information on why the selected strategy is the best approach
Update Comments/Notes	Includes the notes or comments on activities related to responding to the risk
PRMP Risk Owner	Provides the name of the PRMP team member responsible for assisting with closure of the risk (if applicable)
Vendor Risk Owner	Provides the name of the vendor risk owner responsible for the closure of the risk
Related Change Request (CR)	Tracks related CR(s), if applicable
Update Date	Indicates the date of the most recent risk comment/note

Once the vendor logs a risk, the vendor should communicate the risk to the PRMP Project Manager as follows, according to risk levels defined in Table 5 of this document:

- **Significant:** Within one business week, via email, standing meeting, or ad hoc meeting as appropriate/needed



- **Moderate:** Within two business weeks, via email, standing meeting, or ad hoc meeting as appropriate/needed
- **Minimal:** Documented in the next status report and discussed in a standing risk management meeting

The vendor team will collaborate with the PRMP PgMO, PRMP Project Manager, and PRMP Operations Risk & Issue Manager to develop a risk response strategy and confirm the risk probability, impact, and ownership. Open risks must be included in project status reports as agreed upon with PRMP. Additionally, a closed risk shall be reported as closed in the report following closure, then removed from the report and maintained in the risk register.

Vendors' Risk and Issue Management Plans shall define the reporting capabilities from the risk register.

## Analyze Risk

The Risk and Issue Management Plan shall include a process for analyzing risks using qualitative and quantitative analysis to determine the risk categories and risk parameters.

The risk analysis process shall assist in prioritizing the risk for further analysis or action, assessing the probability of occurrence and impact. The project team should assign a risk rating based on the probability of the risk occurring and the impact the occurrence could have on the project objectives. Other risk parameters that the project team should consider in the analysis are:

- **Urgency or proximity:** Risks requiring a near-term response might be higher priority to address
- **Manageability:** Ability of the project team to manage the probability or impact of the risk
- **Controllability:** Degree to which the project team can control the risk's outcome

It is useful to assign a risk category to each risk to classify it into a group, and to evaluate all risks in a category, such as all risks related to the project schedule. This grouping can help in performing the root-cause analysis. PRMP expects all vendors to assign a risk category to each risk.

## Plan Responses

The vendor Risk and Issue Management Plan shall include a process for developing responses to risks, both positive and negative. The objective of the risk response process is to determine the action or actions to respond to the risk. Table 7 describes threat response strategies.

**Table 7: Threat Response Strategies**

Strategy	Description
Escalate	Escalation might be appropriate when the threat is outside the scope of the project. PRMP’s project manager and project sponsor shall determine when it is appropriate to escalate a risk.
Avoid	Risk avoidance occurs when the project team acts to eliminate the threat or acts to protect the project from its impact.
Transfer	Transfer involves shifting the ownership of the threat to a third party to manage the risk or bear the impact of its occurrence.
Mitigate	Mitigation involves action to reduce the probability of occurrence or reduce the impact on the project. It is the most common risk response.
Accept	Acceptance acknowledges the existence of a threat, but no action is taken.

Table 8 describes opportunity response strategies.

**Table 8: Opportunity Response Strategies**

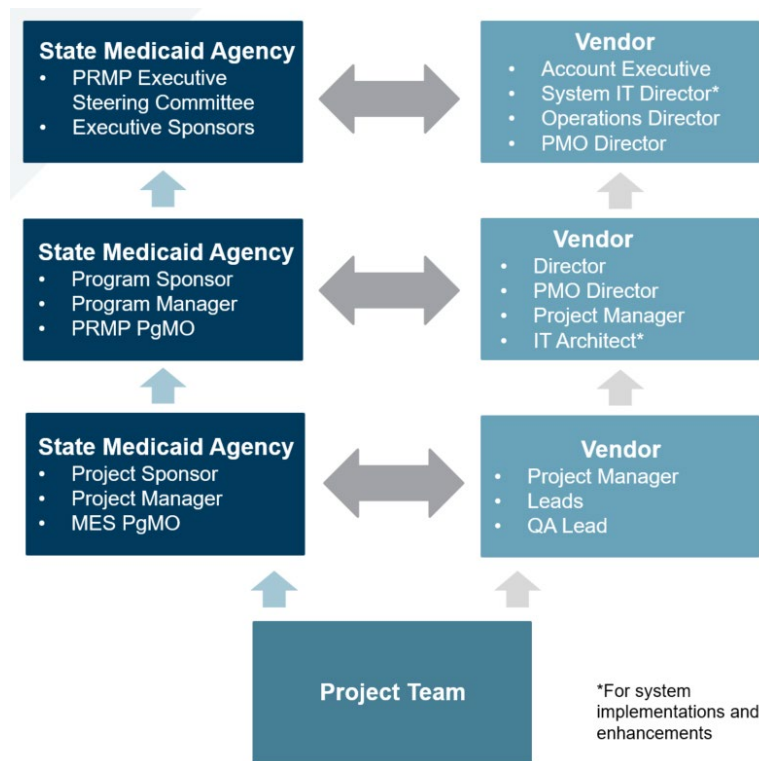
Strategy	Description
Escalate	Escalation might be appropriate when the opportunity is outside the scope of the project. PRMP’s project manager and project sponsor shall determine when it is appropriate to escalate an opportunity.
Exploit	Exploitation enables the gain of benefit corresponding with the opportunity to help ensure that it occurs.
Share	Share involves transferring the opportunity to another party to share in the ownership and benefit.
Enhance	Enhance involves increasing the probability or impact of the opportunity.
Accept	Acceptance acknowledges the existence of an opportunity, but no action is taken.

### Risk Escalation Process

As noted in Section 3.4 one risk response strategy for both threats and opportunities is escalation. If PRMP Project Leads and the project sponsor agree that the proposed response is beyond the project scope or exceeds the authority of the Project Lead, they shall use an escalation strategy.

The vendor’s Risk and Issue Management Plan shall address the escalation process for the project. Figure 2 illustrates the risk escalation process as defined by the PRMP PgMO. In their Risk and Issue Management Plans, vendors should create a risk escalation process diagram depicting the appropriate vendor project and organizational structures/titles to correspond with the State Medicaid Agency (SMA) structure depicted below.

**Figure 2: Risk Escalation Process**



The escalation process is designed to allow the vendor entities to develop the risk response strategies at the lowest level possible while maintaining interaction and transparency between the vendor and PRMP regarding the best response strategy.

### Execute Response

The Risk and Issue Management Plan shall include a process for executing or implementing the planned risk responses.

The execute response process includes allocating the resources to fully execute the agreed-upon response strategies and obtaining regular status updates from the risk owner or other team members involved in the execution process.

### Monitor Risks

Risk management is a continuous forward-looking process that effectively anticipates and mitigates threats and effectively anticipates and exploits opportunities. The process for monitoring risks involves:

- Continually assessing existing risks
- Identifying new or previously undiscovered risks
- Continuously following up on the results of risk response strategies

The Risk and Issue Management Plan shall define the criteria used to determine which risks might rise to the highest threshold for management action. Risks discussed in status meetings shall be included on status reports as agreed upon by PRMP and the vendor.

In addition, the Risk and Issue Management Plan shall describe the vendor’s plan to establish a regularly scheduled risk management meeting. Table 9 represents the Risk Management Meeting Matrix.

**Table 9: Risk Management Meeting Matrix**

Objective	Audience	Inputs	Outputs
Monitor the status of risks and risk response strategies; monitor the status of issues and issue resolutions	<ul style="list-style-type: none"> <li>• PRMP Project Lead</li> <li>• Vendor Project Manager</li> <li>• Risk Manager (if assigned)</li> <li>• PRMP PgMO Representative</li> </ul>	<ul style="list-style-type: none"> <li>• Agenda</li> <li>• Risk Register</li> </ul>	<ul style="list-style-type: none"> <li>• Meeting notes</li> <li>• Updated Decision Log</li> <li>• Updated Risk Register</li> <li>• Updated Issue Register</li> </ul>

## Issue Management

Project issue management is the process for issue management planning and for identifying and resolving project issues in a timely manner to help reduce negative impacts caused by the issue and to enhance the success of the project.

### Issue Management Plan

Each vendor shall provide a Risk and Issue Management Plan that defines the detailed approach to managing project issues. This issue management plan should be reported in Excel format. The vendor’s Risk and Issue Management Plan shall also define the issue register attributes for the project shown in Table 10.

**Table 10: Issue Register Attributes**

Memo Attribute	Attribute Description
Identification (ID) Number	Provides the ID number for the issue
Issue Title	Provides the title of the issue
Issue Description	Provides a detailed description of the issue, including, but not limited to: <ul style="list-style-type: none"> <li>• Trigger event</li> <li>• Description of issue status</li> <li>• Project objective being compromised</li> <li>• Quantified description of impact</li> </ul>
Status	Indicates the status of the issue (Open, Escalated, Closed, or Resolved)
Issue Severity	Indicates the severity level for an issue
Escalation Date	Indicates the date the initial risk was escalated to an issue
Impact Analysis	Describes the issue’s impact, including, but not limited to: <ul style="list-style-type: none"> <li>• Other projects</li> <li>• Finances</li> <li>• Project schedule</li> <li>• Resources</li> </ul>
Projects Impacted	Provides a list of projects impacted by the issue
Date Communicated to PRMP	Indicates the date the original risk was communicated to PRMP
Target Resolution Date	Indicates the date the vendor anticipates resolution of the issue
Proposed Mitigation Strategy	Describes the proposed mitigation strategy(-ies). PRMP expects vendors to provide more than one mitigation strategy, including a description of which strategy is selected or rejected and reasons why
Related Findings	Indicates any related risks and/or issues

Memo Attribute	Attribute Description
PRMP Issue Owner	Provides the name of the PRMP team member responsible for assisting with closure of the issue (if applicable)
Vendor Issue Owner	Provides the name of the vendor issue owner responsible for the closure of the issue
Notes/Comments	Provides updates on the status and progress toward issue resolution

The vendor might maintain separate Risk and issue registers or one combined register as long as the register(s) contain(s) the necessary fields. Project management literature generally describes the source of issues as realized risks. While realized risks are a source of issues, an issue can be any problem, question, action (or inaction), event, or condition that exists and adversely affects one or more of the project objectives for scope, schedule, cost, or quality.

Vendor Risk and Issue Management Plans must include a process for creating an issue severity matrix. Table 9 depicts how the PRMP PgMO defines and categorizes issue severity. PRMP expects vendors to use the issue severity categories and definitions in Table 11 unless there is a project-specific or tool-specific reason that would negatively impact the project’s efficiency or effectiveness. Vendors shall propose and discuss deviations from the issue severity designations with PRMP and receive PRMP approval prior to using an alternative scale. Vendors should note agreed-upon deviations from the issue severity designations in their Risk and Issue Management Plans.

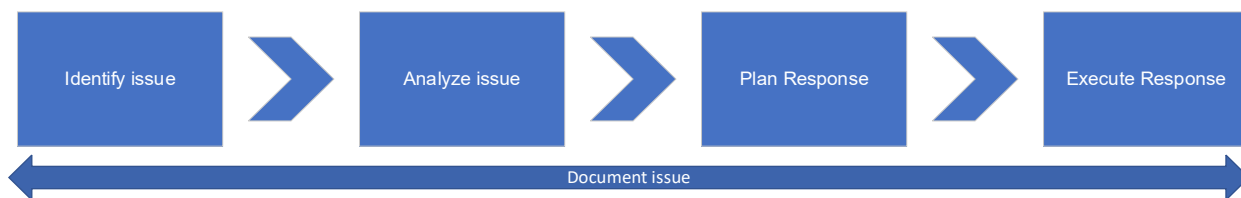
**Table 11: Issue Severity**

Issue Severity	Definition
High	The issue is preventing or might prevent mission-critical project activities from on-time, on-budget completion within scope and quality parameters. The issue must be immediately resolved or mitigated before related project work continues.
Medium	The issue is not currently preventing mission-critical project work from proceeding as planned. To prevent impact, client should address or mitigate issue on a timely basis. Resolution must occur, but work can continue.
Low	The issue is cosmetic in nature and should be resolved, but it does not have to be resolved prior to go-live.

## Issue Management Process

The Risk and Issue Management Plan shall define the process for managing issues for the project. This process is depicted in Figure 3.

**Figure 3: Issue Management Process**



## Identify Issue

An issue is an event, condition, question, or problem that exists and could have an adverse impact on the project. Once identified, the project team documents the issue by logging it into the issue register.

Once the vendor logs an issue, the vendor should communicate the issue to the PRMP Project Manager as follows according to its root-cause and severity analysis:

- **High:** Within two to four business days depending on issue complexity, via email, standing meeting, or ad hoc meeting as appropriate/needed
- **Medium:** Within two business weeks, via email, standing meeting, or ad hoc meeting as appropriate/needed
- **Low:** Documented in the next status report and discussed in a standing issue management meeting

The vendor team will collaborate with the PRMP PgMO and project manager to develop a resolution strategy and confirm the severity and ownership. Open issues shall be included in project status reports as agreed upon with PRMP. Additionally, a closed issue should be reported on said reports as closed in the report following closure, then removed from the report and maintained in the risk and issue register.

## Assign Issue

The vendor project manager assigns the issue to an owner to analyze and recommend a resolution and control the issue to closure. This might be an individual team member or the project manager. The owner should be someone who has authority within the project to see the issue through to resolution, even if they rely on additional team members to take steps to help resolve the issue.

The issue owner shall be responsible for analyzing the issue. The analysis shall include categorizing the issue, assessing the impact of the issue, prioritizing the issue, and determining the appropriate response. The issue owner shall work with the vendor Project Manager during the analysis.

## Resolve Issue

Once the issue owner determines a course of action for resolving the issue, the issue owner should communicate the planned resolution to the vendor project manager, project team

members, and other impacted stakeholders, including the business owner, to obtain buy-in for the planned resolution. The issue owner, PRMP and vendor project managers, and PRMP operations risk & issue manager shall determine the time frame for issue resolution. The PgMO shall be informed of all issues and their statuses.

Considering that the issue might impact one or more of the project objectives, the resolution might involve a variety of project stakeholders.

## Close Issue

The issue owner works with various stakeholders to address the issue satisfactorily. When all stakeholders agree with the resolution, it is marked complete. Based on this step, the issue owner reports the issue status as complete to the PRMP and vendor project managers for approval. The PRMP Project Lead reviews the resolution details and verifies that those details demonstrate full resolution of the issue. On confirmation that they do, the project manager closes the issue and records the resolution date. The project manager shall communicate the issue closure status to project team members and other stakeholders through the established communication process.

## Issue Register and Reporting

Planning for issue management involves recognizing that issues shall arise during a project; implementing a process to identify, assign, resolve, and close the issues; and implementing an issue register to record and track the issues from identification to closure. All open risks and issues shall be included in reports agreed upon with PRMP.



## Appendix A: Acronyms List

Appendix A provides a list of acronyms and their definitions used in this document

**Table 12: Acronyms List**

Acronym	Definition
CHIP	Children's Health Insurance Program
CMMI®	Capability Maturity Model Integration
CR	Change Request
EOMC	Enterprise Objective Monitoring and Control
ID	Identifier
IT	Information Technology
KL	BerryDunn KnowledgeLink
OIAT	Oficina de Informática y Avances Tecnológicos
PgMO	Program Management Office
<i>PMBOK® Guide</i>	<i>A Guide to the Project Management Body of Knowledge</i>
PMI®	Project Management Institute®
PMP	Project Management Plan
PRDoH	Puerto Rico Department of Health
PRMES	Puerto Rico Medicaid Enterprise Systems
PRMP	Puerto Rico Medicaid Program
RACI	Responsible, Accountable, Consulted, Informed
RFP	Request for Proposals
SMA	State Medicaid Agency
SME	Subject Matter Expert
WBS	Work Breakdown Structure