STATEMENT OF

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ON
OBAMACARE IMPLEMENTATION: THE ROLLOUT OF HEALTHCARE.GOV

BEFORE THE

U. S. HOUSE COMMITTEE ON OVERSIGHT & GOVERNMENT REFORM

NOVEMBER 13, 2013

U. S. House Committee on Oversight and Government Reform
"ObamaCare Implementation: The Rollout of HealthCare.gov"
November 13, 2013

Good morning, Chairman Issa, Ranking Member Cummings, and members of this Committee. My name is Frank Baitman and I am the Deputy Assistant Secretary for Information Technology and Chief Information Officer (CIO) at the U.S. Department of Health and Human Services (HHS or Department). I am pleased to join you here today.

The Department of Health and Human Services is the United States government's principal agency for protecting the health of all Americans and providing essential human services, especially for those who are least able to help themselves. At the Department level, the Office of the Chief Information Officer (OCIO) serves this objective by leading the development and implementation of an enterprise-level information technology (IT) framework. HHS is committed to the effective and efficient management of our information resources in support of our public health mission, human services program, and the United States health system. The HHS OCIO is responsible for developing the Department's policy framework for IT, including such areas as enterprise architecture, capital planning, records management, accessibility, and security and privacy. For example, the security arena has a healthy framework that encompasses the Federal Information Security Management Act of 2002, OMB Directives, and the National Institute of Standards and Technology's guidance on security and privacy, all of which are embodied in Departmental policies. Our information technology (IT) portfolio is sizable, including support for a number of grant programs that provide IT resources to state, local, and tribal governments in support of the programs administered by HHS. The Department's portfolio also supports everything from common and commodity IT—things like human resources, email, and accounting systems—to the mission systems that enable research at the National Institutes of Health (NIH), regulation of drugs and devices at the Food and Drug Administration (FDA), and treatment at the Indian Health Services' network of clinics.

HHS is a large department with a diverse set of missions. Our Operating Divisions include: the Administration for Children and Families, the Administration for Community Living, the Administration for Health Research and Quality, the Centers for Disease Control and Prevention, the Centers for Medicare & Medicaid Services (CMS), the Food and Drug Administration, the Health Resources and Services Administration, the Indian Health Service, the National Institutes of Health, and the Substance Abuse and Mental Health Services Administration. We manage our IT portfolio through a federated governance structure. The vast majority of the Department's IT resources are directly tied to appropriations made to our programs and Operating Divisions, and our governance structure reflects this reality. Program-level IT decisions are governed and reviewed by our Operating Divisions.

Each of HHS's Operating Divisions has its own Chief Information Officer (CIO), Chief Information Security Officer (CISO), and IT management structure. Management of the development of Healthcare.gov was comparable to management of similar IT initiatives throughout the Department's Operating Divisions. Indeed, prior IT initiatives we are all familiar with—including Medicare.gov and the Medicare Part D prescription drug program—were led and developed by CMS, who serves as the business owner and developer of Healthcare.gov's integrated eligibility and enrollment systems for the Federally-Facilitated Marketplace.

Since I joined the Department about eighteen months ago, we have been working to restructure and update our IT governance—bringing visibility into what the Department buys and builds across all of our Operating Divisions. We are in the process of putting in place three IT steering committees to bring together technology and program leaders from across the Department to improve our purchasing and management of IT resources. These Steering Committees take a functional view of our IT portfolio, creating one to oversee health and human services systems, a second for scientific research systems, and a third for administrative and management systems and our technology infrastructure.

This governance structure will improve Department-wide oversight of IT purchases and projects. Secretary Sebelius has been a strong advocate for complete transparency into the Department's IT portfolio, and this new governance structure is designed to achieve that outcome. Collectively,

these three steering committees will provide Department-wide guidance to the Operating Divisions' respective IT portfolios, and will ensure that we identify and take advantage of opportunities to save taxpayer funds. For example, we are in the process of establishing a Vendor Management Office to improve the Department's negotiating position with technology vendors, and to make use of enterprise-wide license acquisitions.

We are always looking for ways to consolidate investments, systems, or acquisitions to meet the Department's broad IT portfolio needs more effectively. In the FY 2014 budget process, HHS identified over $250 million in reductions within our IT portfolio attributable to savings in various commodity IT areas, data center consolidations, simplification of redundant contracting vehicles, and the elimination of low-value or underperforming investments.

Thank you for the opportunity to meet with you today.

Frank Baitman – Biography

Frank Baitman has held leadership positions in both the private and public sectors, focusing on innovation, technology and business strategy. He is currently the Chief Information Officer with the US Department of Health and Human Services (HHS) where his emphasis is on delivering improved business outcomes from the agency's IT investments.

Recently, Frank served as a White House Entrepreneur-In-Residence on assignment at the Food and Drug Administration (FDA), where he helped to build the Innovation Pathway 2.0, a streamlined process for regulatory review and approval of innovative medical devices.

Earlier, as Chief Information Officer for the US Social Security Administration, Frank focused on innovation and citizen-centered services while increasing agency efficiency through technology modernization and business process improvements. He co-chaired the Federal CIO Council's Accessibility Committee's efforts to improve services to Americans with disabilities, advocating the benefits of universal design.

Frank has focused on innovation and invention, having worked as an independent strategy executive and consultant, with for-profit companies, nonprofits and universities. While at IBM Research he created a marketing group that shaped the division's research and development agenda; later as director of corporate strategy for IBM, he oversaw the Global Market Trends study which identified emerging business opportunities, launching the life science solutions and pervasive computing businesses. Frank has advised government agencies on public policy matters, including nuclear nonproliferation, physical security, and arms control verification measures, and worked with the Department of Energy's labs developing their technology transfer program.

Frank received his Master's in Public Management at the University of Maryland at College Park; and his BA from the State University of New York at Albany.