VA/DoD Health Executive Committee
Joint Incentive Fund (JIF)
New Program Manager Training

March 2015
Agenda

• Purpose
• Background
• Annual Project Plans, Spend Plans, and Program Evaluation Assessments
• Quarterly In Progress Review (IPRs)
• Change Management: Reporting Changes in Funding/Costs, Scope, and/or Schedules
• Ongoing Project Management Activities
• Common Pitfalls
• Conclusion
Purpose

To discuss the new Joint Incentive Fund (JIF) program manager responsibilities that will facilitate the effective implementation, evaluation, and financial management of JIF initiatives.

Annual Project Plans, Spend Plans, and Program Evaluation Quarterly
In Progress Reviews (IPRs)
Reporting Changes in Funding/Costs, Scope, and/or Schedules

Ongoing Project Management Activities:
- Program/Resource Management
- Scope/Change Management
- Funds/Cost Management
- Risk/Issue/Quality Management
- Metrics/Knowledge Management
Background

• The JIF was established when the 2003 National Defense Authorization Act (NDAA), Section 721, amended Title 38 United States Code 8111. JIF provides seed money for creative joint sharing initiatives to recapture purchased care, improve quality, and drive cost savings. The minimum annual contributions to the fund by DoD/VA are $15 million each, for a total of $30 million per year.

• JIF is only designated for use by the Veterans Health Administration (VHA) and Defense Health Agency (DHA) entities for direct medical sharing initiatives or for services or systems that facilitate DoD/VA interoperability.

• JIF should not be used to hire military personnel, for major construction, and/or major IT systems. Funds should also not be used for sustainment purposes.

• **JIF initiatives should be executed to completion (and funding should be spent) within 2 years.**

<table>
<thead>
<tr>
<th>Potential Joint Incentive Fund Uses</th>
<th>Authorized</th>
<th>Not Authorized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major and Minor Capital Equipment</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Salary &amp; Benefits- Civilian Personnel</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Minor Construction Projects</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Joint VA/DoD Major Construction Planning</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Capital and Operating Leases</td>
<td>X</td>
<td></td>
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<tr>
<td>One-time Investment Costs (other than above)</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Recurring Operating Costs</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Salary &amp; Benefits- Military Personnel</td>
<td></td>
<td>X</td>
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<tr>
<td>Major Construction Projects or Major IT Systems</td>
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<td>X</td>
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Background

- JIF projects are managed by the Health Executive Council (HEC) Financial Management Work Group (FMWG). The HEC FMWG’s co-chairs are Mr. Rychalski and Ms. Turco.
- HEC co-chairs, Dr. Woodson and Dr. Clancy may also request reviews of JIF initiatives.
- HEC reports to the Joint Executive Council (JEC), co-chaired by DepSec VA Mr. Gibson & USD (PR) Mrs. Wright.

Joint Executive Committee and Co-Chair Membership

DoD

<table>
<thead>
<tr>
<th>Construction Planning Committee (CPC)</th>
<th>Wounded, Ill and Injured Committee (WIC)</th>
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<tbody>
<tr>
<td>(Mr. Michael Bouchard)</td>
<td>(Mr. James Rodriguez)</td>
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Strategic Communications Working Group (SCWG)

MAJ James Brindle

DOD/VA HEALTH EXECUTIVE COMMITTEE (HEC)

(Dr. Jonathan Woodson and VA - Dr. Carolyn Clancy - Acting)

DOD/VA BENEFITS EXECUTIVE COMMITTEE (BEC)

(Ms. Stephanie Barnes and Ms. Alison Hickey)

DOD/VA INTERAGENCY PROGRAM OFFICE (IPOL)

(Mr. Christopher Miller and Mr. Shrin Burne)

Health Executive Committee

Business Lines & Sub-Components

Professional Development Business Line

DoD Lead: Director, Education & Training, DHA
VA Lead: Chief Learning Officer, VHA

- Continuing Education & Training
- Health Professions Education Ad Hoc
- Evidence Based Clinical Guidelines

Financial Operations & Business Operations Business Line

DoD Lead: DASD (Health Budgets & Financial Policy), HA
VA Lead: Chief Financial Officer

- Acquisitions & Medical Material Management
- Financial Management
- Joint Venture/ Resource Sharing
- JAL/FHCC Advisory Board

Research Business Line

DoD Lead: Director, Research & Development Policy & Oversight, HA
VA Lead: Chief Research and Development Officer, VHA

- Medical Research
- Deployment Health
- Vision Center of Excellence
- Hearing Center of Excellence
- Extremities Trauma & Amputation Center of Excellence

Clinical Operations Business Line

DoD Lead: DASD (Clinical & Program Policy), HA
VA Lead: ADUSH Patient Care Services

- Credentialing & Privileging
- Pain Management
- Patient Safety
- Pharmacy Ad Hoc
- Psychological Health / Traumatic Brain Injury
- Telehealth

Health Data Sharing Business Line

DoD Lead: Deputy Program Executive Officer, Defense Healthcare Management Systems, DHA
VA Lead: Chief Medical Informatics Officer

- Interagency Clinical Informatics Board
- Health data sharing for Clinical Care Transitions
- Health data sharing for Separating Service Members
- Health data sharing for Integrated Disability Evaluation System & Benefits Adjudication
- Health data sharing for Patient Empowerment
- Health data sharing for Population Health & other Non-clinical use
JIF Project, Financial Plans & Annual Program Evaluation Assessments

- Populate and submit the JIF project plan and financial plan templates following JIF initiative selection.
- Update and submit plans quarterly for In Progress Reviews and annually during the program evaluation assessment.
- Templates must be completed and updated jointly by DoD and VA counterparts.
- Templates will help teams:
  1. Define specific work streams,
  2. Develop and commit to a schedule,
  3. Report plans and progress to external stakeholders.

### 2.0 Program Evaluation Dimensions and Criteria

<table>
<thead>
<tr>
<th>Program Dimension</th>
<th>Efficacy</th>
<th>Outcome</th>
<th>Sustainability/Scalability</th>
</tr>
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<tbody>
<tr>
<td>Need</td>
<td>Structure</td>
<td>Process</td>
<td></td>
</tr>
</tbody>
</table>
| Strategy/Designs  | Service Delivery | - Access and 
|                   | Accessibility and 
|                   | Utilization | - Increased Access 
|                   | Customization | Accessibility and 
|                   | - Coordination | Accessibility and 
|                   | - Continuity of 
|                   | Services | - Economic Impact 
|                   | - Staffing and 
|                   | Supervision | - Operating 
|                   | - Budget 
|                   | Allocation and 
|                   | - Staffing and 
|                   | Support | - Operational 
|                   | - Compliance | Support |
|                   | - Accreditation |                        |
|                   | - Recertifying and 
|                   | - Administration 
|                   | - Patient 
|                   | - Safety and 
|                   | - Value of 
|                   | - Quality and 
|                   | - Specialization 
|                   | - Technology | - Specialization |
|                   | - Facility | - Technology |
|                   | - Expansion | - Technology |
|                   | - Faculty 
|                   | - Recruitment | - Technology |
|                   | - Equipment | - Technology |
|                   | - Program 
|                   | - Research and 
|                   | - Specialty 
|                   | - Professional 
|                   | - Innovation 
|                   | - Patient 
|                   | - Support | - Economic Impact |
|                   | - Community | - Economic Impact |
|                   | - Programs | - Economic Impact |
|                   | - Services | - Economic Impact |
|                   | - Education | - Economic Impact |
|                   | - Research | - Economic Impact |
|                   | - Training | - Economic Impact |
|                   | - Practice 
|                   | - Innovation | - Economic Impact |
|                   | - Innovation | - Economic Impact |
|                   | - Innovation | - Economic Impact |
|                   | - Innovation | - Economic Impact |
|                   | - Innovation | - Economic Impact |
|                   | - Innovation | - Economic Impact |

- JIF SPEND PLAN
  - JIF Project Code (FAE):
  - Year 1: $0.00
  - Year 2: $0.00
  - Operational Expenses (OPEX)
    - OPEX Total: $0.00
    - Clinical Labor: $0.00
    - Administrative Labor: $0.00
    - Medical Supplies: $0.00
    - Office Supplies: $0.00
    - Utilities: $0.00
    - Marketing: $0.00
    - Facility Rent: $0.00
    - Facility Maintenance: $0.00
    - Insurance: $0.00
    - Travel: $0.00
    - Other OPEX 1: $0.00
    - Other OPEX 2: $0.00
  - Capital Expenditures (CAPEX)
    - CAPEX Total: $0.00
    - Facility Investments: $0.00
The JIF project plan template should be populated once your JIF initiative has been selected. It must be updated/submitted at the quarterly IPR to the HEC FMWG.

Fill in each of your main task work streams in the far left column and any subtask within a work stream in the next column to the right. Work streams are the discrete pieces of work necessary to bring your project to completion. Subtasks provide more detail of how you will complete that particular work stream.

Enter the owners for each work stream and subtask. Fill in the proposed start dates and due dates for each of your initiative’s subtasks.

Fill in the weeks in which each subtask/work stream will be active, following the example in the template for “Work Stream 1” and its subtasks.

Be sure to keep this Initiative Plan updated as your project continues. Updates include indicating the status of each work stream and subtask using the drop down menus, marking any changes in start or due dates, indicating “Upcoming/Adjusted Deadlines” using the highlight colors indicated.
**JIF Financial Plans**

**Template Completion Instructions**

- **JIF Financial Management** focuses on ensuring the project is on time, on budget and within the scope approved in the JIF proposal. Financial plans must be updated/submitted at the quarterly IPR to the HEC FMWG.

- Fill in each of the main types of spending and totals for Year 1 and Year 2.

- Be sure to keep this Financial Plan updated as your project continues, with changes in funding, commitments, obligations, and expenditures (disbursements).

- If there are any changes in funding if the project is either under budget or over budget, please note this change. Any excess funds (if under budget or the program is terminated) must be returned to the JIF program. A plan for funding beyond two years should be in the respective VA or DoD budgets for program sustainment beyond 2 years; excess JIF funds should NOT be used for sustainment.

- Work with your Component or VA financial manager to pull your updated financial data (funds, commitments, obligations, disbursements) by your designated project code from the financial system of record (e.g. GFEBS, DEAMS, STARS-FL, FMS, DAI)
• **This status report should be updated quarterly. It serves as the primary means for teams to report back to the HEC FMWG.**

• Complete the overall status report section, including the last update, funding information, and overall implementation stage, including color flagging your initiative green, yellow, or red according to the key.

• Provide the background and objectives from your original JIF proposal. This is the "authorized" scope as approved by the Health Executive Council (HEC) co-chairs and what will be monitored by the HEC Financial Management Work Group (FMWG) at the quarterly In Progress Reviews (IPRs). Any deviations in scope, schedule, or funds should be reported to the HEC FMWG through the JIF change management process.

• Provide the current implementation stage. This should be a short paragraph of the main achievements and risks, including the time to completion.

• Keep track of any JIF leadership assigned action items at a given quarterly IPR. These must be addressed before the next quarterly IPR.

• Complete all other relevant sections, including milestones completed, success metrics, risks, and detailed funding, savings, and cost information (actuals NOT planned).
The purpose of this document is to provide designated annual evaluations of JIF initiatives to assess dimensions and criteria essential to the JIF program’s success. These dimensions include an initiative’s structure, process, outcomes, sustainability, and cost-effectiveness. This must be submitted yearly to the HEC FMWG.

This tool will ultimately aid in the identification of a JIF initiative's strengths, opportunities, lessons learned, and risks as defined below.

- **Strengths:** Noteworthy and differentiating program accomplishments, critical success factors, unique and successful design attributes, support and engagement from stakeholders

- **Opportunities:** Suggested recommendations for program growth and development, actionable next steps and available resources, highlighted resources and relationship-building activities

- **Lessons Learned:** Changes to program approach, design, policies, and procedures with documented impact and transferability to similar programs

- **Risks:** Risk management is an overarching project management activity that spans across financial, schedule, safety, and quality management. Project success is dependent finding potential risks early
Quarterly IPR Reports
Template Completion Instructions (Continued)

- Solicit updates on each work stream and subtask from its owner.
  - Information to request:
    - Overall Status (Color code), Implementation Stage
    - Funding, Obligation, Savings, ROI
    - Current State, Time to Completion
    - Milestones and Accomplishments (with dates), Upcoming Tasks
    - Success Metrics
    - Issues/Barriers Encountered
- Email your completed Status Report Template to HEC FMWG
- Flag Green/yellow/red status for your initiative and discuss key risks
  - **Green**: JIF is at or above anticipated performance thresholds
  - **Yellow**: JIF is cautionary, and is behind in one, but not more than one of the following: Schedule, Budget, ROI, Metrics
  - **Red**: JIF is behind in more than one of the following: Schedule, Budget, ROI, Metrics
Change Management
Reporting Changes in Funding, Scope, and/or Schedules

• The JIF Change Management Form and associated documentation package must be submitted for any funding, scope change, or schedule change to a previously approved JIF project.

• Any deviations from a project’s originally approved functionality, deliverables, and/or timelines are significant changes requiring an impact assessment with the JIF change management form.

• Effective scope, schedule, and funds control is important to reducing project risk, it is also crucial to delivering an exceptional end result.

• The ability to pro-actively manage scope, schedule, and funding is directly related to the ability to be responsive to risks, and to report risks and issues early to the HEC FMWG.
Change Management
Reporting Changes in Funding, Scope, and/or Schedules

• Fill out the JIF change management form completely and accurately. Any errors or omissions can result in delays in receiving funding or authorization to proceed.

• This form must be submitted whenever there is a scope, funding, or schedule change from the original proposal approved by the HEC co-chairs.
  o Provide qualitative analysis with background and context for the JIF initiative, and the reason for the change in scope, timelines, and any funding changes (Impact assessment form).
  o Provide quantitative analysis and revised business case (Update project plan and spend plan).
  o Provide a justification document for approval (Decision Memorandum).
  o Provide summary slides for HEC FMWG (with ROI impact, justification, timeline impacts, funding request, scope changes etc.)
Ongoing Project Management Activities

- The JIF website has been created to provide JIF program managers with templates, training materials, electronic submission, guidance, resources, etc.
- Quick reference guides for program management are available:
  - Program/Resource Management
  - Scope/Change Management
  - Funds/Cost Management
  - Risk/Issue/Quality Management
  - Metrics/Knowledge Management
- These web portals will serve as the sources of JIF information at DoD and VA:
  - VA http://vaww.dodcoordination.va.gov/
Common Pitfalls

• **Contracting and personnel hiring issues**
  – Draft Statement of Work (SOW) as soon as you are notified that your JIF project has been selected.
  – Make contracting an early priority in project activities, as hiring and contracting processes are slow.
  – Recruit potential key personnel early.
  – If running into hiring delays, take steps to use existing staff, whose expertise and duties align with the project. Form integrated working groups/teams, and develop project materials, MOUs, before contracted staff is on board.

• **Deployment delays, including site construction and IT functionality**
  – Have clear deliverables and timeline in the SOW and/or project plan. Increase accountability.

• **Metrics assessments conducted after project completion or not at all**
  – Always baseline performance metrics. Devise access, quality, safety, and cost-savings measures from the beginning and continuously track and report progress over the course of project implementation.

• **De-scoping, timeline extensions from the original proposal without HEC FMWG approval**
  – Always report scope changes, additional funds requests, timeline extensions, and/or any potential risks to the HEC FMWG, abiding by the JIF change management process. Proper project planning (JIF spend plans, project plans, and IPRs) will also facilitate success.

• **Sustainment challenges**
  – Carefully document and track key performance indicators, and develop a business case and sharing agreement early on in order to submit justification for DoD or VA budgets.

• **General program management issues and risks**
  – Work closely with the HEC FMWG if you believe your project is running into trouble and proactively report risks. We will work with the JEC/HEC and its 6 committees, 34 working groups, 4 centers of excellence and 2 task forces that meet routinely to address health, benefits, technical, facility, and informational issues. We will be able to assist your project staff if you have any questions or need leadership support.
Conclusion

- Continued funding for your JIF initiative is tied to performance.
- While there have been success stories resulting from JIF funding, the program has also faced challenges.
- In 2014, OMB increased its oversight of the JIF program, resulting in considerable pressure on DHA and VHA leaders to demonstrate that JIF initiatives are executed effectively and that the funds are spent efficiently and in a timely fashion.
- Our approval of your initiative is recognition that your idea shows merit and is an opportunity that effectively and efficiently can improve access, quality, and reduce costs for both departments.
- All JIF quarterly project plans, financial plans, IPRs, annual program evaluations, and change management must be submitted consistently.
- Your continued commitment and diligence is essential in achieving success to improve healthcare for DoD and VA beneficiaries.