

November xx, 2013

Gene L. Dodaro
Comptroller General
Government Accountability Office
441 G Street, NW
Washington, DC 20548

Daniel R. Levinson
Inspector General
U.S. Department of Health and Human Services
Room 5541 Cohen Building
330 Independence Avenue, SW
Washington, DC 20201

Dear Comptroller General Dodaro and Inspector General Levinson:

On October 1, millions of Americans eagerly awaited the launch of healthcare.gov, a new marketplace where individuals and small businesses could easily compare quality health plans in their area and access tax credits, where eligible, to help make those plans affordable.

Unfortunately, the site crashed early that morning after receiving just a thousand visitors. More than a month later, too many visitors still find the site unusable. At every step of the user experience, site errors have prevented people from effectively shopping and enrolling in plans. Users have encountered problems creating an account, verifying the account, determining eligibility, protecting user privacy, calculating tax credits, and facilitating enrollment with private insurers if they can even access the site at all. Many states still have not received the data necessary to enroll eligible individuals in their Medicaid programs, and the accuracy of the files used by insurers to enroll customers remains an open question. As a result, what should be a 21st century digital process on the back-end has become an antiquated, paper-and-pencil effort that is not sustainable or scalable as the problems of the front-end consumer experience get resolved. In the words of Secretary Sebelius at a recent Congressional hearing, “the roll-out has been excruciatingly awful for too many people.”

These problems are simply unacceptable, and Americans deserve answers and swift solutions. Taxpayers are owed a full and transparent accounting of how the vendors contracted to build the site failed to launch it successfully. We strongly urge to you undertake a complete, thorough investigation to determine the causes of the design and implementation failures of healthcare.gov that includes an examination of the following issues:

- Ultimately, 55 contractors were hired to build the site.
 - What were the responsibilities of each contractor, the size of each contract, and what proportion of projects required under these contracts was completed satisfactorily and on-time?
 - When projects were not completed satisfactorily or on time, were payments withheld?

- What was the initial expected cost of healthcare.gov, what is now the projected total cost of healthcare.gov, and which contractors will receive any expected increase in costs and for what work?
 - At what additional cost to the government are new or existing contractors being hired to fix healthcare.gov?
 - What authority does the Centers for Medicare and Medicaid Services have to recoup funding already expended on unfulfilled contracts, and when has that authority been exercised?
 - What penalties for future government contract work may be levied against the contractors who failed to meet their obligations under contracts to build healthcare.gov?
- The scope and responsibilities of the marketplaces and data hub needed to run it were clear when the Affordable Care Act was signed into law on March 23, 2010. Why was the primary contract for building the site not awarded until September 2011?
 - When the contract for building the site was awarded in September 2011, it was only open to a limited number of contractors who had been original bidders of a 2007 contract for “general information technology services.” In an era of rapid technological change, why was the pool of contractors for the most significant public sector technological initiative in recent history limited to an unrelated government contract from four years earlier?
 - What reforms to the government procurement process do you recommend to avoid future instances of incomplete and/or malfunctioning information technology products provided to the government?

These questions will help us understand how the launch of healthcare.gov went wrong, and how attempts to improve it and launch other government websites can be improved in the future.

In spite of these technical problems, the vision for healthcare.gov and its promise of quality, affordable health insurance for individuals and small businesses must be fulfilled. The website is undergoing serious and rapid repairs to make that promise a reality every day. When the site is functioning smoothly, we expect that millions of people, for the first time, will not have to worry whether they can see a doctor because of a pre-existing condition, and other important market reforms will protect the insured from the prospect of unaffordable medical bills. In the meantime, it is critical that we understand how and why the mechanism for reaching that goal – healthcare.gov – failed to launch as required on October 1, 2013.

Sincerely,