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Dear Dr. Alex Pettit and Mr. Clyde Hamstreet,

For 35 years Oracle software has powered much of the world's most complex IT systems, with an impeccable record of success. Not surprisingly then, Oracle is involved with nearly a dozen state health care exchanges, including Covered California, which are running extremely well. And, at the request of the White House, Oracle lead a team of engineers to assist with fixing HealthCare.gov, which it did to great success. In Oregon, however, the State's role in establishing the health insurance exchange has lead to a much different result.

Contrary to the story the State has promoted, Oracle has never lead the Oregon Health Exchange project. Oracle does not now serve, nor has it ever served, as the Systems Integrator or Project Manager. Unlike other states that have successful and functioning exchanges (California, for example), Oregon decided not to hire a third party to act as the Systems Integrator, and decided instead to fulfill that role itself. That decision has been criticized frequently by many, including the former Interim Director of Cover Oregon and in the report prepared by First Data. Oracle's extensive documentation on this project supports the conclusion that OHA and Cover Oregon lacked the skills, knowledge or ability to be successful as the Systems Integrator and/or Project Manager on an undertaking of this scope and complexity.

OHA and Cover Oregon, by choice and by contract, were squarely in charge of the project. This division of responsibility is reflected in the contracts, which have always been on a time and materials basis and clearly state that Oracle's only role is to "assist" OHA and Cover Oregon with various tasks. The fact that Oracle is on a time and material contract is not some contracting error, but rather an accurate reflection of the support role the State intended Oracle to play. And as can be expected, with repeated changes in leadership and constant changes in the State's priorities and specifications, the project was late and over budget.

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Despite assertions to the contrary, Oracle provided clear and repeated warnings that the health exchange website would not be ready to go live on October 1. The State's current effort to deflect responsibility by claiming that Oracle failed to communicate the status of the project is demonstrably false and belied by the many documents and communications detailing project risks and readiness provided to Cover Oregon on a daily and weekly basis for many months prior to October 1. Even without these documents, however, anyone with even minimal IT expertise would have known that the system would not, and could not, go live on October 1. In fact, some critical specifications were not provided by Cover Oregon to Oracle until November 2013.

Since last October, Oregon's politicians have continued the false narrative to the press that Oracle had been in charge during the building of the website and was therefore entirely to blame. Instead of defending ourselves against those who for their own political reasons wanted to deflect blame from themselves, Oracle chose to focus its efforts on the health insurance exchange itself. As a result, the Oregon Health Exchange website that Oracle coded has successfully registered a very substantial number of citizens. The functionality required to enroll the vast majority of Oregon residents is operational and being used today by hundreds of community partner agents and call center representatives to enroll individuals who have submitted applications either on paper or on line. This functionality includes:

- Create an account
- Determine eligibility
- Plan selection
- Enrollment
- Integration with Federal systems
- Batch communication to Insurance carriers for enrollment
- Integration with the Oregon's OHA for Medicaid enrollment
- Customer service call center

System availability has been good for many weeks, usually exceeding 99%, and the current error rate has dropped to 0.7%, which Cover Oregon deems acceptable. In fact, the application has processed large numbers of healthcare plan enrollments.

Subsidized Enrollments	154,000
QHP (Private) Enrollments	60,000
TOTAL	214,000

In addition, the State of Oregon, using a related solution developed by Oracle working at the Oregon Health Authority, has enrolled an additional 130,000 individuals directly in Medicaid plans, for a grand total of 344,000 individuals enrolled. As the former Interim head of Cover Oregon, Dr. Bruce Goldberg, said at his last CoverOregon board meeting today, the site's enrollment is already double what had been expected when CoverOregon was launched over two years ago. In addition, Cover Oregon executives have stated to Oracle that the application functionality is sufficient to support individual enrollment. However, Cover Oregon has not agreed to give individuals direct access to the application. Thus Cover Oregon, not Oracle, made

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the decision to keep the exchange closed to individuals even though the functionality has been delivered by Oracle.

So today we encourage Cover Oregon to immediately hire a System Integrator to lead the project, as it represented it would do at the beginning of this project. Oracle will continue to do whatever is asked of it by Cover Oregon under our existing contracts.

Sincerely,

A handwritten signature in black ink, appearing to read "Jay Lang". The signature is fluid and cursive, with the first name "Jay" and the last name "Lang" clearly distinguishable.