

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM,
U.S. HOUSE OF REPRESENTATIVES,
WASHINGTON, D.C.

DEPOSITION OF: MICHAEL BONETTO

Wednesday, February 10, 2016

Washington, D.C.

The interview in the above matter was held in Room 2247, Rayburn House Office Building, commencing at 8:00 a.m.

Present: Representatives Chaffetz, Meadows, Jordan, Lummis, Hice, Gosar, Carter, and Palmer.

Appearances:

For the COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM:

[REDACTED]

For THE WITNESS:

[REDACTED]

Mr. [REDACTED] This is a deposition of Michael Bonetto conducted by the House Committee on Oversight and Government Reform. This deposition is occurring under a subpoena issued by Chairman Chaffetz as part of the committee's investigation of Cover Oregon.

Before I get into my preamble, I'll mark the subpoena as exhibit 1 and enter that into the record.

[Bonetto Exhibit No. 1
Was marked for identification.]

Mr. [REDACTED] The date on the subpoena is January 25, 2016, and that date was modified by the agreement of the parties to accommodate the witness' and counsel's schedules. The chairman also agreed to modify the start time to 8 a.m. to accommodate the witness' and counsel's travel plans. Could the witness please state your name for the record?

Mr. Bonetto. Michael John Bonetto.

Mr. [REDACTED] [REDACTED]

[REDACTED] And I will ask everyone else present from the committee at the table to introduce themselves as well.

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED].

[REDACTED] [REDACTED]

counsel may object to a question to preserve a privilege and not for any other reason, such as if the answer would be uncomfortable or confidential.

If the witness or his counsel objects to a question, the objection should be stated clearly and in a nonargumentative manner. The members and committee staff are not permitted to raise objections. Only the witness or his counsel may do so. The chairman will rule on the objection after the deposition has adjourned, and there is a process in the committee rules for adjudicating any objections.

As you can see, there is an official reporter taking down everything we say to make a written record, so we ask that you give verbal responses to all questions. It's also important that we don't talk over one another so the court reporter can make a clear record. Do you understand that?

Mr. Bonetto. Yes.

Mr. [REDACTED] We encourage all witnesses who appear before the committee to freely consult with counsel, and you do have counsel present today. Would counsel please state his name for the record?

Mr. [REDACTED] [REDACTED].

Mr. [REDACTED] Thanks. We want you to answer our questions in the most complete and truthful manner possible, so we will take our time. If you have any questions or if you do not understand any of our questions, please let us know. You're welcome to confer with counsel at any time throughout the deposition, but if something needs to be clarified, we ask that the witness make that known. If you need

to discuss anything with your counsel, we will go off the record and stop the clock to provide the opportunity to do so. If you honestly don't know the answer to a question or do not remember, it's best not to guess. Please give us your best recollection. It's okay to tell us if you learned information from someone else. Just indicate how you came to know the information. If there are things you don't know or can't remember, just say so, and please inform us who, to the best of your knowledge, might be able to provide a more complete answer.

We would like to take a break whenever it's convenient for you. This can be after every hour of questioning, after a couple of rounds, whatever you prefer. During a round of questioning, if you need anything, water, to use the restroom, confer with counsel, just let us know, and we'll go off the record and stop the clock. We would like to make this process as easy and as comfortable as possible.

The witness has expressed a desire to catch his flight home at 6:35, which the chairman accommodated by modifying the start time of today's deposition, which I mentioned earlier. We will not, however, be in a position to reduce the number of questions or otherwise limit the interview, so we should be mindful of the breaks we take. We have a soft target of 4:30 to wrap up and get Mr. Bonetto on his way to the airport.

The majority has planned for approximately 4 hours of questions. If the minority uses an equal amount of time, we'll be very close to 4:30 if we take just a few short breaks.

Committee rule 15(e) requires a member of the committee to be

present during the deposition. And the chairman is present now, and different members of the committee will rotate in and out throughout the day. The House of Representatives is in session today, and there may be votes on the floor at some point, and there are a number of different committee activities as well, so there may be times when we have to unexpectedly take a break until a member returns. We are not able to circumscribe our questioning to account for time that we lose because members have busy schedules, but the witness may waive the 15(e) requirement at any time.

In a moment, you'll be placed under oath. Title 18, Section 1621 of the U.S. Code requires that you answer questions truthfully when you are under oath. Also Title 18, Section 1001 requires you to answer questions from Congress truthfully.

Do you understand?

Mr. Bonetto. Yes.

Mr. [REDACTED] This also applies to questions posed by congressional staff. Do you understand that?

Mr. Bonetto. Yes.

Mr. [REDACTED] Witnesses that knowingly provide false testimony could be subject to criminal prosecution. Do you understand that?

Mr. Bonetto. Yes.

Mr. [REDACTED] Is there any reason that you are unable to provide truthful answers to today's questions?

Mr. Bonetto. No.

Mr. [REDACTED] Pursuant to the committee rules, the witness will

be sworn in before providing testimony, and the reporter will do that.

[Witness sworn.]

Mr. [REDACTED] Let the record reflect that the witness answered in the affirmative.

And, just finally, the content of what we discuss here today is confidential. We ask that you not speak to any outside individuals other than your counsel about what was asked or your responses. That's the end of my preamble. My colleague [REDACTED] will start the first hour of questions for the majority, and I'll start the clock now.

EXAMINATION

BY MR. [REDACTED]

Q Hello, Mr. Bonetto. What is your current occupation?

A I'm currently a healthcare consultant.

Q What positions did you hold in the Governor's Office under Governor Kitzhaber?

A Health policy adviser and chief of staff.

Q And why did you stop working for the Governor's Office?

A The Governor resigned, and I stepped down as well.

Q Did you work on Kitzhaber's 2014 reelection campaign?

A Yes.

Q What was your role in the Governor's reelection campaign?

A An adviser.

Q Were you paid by the campaign?

A No.

Q What were your responsibilities for the campaign as an

adviser?

A Providing, you know, insight to campaign activities.

Q And how would you define "campaign activities" there?

A From speeches to policy platforms.

Q Okay. What did you do to prepare for this deposition?

A Reviewed several third-party documents from current litigation to former audits and assessments.

Q And you received a letter from this committee reviewing Cover Oregon on September 3, 2015. Correct?

A Correct.

Q Since receiving this committee's letter, have you had any discussions with Patricia McCaig about this committee's investigation?

A No.

Q Who is Patricia McCaig?

A Patricia McCaig, I believe, is an independent consultant and had some involvement in Cover Oregon.

Q And since receiving this committee's letter, have you had any discussions with Bruce Goldberg about the committee's investigation?

A No.

Q Can you describe your knowledge of who Bruce Goldberg was?

A Bruce Goldberg was a former director of the Oregon Health Authority and then also an interim director at Cover Oregon.

Q And based on his role heading Cover Oregon, would you agree that he has sufficient knowledge of the Cover Oregon project?

A Correct.

Q Since receiving this committee's letter, have you had any discussion with Kevin Looper about the committee's investigation?

A No.

Q And can you describe your knowledge of who Kevin Looper is?

A Kevin Looper, a political consultant.

Q And since receiving this committee's letter, have you had any discussions with Tim Raphael about the committee's investigation?

A No.

Q Can you describe for me your knowledge of who Tim Raphael is?

A I believe he now works for a marketing and lobbying firm, Strategies 360.

Q Since receiving this committee's letter, have you had any discussions with Mark Wiener about the committee's investigation?

A No.

Q Can you describe your knowledge of who Mark Wiener is?

A Political consultant.

Q Were you on the technology advisory group that was created related to Cover Oregon?

A No.

Q Can you describe what you understand the purpose of the technology advisory group to be?

A Was to help determine a path forward based on the current status back in March of 2013.

Q And is it your understanding that this group was convened by Bruce Goldberg?

A To my recollection, yes.

Mr. [REDACTED] We're going to show you an email that --

Mr. [REDACTED] We'll mark this as exhibit 2.

[Bonetto Exhibit No. 2

Was marked for identification.]

Mr. [REDACTED] There you go, sir.

Mr. [REDACTED] Thank you.

BY MR. [REDACTED]

Q You would agree that this email was sent from you to a number of people, and it contains a draft charter for the Cover Oregon technology advisory group in March 2014?

A Correct.

Q Why do you believe Bruce Goldberg would be involved in the creation of this technology advisory group?

A This was something Bruce put together to help inform him of possible options moving forward.

Q And you sent this to a number of people, and I'd just like to ask you about each person's individual role at the time. At the time Tim Raphael, what was his occupation?

A I believe he was at Strategies 360.

Q Okay. Was he an employee of the State at the time?

A No.

Q There is an address that is Kevin at Fulcrum Political. Who

is this?

A I believe that is Kevin Looper.

Q Okay. What was his occupation at the time?

A Political consultant.

Q And was he an employee of the State?

A No.

Q We also went over who Mark Wiener is, but do you know what his occupation was at the time you sent this email?

A Political consultant.

Q Was he an employee of the State?

A No.

Q Patricia McCaig, do you know what her role or occupation at the time was?

A No. Political consultant, I would assume.

Q And was she an employee of the State, to your knowledge?

A No.

Q Nkenge Harmon Johnson, who is this?

A The Governor's Office communications director.

Q What was her occupation at the time?

A Communications director.

Q So she was an employee of the State?

A Correct.

Q Why did you send this to her email account that was not her State email account?

A This was a group that we had been working on in February

to help manage the Cover Oregon situation. This was at the Governor's request to help better inform the office of how to deal with day-to-day communication. After I transitioned into the chief of staff role at the beginning of the year, there was a huge gap within the office in terms of capacity and competency: so Tim Raphael was the former communications director; my predecessor, Curtis Robinhold, was chief of staff; and a former staffer, Scott Nelson. We had three, I mean, significant people in the office who left who were really responsible for a lot of strategy and communication on a day-to-day basis. So when they left, we had a huge void. At the same time, we had a growing issue with just communication issues around Cover Oregon, so this group was mobilized to really help on day-to-day communication issues.

Q You just mentioned that several people left and there was a void. Where did these people go? To the campaign?

A Curtis Robinhold, I believe went to the Port of Portland, and Scott Nelson I believe was doing independent work.

Q And then Dmitri P, who is this?

A Dmitri Palmateer was the deputy chief of staff in the Governor's Office.

Q So he was an employee of the State?

A Correct.

Q Why did you send it to his personal email account?

A He was another individual part of the team.

Q Were these the only people in this group?

A For this purpose, yes. There were other people who were

brought in to help with information flow as well as communication strategy.

Q Did this group have a name?

A It had been termed the SWAT team in some documents that I have reviewed, but it never had an official name by our means.

Q Did the SWAT team have either an official or unofficial head or leader?

A I think, in some initial documents, I was in charge of helping coordinate this group and making sure that information was flowing from situations within Cover Oregon to the Governor.

Q Okay. Can you describe the role of the Governor's Office in deciding that Cover Oregon should switch from the State-supported IT platform to healthcare.gov?

A Sure. I would back up to August-September of 2013, where the State stopped paying Oracle, and this was for nondelivery of a work product. And, you know, that subsequently then led to a breakdown where we had been promised over and over again a working Web site. So October 1st came and went with no working Web site, even though we were being promised that. Mid-October came and went with, again, a promise that it was going to be up and running. November, same. December, the same. January, the same. February, the same. So, by that timeframe, there was just not a lot of, I think, hope or optimism that Oracle would be able to deliver. When Bruce Goldberg came on as that interim director at the beginning of the year, he had hired Deloitte to do an analysis of what our options might be. By mid-February -- I

believe it was around the 10th or so of February -- Deloitte put together an initial assessment that showed what those options were, of staying with the current technology as opposed to making the transition. So we were at that time beginning to look at what those options would be, and I think that's when there was a bigger realization that we were going to be well beyond budget and well beyond timeframe to actually continue to be able to enroll people.

Q So, based on what you just said, you believed that the decision was based on evaluating a new timeframe and a new budget?

A There were three things, and this was really the directive of the IT committee, which Alex Pettit led, and that was the risk, the schedule, and the cost of how we were going to move forward. So the risk was, what's the probability of success? The schedule, would you be able to continue to enroll people and, more importantly, be ready for November open enrollment date? And then the cost, were you actually going to be able to stay within budget. So those were the three big variables that were really front and center.

Q Okay.

Mr. [REDACTED] I'm going to show you an email here that Jon will mark as exhibit 3.

[Bonetto Exhibit No. 3

Was marked for identification.]

Mr. [REDACTED] Bear in mind he asked, what was the Governor's role in this decision? Who made the decision? I think you should clarify that.

The Witness. The decision was made by the Cover Oregon board.

BY MR. [REDACTED]

Q I realize this is a long email, but you will see that halfway down that first page in the paragraph that begins with the word "but, well, first off, because the formatting is a little off, you sent this email to John Kitzhaber?

A Correct.

Q And you'll see that halfway down the page in that paragraph beginning with "but," you wrote that you don't need an IT platform that is, quote, "going to be highly scrutinized over the next several years." What did you mean by that?

A I can't exactly recall, but I would think it was more focused on the Governor's healthcare agenda and the segment before that of moving the marketplace.

Q And this was on March 23rd of 2014. Did you have a preference at this time to close up Cover Oregon and move to the federally facilitated exchange known as healthcare.gov?

Mr. [REDACTED] Mr. Bonetto personally?

Mr. [REDACTED] Yes.

The Witness. In March, I think there were several factors that we were still looking at. One still had to do just with the viability of the vendor and, again, being promised over and over again that we were going to have something, and it never materialized. And then the second really was then looking at this IT committee and looking at their recommendations through the lens of risk, schedule, and cost.

BY MR. [REDACTED]

Q And, at that time, did you know if the Governor had a preference to move to the federally facilitated exchange?

A The Governor, the last thing that he wanted to do was to make this transition. He was very committed to making this work.

Q Did you discuss the need to have an IT platform that is not highly scrutinized with Patricia McCaig?

A Not that I recall.

Q Did you discuss the need to have a IT platform that is not highly scrutinized with Tim Raphael?

A Not that I recall.

Q Did you believe that an IT platform that was highly scrutinized could negatively impact the Governor's political standing?

A No.

Q Did you believe the high scrutiny surrounding Cover Oregon could negatively impact the Governor's reelection campaign?

A No. That was not the focus. The biggest thing was to have the opportunity to enroll individuals for health care, which really led into his healthcare agenda and transformation.

Q I understand you may say that's not the focus, but at the time, did you have any belief that a highly scrutinized exchange could negatively impact the Governor's political standing?

A At the time, I would say no, and if you look at where he was with polling, there was really very little concern.

Mr. [REDACTED] We're going to go to another exhibit now.

Mr. [REDACTED] We'll mark these as exhibits 4 and 5.

[Bonetto Exhibit Nos. 4 and 5
Was marked for identification.]

BY MR. [REDACTED]

Q You will see that one of these emails was from Sean Kolmer to you in which he says: "I think it is a mistake to hedge our bets with the Federal exchange as the backup." At the time, what did you believe Sean Kolmer meant by "I think it is a mistake to hedge our bets with the Federal exchange as the backup"?

A I don't recall.

Q Then you'll see that this next document is from John Kitzhaber to Sean Kolmer and you, and this was the day before, and if you go to the second-to-the-last page, you will see that, in this yellow section, the Governor himself said -- or in this document that was attached to his email -- the Governor said: "I think it is a mistake to hedge our bets hedge our bets with the Federal exchange as the backup." Now, first, I need to ask you the fact that, in this email, is it your understanding that the attachment to this email that has "Staying with Current Technology" at the top and "Going to the Federal Site," was this document created by the Governor?

Mr. [REDACTED] Take your time to look at it.

The Witness. I believe so.

BY MR. [REDACTED]

Q What do you believe the Governor meant by, "I think it is a mistake to hedge our bets with the Federal exchange as the backup"?

A I'm not exactly clear.

Q At the bottom of that section under "Going to the Federal Site," it says: "Downside: Lost all or most of our investment to date." Would you agree with that?

Mr. [REDACTED] There's a subsequent page too.

The Witness. Yes.

BY MR. [REDACTED]

Q Did you ever discuss this document with the Governor?

A Not that I recall.

Q Did the Governor ultimately make the decision to abandon Cover Oregon and revert to healthcare.gov?

A It was the Cover Oregon board that made the decision, but the Governor supported that decision. The other thing that I would highlight is that this is March 26th, so this is prior to the IT committee having completed its work.

Q What did you advise the Governor to do related to the decision of changing from Cover Oregon to a federally facilitated marketplace?

A So I looked through the recommendations from the IT committee after they had completed their work and came to that same conclusion in terms of the risk, schedule, and cost.

Q Before this decision was made to move to the Federal exchange, did you or anyone in the Governor's Office review the Governor's legal authority to make any decisions about Cover Oregon?

Mr. [REDACTED] I'm going to object. It calls for privileged

information provided by counsel to the Governor's Office.

Mr. [REDACTED] Can you restate that?

Mr. [REDACTED] I'm going to object to the extent the answer calls for any privileged information in the nature of advice given by the Governor's counsel to the Governor's Office, which Mr. Bonetto would have received as chief of staff for the Governor.

Mr. [REDACTED] So the attorney-client relationship is between the Governor and his counsel.

Mr. [REDACTED] And his counsel, and Mr. Bonetto is testifying before this committee concerning his role as the Governor's chief of staff. That privilege belongs to the State of Oregon. I believe that he can't waive that privilege. Mr. Bonetto can't waive that privilege. That's the State's privilege, the Governor's privilege.

The Witness. [REDACTED] can you ask that question again?

Mr. [REDACTED] I was just wondering if you or anyone in the Governor's Office reviewed the Governor's legal authority to make decisions about Cover Oregon?

Mr. [REDACTED] You can answer yes or no.

The Witness. No. I understand Per's comment. I guess, from our perspective, the decision was from the Cover Oregon board.

Mr. [REDACTED] I'd like to state for the record that I believe that privilege will be overruled, so I think it would be in everyone's interest if you answer the question.

The Witness. I'm fine with that. I think the answer would be no, because, again, we never looked at the Governor making that

decision. The decision was through the Cover Oregon board.

Mr. [REDACTED] And, generally, are you aware of any legal authority the Governor had to make decisions about Cover Oregon?

Mr. [REDACTED] Objection. Broad. Any decisions?

Mr. [REDACTED] [REDACTED] maybe you can rephrase the question, but an objection that the question is broad is not really --

Mr. [REDACTED] I understand, but I just think that, for the record, it would be useful to rephrase the question in a manner that makes it meaningful. "Any decision" could encompass anything whatsoever, including whether he personally liked it or not.

Mr. [REDACTED] We'll revisit this later.

BY MR. [REDACTED]

Q When was the decision made to abandon Cover Oregon and use the federally facilitated marketplace, healthcare.gov?

A I believe the IT committee made their recommendation at the end of April, and then subsequently the Cover Oregon board agreed with that recommendation toward the end of April.

Q And so would the first decision you just mentioned there at the end of April, was that made by the technology advisory board?

A That subsequently went to the Cover Oregon board.

Mr. [REDACTED] I'm going to show you another email now.

Mr. [REDACTED] This is exhibit 6.

[Bonetto Exhibit No. 6

Was marked for identification.]

BY MR. [REDACTED]

Q We provided you with the whole chain, but our focus for the time being is going to be on the first page. You will see that there is a call being scheduled for the evening of April 2, and you wrote at the bottom: Tomorrow, Wednesday, evening. So you would agree that there was a call being scheduled for the evening of April 2?

A Correct.

Q Then you will notice that Patricia McCaig asked you: "Have you been able to confirm Alex?"

To your understanding now, who would "Alex" be?

A Alex Pettit.

Q And at the time he was?

A The chief information officer at Cover Oregon who had transitioned over from the State.

Q Okay. And why did McCaig request that Alex Pettit join this call?

A I believe so Alex could inform the group information from the IT committee.

Q And, at this time, Patricia McCaig was not an employee of the State?

A Correct.

Q Why would she be asking for State employees to participate in calls?

A She was part of this Cover Oregon team that was helping with communication issues.

Q And do you recall what was discussed on this call?

A I do not.

Q Sometime after this call, did you discuss what to do regarding Cover Oregon with Patricia McCaig?

A Yes. As the month progressed, we continued to have meetings and to get information from the IT committee.

Q I would say within the 24 hours surrounding this call, did you have a conversation with Patricia McCaig about what to do regarding Cover Oregon?

A I don't recall.

Q If McCaig were to describe a long and difficult call with you during this time period regarding Cover Oregon, what do you believe she would be referring to?

A I don't recall.

Mr. [REDACTED] I'm going to show you another document now. Mark it as an exhibit -- 082.

[Bonetto Exhibit No. 7

Was marked for identification.]

BY MR. [REDACTED]

Q I recognize that you are not on this email chain, and this is an email from Tim Raphael to Mark Wiener and Kevin at Fulcrum Political, and it has a memo to the Governor regarding "Cover Oregon Technology Options." After the April 2nd call, did you receive this memo as well?

A I don't know. I don't believe so.

Q Did you ever see this memo during this time period?

A Not that I recall.

Q Were you aware that, during this time, Patricia McCaig was updating the Governor on technology options for Cover Oregon?

A Yes, based on the information that was coming in at the time.

Q And did you provide her with information about technology options related to Cover Oregon to update the Governor with?

A At times, yes.

Q On the April 2 call, was there a decision made to move to the Federal exchange?

A No, not that I recall.

Mr. [REDACTED] I'm going to show you another exhibit here, 7872.

Mr. [REDACTED] It's going to be exhibit 8.

[Bonetto Exhibit No. 8

Was marked for identification.]

BY MR. [REDACTED]

Q You will see that this is an email chain that begins with Patricia McCaig emailing you in which she says: "Here's what I think we are expecting information on tonight from Alex and Bruce." To your understanding, would you agree that "Alex" is Alex Pettit and "Bruce" is Bruce Goldberg?

A Correct.

Q Do you recall what was discussed on this April 8 call?

A No, I don't recall.

Q At the bottom of this email, in item 4, Patricia McCaig wrote to you that something that they needed information on was a deadline

for the IT decision and the logic for the deadline. What is your understanding that she meant by this?

A This was something that I believe was already laid out in the IT committee's work, that there was a drop-dead date for a decision in order to get work done for the November open enrollment.

Q And did you participate in any of the IT committee meetings?

A No.

Q And did you receive any information from the IT committee about what they were discussing?

A Secondhand through Alex Pettit.

Mr. [REDACTED] This is going to be exhibit 9.

[Bonetto Exhibit No. 9

Was marked for identification.]

BY MR. [REDACTED]

Q This is another email from April 8 that Bruce Goldberg sent to you and Sean Kolmer, and this was earlier the day before the April 8 call you had that night with Bruce Goldberg and Alex Pettit. Do you know why Bruce Goldberg and Sean Kolmer were on a call with Marilyn Tavenner from CMS?

A I believe it was to better understand what our options were.

Q If a decision of moving to the Federal exchange was made, would you agree that Marilyn Tavenner would be an individual that needed to be informed?

A Correct.

Q Why did you share this update with the Federal Government

with Patricia McCaig?

A Again, I think this was gathering information to understand what our options were.

Q Why would you, as the Governor's chief of staff, need to know about the call with Marilyn Tavenner -- first, why would you, as the Governor's chief of staff, need to know that Bruce Goldberg had a call with Marilyn Tavenner?

A To understand the issues involved in potentially making a move to the Federal exchange, the cost, the timeframe, the risk.

Q And that is a decision that would be made by the Cover Oregon board?

A The Cover Oregon board.

Q Why would Ms. McCaig need this information?

A This was part of the bigger analysis to understand all of that information so she could help brief the Governor.

Q And, as your understanding, what would she be briefing the Governor on?

A The options that the IT committee was reviewing.

Q Earlier in this, you described Patricia McCaig's role in this whole process as -- I don't have the record here, but what would you describe her role in advising the Governor?

A I think in assisting in synthesizing information about the options, as well as helping with communication issues within the office.

Q And you would agree that, as helping with communication

issues, she needed to know the day-to-day updates on the IT decisions?

A I would clarify that they weren't IT decisions. At that time, IT, you know, information, and I would say, yes, she did.

Q Okay. 283.

Mr. [REDACTED] This is exhibit 10.

[Bonetto Exhibit No. 10

Was marked for identification.]

BY MR. [REDACTED]

Q I apologize for the formatting here. Unfortunately, this is just how it came in. You will see that what we just handed you was an email from Patricia McCaig to Governor Kitzhaber on April 9, which is the next day. It contains a lot of discussion about investing further in the Oregon option, utilizing another State's technology, moving to the Federal exchange. I would like to direct your attention to the very last line of this email under the line of Managing and Staging the Decision, it says: "Regardless, the Cover Oregon board would hear and accept the Federal exchange recommendation on April 22, 23, or 24." So the next day, McCaig emails the Governor. How does McCaig know that you will all be moving to the Federal exchange?

A I would say she doesn't, and if you look at this, I think if you go up to line, bullet point 6, it says, at the IT meeting on April 21, it is likely -- there is no confirmation there. I think she is hypothesizing that, based on the information at hand, this is the decision that would be made. And then on 8, when it says, "Regardless, the Cover Oregon would," I think that is her anticipation based on

information. It's not saying will hear and accept. So I think that is she is trying to make the assumptions based on the information at hand.

Q And why do you believe Ms. Patricia McCaig knew what the IT committee would recommend?

A Based on the information that we were seeing from Alex on risk, schedule, and cost.

Q So, based on the timeline we have just shown you, you have an April 2nd SWAT team call, an April 8th call with Bruce Goldberg and Alex Pettit, a call to Marilyn Tavenner, then McCaig informing the Governor -- we may disagree on this -- about the possibility of moving to the Federal exchange at the end of April. Would you agree that the decision to switch to the Federal exchange was made in early April?

A No. I think that there was information at the time, you know, showing a high probability because of, again, the risk, schedule, and cost, but that decision was not completely done until the IT committee reviewed it and made that decision.

Q But you're saying that there was a high probability at the beginning of April that they would move to the Federal exchange?

A Based on the information that was being reviewed at the time.

Q So we have also gone over this April 2nd call and this April 8th call, which are obviously related to a Cover Oregon decision to move to Federal technology. Would you agree with that generally, the possibility to move to it?

A Correct.

Q What members of the Cover Oregon board participated in either of these calls?

A None, I believe.

Q Do you believe that, given the fact that this decision needed to be made by the board, they should have been involved in these calls?

A I would say this was information that they were also seeing. This group wasn't making any decisions.

Q Did you ever edit any PowerPoint presentations for the technology advisory group?

A I do recall reviewing them. I can't recall if I actually made any edits or not.

Q Are you aware of any other campaign advisers editing PowerPoint presentations for the technology advisory group?

A I think this group did review and make edits. I would say that these were edits that were made based on, you know, communication issues, from a communication standpoint.

Mr. ████████ We're going to do another exhibit here.

Mr. ████████ This is exhibit 11.

[Bonetto Exhibit No. 11

Was marked for identification.]

BY MR. ████████

Q You'll see that this is an email from Aaron Patnode at the bottom. And who is Aaron Patnode, to your knowledge?

A At the time, I believe he worked for Kaiser Permanente.

Q He starts his email with: "I write to you today as my level of concern regarding Cover Oregon continues to increase." What do you believe his level of concern was?

A I don't want to speculate. I don't know. I can't speak for Aaron.

Q He says: "While I understand that there was a vast amount of work and evaluation that needed to be completed prior to putting either of the plans in motion, I have been surprised at the lack of communication with this group given our expressed interest to be involved as that evaluation continued." Do you understand what he means by "plans" in quotes there?

A I do not.

Q Do you understand what he means by the "lack of communication" with the IT advisory group?

A I do not.

Q He writes then: "It is concerning to be learning through the press about critical changes that have direct impact on the validity, and credibility, for that matter, of our recommendation." Do you understand what he means by that?

A No.

Q He then writes: "I'm left questioning the value of our past and continued participation in the IT advisory committee." Did any other members of the IT advisory group communicate these concerns to you at the time?

A No.

Q You just mentioned that, based on the information the IT advisory group was providing you, it seemed highly likely that they were going to move to a Federal exchange. Based on this email that was sent in the middle of April, that doesn't seem to be that they are being listened to. Would you agree?

Mr. [REDACTED] Who?

BY MR. [REDACTED]

Q The IT advisory group. Sorry.

A If you go back and review much of this material, the options that were laid out had to do with staying with the current technology or moving. I think, during this time, the key person really who would be able to answer this would be Alex Pettit. He was working with Deloitte and making sure that the numbers and everything were as precise as possible, and I think there may have been some angst from committee members to have more regular communication. But, again, that would be something that Alex would be able to more clearly identify.

Q And, again, you said earlier that this was highly likely, based on the information you were receiving, that the decision was being made to move to the Federal exchange. This email says there was a vast amount of work and evaluation that needed to be completed prior to putting either of the plans in motion. Now, you said, based on calls on April 2nd and 8, that it was highly likely you were moving there, but on April 16th, Aaron Patnode is saying that there is still a vast amount of work and evaluation that needs to be done. How do you

reconcile those two statements?

Mr. [REDACTED] Just I'd object. The rest of the sentence: Vast amount of work that needs to be done prior to putting either of these plans in motion.

The Witness. I can't speak for Aaron. I think that would be a better question for Alex.

Mr. [REDACTED] Okay. Well, let's go to the part that you're involved in in this email. Next, you said: "Just saw this. All the more reason to land on a date ASAP."

What did you mean by that?

The Witness. I don't recall.

Mr. [REDACTED] We're going to go to one more exhibit here.

Mr. [REDACTED] This is exhibit 12.

[Bonetto Exhibit No. 12

Was marked for identification.]

Mr. [REDACTED] This is another email chain between you and Ms. McCaig, and this all takes place between Tuesday, April 22nd, and Wednesday, April 23rd. And you'll see that Patricia McCaig writes, on April 22nd, at 7:10 p.m.: "We are making progress, but I'm a bit nervous. Especially about Friday." What was she nervous about?

The Witness. I don't recall. Possibly the upcoming board meeting.

Mr. [REDACTED] We're going to go to another email right now. It's 896.

Mr. [REDACTED] This is exhibit 13.

[Bonetto Exhibit No. 13

Was marked for identification.]

BY MR. [REDACTED]

Q You will see this email, from Patricia McCaig to you, Sean Kolmer, and she copied the Governor on it, in which she says that "timing is everything" and links to a KATU article on Oracle. And to your understanding, Oracle is the contractor responsible or hired to build Cover Oregon, correct?

A Correct.

Q And you can see that the investigation finds Oracle shares blame with Cover Oregon for Web site disaster. She writes: "FYI, timing is everything." Why do you believe McCaig said --

A Where does it say that --

Q I'm sorry. The link is very small.

Mr. [REDACTED] Do you have a copy of that article?

Mr. [REDACTED] We do not, but we will provide you with one.

Mr. [REDACTED] And what does it say?

Mr. [REDACTED] It says: KATU investigation finds Oracle shares blame with Cover Oregon for Web site disaster.

BY MR. [REDACTED]

Q Why did McCaig say timing is everything in respect to this article about Oracle sharing the blame with Cover Oregon?

A I don't know.

Q Do you have any knowledge if campaign advisers or yourself or anyone from the Governor's staff worked with reporters to publish

negative stories about Oracle on the condition that they were granted anonymity?

A No.

Q I see we only have 12 minutes left, and I'd like to find something to go over here that won't straddle the break.

Quickly, obviously you know that you are currently before the Oversight and Government Reform Committee, and are you familiar with -- 727, please, [REDACTED] -- you are aware that, in 2014, people from Oregon were invited to testify before this committee?

A Correct.

Q Were you involved in the decisions on who would testify for that hearing?

A I was part of discussions.

Q Are you aware of why Bruce Goldberg did not testify at the hearing?

A Yes. He had a broken leg.

Q How did you end up deciding who would testify?

Mr. [REDACTED] Meaning Mr. Bonetto personally?

Mr. [REDACTED] Governor's Office or any personal involvement you had in that decision?

The Witness. I don't recall.

Mr. [REDACTED] We're going to show you an email here.

Mr. [REDACTED] This is exhibit 14.

[Bonetto Exhibit No. 14

Was marked for identification.]

BY MR. [REDACTED]

Q You'll see that this email chain begins with the former counsel for the committee inviting someone from Cover Oregon to testify. This email at the beginning was sent to Amy Fauver at Cover Oregon.com. You then forwarded this email from your personal email account to the SWAT team. You'll see this was March 21 at 3:48 p.m. Why did you take this email to your personal account and forward it along to individuals?

A So we had done this, when this group began to form, and since there were individuals who had associations with the campaign as well as kind of in a noncampaign role in helping as unpaid advisers, I think really being as conservative as possible, we wanted to keep that information flow on private email, I would say, with full disclosure, knowing full well that if there was any communication that was deemed to be public, that it would be released. And as I'm reading it today, it's been released. These are all public documents.

Q Can you describe, generally, when you were the chief of staff for the Governor, what is your understanding of the rules prohibiting campaign activity by yourself as an employee of the State? Are you allowed to do this during business hours, or do you have to do it on your personal time after hours?

A This is State work, so this group was helping inform the State on day-to-day communication issues. Anything related to specific campaign activities, yes, had to be done off hours.

Q And you just said that you forwarded this to private emails

because you had concerns about the separation between State work and campaign individuals. Correct?

A Correct.

Q Would you not agree that it is not appropriate to then to, on a Friday, at 3:48 in the afternoon, during working hours, to be involving the campaign people while you were --

A I would disagree. For the Cover Oregon issues that we were dealing with when this team was mobilized, really this team was mobilized, they were unpaid policy advisers to the Governor at the Governor's request.

Q You've mentioned at length that the SWAT team or these people involved are policy advisers, and they were brought in to help assist the Governor with what was going on with Cover Oregon. To your understanding, what experience does Mark Wiener have in building IT systems or on healthcare policy?

A I don't know, but his background for this had much more to do with crisis communication and with government agencies.

Q And what experience does Kevin Looper have with health IT systems or healthcare policy?

A I would echo the same that I just did with Mark.

Q And what role or experience does Patricia McCaig have with health IT or health policy?

A I would say the same for Patricia as well as Tim.

Q So, for Tim Raphael, you would say he also has no experience in health IT planning or healthcare policy?

A With crisis communication and with government agencies.

Q And Nkenge, did she have any experience in health IT or healthcare policy?

A Her background was in communications.

Q So this is an email in which the Committee on Oversight and Government Reform is informing you that they would like someone from Cover Oregon to testify regarding Cover Oregon and needs someone from the State, and you sent it to people who do not have any experience in health IT policy or healthcare policy?

A But they do have experience in communication and strategy and how we should be able to think through this.

Q I'm hoping that we will be able to get through this in the time we have left, so I will apologize if we have to cut it off. After the decision was made to switch to healthcare.gov, did you have any conversations with members of the Cover Oregon Board of Directors?

A Can you be more specific?

Q The decision to switch to or abandon Cover Oregon and move to Federal exchange, your testimony is that was made on April 24th when the board --

Mr. [REDACTED] The board met --

Mr. [REDACTED] When the board met. Would you agree with that general timeline?

The Witness. If it was April 24th or not, I can't remember.

Mr. [REDACTED] April 24th, 25th, around then. So we're talking, after April, did you have any conversations with members of the Cover

Oregon Board of Directors?

Mr. [REDACTED] On any subject?

BY MR. [REDACTED]

Q Related to the decision to move to Federal exchange.

A I believe I may have with Liz Baxter and George Brown at some point during the summer months.

Q Can you recall how Liz Baxter or George Brown reacted to the decision to move to healthcare.gov in April?

A No.

Q Did they express any concerns to you about the decision to move to healthcare.gov?

A Not that I recall.

Mr. [REDACTED] I'm going to show you another email. It's 254.

Mr. [REDACTED] This is exhibit 15.

[Bonetto Exhibit No. 15

Was marked for identification.]

BY MR. [REDACTED]

Q This is an email from you to Sean Kolmer approximately after a decision was made to move from Cover Oregon to the Federal exchange, correct? You'll say in the middle of this email: We should connect tomorrow a.m., if possible. Had a long conversation with Liz tonight about the board.

Would you agree that's Liz Baxter who you just referenced?

A Right.

Q Continuing the email: And safe to say they are not in a

good spot. Gretchen submitted her resignation again. It sounds like there are others lined up to do the same. Last week's board meeting didn't help, as well as how the Tina announcement got rolled out. Fixable, but we'll need to think this through.

What did you and Liz Baxter talk about regarding the board?

A I don't recall.

Q Do you recall why they weren't in a, quote, "good spot"?

A No, I don't.

Q You write in this email: "Gretchen submitted her resignation again. It sounds like there are others lined up to do the same." Who was "Gretchen"?

A I believe it was Gretchen Peterson.

Q Had Gretchen Peters attempted to resign from the Cover Oregon board before?

A I believe so.

Q Do you know why she attempted to resign from the Cover Oregon board?

A I do not.

Q Did she resign this time?

A I believe so.

Q Did you ever have any conversations with any of the board members about not resigning?

A I don't believe so.

Q Okay. Did you ever have any concerns that a board member resigning would be a negative political story or an embarrassment to

the Governor?

A No.

Q Did you have any understanding why any others would be interested in resigning?

A No.

Q Okay. And you say at the end that: "We will need to think through this." Do you know who that would include, you would have to think this through?

A No.

Q Do you have any idea what was decided to be done regarding these board resignations?

A No.

Q Just give me a moment here please. This email ends with: "And was then thinking of having us talk about this with Patricia at either 9:15 or early evening." And that is Patricia McCaig. Correct?

A Correct.

Q Why would Patricia McCaig be involved in conversations about the resignation of Cover Oregon board members?

A As it would relate to communication issues within the office.

Q Okay. Why would that be a communications issue?

A If there was a board resignation or anything within Cover Oregon?

Q Yeah.

A That would be something that the office would be responding

to at some point. We would want some communication strategy around that.

Q But you just told me there was no concern that stories of people resigning would be embarrassing or politically inconvenient?

A Correct.

Q So why is --

A But there would still need to be messaging communication strategy around that.

Q And returning to Patricia McCaig's role, why was she brought in and not hired by the Governor's Office if her role was just simply basic communication from the Governor's Office?

A She had volunteered to be an unpaid adviser on this.

Mr. [REDACTED] We only have 56 seconds left in this round, so we'll take a pause.

[Recess.]

[9:27 a.m.]

Ms. [REDACTED] Hi, Mr. Bonetto. Once again, I'm [REDACTED] [REDACTED] with the minority.

EXAMINATION

BY MS. [REDACTED]

Q I wanted to bring your attention back to exhibit 11, which was the email from you to Patricia McCaig, but the original email was from Aaron Patnode.

So my colleagues in the majority read a line to you in the email, so I wanted to reread that line to you, if you'll follow along with me.

"While I understand that there was a vast amount of work and evaluation that needed to be completed prior to putting either of the 'plans' in motion, I have been surprised at the lack of communication with this group given our expressed interest to be involved as the evaluation continued."

So by "plans," could Mr. Patnode have meant the recommendations to move forward by the board with this decision?

A Correct, in terms of how to move forward.

Q Okay.

Also, my colleagues in the majority suggested that this email shows that the IT advisory group wasn't being listened to. As the Governor's chief of staff, was it your impression that the Governor was listening to this IT advisory group's recommendation?

A Yes.

Q Do you believe that the board listened to the advisory group's recommendation?

A Yes.

Q Okay.

So I want to call your attention back to or direct you back to exhibit 5. This was an email from John Kitzhaber to Mr. Sean Kolmer and copying yourself.

Are you there?

A Yes.

Q Okay. And what's the date on this email?

A March 26th.

Q And when did the IT adviser group make their final decision or recommendation?

A At the end of April.

Q Okay. So this email came before the IT group's recommendation.

A Correct.

Q So did the Governor's opinion change after seeing the IT advisory group's recommendation?

A After he saw the full information on their -- for risk, schedule, and cost, yeah, he agreed with their recommendation.

Q And the Governor relied on the IT work group's recommendation?

A Correct.

Q Okay.

So many questions from my colleagues in the majority discussed conversations that you or other State employees had with Ms. McCaig and other non-State government employees about Cover Oregon. Do you recall those questions?

A Yes.

Q Was it out of the ordinary for you to communicate with non-State employees about this matter?

A No. I mean, the Governor continually relied on outside advisers, outside individuals, on multiple issues, Cover Oregon being one.

Q Okay. And so what you're saying is you weren't limited in your day-to-day conversations with just State employees.

A Correct.

Q And would you say that the Governor wasn't limited in his day-to-day activities to just speaking with State employees?

A Correct.

Q So sometimes yourself or the Governor also consulted individuals outside of the State or outside of the Governor's office based on their expertise?

A Correct.

Q And did Ms. McCaig have any outside expertise?

A In crisis communications, yes.

Q And did the Governor rely on her expertise in that area?

A Yes.

Q So it wasn't unusual for you or the Governor to consult Ms.

McCaig about issues pertaining to her expertise?

A Correct.

Q And just to reiterate, what was Ms. McCaig's role in regard to Cover Oregon?

A She was a part of a team that the Governor had put together to help inform him of communication strategies as well as understand the scope of the issue.

Q Okay. So there was nothing unusual about Ms. McCaig speaking to the Governor.

A No.

Q Okay. Or was there anything improper about Ms. McCaig talking to you or the Governor about Cover Oregon?

A No.

Q Okay.

So I want to turn your attention back to the -- it's been called the IT advisory group or the technology options workgroup. Who made the decision to assemble this IT workgroup?

A I believe it was both the Governor and Bruce Goldberg.

Q Okay. And why did the Governor and Bruce Goldberg decide to convene this IT workgroup?

A There was a need to better understand the options, what those options were to move forward, and needing to know really from IT experts, from their recommendations, with the information at hand.

Q And when was this technology options workgroup created?

A I don't recall. That is something Bruce would be able to

identify specifically, but I believe the March timeframe.

Q Okay. And do you recall who the members of this technology options workgroup were?

A I do not recall all the members, but I do remember that many of them were, you know, either chief information technology advisers or officers within specific, you know, health plans or other health-related groups.

Q So it's fair to say that this IT options workgroup consisted of qualified individuals who would be able to give a recommendation --

A Correct.

Q -- on the State's technology options.

So just to go back, when you said the technology advisory group was created sometime in March, were you -- is that March 2014?

A 2013. 2014, excuse me, excuse me. Yes.

Q Okay. So the technology options workgroup was created in, you're saying, March 2014.

A Correct. That I'm aware of.

Q Okay. So how often did this IT options workgroup meet?

A I don't recall. I believe there was a May report that Alex Pettit put together that had their full scope of meeting dates and their recommendations and the scope of work that they did.

Q Okay.

A I don't remember how many meetings they had.

Q And when did the technology workgroup make their final recommendation to the board, to the Cover Oregon board?

A I believe that was at the end of April.

Q Would that be April 24th, 2014?

A I believe in that timeframe, yes.

Q And what was the workgroup's recommendation?

A That based on the information they had reviewed from Deloitte looking at the risk, schedule, and cost of all of those options, that their recommendation was to move to the Federal Web site.

Q Okay.

Let's talk more about the factors that you just discussed. Can you describe or can you explain what the factors that the technology group used to come to their recommendation, what they were?

A Well, this is what I, you know, have learned through Alex Pettit. Alex really was the driver of this and had, you know, great background in doing these assessments.

But those three really had to do with risk or the probability of success of any one of those options, of being able to make this transition work in a timely manner so that you would actually be able to have a functional Web site for the November 2014 open enrollment period. So just the overall success rate.

And then the schedule of whether or not we would actually be able to meet that timeframe within that limited window, to be able to get that transition up and running, whether it was to fix the current technology or to make that transition.

And then the last was cost. Could we actually do it within available funds that Cover Oregon had?

And after reviewing all of those, you know, the amount of money that it was estimated to take to work with the current system was well beyond the resources that Cover Oregon had and would have required Cover Oregon to go seek additional Federal funds.

Q And when you talk about scheduling, you said when the technology had to be up and running. Was there a date when this technology had to be up and running?

A I believe the date was February 15th, 2014, in order -- November 15th, 2014, in order to enroll in the 2015 open enrollment period.

Q So, to your knowledge, the workgroup looked at -- evaluated the options based on whether technology would be available, up and running, by this November --

A Correct.

Q -- 2014 date?

A Correct.

Q Okay.

Now -- and I'll finish asking the question, and then if you can answer after I finish the question, that would be great.

So this IT workgroup, were they involved -- were they concerned with any politics of the decision?

A I don't know.

Q Okay. Do you know why the group came to the recommendation to switch to the Federal technology?

A I believe based on the facts that they were looking at.

Q And do you know if this recommendation was unanimous by the IT group, to switch to the Federal technology?

A I believe so, but I'm not 100 percent certain.

Q Okay.

Now I'd like to ask you a couple of questions about Cover Oregon's board of directors. What was the role of Cover Oregon's board of directors?

A To oversee the operations of the health insurance exchange.

Q To your knowledge, was there any criteria for being a part of the board?

A I believe that was laid out in statute. I don't recall the specifics.

Q What type of decisions would the Cover Oregon board typically make?

A I believe that board was responsible for, you know, overseeing the budget as well as the key policy issues impacting the exchange relating to number of plans offered and the criteria for the plans to be sold on the exchange.

Q Could you describe the Cover Oregon's board decisionmaking process?

A Not that I recall, other than, you know, having monthly board meetings.

Q So did the board typically rubber stamp decisions already made by the State or the Governor's advisers?

A Not that I'm aware of.

Q Did they offer advice? Or did they make decisions unilaterally?

A Not that I'm aware of.

Q Okay.

So let's switch to the -- let's switch to discuss the board's decision to switch to the Federal technology. Did the board hear multiple presentations from this IT advisory group?

A I believe they were continually updated as their work progressed.

Q Okay. And was the board able -- do you know if the board was able to ask questions or did they have briefings where they could ask questions about the IT workgroup's work?

A I believe so.

Q Okay.

So who ultimately made the decision to switch from the State exchange to the federally supported State-based exchange?

A The Cover Oregon board.

Q And do you know if this vote was unanimous at all?

A I don't recall.

Q Okay. Do you have any reason to believe that the board was coerced into voting to switch from the State exchange to the Federal --

A No.

Q -- platform?

So was it the board's responsibility to decide the direction of the State exchange? Is that what you're saying?

A Yes.

Q It was the board's ultimate decision --

A Yes.

Q -- to decide the fate of the State exchange.

A Yes.

Q Okay.

So let's go backwards for a little bit to discuss Oracle's role in the development of the State exchange.

So, at some point, Oregon decided to create its own State exchange. Is that correct?

A Correct.

Q Do you know who made that decision?

A I do not.

Q Okay. At some point, the State decided it was going to select a vendor to create the State exchange. Is that correct?

A Correct.

Q And do you know who the State chose as the vendor for the State exchange?

A Oracle.

Q Okay. Do you know why the State chose Oracle as its vendor?

A Just from a report that I've read from third parties, whether it was from the First Data report or from CMS reports.

Q And what is the First Data report?

A The First Data report was an audit that the Governor's office requested be done at the beginning of 2014 to better understand

the situation of why we were in the current situation, to make sure that we were going to be able to prevent anything like that happening again.

Q Okay. And what situation are you referring to?

A The Cover Oregon.

Q Okay.

Do you know if any information was made available to Oracle that identified when the Web site needed to be fully functioning?

Excuse me. Let me go backwards. Do you know what Oracle was hired to do for the State?

A To have a functional Web site up and running by October 1st --

Q Okay.

A -- 2013.

Q Okay. And do you know if any information was made available to Oracle that identified when the State exchange needed to be fully functioning?

A It was very clear, in terms of just when open enrollment began was October 1st, 2013.

Q And you said it was very clear. What do you mean, it was very clear?

A From the Federal regulations to, you know, when everybody had -- every State had to have that up and running.

Q Okay. Do you know if the State informed Oracle of the date that the Web site needed to be fully functioning?

A I believe so. Yes.

Q Okay.

Did you ever meet with Oracle representatives after the State entered into a contract with Oracle?

A Yes.

Q Okay. And how often did you meet with Oracle representatives?

A Not on a regular basis.

Q Okay. And when you were present for meetings with Oracle, who was involved from Oracle?

A One key meeting I had was with Kate Johnson, who was a senior executive at Oracle, along with Cover Oregon executives.

Q And in that meeting with Kate Johnson, what was discussed?

A This was in April of 2013, and it was discussing the progress of the Web site to date and their commitment to having a functional Web site by October 1st and that they were putting everything they had into this.

Q And during that meeting, did Kate from Oracle ever express any concern --

A No.

Q -- about the Web site --

Mr. [REDACTED] Wait till she finishes the question.

BY MS. [REDACTED]

Q And during this meeting, did Kate ever express any concern about Oracle's ability to create a fully functioning Web site?

A No.

Q Did Kate ever express any concern about Oracle being able to produce this Web site by the October 1st, 2013, deadline?

A No.

Q Were there any representatives from the State in this meeting as well?

A Not that I recall.

Mr. [REDACTED] Other than Cover Oregon.

The Witness. Other than Cover Oregon, correct.

BY MS. [REDACTED]

Q Okay. Who from Cover Oregon?

A I believe Rocky King was --

Q Who?

A Rocky King at the time was the executive director of Cover Oregon.

Q Okay.

Mr. [REDACTED] Just so we're clear, you said that was one meeting you had with them. Did you have other meetings just --

The Witness. Not that I recall.

Mr. [REDACTED] Okay. All right.

[Bonetto Exhibit No. 16

Was marked for identification.]

BY MS. [REDACTED]

Q I'm handing you an exhibit which was marked as exhibit 16. It appears to be an email from Nkenge -- it'll be Harmon Johnson,

correct?

A Correct.

Q -- dated January 19th, 2014, with a timeline attached to it. Are you familiar with this document?

A Yes.

Q Please look at the first page of the document, which is Bates stamped GOV_HR00053519. I'm going to read the text of the email. Just follow along with me as I read.

It says, "Attached please see two documents that you may find useful for your background information. Please note that the timeline is the document that Mike and I used to further our discussions with Nick, Jeff (Oregonian), and Jeff and Gosha (AP) this week."

Now, the Mike that Ms. Harmon Johnson is referring to, is that you?

A Correct.

Q Okay. And do you recognize this document, the timeline?

A I do.

Q And did you help create the timeline?

A I did.

Q Is it accurate?

A I believe so, yes.

Q Okay.

So let me draw your attention to the third page of the document, which is Bates stamped GOV_HR00053521.

If you go to the date marked April 9th, 2013 -- are you there?

A Yes.

Q Okay. I'm going to read -- I'm going to read this -- I'm sorry. Can you go to the date May 29th, 2013?

A Yes.

Q Okay. I'm going to read what's written beside May 29th. "Briefing meeting on IT project with Sean Kolmer, Mike Bonetto, Rocky King, Aaron Karjala, Erinn Kelley-Siel, Bruce Goldberg and Carolyn Lawson. Update: On track."

So, earlier, you described who some individuals were. And just to repeat, who is Sean Kolmer?

A He was also a health policy adviser to the Governor.

Q Okay. And Rocky King, as you already noted, was the executive director --

A Correct.

Q -- for Cover Oregon. And Aaron Karjala, who is he?

A Aaron was the, I believe, chief information officer for Cover Oregon.

Q And Erinn Kelley-Siel?

A Erinn was the director of the Department of Human Services for the State.

Q And Bruce Goldberg, at the time?

A Was the director of the Oregon Health Authority for the State.

Q And Carolyn Lawson?

A Carolyn Lawson was the chief information officer, I

believe, for both the Oregon Health Authority and for the Department of Human Services.

Q Okay. Thank you.

So let's go back to the timeline. You mentioned, or you wrote, "Update: On track." On track for what? What does that mean?

A That refers to on track for an April 1, 2013, launch date.

Mr. [REDACTED] October 1?

The Witness. October 1.

BY MS. [REDACTED]

Q And did "on track" pertain to Oracle's work in creating the State exchange Web site?

A Correct.

Q So does that mean Oracle was on track to produce the Web site by October 1st, 2013, as you just said?

A Correct.

Q Okay. Who told you that the IT project was on track?

A At this briefing meeting, where we had regular updates.

Q Okay. And who at the meeting said that the project was on track?

A I believe it was a combination from Cover Oregon and DHS and OHA. So all parties confirmed.

Q And what is DHS?

A Department of Human Services.

Q And what is OHA?

A Oregon Health Authority.

Q Okay. And what was the basis for Department of Human Services and Oregon Health Authority officials telling you that the IT project was on track?

A This project involved all of those agencies, as the scope of the project was, you know, centered around what was called the No Wrong Door policy, so that if you were accessing any human health services, that you'd be able to come and have access through one portal. So all agencies were kind of aligned with this project.

Q So did someone from Oregon Health Authority or Department of Human Services explain why they believed the IT project was on track, as you noted?

A As I recall, this was, you know, information that they had at the time, believing that, you know, based on the scope and the time, that they believed that they were going to be able to accomplish this.

Q Was this based on conversations with Oracle?

A I believe so.

Q Okay. And when you received this update, who did you inform?

A We, Mr. Kolmer and I, continually kept the Governor and the chief of staff, Curtis Robinhold, up to date.

Q And why did you update the Governor on the progress of the IT project?

A To make sure that he was apprised of the situation, that we were on track.

Q Okay.

I'm going to draw your attention to the same page but to the June 3rd, 2013, date. I will read as you follow along.

It says, "Rocky King briefs Mike Bonetto and Bruce Goldberg that the interface connections with insurance carriers is behind schedule and that Medicaid eligibility and enrollment may need to be modified to only a Medicaid assessment."

What were you referring to here?

A I believe that that was the first time that the discussions of kind of modifying the scope or decreasing the scope in order to meet the October 1 timeframe.

Q So was Medicaid eligibility and enrollment part of the same IT project as the State's health insurance exchange Web site?

A Correct.

Q Was Oracle working on this Medicaid system?

A Correct.

Q So, under this note, you mentioned that the interface connections with insurance carriers was behind schedule. Were you concerned at all that part of the IT project was behind schedule?

A This was the first time that we were notified by Rocky that they were behind to this degree. So, yes, concerned.

Q Did that raise concerns that the other parts of the IT project, such as the State exchange Web site, were possibly behind schedule?

A At the time, yes. But I would just follow up that the subsequent meetings we had then identified and they confirmed that they

were on track.

Q Okay. So why didn't you question whether the creation of the State exchange was behind schedule?

A We were notified on June 3rd that there were concerns that they were behind schedule, but then, again, 2 weeks later, they came back and said that they were on track.

Q Okay.

Let me draw your attention to the next page, Bates stamped GOV_HR0005352. If you go to date June 19th, 2013, I'll read as you follow along.

It says, "Briefing meeting on IT project with Sean Kolmer, Mike Bonetto, Rocky King, Aaron Karjala, Erin Kelley-Siel, Bruce Goldberg and Carolyn Lawson. Update: On track."

Did I read that correctly?

A Correct.

Q So here, what does "on track" mean?

A Again, for an October 1 launch date.

Q And this "on track" pertained to Oracle's work on the State exchange?

A Correct.

Q So who told you at this meeting that the IT project was on track?

A Again, I believe that was a combination of consensus from this group.

Q And did they explain to you why they felt that the project

was -- the IT project was on track?

A Based on the information that they were reviewing and that they felt that it was on track.

Q Would that be based on representations from Oracle?

A I believe so, yes.

Q Okay. And once you received this information, did you inform anybody of the information you received at this meeting?

A I believe we kept the Governor and the chief of staff informed.

Q Okay.

And now I'd like to move down to the July 12, 2013, date on the timeline, same page. It reads, "Briefing meeting on IT project with Sean Kolmer, Mike Bonetto, Rocky King, Aaron Karjala, Erinn Kelley-Siel, Bruce Goldberg and Carolyn Lawson. Update: On track. Bonetto and Kolmer inform Governor."

Again, what does "on track" mean here?

A On track for an October 1st launch.

Q And does "on track" pertain to Oracle's work on the IT project?

A Correct.

Q And do you know who at this meeting informed you that the IT project was on track?

A Again, these meetings really were from everybody, a group consensus that this project was on track.

Q Okay. Was the consensus based on representations from

Oracle?

A I believe so, yes.

Q Okay.

And you note under the July 27th [sic], 2013, date that you and Sean Kolmer informed the Governor. Why did you inform the Governor?

A I believe this may have been specifically in writing. I don't recall. But we kept him, you know, continually updated on this progress.

Q Okay. And why did you keep him continuously updated on this?

A This was a project of great magnitude and concern for the State that he wanted to understand where we were.

Q Was there a reason that you informed the Governor in writing at this time?

A I don't recall. It may have been a monthly update for him through the chief of staff.

Q Okay. And was there anything unusual about the Governor being briefed on matters that were important to his constituents?

A No.

Q Had he expressed any concern -- had the Governor expressed any concern about the status of the IT project and Oracle's work?

A No.

Q Okay.

Let's go to the next date on the timeline, which says July 27th, 2013, on the same page. Follow along with me.

It says, "Briefing meeting on IT project with Sean Kolmer, Mike Bonetto, Rocky King, Aaron Karjala, Erinn Kelley-Siel, Bruce Goldberg and Carolyn Lawson. Update: On track."

So "on track" here, what does that mean?

A On track for an October 1st launch date for the exchange.

Q And does this "on track" pertain to Oracle's work on the IT project?

A I believe so, yes.

Q And who at this meeting informed you that the project was on track?

A This was a group consensus indicating on track.

Q Okay. And was this consensus based on the representations from Oracle?

A I believe so, yes.

Q And who did you update? Did you update anyone about the progress of --

A I believe we continually kept the Governor and his chief of staff updated.

Q Okay.

And let's move to the next date on the timeline. It says July 31st, 2013. "Briefing meeting on IT project with Sean Kolmer, Mike Bonetto, Rocky King, Aaron Karjala, Erinn Kelley-Siel, Bruce Goldberg and Carolyn Lawson. Update: May need to do a staged launch -- but project on track."

What does "staged launch" mean?

A I recall the staged launch had to do with how the exchange was going to function with health insurance agents and that there may need to be a staged launch in terms of how their involvement was going to apply, that maybe it would be pushed back 2 to 3 weeks in terms of from an agent perspective.

Q So would a staged launch be reducing the scope of the project?

A I believe it had more to do with the timing of the sequencing of certain aspects of the project.

Q So I'm just trying to understand what "staged launch" is. Can you describe more in detail what a staged launch would be?

A I would defer to Rocky King and, you know, Cover Oregon, you know, executives who were, you know, framing this as a staged launch. But to your earlier point, was it a decrease in scope, I think that could be a fair, you know, assessment, is, yes, in order to achieve the October 1 start date.

Q And why was there a need to do a staged launch at this point?

A I believe that at the current -- at that current point in time, they were at risk of not meeting October 1 with the current scope.

Q And who is "they"?

A Cover Oregon and this team -- and this team from the Department of Human Services and the Oregon Health Authority.

Q So who asked to decrease the scope or do the staged launch for this IT project?

A I believe this was, again, a group consensus.

Q Was this based on Oracle's representations to the group?

A I would believe so, yes.

Q So a staged launch means that fewer people would be able to enroll or have access to the IT Web site on October 1st, 2013?

A I don't know.

Q Okay.

Let's move to -- and, after this meeting, who did you -- did you update anybody about the project?

A I believe, again, we kept the Governor and the chief of staff up to date.

Q Okay.

And also in this bullet point, you put: But the project is on track. So there's a staged launch, but the project was on track. So was it your -- so were you being told that, even though there's going to be a staged launch, this project, the IT Web site, would still go live October 1st, 2013?

A That is correct.

Q And was this based on representations from Oracle?

A I believe so, yes.

Q Okay. And did you or any members of the team express any concern about the staged launch?

A Not that I'm aware of.

Q Okay.

So let's move to September 3rd, 2013, on the timeline, the same page. It says, "Briefing meeting on IT project with Sean Kolmer, Mike

Bonetto, Rocky King, Aaron Karjala, Erinn Kelley-Siel, Bruce Goldberg and Carolyn Lawson. Update: Will be a staged launch -- but project on track."

So, here again, I just want to be clear, what is a staged launch? What do you mean by "staged launch" here?

A I believe that there were components of the Web site that would not be fully functional for a period of time after the launch. And I can't tell you the specifics of what those functionalities were. I can't recall.

Q So would that -- so you said there were components that would not be fully functional. Would that impact individuals being able to enroll on the Web site by the October 1st, 2013, deadline?

A It is possible, but I would defer to the Cover Oregon folks for the specifics on that.

Q Okay.

And you note the project will be on track. Does "on track" mean that the Web site was still expected to go live October 1st, 2013?

A Correct.

Q Okay. And did you inform anybody of the -- or brief anyone about the meeting?

A Again, we kept the Governor and the chief of staff up to date.

Q Okay. Did the Governor express any concern when he heard of the staged launch?

A Not that I'm aware of.

Q So let me draw your attention now to the next date, September 6th, 2013. It reads, "Cover Oregon informed Sean Kolmer and Mike Bonetto that Cover Oregon has established a core triage team to handle major problems if they arise on 10/1."

Did I read that correctly?

A Correct.

Q And the 10/1 you're referring to here, is that October 1st, 2013 --

A Yes.

Q -- the rollout date?

Okay. And what is a core triage team?

A I believe this meant that they put a team together to handle immediate incoming problems once the Web site would go live.

Q And who is "they"? Who established the core triage team?

A Cover Oregon.

Q Okay. And did you ask why a team was being created to, quote, "handle major problems if they arise on 10/1," why it was necessary?

A No. I think that was their response to mitigate any potential issues from a large project like this.

Q And do you know who was on the team, on this core triage team?

A No, I do not.

Q So when you learned of the core triage team being created, did it suggest that there were major problems likely to occur on the

October 1st, 2013, deadline?

A There were suggestions that there may be, but I think there was still a level of optimism that they were going to be able to launch this successfully.

Q Did Cover Oregon express concern that there was a possibility that the Web site would not be functioning at this time?

A No.

Q Was there any indication that the Web site would not be up and running and live by the October 1st, 2013, deadline?

A No.

Q Okay.

Let me draw your attention to the last date on the timeline. It says, "Sept 9th, 2013: Sean Kolmer and Mike Bonetto communicate to Governor about staged launch with registered users and organizations having initial access to" -- next page -- "determine and fix any bugs before opening to the broad public."

So, under this reduced scope, did the public have access to enroll through the Web site?

A No.

Q Okay. But even with the reduced scope, it was still expected that the Web site would go live October 1st, 2013?

A Correct.

Q And who would have access to the Web site during this reduced scope or staged launch?

A It was just health insurance agents who had been kind of

registered within the Cover Oregon system.

Q And was there any indication that the Web site would not be available to these health insurance agents by October 1st, 2013?

A No.

Q Okay.

Let me direct your attention to the September 16, 2013, date on the timeline. The page is GOV_HR00053523. I'll read the bullet beside the date.

It says, "House Health Care Committee: Update on Cover Oregon by Rocky King where he explains launch strategy and staged launch. Presentation slide: 'Bottom Line: We are on Track to Launch.'"

What is the House Health Care Committee?

A That is the Oregon House Health Care Committee.

Q Okay. And why was Rocky King briefing the Health Care Committee?

A I believe he was invited testimony to give them an update.

Q Was this typical?

A Yes.

Q Okay. And was it your understanding that -- I'm sorry. Were you in attendance at this meeting?

A No, I don't believe so.

Q And was it your understanding that Rocky King was relaying what Oracle had told him during this meeting on the status of the project?

A Yes, I believe so.

Q Do you know if any other legislators expressed any concern about the functionality of the Web site or whether the Web site would be live by October 1st, 2013?

A I don't recall.

Q Do you know if anyone from Oracle was present at this committee meeting?

A I don't recall.

Q Okay.

Let me draw your attention now to the September 20th, 2013, date. It says, "Sean Kolmer and Mike Bonetto communicate to Governor about status of project and staged launch."

Why did you brief the Governor on this date about the status of the project?

A I think just giving him an overall update before October 1, saying that -- informing him more about the staged launch and, again, that we were on track.

Q Okay. And it was standard and usual for you to brief the Governor on this issue?

A Yes.

Q Did the Governor express any concerns about Oracle's work product or ability to meet the October 1st, 2013, go-live date?

A There were concerns based on the State having stopped payment to Oracle for not having met all of its deliverables. That being said, we were still under the assumption, based on information from Oracle and Cover Oregon, that this would still be launched on

October 1.

Q And what deliverables were met -- were not met? I'm sorry.

A Those specifics really would be with Cover Oregon since they were holding the contract and withholding payment.

Mr. [REDACTED] Do those have to do with the staged launch?

The Witness. I don't know.

Mr. [REDACTED] Okay.

BY MS. [REDACTED]

Q So you mentioned deliverables. So the contract with Oracle had specific deliverables that had to be met at a specific time?

A I believe so.

Q Okay.

Okay. Well, let me call your attention to September 30th, 2013, on the timeline. It reads, "Cover Oregon informs Mike Bonetto that Web site will not be up and running on 10/1 -- but will be pushed back 1 week for agents and community partners and 2 weeks for public. Bonetto informs Governor."

Did I read that correctly?

A Correct.

Q So, at this point, the scope of the project had already been reduced; it was already a staged launch. Is that correct?

A Correct.

Q So does that mean that, even after the staged launch or reduced scope, Oracle told the State it still could not produce a Web site by the go-live date of October 1st, 2013?

A Correct.

Q And was this the first time that you heard that Oracle would not be able to produce the State exchange Web site by the October 1st, 2013 --

A Yes.

Q -- go-live date? And did Oracle say why it would not be able to produce the Web site?

A I don't recall.

Q And September 30th, that was the day before the go-live date, correct?

A Correct.

Q And, as you stated, that was the first time you heard that Oracle would not be able to produce a fully functioning Web site.

A Correct.

Q And so Oracle promised to produce a fully functioning Web site to agents and community partners in a week from the go-live date, which was around October 8th, correct?

A Correct.

Q And Oracle promised to have the Web site fully functioning and up and running for the public 2 weeks from the go-live date, so around October 15th, correct?

A Correct.

Q Did the Cover Oregon Web site go live to the public on the scheduled October 1st, 2013, go-live date?

A No.

Q Did the State exchange Web site even go live to agents and community partners on October 1st, 2013?

A No.

Q Okay. So let me -- so did the Web site -- did the Web site go live on October 8th, 2013?

A No.

Q Did the Web site go live on October 15th, 2013?

A No.

Q Did the Web site go live at all in October of 2013?

A No.

Q Were you briefed by Cover Oregon staff or Oracle staff about why the exchange wasn't ready?

A That the technology was not ready.

Q Who told you that?

A I believe that was Rocky King.

Q And were you given another go-live date for the exchange after the end of October 2013?

A I believe it was the middle of November.

Q The middle of November was the next go-live date promised by Oracle?

A I believe so.

Q And did the Web site go live in the middle of November of 2013?

A No.

Q Do you know why or why not?

A I believe the technology was not ready.

Q Who told you that the technology wasn't ready?

A I believe, again, that was through Rocky King.

Q And do you believe Rocky King was relaying information that he received from Oracle?

A I believe so, yes.

Q Okay.

Was there another go-live date given after mid-November?

A I believe it was at the end of November/beginning of December.

Q And at the end of November/beginning of December 2013, did the Web site go live?

A No.

Q Do you know why it didn't go live?

A I believe the technology was not ready.

Q And do you know who told you that the technology wasn't ready?

A I believe Rocky King.

Q And, during that time, do you know how people were registering or enrolling in health care during that time?

A That became a manual paper process.

Q And when you say "manual," what do you mean?

A That people had to fill out a paper application and submit that to Cover Oregon.

Q Okay. And, during this time, did Oracle bring in

additional staff to assist with the Cover Oregon project?

A I believe so.

Q And would this staff be the, quote/unquote, "A team" that Oracle has referred to?

A I believe that's what we were told.

Q And would you characterize this A team as Oracle's best and brightest technology experts?

A Well, in terms of getting the Web site up and running, I would say no.

Q Why would you say that?

A Because we never had a functional Web site.

Q Okay. So, despite bringing in Oracle's A team, Oracle still did not deliver a fully functioning Web site at the time that the team came on staff.

A Correct.

Q And so we left off at the beginning of December. The Web site still wasn't live. Did the Web site go live at the end of December 2013?

A No.

Q Do you know why it didn't?

A Again, I believe the technology was not ready.

Q And who told you the technology wasn't ready?

A I believe that was Rocky King.

Q And do you believe that Rocky King was relaying information that he had received from Oracle?

A I believe so, yes.

Q Did the Web site go live in January 2014?

A No.

Q Why not?

A I believe the technology was not ready.

Q Do you know who told you that the technology wasn't ready?

A In January, that would have been Bruce Goldberg.

Q Okay. And how did Bruce know this information?

A I believe that would have been through Oracle.

Q Okay.

And was another go-live date given after January 2014?

A The beginning of February.

Q Okay. And did the Web site go live at the beginning of February?

A No.

Q Do you know why it didn't?

A The technology was not ready.

Q And do you know who told you that the technology wasn't ready?

A I believe that would have been through Bruce Goldberg.

Q And do you know if Bruce Goldberg received that information from Oracle?

A I believe so.

Q Okay.

And was another go-live date given after the beginning of February

2014?

A I believe there may have been a mid-February or an end of February.

Q And, to your knowledge, did the Web site go live --

A No.

Q -- at mid-February 2014?

A No.

Q Okay. And how do you know that the Web site wasn't live at that time -- or ready to go live at that time?

A I believe the technology was not ready.

Q Do you know who told you --

A I believe that was Bruce Goldberg.

Q And do you know how Bruce Goldberg knew this information?

A I believe through Oracle.

Q Okay.

Was another go-live date given to the State at this time?

A Not that I'm aware of.

Q Okay.

So was the Web site functioning at the -- in February 2014?

A No.

Q So, according -- as you probably know, according to Oracle, they delivered a fully functioning Web site to the State in February 2014. Is that true?

A No.

Q What is your response to Oracle's claims that they delivered

a fully functioning Web site to the State by the end of February 2014?

A The first time we heard that was in a meeting with Oracle's CEO, Safra Catz, and Oracle's chief technology officer, Edward Screven, in a meeting with the Governor, myself, Bruce Goldberg, and Aaron Karjala. And, at that time, Ms. Catz indicated that they had produced a fully functional Web site and that it was ready to go.

Q And what was the date of that meeting?

A I believe that was at the end of February. Possibly February 26th.

Q 2014?

A Correct.

Q So, in this meeting, you said that Oracle informed you and the Governor that the Web site would be -- that it was functioning at the end of February.

A Correct.

Q Did they offer any proof to the State or to the Governor that the Web site was fully functioning at that time?

A No.

Q Did Oracle -- do you know if Oracle ever told anyone at Cover Oregon or Oregon Health Authority that the Web site was fully functioning?

A I don't know.

Q Okay. Did the State ever test the Web site at that time or do a test run to see if it was functioning?

A I believe so. And that's something that Bruce Goldberg

would be able to speak to in much more detail. And I recall Bruce saying, I mean, the error rate that they were seeing was far too high to go live.

Q And when you say "far too high," do you know what he was referring to?

A That if you were an individual trying to enroll through the exchange and get health insurance, that there were too many flaws in the system, that you would be timed out or unable to complete your application process.

Mr. [REDACTED] Is that at the same meeting?

The Witness. Bruce did voice his concerns on the high error rate at that meeting. Correct.

BY MS. [REDACTED]

Q And when did Bruce test the Web site in terms of the time around the meeting? Was it after the meeting or before the meeting with Oracle?

A That's something to discuss with Bruce. But I believe this was a constant, you know, testing and evaluation of the system, of whether it was ready to go live.

Q So do you know if Bruce had tested the Web site in March of 2014?

A I believe they continued to test.

Q And do you know if errors were still found in March 2014?

A Correct.

Q Do you know how people were enrolling into health care at

this time?

A Through a manual process of paper applications. I believe they also developed this hybrid approach that was able to utilize a portion of the technology but then also was paper-based, as well.

Q Do you know if the Web site was functioning at all after March 2014?

A Other than it was a part of this hybrid process that they continued to use through the end of the 2014 open enrollment period, which I believe ended April 30th.

Q And when you say "hybrid process," can you explain that?

A Again, that would be details for Cover Oregon, but I believe it involved this combination of a paper application as well as the back-end piece of the technology.

Q So, to your knowledge -- so you're saying that Bruce was constantly testing the Web site and Bruce -- so Bruce was constantly testing the Web site and found errors in the system, correct?

A Correct.

Q And so would you say that you disagree with Oracle's claim that the Web site was functioning at any time?

A Correct.

Q Okay.

And so you mentioned Bruce testing the Web site constantly in March and then, following March, that Bruce continued -- do you know if Bruce continued to test the Web site?

A He did. And I would also highlight Alex Pettit, because

Alex was the key figure in, you know, understanding the significance of that error rate. And Alex was the chief information officer for the State, who was then brought over to Cover Oregon to help manage this. And so he was brought in on day-to-day activity and had a much better understanding of that error rate and the underlying issues around the code that was written.

Q So is it your understanding that the Web site continued to have a very high error rate even past March 2014, as you previously mentioned?

A Correct.

Q And would you characterize the error rate as so high that the Web site was not functioning at all?

A Correct.

Q And would you say the public would not be able to enroll through the Web site that Oracle had created in April -- or, excuse me, in 2013 and 2014?

A Correct.

Q So, to your knowledge, did Oracle ever deliver a fully functioning Web site to the State?

A No.

Q In your opinion, why do you think Oracle was never able to deliver that fully functioning Web site?

A Because we were never able to launch a fully functional Web site.

Q Okay.

And just to go back, you mentioned Alex Pettit, who was the chief information officer for Oregon. You said he also tested the Web site, correct? And he also found a high error rate, correct?

Ms. [REDACTED] Can you answer?

The Witness. Yes.

BY MS. [REDACTED]

Q Thank you.

And was Alex Pettit involved in the IT workgroup?

A Yes, I believe he was at the workgroup.

Q Okay. So, even in his role with the IT workgroup and being the chief information officer with Oregon, he still found that the Web site that Oracle presented to the State was not functioning and could not enroll individuals.

A I believe so, yes.

Q Do you believe that Mr. Pettit shared this information with the Cover Oregon board?

A I believe that he did highlight the error rates and his concerns, yes.

Q Okay.

Mr. [REDACTED] Ten seconds left here.

Ms. [REDACTED] Okay. I'm done. Thank you.

[Recess.]

[10:30 a.m.]

Mr. [REDACTED] Let's start the clock.

BY MR. [REDACTED]

Q I'd like to get back to this calendar real quick right here that they brought up, which is, just going through this, you are in a lot of meetings here. On April 9th, 2013, Mike Bonetto meets with Cover Oregon Oracle team. On May 7th, 2013, you're in another meeting there. May 29th, Mike Bonetto. June 3rd, Rodney King briefs Mike Bonetto. June 19th, July 12, July 27th, July 31st, September 3rd, September 6th, September 9th. Let's see, we are going to get all the way up to September 30th, 2013. I counted, and you're on this calendar 14 times having briefings on Cover Oregon. Based on what you have said about Oracle's inability to deliver what was promised, you had 14 different briefings or incidents on this timeline. Why didn't you warn anybody the site wasn't going to work?

A I'm sorry, I'm unclear. I mean, based on these meetings that we --

Q You had a lot of conversations --

A -- that showing us on track?

Q Yeah. So your testimony is essentially that you believed that Cover Oregon was completing on track until what date?

A The first time that it was highlighted that there were issues was June 3rd.

Q Did you ever talk about delaying the Web site launch?

Mr. [REDACTED] Did he ever talk to anyone?

BY MR. [REDACTED]

Q Well, did you ever talk to the Governor about it?

A I believe that may have been discussed as we were progressing through and understanding that there were issues.

Q Why didn't you delay the Web site launch?

A It did get delayed.

Q Why didn't you ask for more time publicly?

A We did.

Q On September 30th here, you say that Cover Oregon informs Mike Bonetto that the Web site will not be up and running on 10/1, but will be pushed back one week for agents and community partisan, 2 weeks for public. Did the Governor's Office put out a statement on the fact that this would be delayed?

A I don't recall.

Q Do you recall any public statements being made at that time that Cover Oregon would a not be ready on October 1st?

A I believe that was through Cover Oregon.

Q Do you have an opinion on why most of the Nation seemed to be surprised that Cover Oregon didn't seem to work the next day?

Mr. [REDACTED] Objection. Calls for speculation on what most of the Nation felt, but you can go ahead and answer.

Mr. [REDACTED] I could provide you with many news articles if you'd like me to follow up.

The Witness. Can you repeat that?

Mr. [REDACTED] I'll just move on.

BY MR. [REDACTED]

Q You also talked about Bruce Goldberg and the errors he was finding. Bruce Goldberg was finding a lot of errors after Oracle told you on February 26th that they had a functioning Web site; that's your testimony, that Bruce Goldberg could be relied on to determine whether this Web site was functioning?

A Correct.

Q When was Bruce Goldberg fired?

A I believe he resigned March, April timeframe.

Q Did the Governor call for Bruce Goldberg's resignation on March 20th?

A I believe Bruce resigned voluntarily.

Q So, March 20th, Bruce Goldberg resigned. This is 24 days after your relying on him to tell you that there are a lot of problems with Cover Oregon.

A This is in addition to Alex Pettit, who was also overseeing us and providing insight and updates.

Q You just testified just a second ago that Bruce Goldberg was the person that was telling you that there were a lot of errors.

A I believe I also mentioned Alex Pettit as well.

Q Cool.

All right. Let's turn to the Federal Government's oversight of this. One quick thing, do you know what a systems integrator is?

A From what I read through the third party pieces, the system integrator was the entity that would be the bridge between the vendor

and the contractor.

Q And who is the vendor in Cover Oregon?

A Oracle.

Q Okay. And who is the systems integrator?

A The State chose to be.

Q Okay. The State, correct?

A Right.

Q So who is ultimately responsible for the performance of the vendor given your understanding of what a systems integrator is?

A Right and I think this is --

Q No, I am asking you, who is ultimately responsible for the performance of the vendor under your understanding --

Mr. [REDACTED] Objection. Argumentative. Let him answer the question before you interrupt him.

Mr. [REDACTED] I'm sorry.

The Witness. So the state was responsible, or Cover Oregon was responsible. And I think this is at the heart of the current litigation from the State with Oracle, that there were, again, alleged behind-the-scene effort to ensure that the State didn't use a systems integrator, that Oracle would be able to have their own way during this time.

BY MR. [REDACTED]

Q And just to clarify one thing there, it's your testimony that Cover Oregon never had a functioning Web site?

A I believe the statement that was made was a fully

functioning Web site.

Q And "fully functioning" on your understanding means everything that was in the plan before the Cover Oregon board and the entity itself?

A Correct.

Q Do you believe that it was wasn't fully functioning because there were remaining bugs left in the system?

A Correct.

Q So, under your definition, if there was one bug in the system, would it not be fully functioning?

A No, I believe it had to have an acceptable error rate.

Q Okay.

A And we can discuss that.

Q I'd like to talk a little bit more about the Federal oversight here. You were given a substantial amount of money from the Federal Government to do this. Were you involved in any way with the application process for the Federal grants for the Oregon Health Insurance Exchange Corporation, both the Oregon Health Authority and Cover Oregon?

A No.

Q Okay. Do you know if Cover Oregon tried to hide any issues of the development and placement of the exchange from the Centers for Medicare and Medicaid Services?

A No.

Mr. [REDACTED] We're going to go to an email here. This is going

to be exhibit 17.

[Bonetto Exhibit No. 17

Was marked for identification.]

BY MR. [REDACTED]

Q Just a chance it look at this, do you know who David Berenberg?

A David Berenberg, I believe, was the lobbyist that Cover Oregon had.

Q Okay. And then you just say here: He was getting other advocates to come along and raise some of the questions and concerns about what is going on with the exchange.

Now, this is early January 2013. Are you aware are of a time --

A I'm sorry, where are you?

Q Oh, I'm sorry, it's the second line in the email at the bottom. The quote about what is going on with the exchange. This is well before the launch; do you know what those questions -- what the concerns about what would be going on with the exchange would be?

A I don't.

Q Okay. Are you aware of anybody raising concerns with the Federal Government at that point in January 2013 about problems with the Cover Oregon exchange?

A No.

Q Okay. Are you aware that at the beginning of January 2013, representatives from the Center for Consumer Information Insurance Oversight, which I am going to call CCIIO, visited Oregon to review

the beginning of a Cover Oregon project? Did you attend any meetings with representatives from CCIIIO?

A I did not.

Q So you would not recall anything that was being discussed at that time?

A No.

Q Okay. Did you have any conversations at that time if any representatives from the Federal Government had been expressing concerns about what was going on with Oregon?

A No.

Q Okay. Do you have any understanding if Federal Government officials expressed any concerns about the scope or timelines of the Cover Oregon project?

A Not that I'm aware of.

Q You had earlier mentioned the No Wrong Door process. Do you believe that that might have been a scope that was too broad in the timeline to complete?

A That was highlighted in the first data report, that scope was a significant factor.

Q Okay.

Mr. [REDACTED] I'm ready to go to another email here, which is 13743.

[Bonetto Exhibit No. 18

Was marked for identification.]

BY MR. [REDACTED]

Q You'll see in this email this is an email from Rocky King,

to yourself, Kolmer, Bruce Goldberg, as well as others, summarizing the CCIIO visit, which, again, is the Center for Consumer Information Insurance Oversight for the Federal Government that was responsible for recommending these grants. And you'll see that on the first page here, the third line down, it says: "The representatives of CCIIO headed out Friday afternoon to, A, resume a vacation; B, visit another state; or, C, return to D.C. They all had smiles on their faces." Do you recall receiving this email?

A I don't recall, but, obviously, I did.

Q Would you agree that Rocky King's line, "they all had smiles on their faces," would indicate that the Federal Government representatives were pleased with the plan for Cover Oregon?

Mr. [REDACTED] Do you want to read the whole email?

Mr. [REDACTED] Yes, take your time.

The Witness. Yes.

BY MR. [REDACTED]

Q I am going to jump ahead a little bit, and this is the bottom of page 13744. And the same email, Rocky King writes: "No state is as far along as ours, and they are convinced if we can't do it, many of the others will not be able to." Would you agree that this indicates that the Federal Government representatives believe Cover Oregon would be successful?

A Yes.

Q And then, on the last page, let's see, one of the very last lines of the email says: "They left more impressed than before they

arrived." And would, again, you agree this indicates that Federal Government representatives believed that Cover Oregon would be successful?

A Yes.

Q Okay. So, after this meeting, before the launch of Cover Oregon, did you have any conversations with representatives of CCIIO, CMS, or HHS about Cover Oregon, either one-offs or on a rolling basis?

A No.

Q So you had no context with the Federal Government about the project?

A Other than through Cover Oregon.

Q Okay. Do you recall any representatives of the Federal Government expressing concerns before the launch of Cover Oregon about the potential Cover Oregon would not be properly functioning on launch, either from them directly or from Cover Oregon?

A I don't believe so, other than potentially in September of '13. I don't recall.

Q And do you recall any representatives of Federal Government expressing any concerns before the launch about the scope of the Cover Oregon project?

A Not that I'm aware of.

Q And do you recall any representatives of the Federal Government expressing concerns about the timelines for the Cover Oregon project?

A Not that I'm aware of.

Q Do you recall any representatives of the Federal Government expressing concerns for the launch of Cover Oregon about the contractors involved in the Cover Oregon project?

A Not that I'm aware of.

Q Okay.

Mr. [REDACTED] And I need 496.

You recall that we talked earlier about testimony before the Oversight and Government Reform Committee in April 2014?

Mr. Bonetto. Yes.

Mr. [REDACTED] We're going to go back to that.

Ms. [REDACTED] I am entering Exhibit 19.

[Bonetto Exhibit No. 19
Was marked for identification.]

BY MR. [REDACTED]

Q I apologize for the fact that this is a bit of a long forward here, but we're going to start on the back page, which is 79497. Now, you were sent this email by Triz delaRosa. Who is Triz delaRosa?

A Triz I believe was the chief operating officer of Cover Oregon.

Q This is regarding the day in which representatives from Oregon testified before the Oversight and Government Reform Committee on Cover Oregon. And, in this email, Mr. DelaRosa writes about a call from CCIIO in which he heard frustration and disappointment with lack of clarity about what is taking place in Oregon.

Aside from this email, at this time, did they -- were any Federal

representatives expressing frustration to you about the lack of clarity or what is taking place?

A Not that I'm aware of, no.

Q Triz also writes: The theme and tone of these conversations concern me because we've had a great relationship in the past with CCIIIO, and our reputation of reliability is now being questioned.

At the time of this, did you believe the Federal Government was questioning the Oregon administration's reputation?

A I don't know.

Q At the time of this email, did you believe the Federal Government was questioning the reliability of the Oregon administration?

A I don't know.

Q So would you say that, based on the fact that you don't know this, would you say that even though your relationship with the Federal Government just by this email, you'd still say it's a positive one at this time?

Mr. [REDACTED] April 4th, 2012?

Mr. [REDACTED] Yeah -- 2014.

The Witness. I think it's just -- some speculation of how you define "positive." But we would continue to work with the administration on a number of issues.

BY MR. [REDACTED]

Q Let me try this another way. Cover Oregon fails to launch

on October 1st, and then this email finally showing some complaints when the administration comes on April 4th several months later. Between October 1st and April 4th, were you privy to any conversation with administration officials in which they expressed their displeasure?

A I did have a call, and I can't recall if it might have been with this individual Terrance man -- with Rocky King. Again, it may have been in the November, December timeframe of 2013. I believe that may have been the only discussion I had with them.

Q So you say it was just one call?

A I believe.

Q So, in the 7 months after the problematic launch of Cover Oregon, in which the Federal Government has given you \$300 million to build this, you had one call and then this email expressing displeasure by the Federal Government?

A Well, let me back up. This was a contract that the Federal Government had with Cover Oregon, not with the Governor's Office. Cover Oregon was the entity that was communicating with the Federal Government on a very regular basis.

Q And as we established in the timeframe earlier, you were having routine conversations with the Cover Oregon officials about how the project was going, correct?

A Correct.

Q And did they relay to you that the administration was calling Cover Oregon complaining about how things were going?

A Let me -- I want to make sure I'm clear on timelines. So the timeline that we're currently --

Q After the launch came out?

A -- previously looking at, it was 2013.

Q Uh-huh.

A And then now we're talking about 2014.

Q Correct.

A So, by that time, yes, we were having daily conversations about our concerns of the current status of Cover Oregon?

Q Who from the Federal Government did you hear from Cover Oregon people -- or Cover Oregon officials was contacting to express their frustration for their daily conversations and concerns about Cover Oregon?

A I don't know those individuals specifically, that would have been, you know, through Rocky King and with Bruce Goldberg and with Triz, those officials at Cover Oregon.

Q Just to be clear, you are certain that, on a routine basis, after October 1st, there were conversations with Federal officials happening at Cover Oregon?

A I can't say I'm certain. That would be a conversation for Rocky and Bruce.

Q Okay.

Mr. [REDACTED] We're going to show you another email now; 6657, please.

Was marked for identification.]

Ms. [REDACTED] I am entering exhibit --

BY MR. [REDACTED]

Q This is an email from Sean Kolmer to Patricia McCaig, Tim Raphael, Nkenge, and yourself. And it is a timeline of discussions with CMS related to Cover Oregon. Would you agree with that description of this?

A Yes.

Q Why would Sean Kolmer send an email of this timeline to these people?

A Because he was the individual looking at what would be the timeline and options around making a transition.

Q Okay. Now you notice in this email that the week of March 24 says S.K., which is Sean Kolmer, reaches out to CMS; April 3rd, S.K. meeting with CMS officials; April 8th, meeting with Marilyn Tavenner; April 11th, meeting with CMS and Oregon staff; April 14th-18th, work to come to agreement of core functions in the hybrid agreement; April 22nd, S.K. calls CMS. These are all official actions that would need to be taken by the State of Oregon regarding the exchange, correct?

A Just clarify what you mean by "official actions."

Q I mean, these are -- Sean Kolmer is reaching out to CMS. He is doing so, I presume, on behalf of the Governor?

A And Cover Oregon.

Q And Cover Oregon, these are official State actions. They are not campaign related?

A Correct.

Q So why is Sean Kolmer sending this email from his private email account to Patricia McCaig's private email account, to Tim Raphael's private email account, to Nkenge's private email account, and to your private email account? Why is this not being conducted on State systems?

A So as I -- as we discussed earlier, with this team that included these outside advisers, we were discussing Cover Oregon issues on a very regular basis, and many of these individuals did have some interaction with the campaign. And it was, you know, in our conservative approach that all of these emails would be on private email with the understanding that if anything was determined to be a public document, that it would be released as it is right now.

Q Okay. And on this day -- this is April 24th here that Sean Kolmer is sending this. And at this time and through the week of March 24th through the end of this timeline on April 22nd, what again was Sean Kolmer's role?

A He was the health policy adviser to the Governor.

Q Okay. And is your testimony the Cover Oregon board is ultimately just responsible for this decision to move from the State, from Cover Oregon to the Federal exchange?

A Correct.

Q Was Sean Kolmer an employee of Cover Oregon?

A No.

Q Was he an employee of the Oregon Health Authority?

A I am pausing because of the way that he was paid, it may have been through the Health Authority, but we had multiple health -- we had multiple advisors in the Governor's Office that were paid via an agency. It was not uncommon. So when you say that, I just want to make sure I'm clear.

Q Understood. Still leads me to ask, why is Sean Kolmer reaching out to CMS officials and Marilyn Tavenner and senior CMS staff and not Cover Oregon employees?

A I think that was an agreement and acknowledgment with Cover Oregon, you know, even with Bruce Goldberg, that Sean had relationships, and he could have those conversations, and that would be a conversation really with Bruce and Sean.

Q So Bruce Goldberg and Sean agreed that he would have a unique role in which he could speak on behalf of Cover Oregon?

A Again, that would be a discussion to have with Bruce and Sean.

Q Do you find it troubling that Sean Kolmer is given this unique ability to speak for Cover Oregon and then is able to share this information immediately with people who are working on this campaign working group?

Mr. [REDACTED] Objection. Assumes facts not in evidence.

The Witness. No. But this information that Sean was able to acquire was also information that helped inform the IT committee as well in terms of the scope and the timeline and the cost of any eventual transition.

BY MR. [REDACTED]

Q The last line of this email says: CMS is surprised by the timing, considering our meeting with CMS the following week, but understood our choice. Do you believe that CMS was surprised by the timing switching to the Federal exchange?

A I don't know.

Q And it ends with Sean Kolmer saying CMS understands this was our choice. Do you know what he meant by that?

A I don't.

Q Do you believe this maybe indicates the decision on moving to the Federal exchange was not one for the administration to make -- the Federal administration?

A I don't know.

Q And this is returning to the meeting -- kind of those conversations we had -- but this also references that April 8th meeting with Marilyn Tavenner and senior CMS staff, and you did not participate in this meeting?

A No, not that I recall.

Q And do you have any -- were you relayed anything that was discussed at this meeting?

A No, other than, you know, I believe Sean reporting back on having that conversation.

Q Again, you have described this working group as a collection of people to help advise the Governor on switching from the State exchange to the Federal exchange, correct?

Mr. [REDACTED] Objection, mischaracterizes his testimony?

BY MR. [REDACTED]

Q Please say again how you would describe it.

A So this was a group that was put together to help the office respond on really day-to-day communication issues related to Cover Oregon and to help inform the Governor on policy options moving forward.

Q Okay. So but this email was sent on April 24th, correct?

A It looks like that, yes.

Q And April 24th is the day the decision was made to switch to the Federal exchange, correct?

A I don't know if it was the 24th or 25th.

Q 24th. Around then.

Do you believe that this email was related at all to the Governor's reelection campaign?

A I don't know. I don't believe so.

Q Do you believe that any of the individuals in this would use the information in the email to assist the Governor's reelection campaign?

A I don't know.

Mr. [REDACTED] Let's go to 4868 please.

Ms. [REDACTED] Exhibit 21 entered into the record.

[Bonetto Exhibit No. 21

Was marked for identification.]

Mr. [REDACTED] You'll see that this is an email from Patty or [REDACTED]. Who is Patty Wentz?

Mr. Bonetto. Patty Wentz was the communication director at the Oregon Health Authority who also then, I believe, went over to do communications for Cover Oregon.

Mr. [REDACTED] Okay. In this email, she's referring to a CMS press office discussion that says: They say a statement may have to go all the way to the White House. Sounded very, very stressed.

Do you recall what this statement was about?

Ms. [REDACTED] That's actually not an accurate reading.

Mr. [REDACTED] Do you want to read the whole sentence?

Mr. [REDACTED] Yeah: "They say a statement may have to go all the way to White House, but they will push it, sounded very, very stressed." So not only is it going to the White House, they will push it.

The Witness. Yeah, I don't know if this had to do with the decision around the future of Cover Oregon. I'm not sure.

BY MR. [REDACTED]

Q Do you know why the White House would be coordinating on a statement with the communications director for the Oregon Health Authority?

A I don't.

Q Did you ever have any conversations with Patty about what this was about?

A I don't believe so. I don't know.

Q Do you know what "OPB" is?

A I believe that's Oregon Public Broadcasting.

Q It says: OPB would like to help us tamp this story down.

Do you recall what the story was?

A I don't.

Q And this email is from Patty Wentz' personal email account, yes?

A Correct.

Q Why didn't she send this from here State email account?

A Patty was also one who was included in many of these --

Q So she was also in -- okay.

And this was sent to your personal email account, yes?

A Correct.

Q And you believe this going to your personal email account was appropriate?

A As I mentioned earlier, with this group, there was I think a more conservative approach taken, knowing that any one of these documents that was considered public would be raised, and it's here.

Q Did you ever have conversations or discussions with White House officials about the switch from Cover Oregon to federally facilitated market --

The Reporter. Excuse me, may I have that again please?

Mr. [REDACTED] Yes, I got a little mumbly there.

BY MR. [REDACTED]

Q Did you have any discussions with White House officials about the switch from Cover Oregon to the federally facilitated marketplace?

A No.

Mr. [REDACTED] And we're going to 8865.

Ms. [REDACTED] I am entering exhibit 22 into the record.

[Bonetto Exhibit No. 22

Was marked for identification.]

BY MR. [REDACTED]

Q You see that this email is talking points for Marilyn Tavenner. This is from Tina Edlund to Patricia McCaig, yourself, and Sean Kolmer. Who is Tina Edlund?

A Tina Edlund was the interim director at the Oregon Health Authority for a period of time. And then, during this time, she was a special project manager of the transition of the project of getting things to the Federal Web site.

Q So she was a State employee, then?

A Correct.

Q And would you agree that this email was related to -- I mean, it is talking points from Marilyn Tavenner, this discussion about the Cover Oregon's board, public statements, talking about direct enrollment, early entry to the Federal marketplace for current Cover Oregon employees. It seems like official actions related to Cover Oregon, correct?

A Your question was -- I'm sorry.

Q This seems like Ms. Edlund acting in her official capacity as an employee for the State. Would you agree with that?

A Correct.

Q And, again, why was Ms. McCaig copied on this -- sent this

email?

A I believe that this had to do with communication issues. Patricia was asked to help advise.

Q Okay. Did you ever participate in any briefings on the annual reports that Cover Oregon put out?

A I may have.

Q Just we're not going to waste your time giving you a document that's very substantial or long, but the 2000 [sic] Cover Oregon annual report highlighted potential inconsistencies and noncompliance with Federal grant requirements and inadequate controls?

Mr. [REDACTED] 2000 what?

Mr. [REDACTED] 2013 Cover Oregon annual report.

I'm just curious if you ever had any discussions about what was being found in the Cover Oregon annual reports or ways to potentially address the problems?

A I don't recall.

Q Okay. And did you ever need to have conversations about concerns that switching to the federally facilitated marketplace would violate the terms and conditions of their Federal grant?

Mr. [REDACTED] You mean Cover Oregon's.

Mr. [REDACTED] Yes, I'm sorry. Cover Oregon's grant.

The Witness. I believe those issues did come up and were being discussed with CMS.

BY MR. [REDACTED]

Q In February 2014, Oracle, the Cover Oregon contractor that

helped build the site, they signed a transition agreement. Can you describe the role of the Governor's Office in negotiating that agreement?

A So this was as a result of the February 26th meeting, between Safra Katz, Edward Screven, the Governor, Bruce Goldberg, myself, and Aaron Karjala.

At that meeting, Ms. Katz made it clear that they were demanding payment for \$20-plus million; otherwise, they were not going to show up on Monday morning. She also disclosed that Oracle was going to be in violation of a disclosure event if they did not receive that payment so that that payment had to come. And if they didn't receive it, then, again, they were not going to show up.

So we were in a position that we would not have been able to enroll anybody in coverage, and we would not have been able to have anything functional by November 2014 for the next open enrollment period. So I would say the stakes were extremely high, and the Governor, I think, was taken aback at that time when that ultimatum was put on the table. So that then led into the negotiations about in order to prevent Oracle from abandoning this, what was the safest way to move forward? So those negotiations began to find a way to pay them some of their demands but also keep them working and continue to enroll people.

Mr. [REDACTED] I need 550.

BY MR. [REDACTED]

Q Were individuals from the Governor's reelection campaign provided information about the negotiations or status of potential

agreement between the State and Oracle?

A Yes.

Q Why were they provided that information?

A Through the Governor's request, that he determined that information was attorney-client privileged, and he was the client, and it was his determination that he needed -- he wanted these individuals to see it to help with communications issues.

Q Was information about the negotiations or status of a potential agreement between the State and Oracle utilized by the Governor's reelection campaign to help the reelection campaign in any efforts?

A Not that I'm aware of.

Mr. ██████ I'd like to show you this exhibit. It is exhibit 23.

[Bonetto Exhibit No. 23

Was marked for identification.]

BY MR. ██████

Q Apologies for the formatting again, that is just how it came in to us, but you'll see that at the long forward here is an email from yourself on February 28, 2014, at 11:56 a.m., Gmail mjbnetto wrote: "Just got off the phone with Liani." Pronouncing that correctly?

A Correct.

Q Who is Liani?

A Liani Reeves was the Governor's general counsel.

Q The information you obtained from the counsel's office here has been circulated to Mark Wiener, Kevin Looper, Dmitri Palmateer,

Patty Wentz, Tim Raphael, and Nkenge Harmon Johnson. Did you send in this information to these people because their role as State of Oregon employees?

A In terms of how we were going to coordinate our messaging from the Governor's Office.

Q Did you send this information also because of their roles in the Governor's political operation?

A No.

Q Why did you send this information to their personal email accounts?

A Again, as I had mentioned earlier, this was the team that was helping on the Cover Oregon issue, and as unpaid advisors, this was the team that the Governor wanted reviewing this.

Q Why do you believe Liani shared this information with you?

A Because I was the chief of staff.

Q Do you think it is appropriate to immediately share that information with political operatives?

A I would say these weren't -- again, for this situation, these were advisors to the Governor who had come together to really help understand and respond to the Cover Oregon crisis.

Mr. [REDACTED] I need 616, please.

Ms. [REDACTED] I am entering exhibit 24 into the record.

[Bonetto Exhibit No. 24

Was marked for identification.]

Mr. Jordan. Jim Jordan.

Mr. [REDACTED] Good morning.

BY MR. [REDACTED]

Q We just need some clarification on this one. This was sent by Tim Raphael to Governor Kitzhaber, Mr. Wiener, Kevin, your Gmail account, Nkenge, and Dmitri. It has this Kitzhaber Cover Oregon draft communications plan attached to it. So you can see that it is stamped Strategies 360. Was this document created by Strategies 360?

A By Tim, I believe.

Q Okay. And with Strategies 360 -- I know we discussed this earlier, but can you tell us again, what is Strategies 360?

A A marketing and public affairs organization.

Q And do you recall who was compensating them at the time, the Governor's Office or the reelection campaign?

A At this time, I do not recall.

Q If you turn to page 1 of this document and just go down to item 5. It says: "Position the Governor to lead the State for another 4 years and galvanize public support for a focused policy agenda aligned with voters' values." Is it fair to say that this document is a document to help with the Governor's reelection strategy?

A The intent of this document was to help the office manage day-to-day issues. I think when we start to look through the specific priorities, the tasks that are outlined are really from a Governor's Office perspective of how to manage this.

Q So just to be clear, when it says "to lead the State for another 4 years and galvanize public support," you do not read that

as being related to the campaign?

Mr. [REDACTED] Objection. That's one statement in a multipage document.

Go ahead and answer to the extent you can.

The Witness. Again, I think the overall intent of this document really was to help frame up how the Governor's Office was going to respond.

Mr. [REDACTED] [REDACTED] can you and me 2872 please?

Ms. [REDACTED] I am introducing exhibit no. 25 into the record.

[Bonetto Exhibit No. 25

Was marked for identification.]

BY MR. [REDACTED]

Q You will see that this is an email from John Kitzhaber to yourself and Patricia McCaig. It is a debrief from yesterday, and it has a document at the back of this. It says: "I thrashed around a bit last night and got up and wrote down my thoughts." So, based on this, you would agree that the thoughts on the back of it are from John Kitzhaber himself, correct?

A Correct.

Q Okay. You will see that -- let's see here -- under "A Few More Thoughts," on the second page of this document, Governor Kitzhaber expressed concerns to you that Cover Oregon has derailed any forward momentum. Do you see this line?

A I do.

Q Okay. The Governor wrote in this email to you that we can't

seem to compete with the free independent expenditure campaign that the Cover Oregon issue is giving to Dennis Richardson. It is right above the bullet point there on the last page. Do you agree that's in this document?

A Yes.

Q Who Dennis Richardson?

A He was the Republican candidate.

Q He was running against the Governor during the Governor's reelection campaign, correct?

A Correct.

Q Okay. What is the date and time of this email that he sent to you?

A May 24th at 5:14.

Mr. [REDACTED] All right, let's go to 397.

Ms. [REDACTED] I am entering exhibit No. 26 into the record.

[Bonetto Exhibit No. 26

Was marked for identification.]

BY MR. [REDACTED]

Q You'll see that this is an email from Patricia McCaig you are cc'd on, a communication with the Governor. Do you agree with that?

A Yes.

Q In this email, McCaig references the need to work on specific actions which form the basis of his intent to pursue Oracle and hold them accountable. What's the date and time of this email?

A May 25th, 2:46 p.m.

Q And this is less than 24 hours than the previous email we showed about the Governor complaining about the free independent expenditure campaign his opponent was receiving, correct?

A Correct.

Q So, based on these two emails, you would agree that the first email has the Governor complaining about the free independent expenditure campaign that Dennis Richardson is receiving. And then this email suggests to the Governor specific actions that he can take regarding Oracle, correct?

A Yes. My only highlight would be that this body of work that you're referring to --

Mr. [REDACTED] You mean in exhibit 26?

The Witness. In exhibit 26, was an ongoing discussion, you know, really, with the Governor and myself of trying to understand how tax dollars -- what are the options of recouping those tax dollars? And this was back, you know, in the December timeframe saying: If we truly don't have a functional Web site, what are we going to be able to do? And, you know, truly, I think when we were moving through this, you know, the best thing we wanted was to have a functional Web site. There's no question from a political standpoint, and the last thing we wanted to do was to look at anything from a litigation standpoint. But when our options were limited, we wanted to make sure that, you know, we had some opportunity to recoup those tax dollars.

BY MR. [REDACTED]

Q At this time, was Patricia McCaig an employee of the State?

A No.

Q At this time, was Patricia McCaig a campaign operative for the Governor?

A I don't know. I don't believe so.

Q Why is she recommending official actions by the Governor if she's not an employee of the State?

A She is advising the Governor. I think the Governor has, you know, continued through throughout that period, you know, asked for her insights and opinions, and this is one.

Q Okay. As the Governor's chief of staff, did you feel any obligations to not let her micromanage decisions being made at State?

Mr. [REDACTED] Objection to the characterization of micromanaging decisions, but go ahead and answer to the extent you can.

The Witness. No, I valued Patricia's opinion. She was a former chief of staff for a Governor herself. She had a very good, you know, handle of how the office runs and certainly around crisis communications.

Mr. [REDACTED] I'd like you to take a look at this news story that we found. The headline is "Governor Kitzhaber Seeks Lawsuit over Cover Oregon Health Exchange." [REDACTED] is going to mark that as an exhibit.

Ms. [REDACTED] I'm introducing exhibit 30 [sic] into the record.

[Bonetto Exhibit No. 27

Was marked for identification.]

Mr. [REDACTED] Do you agree that the headline says, "Governor Kitzhaber Seeks Lawsuit over Cover Oregon Health Exchange"?

Mr. Bonetto. Correct.

Mr. [REDACTED] What is the date of this news article?

Mr. Bonetto. May 28th.

Mr. [REDACTED] Now I'd like to look at another email you provided the committee, 7676 please.

Mr. [REDACTED] That's exhibit 30?

Mr. [REDACTED] I think we are at 26. Should that be 27?

Mr. [REDACTED] Yeah, we skipped a sticker.

Yeah, I need 7676, and it will be 28.

Ms. [REDACTED] I'm introducing exhibit 28 into the record.

[Bonetto Exhibit No. 28

Was marked for identification.]

BY MR. [REDACTED]

Q Again, I know we've gone over some of these people, but I am just going to have to ask you again. This is another email you provided to the committee. What's the date of it, this email?

A May 30th.

Q And this is from Patricia McCaig to Dmitri P.? Again, I'm sorry, again who is Dmitri P.?

A Dmitri Palmateer, deputy chief of staff.

Q Okay. And then who is Duke Shepard?

A Duke Shepard was a policy adviser on human services to the Governor.

Q Okay. And just to be clear, Dmitri P. is the deputy chief of staff to the Governor. Duke Shepard is a policy adviser, and you

are the chief of staff, and you're all using your personal email accounts, correct?

A Correct.

Q Okay. The subject line of this email is "Oracle Yahoo stock page," correct?

A Correct.

Q And the text of this email from Dmitri says: Look at picture and the stories under their stock headlines. That is our goal, national stories that drag on their stock price.

Yes?

A Yes.

Q Did you participate in any discussions about the need to impact Oracle stock price?

A No.

Q Doesn't this email indicate that you did?

Mr. [REDACTED] Receiving an email doesn't indicate discussions, but go ahead.

The Witness. Not that I recall.

BY MR. [REDACTED]

Q Did you participate in any other discussions about the need to impact Oracle financially?

Mr. [REDACTED] Objection, assumes that he participated in some discussions, but go ahead.

The Witness. No, other than to recoup the tax dollars that were lost on the project.

BY MR. [REDACTED]

Q Did you participate in any discussions about utilizing public statements from Oregon officials to apply pressure to Oracle?

A Not that I'm aware of.

Q Did you participate in any discussions about utilizing public statements from Oregon officials to make Oracle appear to be the villain of Oregon problems?

A Villain?

Q The heel, the bad actor, however you would characterize it. The Governor is the good guy and Oracle is the problem.

A I think it was always an attempt to provide factual information. The Governor was very clear that there was, you know, some accountability on the State side, and I would see equal accountability on the Oracle side.

Q Do you believe the Governor's reelection campaign attempted to pivot to blaming Oracle in order to help the Governor politically?

A No, I believe that the pivot was to help position the State to recoup the lost tax dollars.

Q I'd like to revisit the timeline here on this. The site attempted to launch on October 1st, correct?

A Correct.

Q A decision was made by the Governor's Office to move to the Federal exchange sometime in early April, April 8th or 9th?

A In terms of a recommendation --

Q Yeah.

A -- the decision was from the Cover Oregon board.

Q Uh-huh. You say that, in early April, the Governor was -- you were moving towards a recommendation to move towards the Federal exchange?

Mr. [REDACTED] Objection. I don't recall any testimony regarding that.

Mr. [REDACTED] Skip it. The board voted to abandon Cover Oregon on April 24th, correct?

Mr. [REDACTED] 25th.

The Witness. I believe that's correct.

Mr. [REDACTED] Then, on May 24th, a full month after abandoning Cover Oregon, the Governor expresses his displeasure at how things are going -- correct? -- in the email we just showed you, that Cover Oregon has derailed any forward momentum and that his political opponent is getting a free independent expenditure campaign, correct?

Mr. [REDACTED] Along with everything else in that email.

The Witness. Correct.

BY MR. [REDACTED]

Q Now, the next day, May 25th, Patricia McCaig writes a detailed email about the Governor's intent to pursue Oracle. We just showed you that email, correct?

A Correct.

Q And then, on May 25th, in the news article that we showed you, Governor Kitzhaber announces he's seeking a lawsuit over the Cover Oregon exchange, correct?

A Correct.

Q And then, the next day, on May 29th Dmitri P. writes: That is our goal, national stories that drag down on their stock price. Correct?

A From Dmitri's email, correct.

Q Okay. So, within 4 days, the Governor complains about his political opponent's free expenditure campaign and then the Governor announces plan to sue Oracle, correct?

Mr. [REDACTED] Objection, incomplete. Those are isolated statements out of a long train of discussions and emails that went on, and this is just an oversimplification of the facts, but you can go ahead and answer the best you can.

The Witness. Again, I would go back to, you know, from are the beginning, and the Governor was very committed to understanding what his options were around recouping those tax dollars.

Mr. [REDACTED] Did you reply to the Governor's email?

Mr. Bonetto. Which email?

Mr. [REDACTED] The one in which he said he's getting derailed any forward momentum?

Mr. [REDACTED] 28 -- no, 26?

The Witness. I don't recall.

Mr. [REDACTED] Do you recall having a conversation with the Governor about this?

Mr. Bonetto. About moving forward with this? I believe the Governor and I did --

Mr. [REDACTED] Wrong email.

Mr. [REDACTED] The Governor's email?

Mr. [REDACTED] Do you recall having a discussion about this email or this statement in the email that refers to Cover Oregon has derailed future momentum or the free publicity to Mr. Richardson? Just part of that email.

A Yeah, no -- I -- my recollection was having discussions around the best way that we would be able to recoup the tax dollars.

Q Why didn't you write that back to the Governor, that you wanted to recoup the tax dollars?

A Those were conversations we had had ongoing for some time.

Q So your testimony is that you communicated with the Governor routinely about the importance of recouping the tax dollars?

A We had ongoing conversations.

Q Can you provide any documentation that you've already submitted? Can you point to a document in which you talk about the importance of recouping tax dollars?

Mr. [REDACTED] We could do that if you wanted --

Mr. [REDACTED] No, I'm just saying if you want to provide that.

Mr. [REDACTED] Sure. We'll provide documents to show that that was a subject of discussion as far back as December.

Mr. [REDACTED] Okay.

Mr. [REDACTED] In fact, we already provided them. All we can do is give you specific Bates numbers of documents we have already provided.

Mr. [REDACTED] I just wanted to address your concerns that this was oversimplified.

But returning to our point here, you would agree that these emails we are representing correctly here is that the Governor expressed his displeasure -- the Governor expressed his displeasure with the free independent expenditure campaign his opponent was getting, correct?

Mr. [REDACTED] I object to the statement that you characterized them correctly. You've read portions of them.

BY MR. [REDACTED]

Q Okay. Would you like to take the time to read this email?

A Okay.

Q Would you say this email contains the Governor complaining about his political opponent receiving a free independent expenditure campaign because of the problems at Cover Oregon?

A I'll say yes, but in the context of everything that's outlined in this email.

Q And then the day after this email, Patricia McCaig sent her email outlining steps that you could take, correct?

A Correct.

Mr. [REDACTED] I object that that other email -- there are also numerous emails in the chain relating to Ms. McCaig's email. It does not include --

BY MR. [REDACTED]

Q And then, 3 days later, there is a news article about the Governor announcing his plans to sue Oracle.

A Can I step back?

Q Please.

A The Governor's plans -- the Governor can't sue. The attorney general. So this was significant, though. So the Governor could only make a recommendation or, you know, to advise. The attorney general is an elected office in Oregon, and the attorney general is not going to move forward with a case if there is not enough evidence. So if -- he can make the recommendation, and if the attorney general said, "no," again, that would be the worst political move for the Governor; he looks like he has egg on his face.

Q Were you ever worried about the attorney general not following through on your recommendations?

A I think, at the time, we felt like there really was enough evidence in terms of just the poor workmanship, the poor coding, in terms of all the other deliverables that they hadn't met, that they had promised an out-of-the-box, off-the-shelf product that never turned out to be that way. So, yeah, we did feel confident that there was enough evidence at the time that she could move forward.

Mr. [REDACTED] Can I have 9374, please?

Ms. [REDACTED] Entering exhibit 29.

[Bonetto Exhibit No. 29

Was marked for identification.]

BY MR. [REDACTED]

Q And while we are marking that up, I'll ask you, did you ever discuss the need to switch the conversation to Oracle with Patricia

McCaig?

A Can you clarify what you mean by "switch"?

Q To make the story Cover Oregon about Oracle and not the Governor's management of it.

A I think there was always a goal to have equal accountability on this other responsibility. And I think what was always a difficult thing from the Governor's Office and the Governor in particular was that if I go back to the February 26th meeting with Ms. Katz and Mr. Screven, there was no accountability or no responsibility, nothing. And I think as we look at lack of progress of deliverables, instead of I think trying to partner with the State and working through it, they demanded payment. They demanded -- initially, it was \$70 million, or they were walking. Instead of saying, "No, this is under the warranty; we're going to continue to work through this and make this work, and then we'll get paid," it was very threatening, that "you either pay us or we are leaving and abandoning this."

Q You just mentioned that the AG is independent, correct? They have to make the decision to ultimately sue someone?

A She's an elected official.

Q I'd like you to look at exhibit 29 here, which is 9374. This is an email from Duke Shepard, who -- forgive me for already forgetting -- this individual work for?

A Policy adviser for the Governor.

Q Okay. And this is to yourself and Ms. McCaig. It says: If outside counsel believes there is a case and is ready to go should

we have a strategy to get their assessment and eagerness out there so that Ellen and Fred can't chicken out easily. Who are Ellen and Fred?

A Ellen Rosenblum is the -- was the attorney general, and Fred Boss was her deputy.

Q And then if they do, it's on them in a way that it isn't their assessment versus the Governor's, but it is them chickening out versus Markowitz' advice.

Who is Markowitz?

A The Markowitz firm was the firm that the attorney general had hired to be a special attorney general.

Q And then: "I just have no confidence in the AG."

What did you guys do in -- related to this email? Did you follow up and put any legal advice out there, or put anything to you the outside counsel?

A I don't recall.

Q You just said that you thought the case was strong enough to go there. Why are you worried about them chickening out?

Mr. [REDACTED] Objection. It's not his statement?

Mr. [REDACTED] Why do you think Duke Shepard is worried about them chickening out?

Mr. [REDACTED] Calls for speculation.

Mr. Bonetto. I don't know.

BY MR. [REDACTED]

Q Did you ever have any conversations with Duke after this email?

A I don't know. Not that I recall.

Q Did you ever have any conversation with Patricia McCaig after this email?

A I don't recall.

Q You testified at length about the importance of getting taxpayer dollars back, and when someone sends you an email that is regarding the fact that the attorney general might not move forward on getting the taxpayers' dollars back, you don't have any followup conversations?

A You know, I think, at this point in time, it was in motion. There was -- I think my opinion was the facts were going to speak for themselves, that, you know, political pressure was not going to make this happen. This was going to be based on the facts.

Q I just have one final question here, do you believe the decision to pivot towards anti-Oracle stories, go after Oracle, pivot towards Oracle, or sue Oracle was in any way at all driven by the need to help to get the Governor reelected?

Mr. [REDACTED] Objection. That assumes things that may not have happened.

BY MR. [REDACTED]

Q I'm just asking.

A I would say, no. This focus was on understanding kind of equal accountability, that the State had just gone through this process of trying to get a Web site up and running at the cost of, you know, hundreds of millions of dollars. And when this failed and we weren't

able to go live, which we were trying to do on multiple, multiple occasions, and then being threatened that we had to actually make a payment for a nonfunctioning Web site, this was in Oregonians' best interest to figure out, how are we going to continue to enroll people, and how are we going to be able to recoup those dollars?

Mr. [REDACTED] Perfect timing too. You're up.

[Discussion off the record.]

[11:51 a.m.]

BY MS. [REDACTED]

Q So I wanted to go back to exhibit 25. It's an email from John Kitzhaber to yourself, Mike Bonetto, and Patricia McCaig.

Actually, let's skip that email.

So who decided to sue Oracle?

A That would be the attorney general.

Q Did the Governor make a recommendation to sue Oracle?

A He did.

Q Was the recommendation from the Governor to sue Oracle hinged on concerns about his political performance?

A No.

Q Was it based on -- what was it based on, the Governor's recommendation to sue Oracle?

A As I was explaining earlier, I mean, it was based on his commitment to do everything he could to recoup the lost tax dollars and, I think, you know, to do everything he could at that point in time to try to hold Oracle accountable since they had really been unwilling to, I think, in his view, to be a good partner.

Q And why did the State sue Oracle? For the same reason?

A I believe that is in the, you know, claim against Oracle that the attorney general has filed with kind of a laundry list of issues that surrounded, you know, evidence relating to them trying to have a behind-the-scenes effort to make sure that Cover Oregon didn't hire -- the State didn't hire a systems integrator, that they missed

continual deadlines, that the work products that they were delivering was below industry standards, and then what they had initially promised was, you know, 95-percent off-the-shelf and that it didn't turn out to be anything close to that. It turned out -- you know, 5 percent that needed to be configured, and it was more like 40 percent, which I think threw the whole project into a bit of turmoil.

Q Okay.

I want to call your attention back to exhibit 27, which is a media article. If you'll turn to the second page of the article, it's 2 of 11. Let's go through the statements that the article mentions.

The fourth paragraph down, are you there?

A Uh-huh.

Q It says, "'Oracle's failure is unacceptable to Oregonians who need and deserve access to quality healthcare and who have been faced with months of uncertainty,' Kitzhaber testified before lawmakers."

Would you agree with that statement?

A I would.

Q Do you think Oracle should be held accountable for not being able to produce a fully functioning Web site to the State?

A I do.

Q Let's read further. Go down two more paragraphs, and it says, "Kitzhaber said Rosenblum will make the ultimate decision about whether to file a lawsuit, but he believes the state has strong claims. Rosenblum responded in a letter to the governor that her legal team

has been reviewing options and developing legal strategies."

So this article notes that the attorney general filed the lawsuit. So that's in line with what you previously testified, that it was the AG's, or the attorney general's, authority to sue Oracle, not the Governor's.

A Correct.

Q Okay.

Also in this statement, it says that "Rosenblum responded in a letter to the governor that her legal team has been reviewing options."

So the date of this article is May 28th, 2014. I believe my colleagues from the majority were discussing the timeframe of May 24th through May 27th timeframe. So, since the legal team has been reviewing, from what the attorney general has stated, does it seem possible that the attorney general's team had already been reviewing options to sue Oracle, from this statement?

A I believe that they were looking at their legal options far ahead of time. And I believe that the attorney general brought on the Markowitz firm to help with this back in December of 2013.

Q So that means that would have been independent of the Governor's recommendation to sue Oracle.

A Correct.

Q Okay.

And let's go down to the next line, next paragraph. It says in the letter from Rosenblum, "'I share your determination to recover every dollar to which Oracle is entitled'" --

Mr. [REDACTED] Oregon.

BY MS. [REDACTED]

Q -- "'Oregon'" -- I'm sorry -- "'Oregon is entitled,' she wrote."

So did I read that correctly?

A Yes.

Q Okay. So did that seem reasonable to you, that the attorney general would be trying to recoup funds --

A Yes.

Q -- for the State. Okay.

And, also, go down two more paragraphs. It says, "'We understand the political nature of the announcement just made and that the Governor wants to shift blame from where it belongs,' Oracle said in a statement. 'We are proud of the work that we have done to enable over 420,000 Oregonians to enroll in health care. We look forward to an investigation that we are confident will completely exonerate Oracle.'"

What are your thoughts about that statement?

A I disagree with the first part, that this was political in nature. I mean, I think this was a matter of accountability. And that when they say that they're proud of their work, you know, again, this was a very hybrid process where we had -- Cover Oregon hired hundreds of temporary positions just to, you know, manually get through these. So, you know, I don't know if anybody was really proud of that. We were, you know --

Mr. [REDACTED] We've lost Mr. Jordan. We're going to have to stop unless you're willing to sign the waiver.

Mr. [REDACTED] No. Stop.

[Recess.]

BY MS. [REDACTED]

Q We were discussing the last paragraph. Can you continue what you were saying with Oracle's statement? Do you want me to reread it to you?

A Please. Thank you.

Q It's on page 2 of 11, the third paragraph from the bottom. It says, "'We understand the political nature of the announcement just made and that the Governor wants to shift blame from where it belongs,' Oracle said in a statement. 'We are proud of the work that we have done to enable over 420,000 Oregonians to enroll in health care. We look forward to an investigation that we are confident will completely exonerate Oracle.'"

Could you again tell me your thoughts?

A My initial statement was I would disagree with the political nature. And the Governor was very clear that he wanted, you know, accountability from the beginning and wanted to be able to recoup those tax dollars. And that I think, you know, we were equally, you know, looking forward to an investigation to make sure that, you know, everything was understood about Oracle's role.

Q Okay.

And let me direct you to the fourth page of the article, page 4

of 11. The sixth paragraph down, it says in a quote, "'There's no question that the combination of a failure to hire a systems integrator and time and materials contracts created a perfect storm on the state side that created this problem,' Kitzhaber responded. 'But no one can convince me that Oracle, with a straight face say, oh, we didn't know you hired us to produce a functional website.'"

So, from this statement and from your knowledge, is it clear -- would you think that the State is not saying that they're exactly blameless in this situation?

A Oh, I think the Governor was very clear on that, not only at that point in time but also in a March press conference where he was, you know, relaying the facts that came out from the First Data assessment and took full responsibility for the management side of things.

Q Okay.

Now I would like to draw your attention to exhibit 29. It's an email from Duke Shepard to yourself and Patricia McCaig. So who is Duke Shepard?

A Duke Shepard was a policy adviser on human services to the Governor.

Q And I just wanted to confirm that you didn't write this email, correct?

A Correct.

Q And did the Governor, from your knowledge, have confidence in the attorney general?

A Confidence in her as a person, as a -- or in terms of the --

Q Her ability as an attorney general to investigate this matter.

A Yes.

Q Okay. Was a strategy enacted so that -- it says Ellen and Fred, so who is Ellen?

A Ellen Rosenblum, the attorney general.

Q And who's Fred again?

A Fred Boss was her deputy at that time.

Q Okay. So was there a strategy that was enacted so that Fred and Ellen, the AG and the deputy attorney general, could not chicken out easily, as this email states?

A Not that I'm aware of.

Q So is it fair to say that this email was just an email from Duke just talking but there was no action taken as a result of this email?

A Yes, I believe so.

Q And did you send any emails to the Governor to enact any strategy to persuade the attorney general or the deputy attorney general to act in any manner?

A No.

Q Did you recommend to the Governor that he take any action or develop a strategy so that Ellen and Fred could not chicken out easily?

A No.

Q Are you aware of any State employees that enacted any strategies to make sure that Ellen and Fred can't chicken out easily?

A Not that I'm aware of, no.

Q Okay.

Now I'd direct your attention to exhibit 21. It's an email from Patty Wentz. And who is Patty Wentz again?

A Patty Wentz was the communication director at the Oregon Health Authority and then also moved over to help on communication issues at Cover Oregon.

Q Okay. So I just want to confirm, this email, you did not write this email.

A Correct.

Q And what is the date of this email?

A August 22nd.

Q So this email was sent approximately 4 months after the board made a decision to switch to the Federal technology?

A Correct.

Q And during the timeframe, was Oregon in the midst of transitioning to the Federal technology at that time?

A Yes.

Q Were there any communications with CMS during that time period?

A I believe that would be a discussion with Tina Edlund, who was heading that project, but I believe that was on a regular basis, yes.

Q Was it in your job description to talk with the Federal Government?

Mr. [REDACTED] His job description as chief of staff?

Ms. [REDACTED] As chief of staff, yes. Was it in your job description to communicate with the Federal Government?

Mr. [REDACTED] On Cover Oregon issues?

Ms. [REDACTED] On Cover Oregon issues, yes.

The Witness. No.

BY MS. [REDACTED]

Q Whose role or responsibility was it to communicate with the Federal Government on Cover Oregon issues?

A Within the office? Within the Governor's office?

Q At all. Who would be communicating with the Federal Government about Cover Oregon?

A So, at this point in time, Tina Edlund was the person who was in charge of the transition project. So she was coordinating both with Cover Oregon, with the Governor's office, and with CMS.

Q And who was Tina Edlund?

A Tina Edlund was a former interim director at the Oregon Health Authority who was then moved into a position to help lead this transition project.

Q And when she transitioned from Oregon Health Authority, was that a role with Cover Oregon?

A It was a role within the Governor's office.

Q Okay.

Now I'll move you to transition to exhibit 27. It's an email from Patricia McCaig.

A 27? Isn't it 28?

Mr. [REDACTED] You mean 26?

Ms. [REDACTED] No, 27.

The Witness. 27 is the article.

Mr. [REDACTED] 28.

Ms. [REDACTED] That one's 28.

BY MS. [REDACTED]

Q Okay. So I just want to confirm, you didn't draft this email, correct?

A No.

Q And did you recommend -- did you recommend to the Governor that he enact strategies to tank Oracle's stock price?

A No.

Q Did the Governor take any actions that would -- that were focused on tanking Oracle's stock price?

A No.

Q Did anyone at the Governor's office or the State agency enact any strategies to tank Oracle's stock price?

A No.

Q So is it fair to say that this will be just another example of someone just talking --

A Yes.

Q -- without action? Was there any action taken as a result

of this email?

A No.

Q Okay.

Now I'll turn your attention to the correct Patricia McCaig exhibit, 26.

You were asked previously by my colleagues in the majority about Ms. McCaig's role, I guess, with Cover Oregon, and this email was placed in front of you. You were specifically -- it was specifically mentioned that Ms. McCaig was micromanaging. Did you believe that Ms. McCaig was micromanaging Cover Oregon?

A No, not in her role. Her role was to, again, you know, help with communication issues and to help, you know, synthesize all of this information and provide that to the Governor.

Q Okay. So, just to be clear, so she acted as an adviser to the Governor?

A Yes.

Q Did the Governor always take her advice? Did --

A No.

Q -- he always act on her advice?

A I don't believe so, no.

Q So it would be fair to say that Ms. McCaig was not -- every decision or every advice that she gave to the Governor, the Governor acted on that advice or followed that advice.

A I'm saying, correct, that he didn't do that. Is that what you're saying?

Q Yes.

A Right.

Q Sorry. Thank you.

Okay. So just a couple questions about the Governor's political aspirations, I would say.

So is it fair -- you testified earlier today, you were asked a couple questions about the Web site and if it benefited the Governor's reelection campaign. If the Web site was working, wouldn't it have been politically favorable to go live with that Web site?

A Absolutely.

Q Okay. And why do you say that?

A That would have been, one, the best thing for Oregonians, to enroll in health insurance. And, you know, it would have been a very big political win to have a functional Web site.

Q So was it politically favorable to continue with paper applications and manual processing of healthcare applications?

A No.

Q Was it politically favorable to abandon this IT project and switch to a Federal technology?

A No.

Q Okay. Great.

Now I'm going to switch you to discuss some of the reports, the independent reports, about Oracle's work on the Web site.

So are you aware of the State hiring a group called Maximus at the start of the IT project?

A Yes. And when you say "the State," I want to make sure -- it was either Cover Oregon or -- I believe it was a Cover Oregon contract with Maximus.

Q Okay. And who is Maximus?

A Maximus was a third-party risk management consulting firm.

Q Okay. And do you know why Cover Oregon hired Maximus?

A They hired them as a kind of neutral third party to give them feedback on their progress.

Q Okay. And would you consider Maximus employees to be experts in their field, in quality assurance?

A From my understanding, yes.

Q Okay. And what exactly did Maximus do for Cover Oregon?

A I believe they gave them ongoing feedback and evaluation from a quality assurance standpoint, you know, from a project standpoint of being on time and within budget.

Q Did Maximus issue any reports, anything in writing to Cover Oregon?

A They had multiple reports. I can't be sure if it was on a monthly basis or on a fairly regular basis where they were providing that feedback.

Q And do you know what the report entailed, like, what kind of feedback Maximus provided in these reports?

A If I recall, I mean, many of these reports were either kind of color-coded from a green-yellow-red perspective, in terms of just the level of risk and the progress being made, and were highlighting

specific issues, whether it was from a Cover Oregon board governance perspective or from the actual, you know, coding that was being done.

[Bonetto Exhibit No. 30

Was marked for identification.]

BY MS. [REDACTED]

Q I'm handing you an exhibit marked 30. So this appears to be a Maximus monthly quality status report from February 2014, dated March 15, 2014. Is that correct?

A Correct.

Q Are you familiar with this document?

A Not initially, no.

Q Is this one of the reports that Maximus issued to Cover Oregon that you were referring to?

A I believe so, yes.

Q If you take a look at the page with the Bates stamp of GOV_HR00071552, which is page 1 of the document, under "SECTION 1: Introduction," the document reads, "Cover Oregon recognizes the value of an independent, third-party formal quality assurance (QA) services."

Did I read that correctly?

A Yes.

Q Is that an accurate description of what Maximus was hired to do?

A I believe so, yes.

Q Okay. And why was it important that the State receive an

independent, third-party formal quality assurance report?

A So that there was somebody outside of the organization who had that experience to help with that evaluation of their progress, somebody outside of State government and somebody outside of their vendor contract.

Q Okay.

If I can direct your attention now to table 1 under the page Bates-stamped GOV_HR00071553, if you look under the heading that says "CO Risk Level," what does Maximus write?

A Excuse me? Risk level would be high?

Q Yes. And do you know what the high CO risk level means?

A High risk level of not being able to be on time or within budget.

Q And "on time" would mean what exactly?

A At this point in time, February 2014, that the project would probably not be able to go live during this open enrollment period or perhaps not be able to meet the November 2014 next open enrollment period for the 15-year.

Q Okay.

And if you look under the next comment, it says "CO Response." In the "Overall" row kind of category, Maximus writes, and I quote, "Project risk remains high, although Cover Oregon has been successfully" -- next page -- "processing applications and enrolling consumers through a hybrid process while it finishes testing and implementation of online individual end-to-end functionality."

Did I read that correctly?

A Yes.

Q Do you know what that means? Does that mean that individuals in the State were enrolling in health care through a manual process?

A This hybrid meant it was kind of a combination of manual and some of the back-end technology, which required Cover Oregon hiring, again, hundreds of temp employees to process this -- these applications, which then, again, put the budget at risk moving forward.

Q Okay.

If I can turn your attention now to the page with Bates stamp GOV_HR00071555, on the second bullet, the second column, on the row that says "Schedule," the second bullet reads, and I quote, "Oracle's inability to properly estimate the work and delivery with high quality for any release continues to affect the system delivery."

Was that your understanding of the project as it stood in February 2014?

A Yes.

Q Do you agree with Maximus' independent assessment that Oracle was not properly estimating the work?

A Yes.

Q Okay. Did anyone besides Oracle disagree that Oracle was not properly estimating their work?

A I don't believe so.

Q Okay.

Maximus also reports that Oracle's not delivering a high quality for any release is affecting system delivery. Did you agree with this independent assessment?

A Yes.

Q Did anyone besides Oracle disagree that Oracle was not providing delivery of a high quality for any release?

A Not that I'm aware of.

Q Okay.

Now I'd like to turn your attention to the page with Bates stamp GOV_HR00071564. And under the "Risks" subheading, the first bullet says, and I quote, "While applications are being processed, the lack of a fully functional IT solution is significantly affecting the perceived business success of the enterprise."

Do you agree with Maximus' independent conclusion that Oracle had not provided a fully functioning IT solution by that time in February 2014?

A Yes.

Q Did anyone besides Oracle disagree that Oracle had not provided a fully functioning IT solution?

A I don't believe so.

Q Okay.

Now moving to the third bullet under the same subheading, it says, and I quote, "Launching the Oracle system with known defects may result in a bad user experience which could affect the CO brand long term."

"CO," what did "CO" mean here?

A Cover Oregon.

Q Okay. In other words, Oracle still had significant defects in their product in February. Isn't that right?

A Correct.

Q So, despite Oracle claiming that the Cover Oregon exchange Web site was fully functioning by the end of February, it appears that the Web site was not fully functioning by the end of February. Is that your understanding?

A Correct.

Q Okay. Do you agree with Maximus' independent assessment that launching the Oracle system with known defects would have negative repercussions?

A Yes.

Q Okay. So Maximus' findings would be consistent with what you testified earlier, what Bruce Goldberg and Alex Pettit, their findings with this system, the Oracle system, having bugs and defects and not being fully functional in February 2014.

A Correct.

Q Okay.

Okay. So please turn your attention now to page Bates-stamped GOV_HR00071556. I'd direct your attention to the category that says "Board Governance." In the middle column, the last quote, it says, "The CO board meets on a regular basis and receives updates from the interim Director and his staff on salient business, IT, and stakeholder topics."

Did I read that correctly?

A Yes.

Q Do you agree with the determination that the board met on a regular basis to discuss Cover Oregon?

A To the best of my knowledge, yes.

Q Do you agree with the conclusion that the board received regular updates from the interim director and the staff on salient business, IT, and stakeholder topics?

A I believe so, yes.

Q A bullet in the next column reads, "The Board will engage interested parties including staff and others in a stakeholder group that will meet with finalists for the Executive Director position."

Did I read that correctly?

A Yes.

Q So the board was actively engaged in making decisions related to Cover Oregon. Is that correct?

A Correct.

Q Okay.

And the first bullet under the second column with "Board Governance," it reads: "CO," which is Cover Oregon, "has hired Deloitte to conduct a risk analysis with the current system approach vs. other system options. It is expected that CO," Cover Oregon, "will analyze these options and convene a committee in March to examine the analysis and make a recommendation to the Board."

Did I read that correctly?

A Yes.

Q Did the State, in fact, hire Deloitte to conduct this analysis?

A Yes, I believe so.

Q Okay. And they conducted this analysis in February 2014?

A Correct.

Q Okay. And what was Deloitte actually hired to do?

A I believe this was an action taken by Bruce Goldberg when he stepped into the role as the interim director at Cover Oregon to better understand the situation and to better understand the options moving forward. Knowing that we had missed continual dates, he wanted an outside, independent party to come in and help with this analysis.

Q And do you know why, particularly, Deloitte was chosen?

A I don't know the specifics around that selection.

Q Okay.

[Bonetto Exhibit No. 31

Was marked for identification.]

BY MS. [REDACTED]

Q I'm handing you an exhibit marked 31. It appears to be a policy assessment preliminary report by Deloitte, dated February 10th, 2014. Are you familiar with this document?

A I believe so.

Q Okay. If you could please turn to page 5 of the report, the "Options Overview" table. Can you tell me how many options, IT options, Deloitte evaluated for Cover Oregon?

A Within these four categories?

Q Yes.

A We have 10 here -- 11.

Q And what are the IT options?

A To stay the course by keeping the current vendor or keeping the current technology; find a new solution for Cover Oregon, either transfer of State-based marketplace or use an Exeter solution; transition to the federally facilitated marketplace, just for individual and SHOP or through a partnership model or through a hybrid model; or have a new role for Cover Oregon, possibly through a regional exchange, software as a service option, or direct to carrier.

Q Okay.

So I want to direct your attention now to page 9 of the Deloitte assessment report. The heading says, "1.1: Stay the Course, Keep the Technology: Summary of Analysis."

First, do you know what "stay the course, keep the technology" means?

A It would be to continue to use the current technology and make, you know, modifications as needed moving forward.

Q So the current technology, would that be the technology that Oracle developed for Cover Oregon?

A Correct.

Q And would this mean -- would this option include Oracle as the vendor for developing the Cover Oregon Web site?

A I believe this example here says it would replace Oracle

as vendor of production support and enhancement services.

Q Okay.

I'm going to read part of the summary for this option. Deloitte writes, "Analysis indicates that this solution will have medium technical risk and would take until November 2015 to implement at a cost of \$22M in 2014 plus 150K" -- which is 150,000 -- "hours in 2015. In addition, Oracle would need to participate in transition, enhancement, remediation, and production support through June 2014, which could add up to 100K additional hours."

Did I read that correctly?

A Yes.

Q So, to your understanding, was this a feasible option for Cover Oregon?

A At this stage, in the middle of February, I don't think anything was off the table. So I think, in terms of feasibility, we were trying to understand kind of where on the continuum, on the risk continuum, the cost continuum, everything fit. So I don't know if I would say that it was really unfeasible, but just trying to understand where it fit.

Q Did Cover Oregon need technology that would be available by a certain date?

A Well, I believe the two big dates were that we needed to continue to have technology function through the end of April, through that initial open enrollment period, and then, obviously, you know, be live by November for the 2015 enrollment period.

Q November 2015 or November 2014?

A Before the 2015 open enrollment period, the 2015 open enrollment period, which began in November of 2014.

Q Okay. So Cover Oregon needed technology that would be available by November 2014. Is that correct?

A Correct.

Q Okay. But this option here under Deloitte's analysis said that it would take until November 2015. Is that correct?

A Correct.

Q So that would be past the November 2014 date. Is that correct?

A Correct.

Q So would that mean that this would not be a feasible option for Cover Oregon?

A At that time, correct.

Q So I would like to direct your attention to page 10 of the Deloitte assessment report, under the section that says, "1.2: Stay the Course, Keep the Vendor: Summary of Analysis."

First, do you know what that means, "stay the course, keep the vendor"?

A Much like the prior one, stay the course would be, you know, keeping the Oracle technology, and keeping the vendor would be having Oracle remain as that vendor.

Q Okay.

And I'm going to read a section of the summary under this section.

It says, "Analysis indicates that this solution will have medium technical risk and would take until November 2015 to implement at a cost of \$45M in 2014 plus 150K hours in 2015."

To your understanding, was this a feasible option --

A Right.

Q -- for Cover Oregon?

A I apologize. When you said this before, I was looking at that as November 2014, so I realize that that was this 21-month period. So, you know, both of those options, when we saw that timeframe, knew that that was going to be, you know, something that really was not going to be a feasible option.

Based on the information that we had at this time -- and, you know, I think the idea was that we would have an IT committee that would really get into more details and help refine and ask more questions about, you know, the validity of these numbers and making sure that these were as solid as possible before any final decision was made.

Q So is it fair to say that, based on the Deloitte assessment report, that neither option -- staying the course, keeping the current technology; or staying the course and keeping Oracle as a vendor -- was a feasible option for Cover Oregon?

A Yes. And I think, again, much had to do even with the -- not only the time, but the cost. So, you know, we were always trying to work within the Cover Oregon budget through the Federal grant. And as this hybrid process evolved and there was hiring of, you know, hundreds of additional staff, that burn rate began to exceed, you know,

projections. At the same time, you know, we were facing, you know, a demand from Oracle for, you know, \$70 million in payment. You know, those together on top of this estimated fix, you know, put this at a very unsustainable path. So we really had to look at what those other options were.

Q So what was the cost for keeping the current technology?

A I'm looking here at keeping the current technology with Oracle, they had estimated it at \$45 million just in 2014.

Q So that would be keeping Oracle as a vendor?

A Correct.

Q Okay. And the first option of keeping the current technology with a new vendor, what would be the cost?

A Estimated at \$22 million.

Q Okay.

[Bonetto Exhibit No. 32

Was marked for identification.]

BY MS. [REDACTED]

Q Now I would like to draw your attention to another report. I'm handing you a document marked exhibit 32, which appears to be the First Data report you've been referring to in your testimony. It's entitled "Cover Oregon Web Site Implementation Assessment," dated April 24th, 2014.

Do you recognize this report?

A I believe so, yes.

Q Are you familiar with the document?

A Yes.

Q Okay.

Please turn to page 1, number 1, and direct your attention to the executive summary. The document reads, and I quote, "In January 2014, the Governor's office executed a Statement of Work with First Data Government Solutions through Master Contract No. 107-2852-11 to conduct an independent, third party review of the state's health insurance exchange website project."

Did I read that correctly?

A Yes.

Q Okay. Do you agree that the First Data report was, in fact, independent, an independent report?

A Yes.

Q And were they a third party?

A Yes.

Q Okay. Who made the decision to have First Data conduct this independent, third-party review of the Cover Oregon exchange?

A I believe that decision was made through the Department of Administrative Services and the Governor's office.

Q And why did the Governor determine that he needed -- another independent, third-party review of the State's Web site project was necessary?

A I think there was a need to understand, from kind of a larger perspective, of how multiple things went wrong, maybe not just from a quality assurance standpoint but from the project's beginning.

Q And do you think that he was also trying to ensure that the board was basing their decision about the future of the exchange on accurate, independent information?

A Correct.

Q Okay.

So how did First Data conduct its report?

A As I'm reading this executive summary, I mean, they were tasked with, you know, answering these, you know, seven questions that were framed to help, you know, better understand, you know, what went wrong and why and making sure that, you know, the State was positioned to have that not happen again.

Q Do you know what methodology they took to answer the seven questions?

A I believe mainly through direct interviews.

Q Okay. Did they review any -- do you know if they reviewed any documentation as well?

A I believe they were looking at the Maximus -- thank you.

So, on page 1, where it says the interviews, the documentation review, and then putting their final assessment. So the documentation review, you know, included the Maximus reports, I believe, as well as any CMS updates.

Q Do you know if Oracle allowed their staff to be interviewed as part of this report?

A From my understanding, they did not.

Q Do you know why Oracle did not allow their staff to be

interviewed for this report?

A I do not.

Q Okay.

I want to direct your attention now to page 38 of the report. It would fall under the heading of "Oracle Performance." First Data includes a couple quotes from a September 2013 Maximus report.

One of the bullets in the middle of the page states, "Oracle's performance is lacking. Their inability to adhere to industry standards and professional software and project management tenants warrants further review."

Also on that page, the next quote says, "Each software release from Oracle increases the overall amount of defects."

So this clearly points to Oracle's poor performance and their inability to deliver a functioning Web site. Do you agree?

A Yes.

Q So, in short, Maximus, the third-party, independent reviewer, quality assurance contractor, expressed some concerns about Oracle's capabilities at this point, correct?

A That's correct.

Q And Deloitte's independent, third-party review was useful in determining that keeping Oracle as a vendor or keeping the current technology was not a feasible option for the State -- or for Cover Oregon. Is that correct?

A Correct.

Q So First Data, if you recall, recommended that Cover Oregon

conduct an analysis of different Web site technology alternatives to go forward with in light of the current state of the exchange project. Is that correct?

A That's correct.

Q Okay. So is it fair to say that based on all of these reports and assessments from independent, third-party experts, there was significant concerns about Oracle's ability to deliver a fully functioning Web site to Cover Oregon for the upcoming 2004 healthcare open enrollment period -- or, 2015 open enrollment period?

A Correct.

Q Did you believe that Oracle would be able to deliver a fully functioning Web site for the current or existing 2013 -- or 2014 open enrollment period?

A I would say we continued to remain hopeful through this time. I mean, again, if you look back at my testimony earlier, I mean, we were looking at a beginning-of-February date for a launch, where we thought that was going to happen. So we were constantly hopeful that this was going to go live.

And when you have reports like this and from Deloitte, there comes a point in time, you know, do we continue down this course and pay more money, with a level of uncertainty that I think was going to jeopardize the future of the entire exchange.

Q Okay.

So was there a widespread agreement among the Governor's staff that Oracle would not have -- would not be able to deliver that fully

functioning Web site by the next upcoming 2015 open enrollment period, as well?

A I think based on -- as I said earlier, I mean, I think there was always a hope that we were going to be able to reconcile with Oracle and get this Web site functioning. I do believe that when Ms. Catz put down her ultimatum, that, you know, it was a payment or they were walking, it changed the tenor of the relationship, in terms of just, you know, having any sort of trust to be able to move forward with them.

Q And at that point and after reviewing the reports and assessment, was there an agreement among the staff that it was best to switch from the State exchange to the Federal exchange technology -- excuse me -- for the upcoming healthcare enrollment period?

A I think as I go back to that February meeting with Ms. Catz, I think even the Governor and Bruce Goldberg, I think, were surprised and, I think, made that determination that having a continued relationship with Oracle was going to put the State at further risk.

Q And so, moving past February to your previous testimony, you testified that even in March and May there were still serious issues with the Web site, correct?

A Correct. And I would again defer to, you know, Alex Pettit for any -- really, in that timeframe, for those specific details there.

Q Right.

So, based on those issues and your conversations with Cover Oregon staff, was it fair to say that there was pretty much an agreement that

there was a need to switch to the Federal technology?

A Yes, after understanding all of those -- the risk factors and the cost and understanding really the further analysis that the IT group looked at.

Q So, just to be clear, I know you've mentioned this before, but the board did vote to switch from the State exchange to the Federal technology platform, correct?

A Correct.

Q And the board reviewed this information from the Deloitte report?

A Yes, I believe they reviewed that -- the February report, and then they reviewed the full assessment of what the IT committee had looked at, as well.

Q Okay.

Okay. So I'm going to talk about the March test in the next couple of minutes, or I wanted to talk about after the decision to switch to the Federal exchange or what occurred after that enrollment period.

So when did Governor Kitzhaber leave office?

A I believe it was February 18th of 2015.

Q Okay. And I'm sure you mentioned this previously, but I'll ask you again. Did you remain in your role as chief of staff for --

A No, I stepped down.

Q Okay. And do you currently hold a position with the current Governor's office?

A No.

Q Okay.

And I'll ask you again: On April 25th, 2014, the board, Cover Oregon board, voted to transition from the State exchange to the federally supported State-based exchange, correct?

A Correct.

Q So that's been almost, what, 2 years since that decision was made?

A Correct.

Q How many healthcare open enrollment periods have there been since that decision?

A The two. Correct.

Q Okay. So there's been how many, just to get it on the record?

A Two.

Q Okay.

Do you know how many people in Oregon have enrolled in healthcare insurance through the exchange in Oregon using the Federal platform?

A I don't have those numbers off the top of my head.

Q Do you have any estimates of the numbers?

A I don't. I just roughly know that we have an uninsurance rate of roughly 5 percent.

Q You have an uninsurance rate of how much?

A Roughly, I think, 5 or 6 percent.

Q Has that been reduced over the years since --

A Yeah, through ACA.

Q -- since the ACA was implemented?

A Correct.

Q Okay. Would you --

Mr. [REDACTED] What was it before, just so the record's clear?

The Witness. I believe it was around 14 percent.

BY MS. [REDACTED]

Q Okay. So, since the ACA, Oregon's uninsurance rate has dropped from roughly --

A I believe roughly 14 percent.

Q -- 14 percent to --

A Five or 6 percent.

Q -- 5 or 6 percent. Okay.

Would you characterize -- would you say there has been success through the Federal platform or technology that's been used?

A I think it's provided a great deal of stability and certainty to this process, no doubt.

Q Okay. And do you have any information about -- or do you know if Oregon has expanded Medicaid under the Affordable Care Act?

A Oregon did.

Q Okay. And do you know how many people have obtained insurance as a result of that Medicaid expansion?

A I don't have those numbers off the top of my head.

Q Would you say there has been -- Medicaid expansion has benefited many Oregonians who would not have had insurance?

A I think that's an accurate statement, yes.

Q Okay.

Ms. [REDACTED] Okay. Those are all my questions.

[Recess.]

[1:11 p.m.]

BY MS. [REDACTED]

Q So I'm going to start with exhibit 32, going back out. It's the First Data report. And I was just wondering if you could briefly describe who paid for the report, if you know.

A I believe that it was either through the Department of Administrative Services or through the Governor's Office.

Q Okay. And do you know how First Data was selected to perform the assessment?

A I believe there were a number of vendors who were looked at. And I remember, you know, Sarah Miller from the Department of Administrative Services was really in charge of going through that process.

Q Okay. Thank you. And then do you know how much the State paid for the assessment?

A I believe it was around 200 to \$250,000.

Q All right. Thank you.

Ms. [REDACTED] And then, next, I'm going to introduce exhibit 34 into the record -- 33.

[Bonetto Exhibit No. 33

Was marked for identification.]

BY MS. [REDACTED]

Q And I realize that earlier you testified that you were not on the technology advisory group. But are you familiar with the assessment that they did of the technology to switch from the

State-based platform to healthcare.gov?

A I just want to make sure I'm clear. Am I familiar with this report?

Q This report, and also just their -- the process they used to have meetings in March. I think we talked about it where Bruce Goldberg and you said the Governor had convened the technology advisory group.

A Correct.

Q Have you seen this report before?

A I believe so.

Q And if you look on page 3, please, the technology advisory group meetings are listed out. And on March 27 and March 31 they say that they have a preliminary recommendation. Are you familiar with the preliminary recommendation that was made on March 27th from the technology advisory group?

A I would have to go back and review that.

Q Okay. If you want to flip to page 7, please. It says: The preliminary recommendation: "Based upon the information provided to the work group by the Cover Oregon staff and consultants, the TOW recommended that Cover Oregon should continue development and deployment of the current technology solution with a new vendor while actively retaining the ability to migrate to the FFM solution as a contingency if key Cover Oregon milestones were missed."

I'm sorry; I was going to ask -- and then, earlier, I think you had testified that you felt, in early April, it was highly likely that

the State was moving to the FFM. And I was just wondering if you knew anything about if the technology advisory group was making its recommendation at the end of March, how that changed so quickly.

A This is something that Alex Pettit was continuing to keep in front of us, you know, from the Governor's Office's perspective and then also from this IT work group, and that he really -- and this is something for him to really explain in detail -- but was looking at this dual track, that, you know, we would keep, you know, looking at this system. And then if we were not able to continue on that path, that we had a secondary path moving to the Federal exchange lined up.

Q Do you know at what point they decided not to continue on the path with staying with the same technology?

A I don't recall all of his trigger dates and his trigger action items. But I know that's what he was attempting to lay out so if any one of those were missed or any of his pieces on risk, schedule, or cost exceeded that, then that would be a trigger. But I think that would be -- it's more specific for Alex.

Q Okay. So you're saying that Alex Pettit would be the person most likely to be able to answer the questions about this report?

A Correct.

Q Thank you.

Ms. [REDACTED] Then I was going to introduce exhibit 34 into the record.

[Bonetto Exhibit No. 34

Was marked for identification.]

Ms. [REDACTED] Again, I realize you weren't on the technology advisory group, but I'll give you a minute to look at the document, but these are meeting notes that refer to the technology advisory group summarizing one of their meetings. And then I'll just draw your attention to where I'm most interested in, which is on GOV HR 90443, the last page of the document. And if you'll read the last bullet point of the first box, it says: "In general, level of effort to build Federal interfaces is not significantly different from what is required to get fully operational on Cover Oregon." Had you heard that statement before when you were discussing the IT recommendation with Bruce Goldberg and Alex Pettit.

Mr. Ramjford. Where is that?

The Witness. Here.

Mr. Ramjford. Okay.

The Witness. No. But I'm also trying to better understand, you know, effort, and then also relation to cost.

Ms. [REDACTED] Okay. So do you think, was cost one of the main concerns?

The Witness. Cost was one of the three concerns in terms of risk, schedule, and cost.

Ms. [REDACTED] So it wasn't the only -- okay.

That's okay if you're not familiar with it. I just thought I would just see if you had heard that statement, if you had more that you could provide. But I don't -- and then I was going to turn back to an exhibit earlier from today. I think it was exhibit 11 -- 16,

exhibit 16. Sorry. Perfect. And then did you testify that the first time you had heard that Cover Oregon was not on track to launch October 1 was June 3, 2013?

The Witness. I believe that's right.

Mr. Ramjford. In full function.

The Witness. Correct.

Ms. [REDACTED] Okay. And then I was going to introduce an email into the record as exhibit 35.

[Bonetto Exhibit No. 35

Was marked for identification.]

Ms. [REDACTED] Give you a little time to look over that email.

I was just wondering when you received this email, in the email, Rocky King says: Simple. I don't know if I will need another 3 months, 6 months, or 1 year to stabilize the system, debug it, and what the scheduled priorities are until we go live.

Did you have any conversations about the concerns with the exchange when you received this email?

Mr. Ramjford. Take your time to read this document.

The Witness. Okay.

BY MS. [REDACTED]

Q Do you remember receiving this email from Rocky King?

A I may have. I mean, not off the top of my head. I think this was also, I think, a continuation from December of 2012 when there were also highlighted concerns where, you know, Cover Oregon and the Health Authority were able to come together and, you know, address these

risks in front of the Governor, in front of me, to say that we are still on track. So this, from my perspective, when we were dealing with this, it was not uncommon that, you know, I could hear from Rocky like this. And then the next month, we would have a meeting, and he would say we were on track. So if you look at my outline, you know, this is February of '13. Yet, you know, we have meetings after that, you know, meeting after that where he's coming back and saying we're on track.

Ms. [REDACTED] Okay. I was just seeing to refresh your memory if maybe that you did think that you'd had conversation before June 3 about the Web site not being on track.

The Witness. June 3 was the first time where it was presented in a way that it was at a bigger risk than this. You know, after this time, in April, I had had conversations with an Oracle executive who really had provided much more assurances that we were on track.

The Witness. Okay.

Mr. Ramjford. Let's finish the sentence. It also refers to after we go live on October 1 or on October. So --

Ms. [REDACTED] Okay. Next I was going to go back to 31, the First Data report.

Mr. Ramjford. I think it was 32. Wasn't it?

BY MS. [REDACTED]

Q Thirty-two. First Data. No, the Deloitte report -- and I think some of the cost estimates had been pulled out of the Deloitte report. If you turn to page 9, discuss the cost of keeping the technology. And then also on page 10, they talked about keeping the

technology but keeping -- and keeping the same vendor. Was this the most up-to-date cost estimate that you had at the time of making the decision to switch to healthcare.gov, or were there other estimates?

A I believe those estimates were refined as more information came in. And I believe that it is something that was highlighted in the May 8 report from Alex. And that's something that Alex would be able to speak to in more detail.

Q Okay. Thank you.

And then I'm entering exhibit 36 into the record.

[Bonetto Exhibit No. 36

Was marked for identification.]

BY MS. [REDACTED]

Q And this is an email that you sent to Patricia McCaig with a timeline for moving to the Federal facilities marketplace. And I was just wondering if you knew where this pro forma cost estimate -- what company made it. Look on the back page. It says that in 2014 the low cost of moving to the Federal technology is 74 million anticipated. And the high cost would be 78 million.

A I believe these were documents that I was looking over from Bruce Goldberg and Alex Pettit.

Q You don't know who created them. Would it be Bruce Goldberg or Alex Pettit?

A Or possibly Deloitte.

Q Okay. Do you know why you were sending them to Patricia McCaig on April 30?

A I think, again, to keep her informed on possible communication issues.

Q Okay. Thank you.

So, earlier, you had talked about the SWAT team was a crisis communications group helping the Governor's Office and advising. Are you familiar with a group called Area 51?

A Area 51, that had a group that was more focused on the Governor's campaign.

Q Can you describe the primary purposes for Area 51 during the Governor's reelection campaign?

A I think to help with campaign planning was the main purpose.

Q Okay.

Ms. [REDACTED] I'm going to introduce exhibit 37 into the record.

[Bonetto Exhibit No. 37

Was marked for identification.]

Ms. [REDACTED] And just focusing on the top portion of the email. So would you explain maybe what you meant by this crew that is developed to control the Cover Oregon strategy would then transition to A51? Were they pretty much the same membership that was in the Cover Oregon SWAT team and the Area 51 team?

Mr. Ramjford. I believe that says: would, slash, could transition.

BY MS. [REDACTED]

Q So would/could -- would, slash, could transition A51, what you meant by that?

A I think that you would have strategic advisers who could make this transition over time. But it never materialized. This crew was focused on -- this particular crew was focused on the Cover Oregon issue for that timeframe. Area 51 was a completely separate group of individuals that did not include all of these people.

Q So when you say "it never materialized," do you mean that there was the same individuals that were on the SWAT team were not on the Area 51 team?

A Correct.

Q And then why did you break the names into two different groups on the email where it has your name and then Dmitri and Nkenge and Duke, and then the other individuals? Do you know why there -- was there a certain type of grouping you were doing in the email?

A Folks who were within the Governor's Office and those who were outside advisers.

Q Okay. Thank you.

Ms. [REDACTED] I'm now introducing exhibit 38 into the record.

[Bonetto Exhibit No. 38

Was marked for identification.]

BY MS. [REDACTED]

Q This is an email from Patricia McCaig. So I'll give you some time to review it since I'm not sure if you've seen it before.

And also I'll direct your attention down to the bottom of the first page. That email, beginning of that chain is where I'm going to ask the questions.

Do you know why Patricia McCaig would offer to staff you quietly and privately? Why she wouldn't want to do it publicly?

A What I think, as I highlighted earlier, you know, as we were dealing with individuals who were really on this issue, you know, being outside advisers, we wanted to make sure that there was as conservative approach as possible dealing with anybody who may be also working on the campaign.

Q And can you elaborate on what you mean by that? You didn't want the public to potentially know that there were advisers working for the Governor that were -- I mean, I don't want to put words in your mouth. Could you just elaborate on what you mean?

A Sure. Well, many times, there's constant communication outside of State business to make sure that, you know, communication or events are coordinated. And, you know, to run afoul of any, you know, campaign -- campaign law, it was a more conservative approach to do everything on private email, again, knowing that anything that was a public document was going to be released or could be released if it was requested.

Q So the "quietly, privately" just meant that she was going to use her personal email? Or what do you think she meant by quietly and privately staff you with campaign-related items?

A You know, that is something that she would have to address herself.

Q Okay. Thank you.

Ms. [REDACTED] Now introducing exhibit 39 into the record.

[Bonetto Exhibit No. 39

Was marked for identification.]

BY MS. [REDACTED]

Q So this is an email exchange between you, John Kitzhaber, and Patricia McCaig discussing the creation of the SWAT team. And in it, Patricia McCaig attaches a "Goals, Structure, and Responsibilities" sheet and an organizational chart for the SWAT team. And I was wondering if you could please elaborate on a statement you make where you say you want to think more about the org chart as it relates to MJ and the First Data piece because you know that -- and how you should interact with him on this.

A MJ refers to Michael Jordan, who was the director at the Department of Administrative Services. And it was his office with Sarah Miller who were coordinating the First Data piece and overseeing that. So we wanted to make sure that there was a connection there that that information ultimately in the First Data report was part of, you know, communication and strategies moving forward.

Q Okay. And then, in the email, Patricia McCaig says, "being mindful of not putting too much on paper," which that is her words. But I'm wondering if you would potentially know what she meant why she wouldn't want to put too much on paper.

A Yeah. I think that's a discussion with her. When I reviewed the "Goals, Structure, and Responsibilities," I mean, it seems like that's a significant amount on paper that outlines this.

Q And if you'll turn the next page to the organizational

chart, can you explain how it was expected to operate. How it -- was Raphael in charge of the advisers or how was the SWAT team --

A This was, I think, much more of a hypothetical, you know, structure. That it became much more informal on a daily or weekly basis. That this group was, you know, convened to really help on these day-to-day communication issues specific to Cover Oregon.

You know, as I highlighted earlier -- and that was in Patricia's -- one of her earlier emails. You know, we had a transition of Tim Raphael leaving the office, along with Curtis Robinhold, along with Scott Nelson. And the current staff that we had at the Governor's Office did not have the bandwidth or the competency to deal with these day-to-day issues. So bringing this team together, it really helped to ride that level of support.

I would -- one other thing I would add, that the timing of this, I think, was also very important, that when we go back and look at the initial Deloitte assessment, I believe that was February 10.

Q Sounds right.

A So, again, we were looking at having deliverables by -- from Oracle at the beginning of February, which didn't materialize. We then have the Oracle assessment that came out on the tenth. And, at that point, you know, you know, options were becoming limited. We didn't know if we were going to have, you know, a pattern that could actually deliver. So we really wanted to get our hands around how we were going to be able to move forward.

Q So was the SWAT team purely working on messaging, or were

they also then -- when you say "moving forward," did they have a role to play in determining what recommendation was brought to the Governor in terms of the IT decision?

A Yeah. I think, you know, what -- the words on this paper, you know, I -- they are what they are. But, you know, I was in these meetings, and I would say, you know, the focus was on the communication strategy, and, you know, looking at -- I think Patricia was in a position to, you know, provide her two cents to the Governor on recommendations and, you know, he was doing that with a lot of folks of understanding the path forward.

Q And in the structure and responsibility sheet, she says this is a combined team of both public and private resources. Did you often -- was that referring to coordination between the campaign staff and the Governor's Office?

A And I would just, you know, for this -- you know, for this purpose, we really -- these were -- this was not a campaign, you know, process. These were, you know, unpaid, you know, advisers to the Governor to help on this specific issue.

Q But did you coordinate with your campaign staff in the Governor's Office on messaging issues?

A Well, again, I'm not calling them campaign staff. I'm calling them unpaid advisers for these specific issues. And, under that, I would confirm that, yes, I was doing that.

Q And would you say -- did most of the -- did any of the SWAT team members also work on the Governor's campaign team?

A Some did, yes.

Q Do you know which ones? Did Patricia McCaig?

A Over time, she did, along with Kevin Looper and Mark Wiener and Tim Raphael.

Q Okay.

Mr. Ramjford. "Over time" meaning later, or what?

The Witness. Later. I don't -- I don't know the timeframe of their potentially even paid positions or -- within the Governor or the activities that they were doing on the campaign side.

Ms. [REDACTED] I'm introducing exhibit 40 into the record.

[Bonetto Exhibit No. 40

Was marked for identification.]

BY MS. [REDACTED]

Q This is an email exchange between you, Governor -- and Governor Kitzhaber. And towards the bottom of the exchange, under where it says March 9, 2014, you said you had just gotten off the phone with Aelea Christofferson. Do you know who she is?

A Aelea Christofferson was a Cover Oregon board member at the time.

Q Okay. And do you remember what you guys talked about during her phone conversation?

A As I'm reading it now, she was, you know, disclosing to me that she was going to run for Congress.

Q Okay. And then the Governor responded. In the middle of his response, he said: I am very concerned that we do not have our

ship in order going into battle. We are running out of time. We need a candid conversation. We have almost no margin left to be reacting to this -- to the administration, let alone the First Data report.

Did you talk to him about what he meant by that statement that we have absolutely no margin left to be reacting on this and that you do not have your ship in order going into battle?

A I think it's a conversation for the Governor. But I do know that he was very focused on having an appropriate response from the First Data report. And I think there was some anxiety with him just really understanding the proper steps that need to be taken after the results of that report came out.

Q And do you know why having a board member from Cover Oregon resign would have him fear that you guys were not ready and prepared?

Mr. Ramjford. Objection. Calls for speculation as to what he was thinking.

Mr. [REDACTED] Do you want to rephrase that question, [REDACTED]

Ms. [REDACTED] Did the Governor ever connect your email when you told him that the board member was resigning the next day? When you had the meeting or you set up a meeting to talk with the Governor, during your conversation with the Governor, did you discuss the board member's resignation?

The Witness. I believe we may have discussed her running for Congress. But, I mean, that was the extent of it.

Ms. [REDACTED] Okay.

I'm introducing exhibit 41 into the record.

[Bonetto Exhibit No. 41

Was marked for identification.]

BY MS. [REDACTED]

Q This is an email from Cylvia Hayes announcing the Area 51 kickoff meeting. Could you summarize, again, the purpose of the Area 51 team?

A As it's highlighted here, you know, to provide oversight to the campaign.

Q And so all the individuals that are included on this email chain on March 30, 2014, were part of Area 51 team?

A I believe so. Yes.

Q And then, on the second page of the email, in the agenda items for the call that she set up, the second-to-last bullet point says, the "Cover Oregon 100-day plan"? Do you know why the Cover Oregon 100-day plan was on the Area 51 team agenda?

A I think it was to inform the group of where the situation was with Cover Oregon.

Q Did you participate in the call?

A I don't recall.

Q Do you recall any conversations that the Area 51 team had about the Cover Oregon 100-day plan?

A I don't recall.

Q Do you recall what the Cover Oregon 100-day plan was?

A I believe that may be referring to the communications plan that Tim Raphael constructed.

Q Okay.

A I believe.

Q Now, I'm going to go back a little in time. Sorry. I'm going to ask you a general question about just describing the process of how -- what happened in Oregon to establish the Oregon health insurance exchange, which is more commonly known as Cover Oregon, and the Governor's transformation goals for the healthcare agenda in Oregon?

A So specific question is --

Q Is just the process to establish the Oregon health insurance exchange?

Mr. Ramjford. What was that process?

BY MS. [REDACTED]

Q What was the process?

A The initial step was legislation that was passed in 2012 -- 2011, excuse me, that put forward a process of getting a board. And then they had to come back with implementation legislation based on their analysis and report for the February 2012 legislative session that was then approved to then officially put the exchange -- move the exchange forward. Those are the two, I think, bigger -- bigger steps in terms of process.

Q Okay. And then how did the Oregon health insurance exchange actually get created? It was through that legislation?

A It was -- I believe it was a quasi-public corporation that was set up that was kind of outside of traditional State government.

Q And do you recall what authority was given to the Governor over Cover Oregon through the legislation establishing the exchange?

A I believe he had the authority to appoint the initial board, and I believe possibly the initial executive director, all based upon senate confirmation.

Q So who was responsible for any decisionmaking about Cover Oregon under the Oregon legislation?

A That would be the board.

Q The full position and the authority of the board was to make the decisions about the future of Cover Oregon?

A Correct.

Q So after -- did you talk to the board members at all leading up to the decision from when you started talking to Bruce Goldberg in early April until they made the decision at the end of April to switch -- until the board voted to switch to the healthcare.gov?

A You know, I don't know for sure. I may have had -- again, may have had a conversation with Liz Baxter, the chair, or also may have had a conversation with George Brown. And, obviously, what you just had highlighted with Aelea Christofferson, you know, called me during that time to announce her candidacy.

Q I wonder if you could please discuss how Bruce Goldberg was chosen to replace Rocky King as the interim executive director of Cover Oregon in December 2013.

A So I think this was through a recommendation by the Governor to the Cover Oregon board where Bruce was brought in to help with the

manual paper application process, since that was what he had a strong background with in terms of running the Medicaid organization. That's what they had done for many, many years. So Bruce was brought in to help coordinate that. Once -- which was in, I believe, December of 2013. And then Rocky King, I believe, went on medical leave beginning of the first of the year of 2014, and then the board put Bruce in charge as, I believe, it was director or interim director.

Q Okay.

Ms. [REDACTED] I'm going to introduce exhibit 42 into the record.

[Bonetto Exhibit No. 42

Was marked for identification.]

BY MS. [REDACTED]

Q If you would turn to the Bates stamp -- that is 18795, the second page of the email. And at the top, this is an email from Rocky King to Bruce Goldberg and you. And he said: If the three of us can agree on a plan, then I will call Liz. Recommendation would be to cancel the board meeting on Monday to give time off for line discussion with board members as to next steps.

Was it the Governor's -- was the Governor able to determine the next executive director for Cover Oregon, or was it the board of directors' decision who would fill that spot if Rocky King were to resign?

A It was the board's decision with, I mean, the Governor having the, you know, the opportunity to weigh in and provide his recommendation.

Q Do you know why Rocky King reached out to you and said he would call the board to resign if you could agree on a plan or discuss the different options that he saw, which are listed at the bottom of the first page of the email?

A I don't. I think that's something for Rocky to, you know, articulate. I do know that he was having serious medical issues that he was trying to figure out how to work through them.

Q And then do you know why Bruce Goldberg eventually left Cover Oregon as the interim executive director of Cover Oregon?

A You know, that is something that Bruce did, you know, voluntarily. And I think that was his decision. And that would -- you know, something to ask Bruce.

Q Do you know how long -- when he actually ended his work at Cover Oregon, when he stopped working on issues related to Cover Oregon?

A I don't know the specific date, but I do know that there was a transition that he was a part of. And I don't know the end, the final end date.

Q Okay.

Ms. [REDACTED] I'm entering exhibit 43 into the record.

[Bonetto Exhibit No. 43

Was marked for identification.]

BY MS. [REDACTED]

Q This is an email from you to Sean Kolmer. And in the email, you say: FYI. Something that Patricia and discussed was Bruce's involvement moving forward. She and Tim are very nervous about

anything that might entail a new contract for Bruce like Clyde mentioned today.

Can you please elaborate on what made Patricia and Tim nervous about a new contract for Bruce?

A I'm not exactly recalling, but I believe it may have been that Clyde Hamstreet, who was the interim director brought in after Bruce, was looking at having a specific contract for Bruce for a period of time to help in the transition.

Q Why were you passing on the concerns of who you identified, Patricia McCaig and Tim Raphael, as part of a communications crises team to Sean Kolmer about their concerns for a new contract with Bruce?

A I think just, you know, trying to be able to articulate the rationale as to why somebody who had just resigned would be, you know, having to continue. I'm just trying to understand just how that would be messaged appropriately.

Q Do you know if it ultimately was Clyde's call, or did you continue to discuss this issue with Sean Kolmer and others at Cover Oregon?

A I believe this was Clyde's decision since he was the director.

Q And then I was wondering if you would also discuss how Alex Pettit was decided to serve as the interim chief information officer at Cover Oregon.

A I believe that took place after the first of the year in 2014. Again, this would be -- I think the specifics would be really

with Bruce Goldberg. But as Bruce took on the executive director role, I think he realized he needed some additional IT experience and help. So we were able to kind of secure Alex and transition him from the state CIO, chief information officer, and bring him over and help with Bruce over at Cover Oregon.

Q So it was the Governor's Office that transitioned Alex Pettit over to Cover Oregon, I'm sorry, or Bruce Goldberg?

A So Bruce Goldberg, who was the interim director at Cover Oregon.

Q Okay.

Ms. [REDACTED] I'm introducing exhibit 44 into the record.

[Bonetto Exhibit No. 44

Was marked for identification.]

BY MS. [REDACTED]

Q And if you look at this email, it's an email on the bottom of the chain from Sarah Miller. Who is Sarah Miller?

A Sarah Miller was a deputy under Michael Jordan at the Department of Administrative Services.

Q And so, in the email to a variety of other individuals, she says: "I'm going on temporary assignment full time at Cover Oregon on Monday to help with all the transitions underway. Alex Pettit is going to act as Cover Oregon's CIO until a new one can be hired as well."

If you look at the top of the email chain, Bruce Goldberg sends you and Sean Kolmer an email with the comment: "I had no idea about this. Really. We need to talk."

Do you know what he meant that he had no idea about?

A You know, I would certainly direct you to Bruce for the specifics. But I believe there was just, you know, some miscommunication around how Alex was transitioning in the role. And it was Alex's, I think, desire to bring Sarah on. And I don't believe that, you know, Alex had probably notified Bruce about that ahead of time.

Q So you never talked to Bruce about his concerns where he says at the top of the email that you need to talk?

A I believe we did end up talking about this, and I think we did understand that there was, you know, some miscommunication from Alex's part of, you know, him transitioning into the Cover Oregon's new role, and he was bringing on, you know, some of the staff of his own without necessarily checking with Bruce first.

Q So, Bruce Goldberg, just to clarify, he said there was miscommunication about Alex Pettit going to Cover Oregon?

A No.

Q No, just Sarah Miller.

A No, just Sarah. But Sarah was working under Alex. So it was Alex's call, but he did not necessarily go through chain of command to talk that through with Bruce.

Q And did Alex Pettit work with you before March 30, 2014, to tell you that Sarah Miller was going to join Alex Pettit at Cover Oregon?

A I don't recall.

Q Who would have made that decision to let Alex Pettit bring in Sarah Miller?

A That would have been Michael Jordan.

Q Thank you.

And I was wondering if you could also talk about how Clyde Hamstreet, if you know, was decided to -- sort of how Clyde Hamstreet was chosen to serve as the interim executive director of Cover Oregon. Was the Governor's Office involved in that decisionmaking process?

A The Governor had reached out to Clyde. I think he had known Clyde as a turnaround specialist. Clyde was then, I think, put forward and recommended to the Cover Oregon board as a kind of an immediate interim next step.

Q And who did -- was involved in the Governor's Office in recommending Clyde Hamstreet to serve as the interim executive director?

A I think the Governor himself. Sean Kolmer may have been. But that ultimately then, you know, subsequent discussions, interviews would have been with the Cover Oregon board.

Q Had Clyde Hamstreet worked at the State at all before serving as the interim executive director of Cover Oregon on any projects or as a consultant?

A I'm not aware. I don't know.

Q How did he get on the radar to work at Cover Oregon?

A I believe that the Governor had known him, as many other key business leaders in the State knew of Clyde, as more of a turnaround

specialist.

Mr. Ramjford. Oregon's a small place. Everybody knows Clyde.

Ms. [REDACTED] I'm entering exhibit 45 into the record.

[Bonetto Exhibit No. 45

Was marked for identification.]

BY MS. [REDACTED]

Q So this is an email exchange between you and Patricia McCaig. And it's discussing the hiring of Clyde Hamstreet and feedback you had gotten on whether Cover Oregon was able to hire Clyde Hamstreet as the interim executive director of Cover Oregon. And I was wondering if you could please elaborate on why you were telling Patricia McCaig or asking her that you'll need to figure out a way through this tomorrow.

A I believe this had to do with, one, from her perspective, the best way to communicate how we were going to respond to bringing Clyde on. And as I recall, the big issue with Clyde was that he -- in order for this contract to work for him. He wanted to remain an independent contractor and not be a State employee. So that was the issue that we were trying to work through in the contract.

Q And did you typically share legal advice with volunteers or advisers to the Governor?

A As I've been saying, I mean, with this particular issue, when it had to deal with specific communication issues that the Governor was interested in, you know, getting outside, you know, support on, then, you know, I did.

Q And did Governor Kitzhaber give you approval to share

attorney/client privileged materials with his advisers?

A Yes.

Q And I was wondering, could you please discuss how Tina Edlund was brought on to serve as the transition project director for Cover Oregon?

A I believe that was a decision made by Clyde and the board. Tina had a deep working knowledge of Federal policy and deep relationships with CMS and knew the plan of what we were trying to get done and was in a very strong position to help lead that project.

Q Did you work with Tina Edlund at all before the decision was made by Clyde and the board to determine whether she would be brought on as the transition project director?

A I don't recall. It's -- I don't know.

Q You don't remember if you worked with Tina Edlund to bring her own as the transition project director?

A You know, I -- I'm trying to remember the timing of that, of when that occurred. You know, I do know that Sean Kolmer and I, you know, did have conversations about, you know, Tina being the person to help lead it from the Governor's Office. And I'm not entirely clear of the sequencing of how that unfolded.

Q How was the decision made to have the Governor's Office lead the transition project? Was the Cover Oregon board involved in that decision?

A The -- if I recall the structure, it really had to do with both Sarah Miller and Tina Edlund leading this project almost as

colleaders. And Sarah at the time was within Cover Oregon helping lead that. So we kind of had those two individuals. So it was kind of a combination of both offices.

Q Are you familiar with the report that Clyde Hamstreet put together after serving as the interim executive director of Cover Oregon?

A I think so. Do you have a date that you're referring to?

Q So he issued his draft report. So are you familiar with the report that -- he was hired as the interim executive director. Did he issue a report at the end of his serving as the interim executive director?

A I believe there was at least a, you know, some overview that he provided, yes.

Q Did you have any conversations with Patricia McCaig or any of the other advisers to the Governor about the Hamstreet report?

A I don't recall.

Q Do you recall if Clyde Hamstreet was ever told to provide an oral report rather than a written report?

A I do recall that. And I believe that came from the Cover Oregon -- the new Cover Oregon director was Aaron Patnode.

Q Do you know why he made that decision?

A I don't.

Q Do you know who was in attendance at the oral report for Clyde Hamstreet?

A I don't.

Q Did you ever ask for a briefing on what was discussed during the Clyde Hamstreet oral report?

A No. I don't believe I did.

Q So you were the Governor's chief of staff, and you were interested in how Cover Oregon re-messaged to the State, but you never asked for how Hamstreet --

A Right.

Q -- gave a report and what he said during his report and the findings of his time at Cover Oregon?

A I guess, you know, we had -- I had continual conversations with Clyde as he was updating the Governor and with me. So everything that I had then read in the report subsequently, I mean, reflected all of those conversations. So I didn't feel like there was, you know, anything new that came out. I mean, he was very clear from the beginning of the situation at hand that he was dealing with at Cover Oregon and, you know, kept us apprised of that from the time that he started.

Q You said you didn't feel that anything new might have come out. Did you feel okay not being confident that nothing was said in the oral report that you weren't aware of?

A No. I mean, I think I also had confidence in Aaron at that time who had stepped in. And if there were serious issues that he felt like needed to come to our attention, that he would have brought those to our attention.

Q So you said that you and Clyde Hamstreet talked

continuously. What did Clyde Hamstreet talk to you about Cover Oregon? And what -- did he express any concerns about the involvement of the Governor's Office in Cover Oregon?

A No. I think his main focus was on trying to understand the budget and trying to understand sustainability and trying to understand operations of how does he, you know, turn the organization around.

Q And did Patricia McCaig work with Clyde Hamstreet at all, to your knowledge?

A Yeah, I believe that she and Clyde had conversations much like I did in terms of, you know, Clyde, you know, briefing this group of individuals on a regular basis of what the situation was.

Q So then did Patricia McCaig also work as an advisor to Cover Oregon in addition to the Governor's Office or was her work with Clyde Hamstreet through her working as an advisor to the Governor?

A Through an unpaid advisor to the Governor, correct?

Ms. [REDACTED] I'm now introducing exhibit 46 into the record.

[Bonetto Exhibit No. 46

Was marked for identification.]

BY MS. [REDACTED]

Q And so I'd actually like to direct your attention to the last page of the email chain. It reads -- the Bates stamp number at the bottom is GOV -- underscore -- HR00035564. And, in that email, Clyde Hamstreet says to you and Aaron Patnode in middle of the email: "As part of my first day transition briefing, I told Aaron about your and my discussion a week ago last Friday evening regarding the need

for opinion research and how it would not be needed if we left the Cover Oregon Web page and name unchanged until after the elections."

Why were you discussing with Clyde Hamstreet and Aaron Patnode whether opinion research would be needed if the name was changed for Cover Oregon before the elections? Why were the elections factoring into that conversation at all?

A You know, that is something that Clyde put down. I -- you know, that might have been top of his mind. And this was an idea that Clyde had that I can't say that I supported.

Q Can you elaborate what you mean that you didn't think the opinion research was needed, or what do you mean you didn't support his idea?

A I didn't support his idea.

Q What do you mean you didn't support his idea?

A Of doing this research. You know, my -- I believe the core focus for Clyde was to really, you know, get this organization back on track and not have to worry -- and not being focused on, you know, outside opinion polls.

Q And do you know if you ever expressed any concern whether this opinion poll would be conducted before the election or after the election, why he would decide to include that in the email?

A No, I don't.

Q And when you responded, you only -- you responded -- look at the email forwarded to Aaron Patnode. You say: Aaron, I just saw this email from Clyde. Even though you and I haven't officially met,

I wanted to make sure that, one, I offered my many, many thanks for taking on this Herculean task; and, two, I would greatly appreciate an opportunity for just two of us and Sean to connect tomorrow to ensure we're in sync moving forward.

Did you constantly try to stay in sync with Aaron Patnode on Cover Oregon issues? Or what did you mean by that comment?

A Yeah. I think ensuring that, you know, we understood what he was seeing, and, you know, his recommendations moving forward. And I think, you know, Sean Kolmer was the one on a more day-to-day or weekly basis that was having those conversations with Aaron. But I also, you know, had updates from Aaron.

Q And how was Aaron Patnode chosen to be the executive director of Cover Oregon?

A That process was through a search that I believe the Cover Oregon board had a subcommittee that with an executive search firm that went out and did that recruitment process.

Q And were you part of that recruitment process?

A I was not.

Q Was anyone from the Governor's Office part of that recruitment process?

A I don't know. Sean may have been. I don't recall.

Q Do you know why they would have included someone from the Governor's Office as part of that recruitment process?

A That would have been a decision from, I think, Dr. Brown, George Brown, led that. So that would have been his decision to include

Sean.

Q Did you have many interactions with Dr. George Brown about Cover Oregon?

A On occasion.

Q Do you know if he had any concerns with the decision to switch to healthcare.gov?

A I think he was passionate about trying to make things work. And I think he was very frustrated at seeing the options that were in front of him in terms of the amount of money that it would cost and the timeframe that it would cost to, you know, have to potentially scrap it.

Q Did you share those concerns with the other communications crises members of the SWAT team that worked for the Governor?

A I may have.

Q Do you recall what their reactions were to --

A No. I don't.

Q -- Mr. Brown's concerns?

Ms. [REDACTED] I'm introducing exhibit 47 into the record.

[Bonetto Exhibit No. 47

Was marked for identification.]

BY MS. [REDACTED]

Q So this an email from you to Sean Kolmer. And, in the email to Sean Kolmer, you tell him that you're a little gun shy about having too much of a paper trail to the chief of staff at this point. It sounds like, to me, in the email, you're discussing an agenda for an upcoming

presentation to the Oregon legislature. Is that your understanding of the email?

A I believe so. Agenda, but more important just the communication that was within that material to the legislature.

If I can also just highlight that, you know, I clarify that by being gun shy at this point. And then I also say "maybe I shouldn't be. I'm just not sure." So I --

Q And what were you concerned about with that statement?

A I think, again, still just dealing with, you know, having this communication with folks from outside the Governor's Office and wanting to make sure that we were, you know, clear of how all of this, even from a public perception, that, you know, we were being careful.

Q So, in the email, you say that you "believe our regular call includes," and you list individuals. And then you say that "I can send out to Patricia and Tim." Why wasn't Sean Kolmer sending it out to Patricia and Tim as well if they were advisers for the Governor's Office? Were they included on group emails, or were they always sent materials separately from groups?

A Well, I think it's that group email was on the State side, then my sense it was done separately.

Q Why were they not included on emails that were sent on State accounts?

A As I've highlighted before, when we were dealing with these outside advisers, we were trying to be as cautious as possible and, you know, making sure that that was done on private email, knowing that,

you know, if anything was determined to be a public document, that that would be released.

Q Did you let the individuals know that you were working on Cover Oregon -- that were getting the emails through the State servers -- that you were working with outside advisers in the Governor's Office?

A Did --

Q Were you letting -- when the email was sent, when Sean Kolmer sent this email to this group where he was going to provide the agenda for the upcoming call, did he say that you were also sending it to Patricia McCaig and Tim Raphael, assuming that's who --

A I don't know.

Q Did they often join the calls that you had --

A Yes.

Q -- with State staff?

A Regular calls that they were a part of that helping through communication strategies and issues, and I would just, you know, highlight when look at, even many of the edits that were performed on many of these documents, these PowerPoints, I mean, the edits that were made, even from outside advisers, were done in a way to help simplify or communicate specific issues. The contents or anything never changed. It was really always about, how straightforward to the public can we make this?

Q So do you recall if you edited or if the campaign advisers or the Governor's, sorry, unpaid advisers edited the technology

advisory group's PowerPoint presentation?

A From a public perception, public communication, there may have been edits. But in terms of the content or the framing of that, I don't believe so.

Q So did you believe that the PowerPoint that was given to the technology advisory group to make the decision for a recommendation regarding Cover Oregon should have the edits of the Governor's unpaid advisers because they should also be messaging documents?

A Well, ultimately, it was going to be Alex's decision about what edits he did or did not want to accept since he was chairing that and was responsible for finalizing and putting it in front of not only the IT committee but then also in front of the Cover Oregon board. So, you know, it was his call to whether accept or reject any of those edits.

Q Okay.

So I am looking at exhibit 32, the First Data report. And if you'll turn to page 38 of the First Data report, at the bottom of the page it says, "Oracle would not allow any of its project staff to be interviewed for this assessment, with the exception of the company's chief corporate architect." So is it your understanding that the First Data Corporation spoke with Oracle's chief corporate architect?

Mr. [REDACTED] We'll have to pick that up when we resume.

[Recess.]

[2:50 p.m.]

BY MS. [REDACTED]

Q Okay, Mr. Bonetto, I'm going to point your attention back to exhibit 41, which is an email from Dan Carol -- it's a forwarded email from Dan Carol to you. Are you there?

A Yes.

Q And I'm going to draw your attention to the second page of the document with Bates stamp MBG2004016.

Now, my colleagues from the majority mentioned this email to you and drew your attention to the agenda items for the call, correct? And under the agenda items, they drew your attention to the Cover Oregon 100-day plan.

So the individuals in Area 51, you said they're campaign staff, correct?

A Campaign advisers.

Q Okay. And the purpose of this email, would you say, was to discuss campaign issues?

A Yes.

Q Okay. So, to you, is there anything improper or unusual about campaign advisers discussing an issue like Cover Oregon that's clearly an important issue to the Governor's constituents?

A No.

Q Okay. And there's nothing in this email or this document that's directing State policy or State staff to make any policy decisions, correct?

A Correct.

Q Okay.

All right. Mr. Bonetto, are you aware of any laws that prohibit the use of personal email to conduct any official business by State employees?

I can reword the question for you. Are you aware of any laws that prohibit State employees from using personal email to conduct any official business?

A No.

Q Okay. And your testimony is that you were aware that the emails that you were sending from your personal emails could be made public. Is that correct?

A Yes.

Q And you also testified that you made a point to keep a record of any emails that were sent from your personal account.

A Correct.

Q Okay. And you did that knowing that they could be one day made public, correct?

A Correct.

Q And you also voluntarily produced those emails to this committee, correct?

A Correct.

Q Okay. And did you use your personal email to have secret conversations or to hide any of the conversations that you were having on your personal email account?

A No.

Q And let's go back to exhibit 47, which is an email that you wrote to Sean Kolmer.

In this email, my colleagues from the majority read a line to you, which states, and I quote, "Think I'm getting a little gun-shy about having too much of a paper trail to the CoS" -- chief of staff -- "at this point...maybe I shouldn't be...just not sure."

To continue on, it says, "But think it may make more sense coming from you...just want to take much off your plate as possible."

Did I read that correctly?

A Yes.

Q Now, could this email -- could that statement be that you were trying to take -- this was to Sean Kolmer, who was -- could this be that you were trying to take as much off of Sean's plate as possible, he was overburdened, had a lot of responsibilities at the time?

A Correct.

Q And let's go to exhibit 39. It's an email from you to John Kitzhaber and Patricia McCaig.

At the bottom of this first page, which has a Bates stamp PMc 00003, the Patricia McCaig email dated February 16th says -- and my colleagues from the majority quoted this to you -- "Hi, being mindful of not putting too much on paper" -- so trying not to put too much on paper.

Was it your impression that McCaig was trying to be secretive about her comments or her statements to you?

A No.

Q Could this have been read that -- you obviously responded to this email, correct?

A I did, yes.

Q Okay. And you responded to that, so would it be fair to say that you responded to Ms. McCaig's emails online versus offline?

Mr. [REDACTED] You mean online versus by telephone or orally?

Ms. [REDACTED] Right.

BY MS. [REDACTED]

Q You had a paper trial of your conversations.

A Correct.

Q And you weren't trying to be secretive about your conversations with Ms. McCaig.

A Correct.

Q Okay.

And you've been shown several documents here, emails, where you've had conversations or emails between you and Ms. McCaig, correct?

A Correct.

Q So is it fair to say that, once again, you were not trying to be secretive with your conversations with Ms. McCaig?

A Correct.

Q Is there anything improper or unusual about your communication with Ms. McCaig?

A No.

Q Okay. And if you were trying to be secretive about your

communications with Ms. McCaig, would you have been emailing back and forth with her several occasions, frequently?

A I don't believe so. No.

Q Okay.

I want to draw your attention now to exhibit 33, which is the technology workgroup finding report dated May 8th, 2004 -- 2014. Let's walk through, again, some of the decisions by the workgroup.

So, as you previously stated in your testimony, there were -- there was an option for keeping the technology and going with a new vendor. Is that correct?

A Correct.

Q There was also an option for keeping the technology -- or keeping the current vendor, Oracle, correct?

A Correct.

Q And then there were eight other options, correct, that would be a new direction, as the report states on page 4? Is that correct?

A Correct.

Q Okay.

So tell me again -- okay. So if you turn to page 7 of the report, it goes through the preliminary recommendation, but I would like to draw your attention to the 100-day plan.

Under the "100 Day Plan," the statement -- there is a statement there that reads, "The 100 Day Plan was for Cover Oregon to move forward with dual path approach respective of the milestones described in Table 3. These milestones were described as contingency triggers, where

failure to achieve a milestone would trigger the contingency to implement the move to the FFM. This plan required that the FFM solution be actively pursued simultaneously during the 100 day period."

I'll stop there. What is the FFM?

A I believe there was the federally facilitated marketplace.

Q Okay.

Read further, it says, "If Cover Oregon were to have successfully completed the necessary tasks through June 30, 2014, the FFM contingency effort would have been halted and all resources focused on the completion of the current technology solution."

Was that your understanding?

Mr. [REDACTED] This preliminary plan recommendation?

Ms. [REDACTED] The 100-day plan, yes, but --

Mr. [REDACTED] Okay. All right.

The Witness. Yes, but I think the other piece that was also layered in were those elements of, again, the risks, schedule, and the costs of also understanding as you were moving through even these tasks that there still was refinement of the costs and trying to understand what those costs would be through -- with even that moving forward.

BY MS. [REDACTED]

Q Okay.

And the last sentence on the page says, "While the June 30 date is the last go / no go formal decision point, failure to achieve any milestone would trigger the commitment to move to the FFM."

Did I read that correctly?

A Correct.

Q And what does that mean?

A That, along those points that were decided to be trigger dates, if any of those were missed, or if it was determined that that option exceeded a viable budgetary alternative, that they would have to make a move to the Federal facilitated marketplace.

Q And were there any milestones that were missed?

A I believe so, yes.

Q Okay.

And let's discuss the -- do you happen to know when the first milestone was missed?

A I would have to look through this again. Off the top of my head, no.

Q Okay.

And if I can direct your attention to page 8 of that report, under the subheading of "Deloitte Assessment of the Current Technology," you mention three factors that were important to the workgroup, the IT workgroup, when discussing the options available to the State.

How much was -- for the current technology, did Deloitte state how much it would cost for the State to keep the current technology?

A I believe that there were revised estimates that were similar to the numbers that we looked at in the February report. And these are the estimates that came in after Alex Pettit, I think, had done further review. And I do recall Alex looking at this \$200-an-hour blended rate, so approaching the \$80 million, which did not include

cost of hardware, software, licensing, and staff.

Q So, at a minimum, the cost to keep the current technology would have been almost \$80 million.

A Correct.

Q Okay.

And utilizing the Federal technology, on the same page you are looking at, page 9, do you know how much it would have cost the State to keep -- or to transfer to the Federal technology?

A The estimates that we were looking at with Deloitte, and I believe even through CMS, in the range of \$4 million to \$6 million.

Q Okay. And just making a comparison, would you -- in your opinion, \$78 million compared to \$4 million to \$6 million is a significant jump, correct?

A It was --

Q A significant difference.

A It was a significant difference. And it also was in -- you know, trying to understand just the resources available to Cover Oregon at the time, the \$78 million, you know, far exceeded, you know, what they had available.

Q Okay. So, just to make sure I have this correct, you would say that the cost of keeping the current technology and the cost of transferring to the Federal technology was of significant concern to the workgroup, the technology workgroup.

A Yes. And, you know, I would also put this -- what we had talked about before, but just this other element of risk, of, you know,

any thought of having the flawed coding that was there, the amount of time and money it was going to take, and potentially having -- you know, the thought of having Oracle continue in that role, when they weren't able to deliver, you know, really, I think, emphasized the increased risk the State could be looking at.

Q Okay.

So you just described the risk of keeping Oracle on as the current vendor. Do you -- can you describe the risk of keeping the current technology but going with a new vendor?

A You know, I would, you know, certainly defer that analysis to Alex Pettit. So he was, I think, intimately involved in, you know, understanding the coding issues and the amount of work that it was going to take. But, you know, really, if I recall, you know, his assessment was that it was well beyond -- the coding of the Web site was so dysfunctional that it was going to take, you know, far above what the Cover Oregon budget had in place.

Q And do you recall which option was the lowest risk for the State?

A I believe it was the, you know, moving to the Federal marketplace.

Q Okay.

And if you turn to page 10 of that report, you'll see the final recommendation. And we have discussed this, but the final recommendation, under this subheading, it says, "The final TOW" -- and what does "TOW" mean?

A The technology workgroup.

Q Okay.

"The final TOW meeting was a public meeting held at Cover Oregon offices on April 24, 2014. The workgroup found that milestones to fix the current technology were not met."

So what does this mean? If the milestones were not met, what does that mean?

A That the trigger then meant -- to make the move to the Federal exchange.

Q Okay.

"Based upon risk, schedule, and cost, all TOW members agreed moving forward with the Federal Exchange for QHP and leveraging our current investment to support Medicaid in OHA" -- what is "QHP"?

A That refers to a qualified health plan.

Q And, according to the statement, it says all TOW members agreed to move forward. Is your understanding that this was a unanimous decision?

A On this, yes.

Q Okay. And, in your opinion, did it make sense for -- according to the Deloitte assessments, did it make sense to switch to the Federal exchange at this point?

A Yes.

Q Okay.

Mr. Bonetto, do you know when Clyde Hamstreet was hired by Cover Oregon?

A I believe Clyde was hired in the middle of April sometime of 2014.

Q April 2014. Was that before the board's recommendation?

A That would have been before the board's recommendation, yes.

Q And do you know the date of Mr. Hamstreet's draft report on his time at Cover Oregon?

A I don't recall exactly. I believe it was sometime much later, I think towards the end of summer 2014.

Q Does August 29th --

A Something --

Q -- ring a bell? So 2014? So that was a couple months past the board's recommendation to transfer to the Federal technology, correct?

A Correct.

Q So have you read Mr. Hamstreet's report?

A I believe I have.

Q Okay.

A I don't have it in front of me.

Q So any recommendations that Mr. Hamstreet would have made in this draft report would have been long after the board made the decision to switch to the Federal technology.

A Correct.

[Discussion off the record.]

BY MS. [REDACTED]

Q So, Mr. Bonetto, I'll ask you maybe one last question, but, in your opinion, the decision to switch from the State-based exchange to the Federal technology, was that politically motivated?

A No.

Q And whose authority was it to make the decision to switch to the Federal technology?

A It was the Cover Oregon board's decision.

Q Okay. Thank you.

[Recess.]

BY MR. [REDACTED]

Q One thing we just wanted to go back to that we ran out of time in the last time is, in this First Data report, on page 38 -- which is exhibit 32, everyone.

I believe -- I'm just correcting the record here. I believe your original testimony here was that no Oracle people were talked to. But I just wanted to clarify that Oracle would not allow any of its project staff to be interviewed for this assessment, with the exception of the company's chief corporate architect, who was not involved with the project until November 2013.

So it's not no Oracle employees, but the chief architect?

A That is correct. I just want to make sure that for the record we would go back and look at the way it was framed, because I think it was who was directly involved in the project.

Q Okay. Yeah. I just wanted to make sure that we were clear on that.

I would like to revisit what you just talked about relating to your emails. And there's a -- frankly, most of the emails that we've discussed today, many of them are on your personal accounts. And I believe just [REDACTED] asked, but there is no law in Oregon regarding the use of your personal or -- the use of your personal emails for official business.

A Correct.

Q Are you given any training at all about the appropriateness of using your personal email for official business?

A Yes.

Q What is that training?

A I believe that we had, in the Governor's office, our legal counsel provided training as to what was considered a public document and that, you know, those would be -- you know, anything that was determined to be a public document, whether it was on private email or a State email, would be deemed to be released.

Q Okay. So, in the emails you provided us, are these all public documents?

A Anything that was related to public work, that would be related to a public document, so yes.

Q Define "public work," then, for me a little bit. On how it might relate to the communications people advising the Governor? Area 51? Where's the line there?

A I think anything that had to do with State work and involving the Governor's office was considered a public document.

Q Okay. So if an email -- is it fair to say that if an email had John Kitzhaber on it or yourself or a person employed by the State, that is qualified as a public document?

A I think it is dependent on the substance of that email and the discussion, if it had to do with a public issue that --

Q Like Cover Oregon?

A Correct.

Q Okay.

So how are these all being archived then? How are they becoming public documents? You no longer work for the State. Do they have a complete record of your emails, your private emails?

A They have, I believe, everything that this body has.

Q And how did you provide those to the State?

A I would have to check with my counsel.

Mr. [REDACTED] They were provided to the State as part of responding to Public Records Act requests.

Mr. [REDACTED] Okay.

So the only way that they would be provided to the State would essentially be if someone comes in and asks for them under a public records request and then you go and search?

Mr. [REDACTED] The same way that other records are searched for in that same way. When Public Records Act requests were made, these documents were made available.

BY MR. [REDACTED]

Q But if an email is on your State email account, that's

already in the government's system there, correct?

A Correct.

Q Okay. So if someone were to ask about Cover Oregon documents related to Mike Bonetto, they would have easy access, correct, to the State email account address? They would all be there.

A Correct.

Q Can you guarantee that all of the emails that are in this private thing would be as easily accessible?

A I think, to the best of my knowledge, when any request came in, that we did that in a timely manner, to, you know, respond to those requests and make those documents public.

Q Okay.

I'd like to go back to -- I'm sorry to jump around. A report's here -- that one. This is the Deloitte report, exhibit 31.

Mr. [REDACTED] And just for the record, you know, I know that documents were provided in response to Public Records Act requests. I don't know whether the State had also had access to that material beforehand. So I just want to make sure --

Mr. [REDACTED] That's fine.

Mr. [REDACTED] -- that that's clear.

Mr. [REDACTED] We just wanted to know what the requirements were there.

Mr. [REDACTED] Right.

BY MR. [REDACTED]

Q So this is the policy alternative assessment that was

prepared by Deloitte. Was Deloitte hired to take over some of the work related to the Cover Oregon exchange?

A You know, that's a discussion for Bruce Goldberg. So he had brought Oracle on to, one, look at options and I also think to help with some of the internal issues at the time.

Q But do you know if Deloitte was hired to do any of the work related to Cover Oregon after you decided to move to the Federal exchange?

A Deloitte did help with that transition, I believe, yes.

Q So the people who did this analysis not to use Oracle eventually got the work that Oracle lost?

A I believe so, yes.

Q I'd like to go back to a lot of questions that we've asked you today in light of the fact that you have testified that there was nothing secretive about using these email accounts.

And we talked a lot about phone calls. In particular, we talked about a phone call that you had on April 2nd related to, most likely, the decision to move to the Federal exchange. Did anyone take any notes on this phone call?

Mr. [REDACTED] Which phone call are you referring to?

Mr. [REDACTED] The April 2nd --

Mr. [REDACTED] Do you have a document?

Mr. [REDACTED] Just give me a second. I can find you guys the exhibit number.

Ms. [REDACTED] Exhibit 6.

Mr. [REDACTED] Exhibit 6? Ah, yes, exhibit 6.

So, as you'll recall, this is a phone conversation where Patricia McCaig says, "I'd like to run tonight's meeting and I think it should be limited to Cover Oregon issues," specifically the IT recommendation; Greg Van Pelt's appearance; the Hamstreet contract, reporting authority, messaging, spokespeople. And this is an April 2nd call.

I'll ask you again: Do you recall what was discussed on this phone call on April 2nd?

A I don't, but I would infer that it was hitting those three topics.

Mr. [REDACTED] Is this a phone call or a meeting? Do you know?

BY MR. [REDACTED]

Q Yeah, was it a phone call or meeting?

A I don't recall. Many times, it was a combination of some people in a meeting, some people on a conference line.

Q In light of the fact that using the personal email accounts, to your testimony, was not related to secrecy at all, did anybody take any notes on this meeting?

A Not that I'm aware of.

Q Did you take any notes on this meeting?

A No, I don't --

Q Did you summarize this meeting after the fact in an email?

A I don't know.

Mr. [REDACTED] And then what was our April 8th phone call?

Exhibit 8. Perfect.

BY MR. [REDACTED]

Q Now, if you recall, because we discussed this earlier, this was the phone call with Alex and Bruce that was at 6 p.m. for the evening of Tuesday, April 8th. And, again, this is Ms. Patricia McCaig setting up a phone call, and here is what she expects: a financial estimate; \$30 million scope; pros and cons; deadline for the IT decision.

Before, I asked you if there was a deadline for the IT decision made. After reviewing all the materials we've given you today and the discussions we've had, do you have any further recollections on what that discussion regarding a deadline for the IT decision might be?

A I would want to go back to the May 8th report that highlighted the triggers. And that was a lot of those -- of the deadline and the decisionmaking. That was, again, kind of in Alex's purview.

Q Okay.

And, again, going back to the fact that these are all being conducted under your personal email accounts, which won't automatically be captured by the State servers --

[Discussion off the record.]

BY MR. [REDACTED]

Q Sorry. We'll come to that in a second.

Going back to the fact that these are on personal email accounts and this took place on a call and that secrecy was not the concern, did anyone take any notes about this phone call, to your knowledge?

A I don't know.

Q Did you take any notes about this phone call, to your knowledge?

A I don't believe so.

Q Did you summarize this phone call, to your knowledge?

A I don't know.

Mr. ██████ Other than the summary information that's reflected in this email.

Mr. ██████ That's fair. Right.

Did you have any conversations with people after this phone call about what was discussed?

The Witness. I don't recall.

Mr. ██████ Okay.

You've mentioned at length that McCaig was -- Patricia McCaig was hired to provide communication services for the Governor as an advisory basis, correct?

Mr. ██████ Hired? No.

Mr. ██████ Or was unemployed? Or working for free?

Mr. ██████ Unpaid adviser.

Mr. ██████ Unpaid adviser to provide help with communications stuff, is mainly what I'm getting at here. To provide help with the communications aspect.

Mr. ██████ That's one aspect, yes.

BY MR. ██████

Q What documents, to your recollection, did Ms. McCaig produce in that capacity? Did she provide talking points? Outlines

or strategies?

A Oh, I think it was a combination of what you had just mentioned, certainly from talking points for the Governor, communication points for the office, you know, all of that, I think, on a regular basis, of how the office would be responding to kind of ongoing Cover Oregon issues.

Q We also talked about -- at length earlier about the Federal oversight of this project. And one of the things that happens, as we have experienced here, when CMS finds that there is an issue with State-based exchange, they will often send either a corrective action plan or an enhanced oversight plan.

Did you ever see a corrective action plan or enhanced oversight plan from CMS?

A I don't believe so. No.

Mr. ██████████ And I'm sorry. Pardon us for a second.

Mr. ██████████ Can we take a quick break while you're doing --

Mr. ██████████ Yeah, yeah. Please.

[Recess.]

Mr. ██████████ Just returning really quick to this May 8th report -- perfect. You have it right in front of you. You mentioned milestones being missed related to the Cover Oregon build-out. And we were just wondering if you knew what those milestones being missed were.

The Witness. You know, I believe I was asked that earlier from the minority office, and I don't recall specifically. That would be

a question for Alex Pettit, who was running this and, I think, had a good grasp of what those triggers and what was missed.

Mr. [REDACTED] Okay.

All right. Just a few more emails here.

Which exhibit are we at right now?

Mr. [REDACTED] 48.

Mr. [REDACTED] So this will be 48?

Mr. [REDACTED] Yeah, this will be 48.

Mr. [REDACTED] Okay.

[Bonetto Exhibit No. 48

Was marked for identification.]

Mr. [REDACTED] This is an email from Governor Kitzhaber to yourself. And you have testified at length today about the fact that the decisions on Cover Oregon were going to be made by the board, correct?

The Witness. Correct.

Mr. [REDACTED] Okay. You'll see that it's one paragraph, two paragraphs -- the third paragraph here says this: "I am not going to second guess the decision to replace the CIO and COO. That needed to happen. More importantly, however, there needs to be one clear accountable decisionmaker about our course going forward. And it is clear to me that I am the one who will have to make that decision after weighing the risks involved with various courses of action."

Do you believe this shows that the Governor felt he was in charge of the decisionmaking process related to Cover Oregon?

Mr. [REDACTED] Take time to read the whole thing.

The Witness. Okay.

Mr. [REDACTED] It says that -- the Governor is writing, "It is clear to me that I am the one who will have to make that decision after weighing the risks involved with various courses of action."

Did the Governor view himself as the decisionmaker on Cover Oregon?

Mr. [REDACTED] For all issues or for going to the Federal exchange or for what?

Mr. [REDACTED] We're going to through more of this email, so, right now, going to the Federal exchange.

The Witness. Well, first, I would say that is a, I think, specific question for the Governor. I think, as I am reading this, for me, it really has the context of him, you know, taking a leadership position and having that opinion and that recommendation, I mean, knowing that ultimately this really was going to be the board's decision, but I think he felt like it was on him to help provide that leadership of what that direction needed to look like.

BY MR. [REDACTED]

Q You'll notice at the top of this you wrote, "Will give you some thoughts this afternoon." What did you tell the Governor?

A I don't know. I -- if there is a followup email or not.

Q Just walking you through this document here, going to the second page, which you have now read, you'll notice that there are several issues here. I won't belabor reading them all out loud. But you'll see that the first one is, "The first and single most urgent

and mission-critical task is to change the culture in Cover Oregon; to rebuild the leadership; build a project management process, a clear government structure," et cetera.

"It is abundantly clear that regardless of what choice we make on the technology going forward, we will fail unless we can successfully rebuild leadership, governance, discipline accountability within the Cover Oregon organization."

Where is the Cover Oregon board involved in the Governor's decision and discussions he's making right there?

A Well, I think these are -- I look at this as more of his observations, in terms of just what he believes needs to get done to get Cover Oregon on track.

Q And, again, you will give him some thoughts this afternoon. You did not bring up the Cover Oregon board at that time, or you do not recall?

A I don't recall.

Q Okay.

Number two, "The second issue is to make a very clear command decision about the technology solution going forward in order to be prepared for the start of the November 14 open enrollment period."

"So let's start by clarifying what we want the technology solution to achieve in terms of our long term objection: which is to ensure that all Oregonians have financial access to a health care delivery system that provides better health at a lower cost. Cover Oregon" -- question mark -- "and the website are means to that end,

not an end in itself."

Again, does this not reflect the Governor believing that he is in charge of the decision on changing the Cover Oregon Web site to the Federal exchange?

A I view that as, you know, him, you know, talking about his end goals and the importance of, you know, what this technology means -- I think the overall transformation of what he was trying to accomplish.

Q Okay. And, again, will give you some thoughts this afternoon. You wrote to him. Do you recall any thoughts you gave to him related to that?

A I don't.

Q Okay.

"What has happened to us represents a management failure and a technology failure, not a policy failure."

Do you believe that this shows that the Governor was interested in addressing the technology issues?

A I think he was interested in both of those avenues and ensuring that, you know, nothing like that happened again.

Q We've asked you also about the Cover Oregon 100- day plan. You do not recall what the Cover Oregon 100-day plan was?

A I want to make sure we're clear on -- could be looking at two different pieces.

Q Are there two 100-day plans?

A No. I think one that I may have miscommunicated earlier

had to do more with the communications plan that Tim Raphael put together, and I don't ever recall if that was actually termed "100-day plan." I think that may have been more like a 3-month plan.

But I think the 100-day plan that was being referred to had to do with the technology committee and that 100-day window of whether or not the triggers were going to be hit and that, you know, expediting move to the Federal.

Q Why 100 days?

A Again, I think, even based on this email, I mean, this is something that Alex had been highlighting, that at that time, I believe, that put it to, I believe, sometime in June, where there was, I think, a critical point for, I think, Alex to make that decision.

Q Do you recall when the Governor's primary was in 2014?

A I believe that's usually in mid-May.

Q Would it surprise to you to know that 100-day plan in the middle of March kind of ends up right there?

Mr. [REDACTED] Objection. It's unclear when the 100-day plan originally started from. But --

Mr. [REDACTED] I can rephrase it if you'd like.

Mr. [REDACTED] -- if you want to say that this email is approximately --

BY MR. [REDACTED]

Q Did you have any conversations with the Governor about his primary?

A No.

Q You're his chief of staff, and you never talked to him about his primary?

A No. I mean, he was unopposed.

Q Really?

A There was no -- no.

Q At the end of this email, the Governor says, "What I Need: A decision matrix, which clearly lays out the cost of each option as well as the pros and the cons in terms of the technology product/solution produced (I can do the political risk calculation myself)."

And you'll see that this says: risk involved; customization or lack of customization; ability to move toward single portal; retention or loss of Federal grants; ongoing cost of the system; financial sustainability of the system; cost of lost investment; portions of technology that can be salvaged.

He then wants to have a meeting with the entire technology team, and they want them to respond to the following question: "Knowing what the overall system objective is, if you had to make a decision today between these two options which one would you choose and why."

If this is a decision for the Cover Oregon board, why does the Governor need to know this?

A I think, as the chief executive of the State, he was trying to understand what recommendation they would have. I mean, this is after 6 months of not having a functional Web site. So him, as the chief executive for the State, he wanted to, you know, obviously, have

a better understanding of this.

Q I'd like to also go back to that, when you say "functional Web site." When you talk about entering things on a paper application, isn't it also utilizing a system that was built to enter that data?

A Or the hybrid process that was created. That is correct; it used both elements.

Q So you were utilizing computer systems that had been built for Cover Oregon.

A Correct.

Q Okay.

One exhibit I'd like to show you now, which will be exhibit -- and I apologize for never remembering what these numbers are -- exhibit 49.

[Bonetto Exhibit No. 49

Was marked for identification.]

BY MR. [REDACTED]

Q This is an email sent by Bruce Goldberg on March 25th to yourself, Sean Kolmer, Chris Goldberg again for some reason, and Tina Edlund. And he says that attached is his attempt to summarize the issues, outline costs, and address some of the Governor's questions.

Now, the first question is, had Bruce Goldberg resigned already at this point?

A I believe he had.

Q Okay. Why is he still sending you work?

A He was still part, I think, of the team of helping with this

transition. He had announced his resignation.

Q And then what we'd like to ask you about is on the very last page here, where it says, "Cost: Early estimates -- still needs work," you'll notice that the option for the Federal technology drops significantly in the off-years, and we're wondering what your knowledge of why that would happen is.

A I don't have a -- I can't answer that. I don't know what Bruce had on that.

Q Do you know that when the board was presented with the cost of switching to Federal exchange, was that just the cost of switching the Web site, or did that include the cost of the entire system, changing over the Medicaid enrollment process as well?

A I believe that that was for both. I'm not entirely sure.

Q Okay.

I lost my email copies here. Let me see if I have it. Here we go. It's this email, but I don't have the number written on it.

Ms. [REDACTED] 28.

BY MR. [REDACTED]

Q I'd like to revisit what Ms. [REDACTED] asked you about this email. Patricia McCaig starts at the top, "We must develop a strategy on all of this." What was the strategy that you guys ended up developing?

A I'm not sure.

Q You're not sure? Who was the SWAT team that you created for this?

A This was the team that I had referred to earlier.

Q Okay.

When Ms. McCaig says, "I'm willing to do/get the work done," what work did she end up getting done on this?

A I don't know.

Q Okay.

When this came up earlier -- and I'm paraphrasing here because I don't have a transcript in front of me -- you testified to the fact that nothing happened after this email. So you're certain that nothing happened after this email, but there are several things at the top of this email that you're now not clear what happened on following up after that.

Mr. [REDACTED] I'm going to object. The testimony was that nothing happened in terms of trying to drive down Oracle's stock price or disparage Oracle or take specific actions to demonize Oracle, as opposed to -- I don't know whether nothing happened, and I don't know whether he testified to that.

BY MR. [REDACTED]

Q And I'm glad you brought that up because, as you'll recall, what led to this email was the previous day the Governor announcing that he was going to file a lawsuit or ask the AG to file a lawsuit against Oracle.

Isn't it totally fair to read this email not as a proactive action to go do this but as a reaction to what has already happened?

A I guess you could speculate that.

If I could just comment, I mean, when I look at this email on 5/30 from Patricia, she's asking the question of who is the SWAT team, which, again, is a question for her, which I think I'm not even clear on what that means since the SWAT team had been in place for some time.

Q Do you think it's odd she would ask you or cc you on an email --

A I guess, when I look at just the entire piece of that email, I'm unclear.

Q All right.

We've also talked, again, at length about how this is all in the public record. Were you -- and I believe that [REDACTED] asked you this already, but you were not present when Clyde Hamstreet gave his oral report?

A I was not.

Q I realize that the Hamstreet has been obtained under the open record law. Are there notes or transcripts from Clyde Hamstreet's oral report?

A That I don't know. That would be with Cover Oregon.

Mr. [REDACTED] For the record, I think there is a PowerPoint.

BY MR. [REDACTED]

Q Okay. Aside from the PowerPoint, you do not know if there was a transcript --

A I don't.

Q -- from Clyde Hamstreet's remarks? Okay.

Do you have an opinion or knowledge of what happened to the

technology that was built for Cover Oregon after you moved to the Federal exchange? Because this isn't simply a Web site. It was a series of computer systems to help improve your Medicaid system, improve enrollment for small businesses. What happened to that technology when you moved to the Federal exchange?

A That would be, I think, a discussion with Tina Edlund, who was helping with that transition. I believe, certainly, there's some aspects that are still helping with Medicaid eligibility.

Q So the State is utilizing some of the same stuff that was built?

A I don't know to what degree they are.

Q And do you know what happened to Cover Oregon essentially itself? It was created under State law. It was a State entity. Has it been dissolved?

A I believe there was legislation in 2015 that phased out Cover Oregon.

Q Did you have any conversations with the Governor on whether you had a preference of whether this would be dissolved, phased out, or retained?

A I would believe that we had conversations about that.

Q And so, if you had conversations about it, what was the Governor's preference?

A You know, I think it was going to be based on understanding the functions that would remain with Cover Oregon, and I don't know if he had a particular preference.

Q You mentioned earlier that you were against doing polling on Cover Oregon, correct?

Mr. [REDACTED] In respect to one email on one occasion, just for the record. Against the polling recommendation made by Mr. Goldberg at one point in time.

The Witness. I'll just clarify, that was Mr. Hamstreet.

Mr. [REDACTED] Or Hamstreet. I'm sorry. Right.

Mr. [REDACTED] Did you ever -- oh, yeah, I'm sorry. Here is the next exhibit, 50.

[Bonetto Exhibit No. 50

Was marked for identification.]

Ms. [REDACTED] I am entering exhibit 50 into the record.

Mr. [REDACTED] Did you ever have any conversations with the Governor about conducting polling related to Cover Oregon?

The Witness. As you lay this out, I'm not entirely clear. But this -- obviously, there was some discussion in April.

Mr. [REDACTED] So you would admit you had conversations with the Governor about polling related to Cover Oregon.

Mr. [REDACTED] Does the email suggest conversations that you don't recall? Is that fair?

The Witness. That is fair.

BY MR. [REDACTED]

Q Who is Steve Bella?

A Steve Bella was an outside adviser.

Q For who? Do you know who he works for?

A He did some work assisting the first lady and also the Governor, as well.

Q Was he the pollster for the Governor's campaign?

A No.

Q Was he working just in a nonpaid capacity here?

A Yes.

[3:56 p.m.]

Mr. ██████ And to be clear, then, this poll was not a poll for the Governor's reelection campaign?

Mr. ██████ Was this poll ever done?

Mr. ██████ Well, we're going to get there.

The Witness. I'm unclear. I don't know.

Mr. ██████ Unclear as to whether it was for the reelection campaign or whether it was actually ever conducted?

The Witness. Whether it was conducted.

Mr. ██████ Okay.

So I think we had a little crosstalk here, so I'm sorry to repeat myself, but you would agree this would be a poll related to the Governor's reelection campaign, but you were unclear if it was ever conducted?

The Witness. I can agree with that.

Mr. ██████ Okay.

I would like to ask you about one part in here where it says "Cover Oregon -- response." It's on page 26694 at the bottom there. "I think the best pivot off Cover Oregon politically is to admit mistakes were made and we are moving to the Federal exchange."

Now, this is April 17th. This is a week -- 8 days before the decision to move the Federal exchange is made. Why does the pollster seem to think that they are moving to the Federal exchange?

Mr. ██████ I'd object. It speaks for itself and calls for speculation as to what the pollster thinks.

The Witness. I would also just add this wasn't the pollster.

BY MR. [REDACTED]

Q Wait. So I'm curious here. Steve Bella is not a pollster?

A No.

Q Oh.

A That's what I answered before. No.

Q Okay. Did you talk to Steve about this memo?

A Not that I'm aware of.

Q So you got this memo. Did you talk to Patricia McCaig about this memo?

A I don't recall.

Q Do you recall talking to anyone about this memo?

A Not that I recall.

Q Let's try this paragraph again then.

"I think the best pivot off Cover Oregon politically is to admit mistakes were made and we are moving to the Federal exchange. The Governor's message then shifts to the more important goal which is Oregon continue the bipartisan efforts that have improved quality health care for Oregonians while reducing costs. Then we shift to making the argument that Oregon can't afford to have Washington partisan politics enter this state and destroy all the politics we have made."

Mr. [REDACTED] "Progress" you mean.

Mr. [REDACTED] "Progress we have made."

Would you agree that that is essentially what ended up happening?

You pivoted off, you went to the Federal exchange, and you, yourself, have testified today about the important work to improve quality health care for Oregonians while reducing costs.

The Witness. So, [REDACTED] again, the question was do I agree with this?

Mr. [REDACTED] Do you agree that that's what happened?

The Witness. No, not entirely. I wouldn't -- I can't agree with all of this, with -- no.

Mr. [REDACTED] Just give us a minute here.

[Discussion off the record.]

BY MR. [REDACTED]

Q I'm going to ask you one more question to see if you recall any conversations with the Governor.

Did you ever have a conversation with Governor Kitzhaber about how the Cover Oregon problems might affect his reelection campaign?

A No, not that I recall.

Q You do not recall ever speaking to the Governor about Cover Oregon and how it might impact him politically?

A I don't. I -- this really, truly was a business decision. You know, it was a, you know, point in time where you either continue to pay millions of dollars to a vendor who hadn't produced, with no guarantees of having a Web site functional, without the ability to enroll people, or you -- you know, you have to look at those risks and weigh those odds. And, again, from a political perspective, by far, the best option was to go live, I mean, to go live in December, January,

February. I mean, that would have been the --

Q I understand. I was just merely asking if you can recall --

A I was just --

Q -- any conversations you've ever had with --

A -- expanding on that.

Q One more thing, then, under the Area 51 team. Can you describe to us again what the Area 51 team was? It was a collection of campaign advisers?

A You know, outside advisers who had been longtime --

Q And did Governor Kitzhaber participate in these?

A I believe he may have on some.

Q And so what would your reaction be to what we brought up earlier, that in one of these documents Cover Oregon 100-day plan is on the Area 51 team? Does that not qualify as a potential conversation about his campaign related to Cover Oregon?

A I think to brief campaign members on what was happening in terms of just the overall issues of the day within the office. I mean, I think that's a fair briefing for them to understand just the lay of the land.

Q But you wouldn't qualify that as a conversation with the Governor about politics or the political impact of Cover Oregon?

A Not in terms of the final decision, the decisionmaking process, in terms of giving them an update of where things were. I mean, if it was in the news on a regular basis, to inform that group of, you know, what the status was, I think that was fair.

Q Okay.

Mr. [REDACTED] Anything else?

We're done, guys. Thanks for coming in.

The Witness. Thank you.

Do you have any more?

Ms. [REDACTED] Yeah, we have some followup.

[Recess.]

BY MS. [REDACTED]

Q Okay, Mr. Bonetto, I wanted to go back to just one thing that my colleagues from the majority mentioned earlier about the Deloitte report.

Was there any indication that Deloitte was going to get a contract based on the information that they provided to the State in their report?

A Not that I'm aware of.

Q Was it common knowledge that they would be hired -- that Deloitte would be hired based on their report findings?

A Not that I'm aware of. But, again, I would defer to Bruce Goldberg, who was really overseeing that at the time.

Q Okay.

I wanted to draw your attention back to exhibit 48, and it's an email from John Kitzhaber to you. If we go to the page with the Bates stamp CONGJK001257, and under "What I Need," the Governor lists -- he wanted to find out information about the risk involved, and he clearly states "not political but from an operational technology standpoint."

So is it your understanding that the Governor didn't care about the political ramifications of the decision, he just wanted to make the right decision in regards to the technology?

A I would agree, and ensuring that people were going to get involved. As you look at that matrix, it really was very much in terms of what the technology team was trying to look at, as well.

Q And in regard to the technology team, later in this email Governor Kitzhaber says he would like to meet with the technology team just to hear their responses in regard to a couple questions about the overall decision and the options available.

Would you say this is the Governor seeking information or just having a -- or seeking a clearer understanding of the decision for the technology options based on the facts?

A Correct, and from technology experts.

Q All right.

And did the Governor have a clear understanding that it was the board's decision to make the decision to switch technology options?

A Yes, I believe so.

Q And, in this case, switch to the Federal technology.

A Yes.

Q Okay.

So now I'd direct your attention to exhibit 50, and this is the email from Steve Bella.

So I just wanted to confirm that you said you did not know if this poll was even ever done. Was that correct?

A Correct.

Q Okay.

And if you go to page Bates-stamped MBG2026694, my colleague from the majority pointed to the "Cover Oregon -- response" section, but wasn't it common knowledge that the Web site was rampant with problems and there was a possibility or a likely move to the Federal exchange?

Mr. [REDACTED] During this time period?

BY MS. [REDACTED]

Q During this time period. This is April 17th, 2014.

A That that was a possibility, yes.

Q And did the Governor make any State policy based on polling, to your knowledge?

A No.

Q Okay.

Now I have a couple questions just about personal email. You were asked a couple of questions from my colleagues in the majority about access to your personal email and the records.

To your knowledge, when there's a FOIA request, you do a search on your -- a search of your entire official account, government email account, correct?

A Correct.

Q And you would also do a search -- when it's a FOIA request, you would also do a search of your personal email account relevant to the request, correct?

A Correct.

Q So, regardless, you made sure to store your -- any emails, whether it's personal from the personal account or State account, you made sure to keep a record of those emails, correct?

A Correct.

Q And so you don't just produce all of the documents within your official account; you search based on the request that you received in the FOIA request, correct?

A Correct.

Q Okay.

And the public doesn't have access to the documents in your official account -- all of the documents in your official account, correct?

A Prior to a public records request --

Q Right, prior to a public records request.

A -- no. Correct.

Q And even if there is a FOIA request, you would search your official documents, not the public, correct?

A Correct.

Q Okay. So, to your understanding, when you receive a FOIA request, would the process be the same when you're searching your official emails as well as your personal email account?

A I believe the process would be the same. Correct.

Q And just to be clear, you received a request from this committee, a document request from this committee, regarding Cover Oregon matters, and you searched your official account and your

personal account, correct?

A Correct. I believe I was no longer within State government, so I believe that was done through the Governor's office when I wasn't there.

Q All right. And you produced documents or emails from your personal account in response to the request received from this committee, correct?

A Correct.

Q Okay.

Ms. [REDACTED] Okay. Great. That's it for us.

The Witness. Thank you.

[Recess.]

Ms. [REDACTED] So I'm going to look at exhibit 6 again.

Ms. [REDACTED] I'm sorry, what number is that?

Ms. [REDACTED] Exhibit 6.

I just wanted to clarify what the SWAT team -- you said the SWAT team was a -- do you want to restate the purpose of the SWAT team?

Ms. [REDACTED] I'm sorry. I'm having a really hard time hearing you.

Ms. [REDACTED] I was asking him to please restate the purpose of the SWAT team who advised the members of --

Mr. [REDACTED] How many times are you going to ask him?

Ms. [REDACTED] Okay. So then this was a SWAT team call then, correct? At the bottom, where it says "SWAT team discussion"?

A I believe so, yes.

Q And the SWAT team was not campaign-related, you've said?

A Correct.

Q And so the SWAT team called or setting up is going to be for 5:30, April 2nd? I'll give you some time try and see that. If you look at the bottom of the email, you write, "Since our regularly scheduled meeting has been canceled tonight, I would like to see if we can meet, even by phone, tomorrow, Wednesday evening, 5:30." And that was on April 1st, so presumably "tomorrow" would be April 2nd at 5:30 p.m.?

A Okay.

Q So, to you, it seems like you're arranging for a SWAT team call on Wednesday, April 2nd, at 5:30? Is that your understanding of this email?

A I understand. Uh-huh.

Q I'd like to introduce the next exhibit, exhibit 51.

[Bonetto Exhibit No. 51

Was marked for identification.]

BY MS. [REDACTED]

Q I'll give you a minute to look at this email.

If you look at the email, it's an email from you, but below that there's an email that is from Tim Raphael on April 1st. And he wants to set up a call. He said, "I think we need a call tomorrow morning." The subject line of the email is 7:00 a.m. call.

And under those bullet points under "I think we need a call tomorrow morning," the first bullet point is "prep for 5:30 campaign

meeting."

So on this April 1 email where he says we need a call tomorrow morning to prep for the 5:30 campaign meeting, is he talking about the 5:30 p.m. SWAT team meeting on the 2nd?

A I am not entirely sure, but I would believe so.

Q Do you know why he was calling it a campaign meeting?

A If I go back to the prior one -- since I believe that meeting that he was referring to may have been canceled, which meant that we were going to try to do a SWAT team the next day.

Q So you were doing a joint SWAT team and campaign meeting?

A No, that was just a SWAT, I think. It could have been -- I don't recall exactly -- that that first one may have just been a campaign meeting. I'm not entirely clear.

Q But you did do joint SWAT-campaign team meetings?

A No, the SWAT team obviously had, you know, folks who had involvement on the campaign side. But in terms of our discussions with Cover Oregon, it was very much driving, you know, communications issues within the Governor's office.

Q And how did you make certain -- how were you certain that the campaign advisers who worked in a campaign capacity that also were advisers for the Governor were separating those two roles, if they were saying they worked on campaign and Cover Oregon issues?

A I think this is, you know, going back to the very beginning of how this group was formed. I mean, it really was on helping day-to-day management of Cover Oregon issues, where we just didn't have

the capacity or competency to do that.

Q Okay.

Ms. [REDACTED] I don't have any other questions.

The Witness. Thanks, everyone.

[Whereupon, at 4:25 p.m., the deposition was concluded.]

Certificate of Deponent/Interviewee

I have read the foregoing ____ pages, which contain the correct transcript of the answers made by me to the questions therein recorded.

Witness Name

Date