
Interoperability is a *trust* problem, not just a technology problem

Lessons from the 2026 State Chief Data Officer Roundtable on enabling data sharing and breaking data silos

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IN BRIEF

Government data interoperability is primarily an organizational and structural challenge, not a technological one. Drawing on insights from the January 2026 State Chief Data Officer Roundtable, this article argues that technical integration fails without a foundation of institutional trust. Success requires a shift away from “bespoke sharing” toward a model where governance establishes the rules, culture provides the “social license,” and technology serves as a reciprocal shared service.

01 THE CONTEXT

Introduction

A familiar, decade-old pain point in state operations is that basic life events don't flow cleanly across programs. A resident who updates their address at the Department of Motor Vehicles might reasonably expect that change to be reflected in all their government records, but in states, that is not the case. The cost of this disconnect is higher than mere inconvenience: it triggers a cascade of manual re-entry for programs like food assistance, school districts, and

unemployment insurance. Delays compound, human error creeps in, and a workforce already facing operational exhaustion absorbs an avoidable workload.

That operational exhaustion, and the avoidable shadow work it creates, surfaced repeatedly in roundtable reflections as both a service risk and a workforce risk.

To address these breakdowns end-to-end, data leaders convened at the January 2026 State CDO Roundtable to compare notes on what has worked, and what has repeatedly failed, when trying to make cross-agency data sharing reliable, secure, and reusable at scale. Leaders agreed that interoperability initiatives rarely stall because of a lack of tools. They stall because agencies have to ask for approvals each time. Without a clear “why” and a standardized “how,” every request for data sharing becomes a one-off negotiation over risk.

“Sustainable interoperability takes three things working in concert: investment tied to resident outcomes, operating models that give agencies real decision authority, and a workforce that treats shared data as part of the job. Get all three right, and the program outlasts the administration that started it.”

— Aman Vij, Strategy & Transactions Leader, U.S. Government & Public Services, Deloitte Consulting LLP

As multiple roundtable participants put it, the gap is rarely “integration,” it is predictable permission and the confidence to reuse it. A consistent takeaway was that “no” is often a rational response to unclear decision rights, not a lack of goodwill. To avoid the default “no,” states must address structural obstacles across governance, culture, and technology.

FIGURE 1 The interoperability framework

Governance makes sharing mission-aligned. Culture makes sharing feel safe, worthwhile, and normal. Technology makes sharing trustworthy-by-default and easy-by-design.

<p>01 GOVERNANCE OBSTACLE</p> <p>No standard process, so every request becomes a slow negotiation</p>	<p>02 CULTURE OBSTACLE</p> <p>People are too busy and don't see a direct benefit, so sharing feels like extra work</p>	<p>03 TECHNOLOGY OBSTACLE</p> <p>Sharing still takes manual work and custom builds, so people avoid it</p>
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Across the roundtable, leaders repeatedly linked these gaps to one root cause: **trust that has not yet been operationalized into repeatable rules, roles, and evidence.**

02 PILLAR ONE

Governance

Done well, data governance is data enablement. It gives agencies the confidence to use each other's data by building trust in its quality, making assets discoverable, establishing common terminology, and clarifying ownership so cross-agency and cross-state data sharing becomes repeatable. The same structure also defines who can approve a new use, how risk is tiered, and how decisions get made when priorities conflict.

Without that shared operating model, interoperability efforts default to case-by-case negotiation. Approvals take so long that priorities shift, staff rotate, and the original problem loses urgency, further eroding trust. As one roundtable participant described it, a straightforward resident-facing use case can become a months-long approval cycle simply because the "last mile" decision owner wasn't clearly designated. Leading states are responding by moving away from brittle point-to-point exchanges and toward scalable, governed models that builds trust, supports common standards and empowers users to do more with their data.

Five foundational governance practices

More broadly, the conversation has shifted toward governance structures that replace informal persuasion with an agreed operating system. This transition relies on five foundational practices.

01 | Governance

OBSTACLE → PRACTICES → GOAL

THE OBSTACLE

WHAT'S BLOCKING US

No standard process

Every request becomes a slow negotiation and approvals take so long that priorities shift and trust erodes.

THE PRACTICES

1 **Data standards**2 **Veto rights**3 **Standard permissions**4 **Decision roles**5 **Shared definitions**

THE GOAL

WHAT SUCCESS LOOKS LIKE

Sharing becomes mission-aligned

Governance establishes the mandate. Approvals are repeatable, risk is tiered, and every request maps to a clear decision-maker.

Source: Deloitte analysis of 2026 State CDO Roundtable discussions.

- **Data standards.** Leading states reduce rework and audit friction by adopting a thin, mandatory standards baseline and enforcing it through automated checks, not manuals. That means a governed canonical glossary and data dictionary so terms mean the same thing everywhere, and a metadata registry so definitions, lineage, and ownership are discoverable. Common elements such as date/time (ISO 8601), geography and reference codes (ISO 3166), and consistent address standards improve matching, deduplication, and operational accuracy. Within domains, states adopt widely used standards such as HL7 FHIR and USCDI.
- **Veto rights.** Trust in this architecture is built by providing agencies with more agency, not less. By formalizing a “veto” power within governance groups, agencies find the psychological safety needed to come to the table. When an agency head knows they possess the authority to pause a process at any time, they are significantly more likely to agree to start it.
- **Standard permissions.** Leading states are replacing one-off negotiations with Master Data Sharing Agreements (MDSAs). By implementing standardized tiering (Public, Internal, Highly Sensitive) legal teams can focus on classification rather than relitigating security protocols for every new request.
- **Decision roles.** Naming the decision-maker for a specific outcome, not just “the dataset owner,” is often what turns a stalled request into a governed workflow. Leading states publish RACI matrices that define Owner, Steward, and Custodian, activated through cross-agency workgroups focused on three to five shared outcomes rather than abstract “datasets.”

- **Shared definitions.** There is no true interoperability without shared semantics. Before any technical plumbing is connected, states embed definitions and project-level requirements directly into policy frameworks, so that a term like “primary residence” retains a consistent meaning as it moves between databases.

A NOTE ON THE LEGAL QUESTION

Why “the lawyers won’t let us” is usually a governance problem in disguise

Privacy law reaches well beyond HIPAA now: states are layering consumer-privacy statutes that leading agencies follow voluntarily, even where they formally apply only to commercial entities. The effect is that even a routine cross-agency request now touches multiple overlapping privacy regimes. Consider someone who worked for five years in State A, then moved to State B and was laid off shortly after. Their eligibility hinges on wage records held by State A, but those records are protected by State A's UI confidentiality statute, federal SSA §303 requirements, and sometimes IRS §6103 rules if federal wage data was in the mix — each with different standards for what State B can receive and how it can be used. Without a pre-negotiated answer, each state's counsel reasons from first principles, and a claimant who needs rent money in two weeks waits two months for a benefits determination.

Roundtable participants agreed: **legal complexity is a real constraint, but rarely the root cause of why data isn't shared.** Most "legal" objections are downstream of the governance gaps already named in this section - fix those upstream and legal review becomes a repeatable checklist. Leave them unfixed and lawyers get cast as the obstacle for a decision leadership never made.

PROOF POINT 01 | Electronic case reporting — APHL, CDC & CSTEⁱ

THE CHALLENGE

To strengthen public-health response, state, local, and tribal jurisdictions sought faster, more complete reporting of notifiable conditions from electronic health records to public-health agencies through electronic case reporting (eCR). Onboarding and data-quality assurance varied by jurisdiction — different required fields, validation thresholds, and review steps — driving repeated negotiations and hours-long manual analysis that did not scale as standards evolved.

THE SOLUTION

The Association of Public Health Laboratories, working with the CDC and the Council of State and Territorial Epidemiologists, expanded technical assistance to make onboarding consistent across 25 states plus Washington, DC. With Deloitte's support, APHL convened a 30-plus public-health-agency quality-assurance workgroup to align priority data elements and validation criteria, then translated those decisions into reusable, jurisdiction-ready assets, an eCR Data Quality

Schematron, companion data dictionary, monitoring reports, and standard operating procedures, that teams could apply repeatedly as onboarding requests arrived.

THE IMPACT

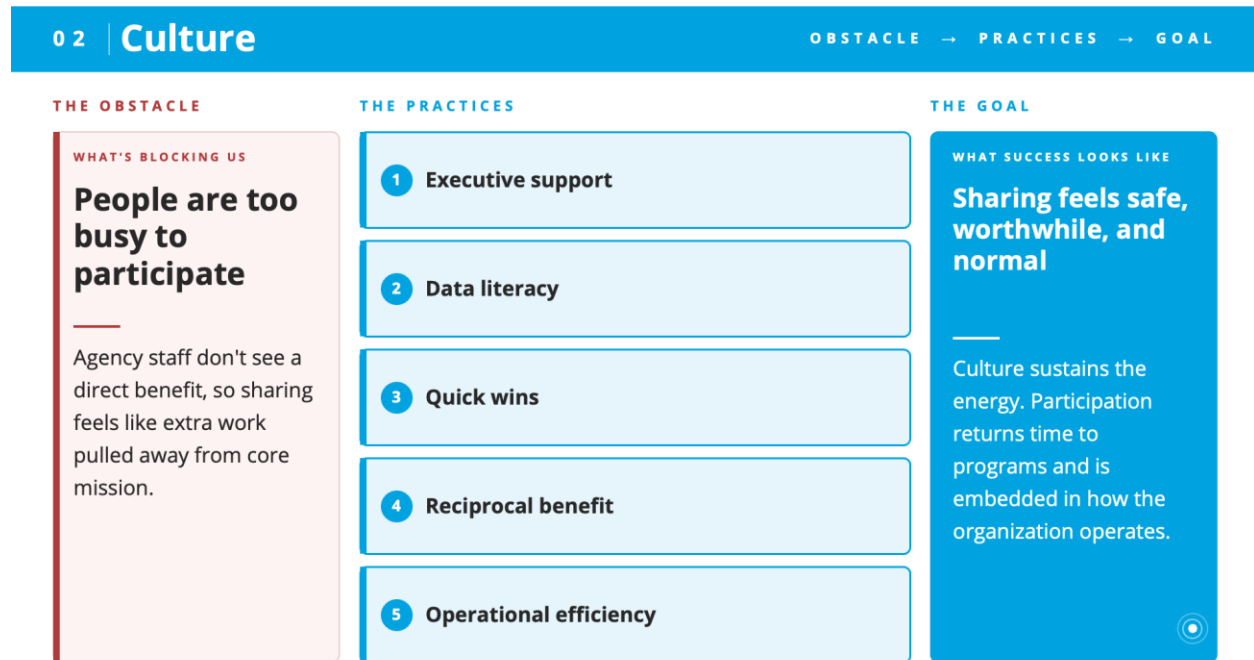
This governance-first approach, align the rules first, then scale execution, reduced variability and rework, cutting data-quality analysis time by 91.7% (from roughly one hour to under five minutes) and enabling broader, repeatable onboarding at pace. The effort bolsters mandatory eCR standards with greater clarity around ownership and data-quality objectives, moving eCR from a successful technology implementation toward real-world public-health outcomes.

03 PILLAR TWO

Culture

A roundtable throughline: unless interoperability returns time to programs, participation will remain fragile. In an environment of “time poverty,” agency staff are often too overwhelmed to collaborate, viewing data requests as a distraction from their primary mission. Culture only shifts when the program operates like a service rather than a mandate, replacing extraction with enablement.

At the roundtable, leaders emphasized five foundational practices for shifting culture from defensive to collaborative: delivering quick, visible value; structuring reciprocity so participation feels beneficial; and reducing the time burden through enablement and automation.



Source: Deloitte analysis of 2026 State CDO Roundtable discussions.

- **Executive support.** Interoperability sticks when executives create visible permission, priority, and accountability for cross-agency work. Leaders described “top cover” as more than sponsorship: executives consistently ask for shared metrics in meetings, reinforce a data-first mindset, fund the shared service and onboarding capacity, and actively unblock legal or security bottlenecks. When executives tie participation to outcome priorities and operating rhythms - roadmap reviews, performance conversations, budgeting - data sharing becomes part of “how we run the business.”
- **Data literacy.** Culture shifts fastest when agencies can use shared data confidently in day-to-day work, not just supply it. Roundtable leaders emphasized role-based, workflow-embedded literacy delivered through short enablement moments, office hours, walkthroughs inside the dashboard, plain-language metric definitions, and reusable data-story templates. The aim: make the shared asset feel safe and familiar through common definitions and a small network of agency “data champions.”
- **Quick wins.** One of the most effective leadership strategies is the art of “shrinking the problem.” Rather than pursuing massive enterprise overhauls that take years, successful CDOs shift focus toward a steady cadence of 30-60-90-day wins, breaking larger challenges into discrete, resident-facing use cases such as address-change propagation or cross-agency eligibility checks. Repeated evidence of success is what sustains collaboration through leadership changes and shifting political priorities.
- **Reciprocal benefit.** Adoption strengthens when the relationship is visibly symbiotic. Participation must feel helpful rather than extractive — answering the “what’s in it for me” for every agency involved. In this model, the state data office provides a functional asset

back to the agency (such as a compliance reporting tool or automated dashboard) in exchange for data. This turns a perceived administrative burden into a mission-critical benefit.

- **Operational efficiency.** Culture also shifts when the burden of participation drops. Automating routine extractions and reconciliations moves interoperability from “extra work” to a tool that reduces duplicative reporting. Pairing top-down policy with enablement (e.g., office hours, templates, onboarding support) prevents mandates from becoming a backlog of resentment.

PROOF POINT 02 | Cross-state education and workforce outcomes — WICHE Multistate Longitudinal Data Exchange ⁱⁱ

THE CHALLENGE

Students and workers routinely cross state lines to study and work, leaving every state with blind spots in its own longitudinal data. Washington, Oregon, Idaho, and Hawai'i each wanted a fuller picture of their residents' education-to-workforce pathways, but no state could produce it alone, and none had authority to compel the others to share. Participation had to be voluntary. A culture of risk aversion, agency autonomy, and limited cross-state trust made collaboration harder.

THE SOLUTION

The Western Interstate Commission for Higher Education (WICHE) convened state education, higher education, and workforce agencies around a shared goal and served as the neutral broker, not the mandate-issuer. WICHE invested heavily in trust-building before technology: attorneys general from each state reviewed and approved the data-sharing agreements; state representatives met regularly to establish shared standards and a "culture of trust" across agencies that had not previously worked together; and the pilot was scoped small enough to produce visible wins without overcommitting any single agency. Early-adopter states became credible peer advocates who could make the case to later states, turning participation into a reciprocal relationship rather than an extraction.

THE IMPACT

The pilot delivered the kind of quick, measurable win that sustains cross-agency collaboration: participating states were able to account for substantially more of their graduates' workforce outcomes than before, gaining 13% (Washington), 19% (Oregon), and 28% (Idaho and Hawai'i) in accounted-for outcomes. Those results gave agency leaders concrete evidence to bring back to their governing bodies, drew additional states into the exchange, and established the shared governance and trust norms that continue to carry the collaboration forward. The lesson: when data sharing is voluntary, culture is the infrastructure, reciprocity, neutral convening, and visible wins are what turn "no" into "let's try."

04 PILLAR THREE

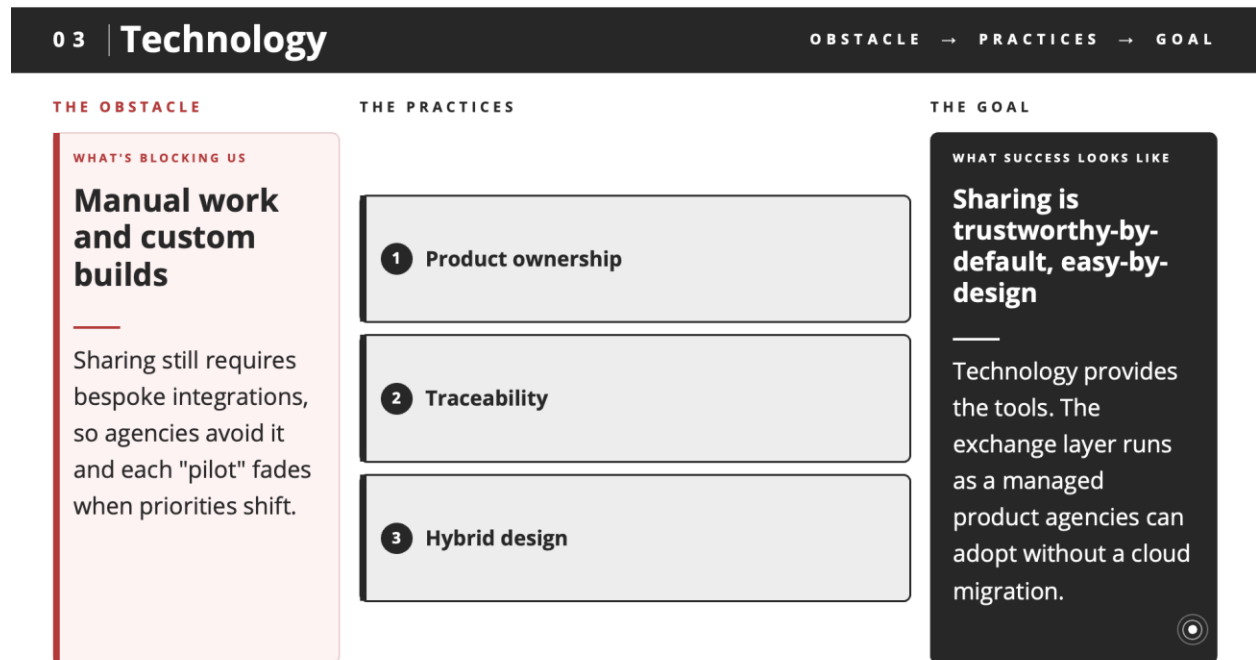
Technology

Technology translates agreed-upon governance and culture into a lightweight, reusable capability agencies can adopt quickly. Here, the “exchange layer” is more than a technical integration: it is the platform that enables human usability. Without designing for that human layer, even strong architectures devolve into one-off integrations that are hard to maintain and easy to abandon when priorities shift.

“You can’t build a data-sharing ecosystem on inconsistent definitions. Establish the single source of truth first, strong foundation enables data sharing ecosystem & data transformation.”

— Kunal Shah, AI & Engineering Leader, U.S. Government & Public Services, Deloitte Consulting LLP

Technology should meet agencies where they are, streamlining policy, process, data, and systems into a single, low-friction flow. If it adds steps or disrupts frontline workflows, it becomes operational drag, not a capability. Sustaining the human layer comes down to three foundational practices.



Source: Deloitte analysis of 2026 State CDO Roundtable discussions.

- **Product ownership.** To transition from one-off integrations to a sustainable utility, the exchange layer must be managed as a product, not a project, shifting the focus from a start-and-end date to a continuous relationship. Naming a product owner is a trust move: it gives agencies a clear “front door” and someone accountable for follow-through. An accountable product owner serves as the human face of the exchange layer, listening to agency pain points and managing a roadmap based on user feedback.
- **Traceability.** Data sharing often stalls because agencies fear losing control over their information once it leaves their domain. Modern exchange layers bridge this trust gap through usage dashboards and user-friendly audit logs. By allowing agencies to see exactly who accessed their data and for what approved resident outcome, the technology provides confidence by design.
- **Hybrid design.** Infrastructure is only as effective as it is usable at the point of need. The practical consensus: meet agencies where they are, API-first when possible, but compatibility-first always. If an agency’s most sophisticated tool happens to be a spreadsheet, the exchange layer must meet them there. Modern infrastructure supports API-first patterns while remaining backward-compatible with legacy batch feeds. Leading states pair this with targeted monitoring of usage volumes, onboarding time, and error rates by pattern, so the exchange layer can be tuned based on how it’s being used.

PROOF POINT 03 | Unified open data portal — California Natural Resources Agency ⁱⁱⁱ

THE CHALLENGE

With data distributed across multiple departments, the California Natural Resources Agency (CNRA) risked fragmented and inconsistent publishing, creating extra effort to find, reconcile, and reuse datasets; limiting transparency; and increasing dependence on one-off integrations that did not scale.

THE SOLUTION

Deloitte supported CNRA to design and deliver a web-based Open Data Portal, a CKAN-based OpenGov platform serving 19,000-plus datasets and integrating data from eight departments into a unified repository where users can search, browse, view, and download through a single interface. Delivery followed an Agile approach grounded in user-centered design, defining user needs, developing wireframes and architecture, and iteratively deploying functionality to fit day-to-day workflows. Implementation planning established clear product ownership and a stakeholder-informed roadmap. Hybrid design enabled automated ingestion and synchronization across departments and integration with the broader enterprise analytics ecosystem, preserving backward compatibility and reducing reliance on point-to-point connections.

THE IMPACT

The effort improved CNRA’s ability to share high-value enterprise data, increased usage and reuse across departments, and enhanced overall public transparency, illustrating a roundtable principle in

practice: durability comes from product ownership plus repeatable, low-friction onboarding, not from bespoke integrations.

05 WHAT'S NEXT

The path forward

The roundtable's practical takeaway was clear: interoperability advances fastest when states convene the right stakeholders in structured forums to align on shared challenges, priorities, and a path forward. Two effective ways to create those moments are interoperability labs and regional working groups — one accelerates interoperability through focused, outcome-driven work; the other sustains alignment over time.

Interoperability labs

Interoperability labs are immersive, facilitated working sessions that align agencies around a single resident outcome and create the space to resolve the highest-impact interoperability priorities. In the lab, teams tackle governance (decision rights, standard permissions, shared definitions), culture (reciprocity, protected time for programs, trust-building norms), and technology (minimum viable exchange patterns and traceability) as one integrated system. The potential result is a practical, repeatable approach: a short list of interoperable data products, a lightweight governance path to scale them, and a roadmap that agencies can execute together.

Regional working groups

Regional working groups convene cross-functional leaders on a steady cadence to maintain relationships and decision processes, and to reinforce shared standards. By carrying forward the relationships and the consistent “how we decide” process built in the lab, these groups ensure interoperability does not reset with new programs, vendors, and administrations. Over time, this becomes a lasting cross-jurisdiction capability: faster service delivery, better data integrity, and greater public trust because agencies can act as one government when residents need it most.

KEY TAKEAWAYS

From the 2026 State CDO Roundtable

01 Start with trust, not tech.

“No” is usually a rational response to unclear decision rights, not a lack of goodwill. Before investing in new integration tools, establish who decides, what counts as standard permission, and how risk is tiered.

02 Make sharing a service, not a mandate.

Participation sticks when it returns time to programs and delivers visible value to residents. Pair every requirement with enablement, templates, office hours, and automation, and give agencies something useful back in exchange for their data, whether that is better insights, simpler reporting, or services that are easier for residents to access and navigate.

03 Run the exchange layer as a product.

Name a product owner, publish a roadmap, and design for traceability. Hybrid (API + batch) compatibility matters more than architectural elegance, meet agencies where they are.

04 Convene, don't just coordinate.

Interoperability moves fastest when states bring the right stakeholders together in structured labs or working groups to align on shared priorities, solve governance, culture, and technology issues together, and define a practical path forward.

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i Electronic case reporting — Association of Public Health Laboratories, CDC, and Council of State and Territorial Epidemiologists. Deloitte case study; email interview with John Stinn, Managing Director, Deloitte Consulting LLP, March 3, 2026.

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iii Unified open data portal — California Natural Resources Agency. Deloitte case study; email interview with Shane Engel, Managing Director, Deloitte Consulting LLP, February 28, 2026.