Department of Health & Human Services

DHHS

N E B R A S K A

Medicaid Management Information Systems (MMIS) Replacement Planning Project

Legislative Quarterly Status Report

October – December 2015

Submitted: February 19, 2016

This quarterly Medicaid Management Information System (MMIS) Replacement Planning Project report is filed by the Department of Health and Human Services Division of Medicaid and Long-term Care (MLTC), as required by LB 657.

Current Project Status

The MMIS project team is continuing with the planning for the replacement of the functionality within the existing MMIS that has served the state since 1978. During the last quarter, the request for proposals (RFP) drafts were completed for the data management and analytics (DMA) and independent verification and validation (IV&V) procurements, while the Heritage Health RFP was published with the claims broker services (CBS) requirements included. During the next quarter, the project team will be focused on addressing vendor comments to the draft DMA RFP release and obtaining the necessary approvals from the Centers for Medicare and Medicaid Services (CMS) to move forward with the procurements.

Data Management and Analytics (DMA)

Providing an improved capability to manage the vast amounts of data received by the Medicaid agency is a top priority for DHHS. Managing the data, producing accurate and timely reports, and utilizing the data to make informed business decisions has become more critical with the growth of the Medicaid program. The draft of the data management and analytics (DMA) request for proposals (RFP) has been completed. The goal is to provide an enterprise data platform that will encompass MLTC/vendor systems and data in a holistic solution.

Other states have experienced success by releasing draft RFPs for comment on major system procurements and the concept is supported by CMS. The project team will review vendor comments and amend the RFP where appropriate. The project plans to release the DMA RFP solicitation for bids in April of 2016, and the DMA solution is projected to be operational in late 2018.

MLTC's data management strategy is maturing and associated implementation preparation activities are anticipated to begin in the next quarter. Preparation activities are necessary to ensure that MLTC is prepared with a strategy and well-defined reporting needs when the DMA contractor starts. Preparation activities will help to achieve a high level of success during the implementation of the DMA and beyond.

Independent Verification and Validation (IV&V)

Independent verification and validation (IV&V) is a process employed by a third-party for evaluating the accuracy and quality of a project throughout the project duration. For major information technology system projects receiving enhanced federal 90% match, CMS requires states contract with an IV&V contractor to perform these services. During the last quarter, MLTC decided to conduct a joint procurement for IV&V services for the DMA project as well as the eligibility and enrollment systems (EES) project. The EES project's current IV&V contract ends in June of 2016. Conducting a joint procurement will ensure consistency in the IV&V services between the two projects and leverage efficiencies for more favorable pricing.

Claims Broker Services (CBS)

After conducting a strategic analysis, the CBS model was determined as the best approach to fit the projected evolution of the Nebraska Medicaid program. The model employs a Medicaid Managed Care Organization (MCO) to process fee-for-service claims. This solution capitalizes on capacity and technological infrastructure already developed by the MCOs and in place to pay claims through existing at-risk Nebraska Medicaid contracts. As more individuals with Medicaid have their healthcare covered through a risk-based

MCO, there will be less need for a traditional MMIS to process fee-for-service claims. DHHS included the CBS requirements within the Heritage Health RFP.

Project Milestones

The project team is completing tasks identified in a detailed work plan for the project. As the project has progressed, specific dates within the schedule have been revised to address DHHS priorities. However, the start date of the DMA implementation has not moved. Much of the schedule involving the Claims Broker Services implementation is yet to be determined because it is contingent upon completion of the Heritage Health implementation in January 2017. The planned milestones for the project are included below.

Deliverable	Target Completion
Release DMA RFP to vendors for comment	January 2016
Submit DMA RFP to CMS for approval	February 2016
Release DMA RFP solicitation for vendor bids	April 2016
Vendor DMA proposals submitted	July 2016
Publish DMA intent to contract	October 2016
Submit DMA contract to CMS for approval	November 2016
Finalize contract and start DMA implementation	February 2017
Prepare plan to support implementation activities	February 2016
Select Heritage Health Plan to perform as the CBS	February 2016
Prepare organization to support implementation activities	January 2017
Start joint planning and implementation preparations with CBS	February 2017

Table 1: Project Milestones

Accomplishments: Oct – Dec 2015

- Completed draft of the RFP for the DMA vendor procurement.
- Completed draft of the RFP for the Independent Verification and Validation (IV&V) services.
- Initiated development of evaluation criteria for the DMA RFP.
- Draft of the Implementation Advanced Planning Document (IAPD) to be submitted to CMS for enhanced project funding is in progress.

Current / Upcoming Activities: Jan – Mar 2016

- Publish draft RFP for the DMA procurement to obtain comments from potential vendors.
- Review vendor comments and make adjustments to the DMA RFP as necessary.
- Submit final DMA RFP to CMS and work through the process for approval.
- Obtain CMS approval of the IV&V RFP
- Finalize and submit IAPD to CMS for funding approval for the implementation.