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DEPT. OF HEALTH AND HUMAN SERVICES





*MMIS Replacement Planning Project  
Legislative Quarterly Status Report  
January – March 2017*

Submitted: June 9, 2017

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 of 2015.

## Project Status Summary

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. Following is a list of accomplishments over the past quarter and our upcoming activities and milestones for the next quarter.

### Accomplishments: January – March 2017

- Posted a revised intent to award the data management and analytics (DMA) contract to Deloitte Consulting LLP on February 1, 2017.
- Continued working through the DMA RFP protest resolution process.
- Began the contract negotiation process with Deloitte Consulting LLP.
- Executed preparation activities to transition from the DMA planning and procurement effort into design and development.
- Held independent verification and validation (IV&V) kick-off meeting with the IV&V vendor, First Data Government Solutions, LP, on March 21, 2017.
- Continued defining requirements for the claims broker services (CBS) project.

### Current / Upcoming Activities: April – June 2017

- Resolve and finalize the DMA contract award protest.
- Reach agreement with Deloitte Consulting LLP on contract terms and conditions
- Prepare and submit contract and necessary documents to CMS to receive approval for ongoing DMA funding.
- Complete DMA readiness planning and preparation activities.
- Complete refinement of CBS requirements.
- Continue development of CBS project milestones, project management plan, communications plan, resource plan, certification plan, and risk management plan.
- Complete CBS I-APD for submission to CMS to secure enhanced funding.
- Continue development of a contract amendment with the CBS vendor, United HealthCare.

## Project Status Summary by Component

The status for each MMIS project component is described below.

### Data Management and Analytics (DMA)

Providing an improved capability to manage the vast amounts of data received by the Medicaid agency continues to be a top priority for DHHS. Managing the data, producing accurate and timely reports, and utilizing the data to make informed business decisions will continue to become more critical within the Medicaid program. The request for proposal (RFP) for the DMA procurement

was approved by all stakeholders and released to the public in June 2016. Five (5) vendors responded with proposals that were assessed through the evaluation process.

An intent to award the contract to Optum Government Solutions was posted in December 2016. A procurement protest was received from two vendors in January 2017. The protest resulted in a revised intent to award to Deloitte Consulting in March 2017. Protests were received based on the revised intent to award. As of April 6, 2017, all protests have been denied and contract negotiations with Deloitte Consulting have begun.

The anticipated timing of project activities remain within the expected duration; however, the project start date has been delayed due to procurement-related award protests and vendor contract negotiations. The original go-live date of September 30, 2018 will not be met. The current decision support system/data warehouse contract with Truven Health Analytics is scheduled to expire September 30, 2018, but a contract extension is in process with Truven to continue operations and work with the state and the new vendor on a transition plan. A revised go-live date will be determined based on completion of the contract negotiations and CMS approval.

DMA implementation preparation activities continue. These activities include current state discovery, certification planning, project management, and resource and communication planning. In addition, facilities are being prepared for vendor onsite arrival. These activities will ensure that MLTC is prepared to effectively begin work with the contractor when the DMA implementation project commences.

Ensuring the DMA project follows the Centers for Medicare and Medicaid Services (CMS) required Medicaid Enterprise Certification Life Cycle (MECL) and receives CMS certification remains a priority. DMA certification is required to obtain enhanced funding from CMS for the ongoing operations of the system. The IV&V vendor contractor, First Data Government Solutions, LP, has been engaged during the DMA planning phase and will continue to be involved throughout the implementation activities of the project.

### [Claims Broker Services \(CBS\)](#)

The Heritage Health contracts were awarded in April 2016, with one Medicaid managed care organization (MCO), United Health Care, contracted to process fee-for-service professional, institutional, and pharmacy claims. This solution capitalizes on United HealthCare's (UHC) capacity and technological infrastructure already developed and in place to pay claims through existing at-risk Nebraska Medicaid contracts. The claims broker services for dental claims has been included in MLTC's dental benefit management (DBM) procurement.

CBS planning activities continued throughout the quarter and are scheduled for completion by the end of fourth quarter 2017. MLTC is working with UHC, and their partner Optum Healthcare Solutions, to complete the detailed requirements for the CBS project that define how UHC will process fee-for-services claims. A contract amendment is in progress.

MLTC continues to focus on CMS certification by engaging the IV&V vendor, First Data Government Solutions, LP, to perform standard IV&V services for the project implementation and assist with the certification planning. CBS certification is necessary to obtain enhanced funding from CMS for the ongoing operations of the system. CMS requires an IV&V vendor be involved throughout the implementation activities of the project and encourages their involvement during the planning phase. MLTC is working on an I-APD to secure enhanced project funding from CMS.

### [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 funding, CMS requires states contract with an IV&V contractor to perform these services and report to CMS.

MLTC released a joint competitive procurement for IV&V services for the DMA project and the eligibility and enrollment systems (EES) project. The procurement also enabled MLTC to engage the IV&V in optional add-on projects related to the MMIS replacement that qualify for CMS enhanced funding. Accordingly, MLTC is in the process of executing a statement of work to engage the IV&V vendor in the CBS project.

The IV&V vendor, First Data Government Solutions, LP, held a multi-project kick-off meeting on March 21, 2017 to indoctrinate the MLTC and IS&T project teams into the IV&V process. As an ongoing contract requirement, the IV&V vendor submits progress reports to both CMS and MLTC concurrently for each project on a monthly basis. These reports communicate IV&V activities, observations, identified risks, issues and critical incidents pertinent to the assessment of project health.

### [Eligibility and Enrollment System \(EES\)](#)

DHHS is currently replacing its legacy eligibility and enrollment system, NFOCUS, with an updated technology platform to both meet federal compliance requirements, and modernize and improve eligibility operations. DHHS contracted with Wipro LLC, a system integrator (SI), to implement IBM's Curam solution. The project team has completed requirements development and is moving from the design phase to the development phase. The timeline for Go Live is being extended from the fourth quarter 2017 to first quarter 2019 to mitigate risk, accommodate a staggered implementation schedule and incorporate time for thorough testing.

The next phase of development will include integrating economic assistance programs onto the common platform. DHHS is in the planning stage currently focusing on establishing the project team and implementation approach.

## **Project Milestones**

The project team continues to complete tasks identified in a detailed work plan for the project. The planned milestones for the project are included on the following page.

DMA Project Milestones	Target Completion
Finalize DMA contract negotiations	May 2017
Complete project readiness and planning activities	June 2017
Receive CMS DMA contract approval	TBD*
DMA implementation vendor begins work	TBD*
Go-live	TBD*

Table 1: DMA Project Milestones

\* The planned go-live date will not be met. A revised date will be published once the contract is finalized and approved by CMS

IV& V Project Milestones	Target Completion
IV&V Project Management Plan	May 2017
IV&V Project Schedule	May 2017

Table 2: IV&V Project Milestones

CBS Project Milestones	Target Completion
Project Planning	May 2017
Detailed Requirements Development	June 2017
CMS Implementation 90% Funding Approval	TBD
Go-live	TBD

Table 3: CBS Project Milestones