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DEPT. OF HEALTH AND HUMAN SERVICES





*MMIS Replacement Planning Project  
Legislative Quarterly Status Report  
April – June 2017*

Submitted: August 30, 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: April – June 2017

- Resolved Data Management and Analytics (DMA) RFP protests.
- Posted final intent to award the DMA contract to Deloitte Consulting, LLP.
- Facilitated DMA contract negotiations with Deloitte Consulting, LLP.
- Conducted current state discovery business subject matter expert (SME) peer review sessions.
- Prepared drafts of DMA IAPD-U and certification required artifacts for Centers for Medicare and Medicaid Services (CMS) submission.
- Assessed CMS certification process and adapted plans to address the new requirements.
- Directed DMA certification checklist requirements work sessions.
- Held project planning and coordination meetings with independent verification and validation (IV&V) vendor.
- Completed defining requirements for the claims broker services (CBS) project.
- Developed contract amendment with CBS vendor United HealthCare (UHC).
- Submitted IAPD-U and OAPD-U to CMS for continued enhanced funding of Eligibility and Enrollment Solution (EES) Phase 2.

### Current / Upcoming Activities: July – September 2017

- Conclude contract negotiations with Deloitte Consulting, LLP, finalize DMA contract and submit to CMS for approval.
- Complete and submit DMA IAPD-U and all CMS required documents including DMA contract, concept of operations, information privacy and security plan, project management plan and certification checklists to CMS for certification and approval of ongoing DMA funding.
- Prepare for and schedule DMA Project Initiation Milestone Review with CMS and IV&V vendor.
- Complete DMA current state business discovery SME peer review exercises.
- Facilitate ongoing development of CBS project milestones, project management plan, communications plan, resource plan, certification plan, and risk management plan.
- Finalize contract amendment with the CBS vendor, United HealthCare.

- Complete project planning activities for CBS project.
- Complete and submit CBS I-APD to CMS for enhanced funding.
- Submit PAPD to CMS for enhanced funding of EES Phase 3.

## 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. All protests were resolved in early April and contract negotiations with Deloitte Consulting, LLP were conducted throughout the months of May and June. Agreement was reached on July 12, 2017, and the contract has been submitted to CMS for approval.

Due to procurement award protests and the duration of contract negotiations, the target dates for the project start-up and implementation go-live must to be revised. These dates will be established once the contract negotiations are finalized and the contract and funding has been approved by CMS. 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.

DMA readiness activities will continue until project startup begins. These activities include current state discovery, preliminary certification activities, project management, resource, and communication and facilities planning. These activities will ensure that MLTC is prepared to effectively begin work with Deloitte Consulting, LLP when the DMA implementation project commences.

### Claims Broker Services (CBS)

CBS planning activities continued this quarter. MLTC, UHC, and their partner Optum Healthcare Solutions (Optum) completed the review of the detailed requirements for the CBS project. These requirements define how UHC will process fee-for-service claims and the performance standards that must be maintained during operations. The RFP provides that MLTC will set the per claim operational processing rates for these services. MLTC has been working with an actuary to identify relevant CBS costs and fee-for-service claims volume estimates which are both essential in establishing the processing rates.

MLTC and UHC/Optum have been working jointly to develop a CBS certification plan. The main component of the plan is the creation of a requirements checklist that will be utilized by CMS and the IV&V vendor to certify the CBS services. Additionally, MLTC has been drafting the required Implementation Advance Planning Document (IAPD), which is required by CMS when enhanced funding is requested. The IAPD, certification checklist, and CBS contract amendment must be submitted and approved by CMS prior to start-up of the implementation phase.

### Eligibility and Enrollment System (EES)

DHHS is currently replacing its legacy eligibility and enrollment system, NFOCUS, with an updated technology platform to 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. Development on Phase 2 has begun as the team also works to complete the remaining design items.

The next phase of development, Phase 3, includes integrating economic assistance and Medicaid waiver programs onto the common platform. DHHS is in the planning stages of this phase and is working towards the issuance of an RFP to procure these services.

As a part of planning for Phase 3, a governance model has been established, an executive steering committee meeting has been formed, project resources have been identified, an operating committee has been established and a PAPD has been drafted to request enhanced federal funding.

### 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 90% enhanced federal match funding, CMS requires that states contract with an IV&V contractor to perform these services and report progress to CMS.

The IV&V vendor, First Data Government Solutions, LP, is currently engaged with the DMA project, the EES project and the CBS project.

As an ongoing contract requirement, the IV&V vendor submits progress reports to both CMS and MLTC concurrently for each of the above projects on a monthly basis. These reports communicate IV&V activities, observations, identified risks, issues and critical incidents pertinent to the assessment of project health. The IV&V vendor also participates heavily in the CMS certification process.

The CMS certification process is governed by CMS and defined by the new Medicaid Enterprise Certification Lifecycle (MECL). The MECL is a step by step, multi phased process developed by CMS to facilitate the development of key project artifacts and the review of required system functionality. Successful certification ensures that MLTC will receive enhanced CMS funding for the ongoing operation of the certified system.

## Project Milestones

The project team continues to complete tasks identified in the detailed project work plans. The planned milestones for the above projects are included in the tables below.

DMA Project Milestones	Target Completion
Finalize DMA contract negotiations	July 2017
Receive CMS DMA IAPD-U approval	October 2017
DMA implementation vendor begins work	TBD
Go-live	TBD

Table 1: DMA Project Milestones

CBS Project Milestones	Target Completion
Finalize CBS contract amendment with UHC	August 2017
Submit CBS IAPD and contract amendment to CMS	August 2017
Receive CMS CBS IAPD approval	TBD
CBS Implementation vendor begins work	TBD
Go-live	TBD

Table 2: CBS Project Milestones

EES Phase 2 Project Milestones	Target Completion
Design Phase	October 2017
Development Phase	March 2018
Testing Phase	December 2018
Training	January 2019
Go-live	February 2019

Table 3: EES Phase 2 Project Milestones