MMIS Replacement Planning Project

Legislative Quarterly Status Report

July – September 2017

Submitted: December 15, 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.

Summary of Accomplishments and Upcoming Activities

The MMIS project team continues to plan for the replacement of the functionality within the existing MMIS. Following is a list of project accomplishments over the past quarter and upcoming activities and milestones for the next quarter.

Accomplishments: July – September 2017

- Concluded Data Management and Analytics (DMA) contract negotiations with Deloitte Consulting, LLP.
- Submitted finalized (DMA) contract and Implementation Advanced Planning Document Update (IAPD-U) to Centers for Medicare and Medicaid Services (CMS). Received CMS approval on September 21, 2017.
- Prepared DMA artifacts required for CMS Certification Project Initiation Milestone Review (PIMR - R1). Documents prepared include Goals and Objectives, Concept of Operations, Privacy Impact Analysis, System Security Plan, Project Management Plan, Risk Management Plan, Project Schedule and Certification Checklists.
- Conducted DMA current state business discovery and subject matter expert (SME) peer review exercises.
- Received CMS approval on Eligibility and Enrollment Solution (EES) Phase 2 annual Advanced Planning Document (APD) update.
- Initiated scenario-based development of Medicaid eligibility categories.

Current / Upcoming Activities: October – December 2017

- Attain a signed DMA contract with Deloitte Consulting, LLP with a revised November 1, 2017 contract start date and February 1, 2018 Design, Development and Implementation (DDI) start date.
- Finalize and submit all required DMA PIMR - R1 certification artifacts to CMS.
- Submit a formal CMS DMA PIMR - R1 milestone review request letter.
- Draft Operational APD to support Truven contract extension.
- Complete DMA current state business discovery tasks.
- Begin DMA project planning and onboarding activities with Deloitte Consulting, LLP.
- Complete EES Phase 2 design work for ACCESSNebraska in preparation for integration with new Medicaid eligibility system.
- Complete EES Phase 2 interface design for MMIS in preparation for integration with new Medicaid eligibility system.
- Finalize claim volume estimates for Claims Broker Services (CBS).
- Complete CBS cost estimates.
- Facilitate CBS planning and implementation preparations.

Project Status Summary by Component

The status for each project 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. An agreement was reached on July 12, 2017, and the contract was submitted to CMS for approval on July 21, 2017. CMS formally approved the IAPD-U and contract on September 21, 2017.

Due to procurement award protests and the duration of contract negotiations, the original target dates for project start-up and implementation go-live are not attainable. The contract has been revised to include a new proposed contract start date of November 1, 2017 and a new proposed design, development and implementation (DDI) start date of February 1, 2018.

The current decision support system/data warehouse contract with Truven Health Analytics is scheduled to expire September 30, 2018, which is prior to the implementation of the DMA. A Truven contract extension is in process to enable the continuation of day-to-day operations until Truven transitions operations from the current solution to the DMA solution.

DMA readiness activities will continue until project startup begins. These activities include Medicaid Enterprise Certification Lifecycle (MECL) tasks, current state discovery, project management, resource, 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 project discovery and initial planning activities were placed on hold last quarter to focus on contractual details with United HealthCare (UHC) and their partner, Optum Healthcare Solutions (Optum). Concurrently, MLTC engaged in conversations with the Centers for Medicare and Medicaid Services (CMS) to secure the enhanced federal funding necessary to continue. CBS is the procurement of services rather than an information technology (IT) system, which is an innovative approach for state Medicaid. Navigating the federal financing laws to obtain enhanced federal funding for the purchase of services has presented challenges; however, CMS is committed to

providing allowable federal funding for the project and discussions continue as to how this can best be accomplished.

Additionally, there are other projects and initiatives that may have an impact upon the scope of CBS. These projects, and their implementation timing, have the potential to dramatically change CBS claim volume. Changes in CBS claim volume has a direct effect on the cost of the CBS project. The CBS project continues in coordination with other MMIS replacement activities; however, firming up the claim volume estimates has resulted in a delay in the project.

Eligibility and Enrollment System (EES) Phase 2

DHHS is currently replacing its legacy eligibility and enrollment system, Nebraska Family Online Client User 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 the IBM Curam solution.

System development activities are currently focused on Modified Adjusted Gross Income (MAGI) eligibility categories, data conversion preparation and system interfaces. The project is also focused on activities required for an early go-live of the Master Client Index (MCI) feature of the new platform.

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
Finalized DMA contract negotiations	Completed
Received CMS DMA IAPD-U approval	Completed
Finalize contract	October 2017
CMS Project Initiation Milestone Review	January 2018
DMA implementation vendor begins work	February 2018
Go-live	Estimated Q3 SFY2020

Table 1: DMA Project Milestones

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

Table 2: EES Phase 2 Project Milestones

Due to the delay in the CBS project, all project milestones are currently to be determined (TBD). When scope and financing issues are resolved, project milestone estimates will be revisited.

Associated Activities

In addition to the specific projects that are underway as part of the MMIS Replacement, MLTC is required by CMS to participate in the following activities. The status for each of these activities is described below.

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.

MLTC contracted with First Data Government Solutions, LP, as the IV&V vendor. First Data is currently engaged with the DMA and the EES projects. First Data will also provide IV&V services for CBS when the project gets underway.

As an ongoing contract requirement, the IV&V vendor submits monthly progress reports to both CMS and MLTC concurrently for DMA and EES. These reports communicate IV&V activities, observations, identified risks, issues and critical incidents pertinent to the assessment of project health.

As the IV&V vendor, First Data is also required to participate heavily in the MMIS certification and Medicaid Eligibility and Enrollment Lifecycle (MEELC) process by reviewing artifacts, producing progress reports, and attesting to the functionality of the system under review.

MMIS Certification

The MMIS certification process is governed by CMS and defined by the 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. CMS released the Medicaid Enterprise Certification Lifecycle (MECL) in April of 2016, along with a Medicaid Enterprise Certification Toolkit (MECT).

The MECT is a library of artifacts and instructions provided by CMS to help states complete all the requirements for each of the certification lifecycle phases:

- Phase 1 - Initiation and Planning
- Phase 2 - Requirements, Design, Development, Integration, Testing and Implementation
- Phase 3 - Operations and Maintenance

CMS conducts an official milestone review for each phase of the lifecycle:

- Project Initiation Milestone Review (PIMR –R1) conducted upon completion of Phase 1, prerequisite to Phase 2
- Operational Milestone Review (OMR – R2) conducted upon completion of Phase 2, prerequisite of project go-live

- Certification Milestone Review (CMR – R3) conducted a minimum of six months after project go-live

There are multiple artifacts required by CMS as part of CMS Certification Lifecycle in preparation for each milestone review. Such artifacts include State Goals and Objectives, Concept of Operations, Project Management Plan, Risk Management Plan, System Security Plan, Privacy Impact Analysis, Project Schedule, Technical and Data Management Strategy, Incident Management Plan, Change Management, Business Continuity Plan, Data Conversion Plan, System Design Document and Certification Requirements Checklists. The Certification Requirements Checklists contain over 700 functional and technical requirements and must be mapped to the requirements of the RFP.

The checklist requirements ultimately serve as the final certification criteria. Meeting checklist requirements is part of a successful certification and ensures that MLTC will receive enhanced CMS funding for the ongoing operation of each certified system.

Medicaid Eligibility and Enrollment Lifecycle (MEELC)

In August of 2017, CMS released the Medicaid Eligibility and Enrollment Lifecycle (MEELC) and the Medicaid Eligibility and Enrollment Toolkit (MEET). The MEELC contains new requirements for state eligibility and enrollment projects. The MEET is a library of library of artifacts and instructions provided by CMS to help states complete all the requirements for each of the lifecycle phases. CMS has introduced the MEELC as a way to provide a consistent, detailed process to review the Medicaid eligibility and enrollment business functions and to help ensure that the new system meets all federal requirements.

The MEELC/MEET is very similar to the MMIS MECL/MECT as it pertains to the required artifacts, multiple lifecycle phases, CMS milestone reviews and the use of requirements checklists. The MEELC/MEET checklists contain approximately 200 requirements – unique eligibility and enrollment functional requirements and the same technical requirements as the MECL.

A distinguishable difference between the MECL and the MEELC is the result of the R3 milestone review. The R3 milestone review for MEELC is a Post Operational Review (POR), which results in a CMS validation of the system, not certification. MLTC is working with CMS to align the EES project, already in the development phase, with the MEELC.