NEBRASKA

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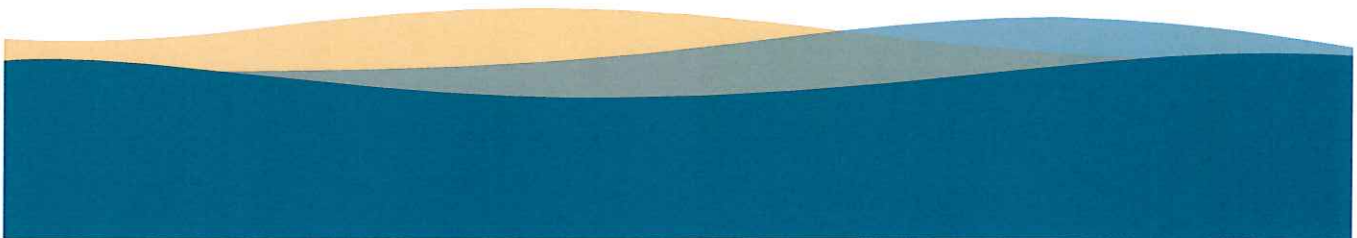
DEPT. OF HEALTH AND HUMAN SERVICES

Division of Medicaid and Long Term Care

MMIS Replacement Planning Report

4/17/18

LB 657 (2015)

April 16, 2018

Patrick O' Donnell, Clerk of the Legislature
State Capitol, Room 2018
P.O. Box 94604
Lincoln, NE 68509

Dear Mr. O'Donnell:

In accordance with LB 657 of 2015, please find the attached quarterly report on Medicaid Management Information System (MMIS) Replacement Planning.

If you have any questions, please contact Kris Azimi, Interim Deputy Director of Healthcare Informatics and Business Integration at Kris.Azimi@nebraska.gov.

Sincerely,

Matthew A. Van Patton, DHA, Director
Division of Medicaid and Long-Term Care
Department of Health and Human Services

Attachment

Project Status Summary by Component

The status for each project is described below.

Data Management and Analytics (DMA)

The DMA project was formally kicked off on February 1, 2018. DMA design, development and implementation (DDI) activities have commenced which includes work track discovery and requirement validation sessions. The project's CMS Medicaid Enterprise Certification Lifecycle (MECL) Project Initiation Milestone Review (PIMR) was successfully conducted on March 27, 2018.

A number of initial Deloitte project deliverables have been completed and approved including Health Interactive pilot suite install, project management tool suite install, project management plan, change management plan and status reports. The integrated master schedule is being finalized along with numerous other plan deliverables including privacy and security, data governance, certification and data conversion. A formal certification plan is also under development by Deloitte's certification team.

The current decision support system/data warehouse contract with Truven Health Analytics, which is scheduled to expire September 30, 2018, has been extended to enable the continuation of day to day operations until Truven transitions operations from the current solution to the DMA solution.

Eligibility and Enrollment System (EES) Phase 2

DHHS is currently replacing its legacy eligibility and enrollment system, Nebraska Family On-line 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 for MAGI have been completed and are being tested. The project is shifting focus to non-MAGI eligibility categories and system test for MAGI eligibility categories. Implementation of the MCI feature of the new platform is scheduled for April 2018.

Claims Broker Services (CBS)

At this time, the CBS project will be placed on hold while new-to-market technologies are considered, as well as intergration and interoperability implications. The immediate need is to concentrate business and technical resources on other high priority projects currently in implementation, including EES and DMA. The existing MMIS legacy system has the capacity to continue processing fee-for-service claims for the foreseeable future. This will allow MLTC to identify and assess other possible options that meet the business needs and that are financially viable.

MLTC will be addressing the pharmacy point-of-sale (POS) component of the CBS project in the near term. POS is a real-time system utilized by Medicaid pharmacists prior to filling a prescription. By submitting the claim to the POS, the pharmacist knows the prescription drug will be paid for by Medicaid prior to dispensing the drug to the client.

MLTC currently utilizes the Magellan Medicaid Administration POS system to process and pay all pharmacy fee-for-service claims. The final term available on the existing POS contract expires December 31, 2019. MLTC is exploring options to ensure a POS remains in place after the contract expiration date to ensure continuity of service to members and providers.

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
Fully executed contract	Completed
DMA implementation vendor begins work	Completed
CMS Project Initiation Milestone Review (PIMR)	Completed
Requirements Validation	Estimated November 2018
Design and Development	Estimated February 2019
Testing	Estimated April 2019
R2 Milestone Review	Estimated April 2019
Go-live	Estimated June 2019

Table 1: DMA Project Milestones

EES Phase 2 Project Milestones	Target Completion
Design Phase	Completed
Implementation of Master Client Index (MCI)	April 2018
Development Phase	June 2018
Testing Phase	December 2018
Training	January 2019
Go-live	February 2019

Table 2: EES Phase 2 Project Milestones

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 vendor to perform these services and report progress to CMS. IV&V vendors also play an integral role in CMS certification activities by acting as an extension of CMS for review of certification requirements and deliverables.

MLTC is contracted with First Data Government Solutions, LP, as the IV&V vendor. First Data is currently engaged with the DMA and EES projects. 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.

First Data also provides certification progress reports to CMS in conjunction with each project milestone review. CMS requires that IV&V services are maintained throughout the project lifecycle from development, through implementation and then final certification. CMS requires that systems be in production for a minimum of six months before allowing states to request final certification. Approval of final certification by CMS can then extend through an additional 90 days or more.

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). An updated version of the MECT was released in July of 2017. MLTC is utilizing the updated MECT (version 2.2) for all MMIS projects requiring certification.

The MECL is designed to begin at the very inception of a new MMIS project, prior to the release of an RFP. Since the DMA RFP had already been released at the time MECT was initially published by CMS, MLTC worked with CMS to retro-fit the DMA project into the MECL and subsequently fulfilled most of the initiation and planning requirements of the initial phase. With the successful completion of PIMR, the DMA project is now in step with the lifecycle and will follow the remaining steps of the process in chronological order. New MMIS projects will adopt the MECL from inception and work with CMS to fulfill all requirements of the MECL throughout all stages of the project.

CMS designed the certification process to accommodate a complete MMIS replacement or a modular MMIS replacement plan. Since the Nebraska MMIS replacement solution is modular, each project that encompasses part of the solution must be certified individually by following the MECL. CMS expects states to address all certification requirements either through a complete MMIS replacement or as components of a modular plan. The DMA project is the first modular component of the MMIS replacement. Additional components must coincide and compliment the DMA to demonstrate a fully compliant Medicaid enterprise to CMS.

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 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 eligibility and enrollment systems meet all federal requirements.

The MEELC is also designed to begin at the inception of Medicaid eligibility and enrollment projects. Like the DMA, the EES project was well underway when CMS released the MEELC. CMS does not expect states to backtrack to the beginning of the lifecycle for projects that are well past the Initiation and Planning Phase. MLTC continues to work with CMS to determine the appropriate phase of the MEELC as it applies to the EES project. MLTC expects to enter the MEELC lifecycle in the Requirements, Design and Development Phase.