Iterative Project Report for Programs & Multi-Year Phased Projects

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GENERAL INFORMATION

Program/Project Name: Medicaid Management Information System Modernization Phase 1

Agency Name: Department of Human Services

Project Sponsor: Tory Brabandt

Project Manager: Steve Blaine

PROJECT DESCRIPTION

Department of Human Services (DHS) plans to modernize the Medicaid Enterprise System (MES) to meet the Centers for Medicare and Medicaid Services (CMS) directive of modularity and to increase flexibility and responsiveness to rapidly changing health care, legislative, business, and technical needs. The modernized MES will be "modular" which means that it will consist of multiple individual systems referred to as "modules" and connected through a system integration platform.

The Medicaid Management Information System (MMIS) Modernization program will occur over approximately ten years within five North Dakota (ND) State Legislative biennia. Each of the five ND State Legislative biennia will represent the start of a program phase. Each program phase will contain projects representing the work performed by the System Integrator (SI) and Module vendors.

The existing MES will be systematically modernized by incorporating new modules procured from module vendors. A SI vendor will be procured to create the system integration platform and to work with module vendors to ensure that all modules work together seamlessly and securely within the system integration platform as well as external systems.

Completed projects in the program include:

- Phase 1 Planning and Procurement occurred from July 1, 2021, through May 20, 2022. This phase included performing a MMIS Modernization survey with the DHS Medical Services Staff, research on other State's MMIS Modernization approach, completion of a program charter, program plan and program schedule, and procurement of a System Integration (SI) consultant vendor.

New projects starting up:

- Phase 1 will consist of 4 projects, a SI Consultant, a SI vendor and potentially 2 modules.
  - Project 1 – Procurement of a System Integration Consultant vendor to provide strategic advice on System Integration procurement strategy and to assist with the SI Vendor procurement. This project began on May 16, 2022 and is scheduled to complete on July 10, 2023.

Future efforts in the program include:

- Phase 1
  - Project 2 - A SI vendor will be procured to create the new system integration platform and to work with module vendors to ensure that all modules work together seamlessly and securely within the system integration platform as well as external systems.
  - Projects 3 and 4 – Module vendors will be procured to replace existing functionality and integrate into the new system integration platform.

Background:

This program supports the DHS Mission and Operating principals by providing quality, efficient, and effective human services to improve the lives of people.

This MMIS Modernization program will support the strategic objectives of "*Embrace process redesign to find efficiencies in our work*" and "*Leverage technology to support greater efficiency, quality, and customer service*".

The program will support the "Transform" section of the Run/Grow/Transform model by: (a) providing increased flexibility to support individual module changes as business needs evolve verses making a complete system upgrade, (b) automating services to eliminate manual paper processes, and (c) ensuring processes are consistent, accurate and efficient across the system.

As part of the department's overall goals, strategies, and MES roadmap, DHS is planning the replacement of the existing monolithic MMIS system with a modernized modular systems approach per CMS regulations 42 CFR 433.112. This Systems Integration platform will allow for a more flexible MES and allow for greater integration into other systems across DHS and other agencies.

BUSINESS NEEDS

1. Need to modernize the MMIS to meet a Centers for Medicaid and Medicare Services (CMS) directive and to increase flexibility and responsiveness to rapidly changing health care, legislative, business, and technical needs.
2. Need to increase stakeholder functionality such as: allowing members to access their information via a self-serving Member portal; enabling providers to be revalidated quicker and easier so STATE staff can operate the MMIS more efficiently and effectively.
3. Changes to the current monolithic system is time-consuming and expensive, need to modernize the MMIS to smaller, individual modules allowing changes to occur in smaller increments as business needs evolve versus making a complete system upgrade.
4. Many existing services are manual and/or paper-based requiring time from DHS staff to perform; need to automate services such as prior authorizations to eliminate paper processes.

PROGRAM/PROJECT FORMAT

Program/Project Start Date: July 1, 2021

Budget Allocation at Time of Initial Start Date: $35,000,000 for the 2021-2023 biennium.

How Many Phases Expected at Time of Initial Start Date: Five phases over a ten-year period are expected for the Program.

Phase Approach Description: The program consists of several phases and within each phase there will be multiple projects delivering functionality to a production environment. Each phase will begin at the beginning of each ND State biennium with its respective phase budget allocation and projects. Each phase will continue until all planned work is complete for the phase. Multiple phases may occur concurrently such as in the event if a phase 1 project is not completed prior to a phase 2 project beginning. Each project beginning with Phase 1, project 2 is designed to incrementally replace existing MMIS functionality by leveraging technology advances and business functionality modularity to build a feature rich, highly automated and flexible MMIS.

Estimated End Date for All Phases Known at Time of Initial Start Date: The estimated completion date for all phases of the program is estimated to be June 30, 2031.

PROGRAM/PROJECT ROAD MAP

The program road map shows the high-level plan or vision for the program/projects/phases. It is intended to offer a picture of the lifespan of all the effort that is expected to be required to achieve the business objectives.

Phase/ Project	Title	Scope Statement	Estimated Months Duration	Estimated Budget
Phase 1 (In Progress)		Project Management, Business Analyst, EPMO, and Risk contingency	26	$1,312,500
Phase 1 (Complete)	Planning and Procurement	Procurement of a System Integration Consultant vendor to provide strategic advice and procurement support to the State on procuring a System Integration vendor.	Completed	N/A
Phase 1 Project 1	System Integrator Consultant project	Procurement of a MMIS System Integrator Consultant Vendor that will advise ND State on the best options for a MMIS System Integrator and to assist ND State with writing a MMIS System Integrator Request for Proposal (RFP).	14	$698,015
Phase 1 (Future)				
Phase 1 Project 2	System Integrator project	Procurement of a MMIS System Integrator Vendor that will Design, Develop and Implement a new MMIS System Integration Platform	TBD	$20,000,000
Phase 1 Project 3	Module 1	Procurement, Design, Development, Implementation and CMS Certification of a MMIS module that will integrate into the new MMIS System Integration Platform and replace functionality in the current MMIS Legacy system.	TBD	$7,000,000
Phase 1 Project 4	Module 2	Procurement, Design, Development, Implementation and CMS Certification of a MMIS module that will integrate into the new MMIS System Integration Platform and replace functionality in the current MMIS Legacy system.	TBD	$5,989,485

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PROJECT BASELINES

The baselines below are entered for only those projects or phases that have been planned. At the completion of a project or phase a new planning effort will occur to baseline the next project/phase and any known actual finish dates and costs for completed projects/phases will be recorded. The iterative report will be submitted again with the new information.

Phase/ Project	Phase/ Project Start Date	Baseline End Date	Baseline Budget	Funding Source	Actual Finish Date	Schedule Variance	Actual Cost	Cost Variance
Phase 1	07/01/2021	08/07/2023	$1,312,500	Federal (90%) State (10%)				
Phase 1 Project 1	04/18/2022	07/10/2023	$698,015	Federal (90%) State (10%)				

Notes:

The $1,312,500 cost listed for Phase 1 in the Project Baseline table above represent the costs that span the entire Phase 1 cost for Project Management, Business Analyst, EPMO fee and the Risk Contingency.

OBJECTIVES

Business Objective	Measurement Description	Met/ Not Met	Measurement Outcome
Objective 1: Obtain the maximum 90% Federal Financial Participation (FFP) federal funding for the MES Design, Development, and Implementation (DDI) program by meeting CMS's Conditions of Enhanced Funding.	Measurement 1: Confirm that all Advanced Planning Documents (APD) for MES vendors contain required CMS Conditions language.

Measurement 2: Confirm that all Request for Proposals (RFP) for MES vendors contain required CMS Conditions language.

Measurement 3: Confirm that all DHS and MES vendors provide attestation of compliance of required CMS Conditions.

Measurement 4: Confirm that all projects within the program address the required CMS Conditions. | | |

Business Objective	Measurement Description	Met/ Not Met	Measurement Outcome
Objective 2: Develop a MES based on modern technology that business functionality can be easily updated or replaced and can communicate seamlessly with other modules both internal and external to ND State.	Measurement 1: DHS and MES vendors to review all viable technology options for interoperability, reusability and sustainability to confirm that every module implements the lowest possible operational footprint while achieving the highest flexibility for sustainability at the lowest possible cost and rapid response time.		
Objective 3: Achieve the maximum possible automation for every business process.	Measurement 1: MES vendors and DHS to review all business processes for each module implemented during the design stage and testing stage to confirm that maximum possible automation has been achieved. Measurement 2: MES vendors and DHS to review all business processes for each module implemented during the design stage and testing stage to confirm that all paper-based activities utilize an electronic-based option that is the primary, default method. Paper-based activities will only be used as an option in the event to support members and providers that only have access to lower technology capabilities.		

KEY LESSONS LEARNED AND SUCCESS STORIES

A lessons learned effort is performed after each project or phase is completed. This process uses surveys and meetings to determine what happened in the project/phase and identifies actions for improvement going forward. Typical findings include, "What did we do well?" and "What didn't go well and how can we fix it the next time?"

Project/ Phase	Key Lessons Learned and Success Stories

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KEY CONSTRAINTS AND/OR RISKS

Constraints

- CMS review cycle requires 60 calendar days to review all contract documents, RFPs and APDs.
- Cost, schedule, scope and quality are often in conflict during projects. The Sponsor and Executive Steering Committee elected to prioritize these constraints as follows for the program:
  - Scope
  - Schedule
  - Cost
  - Quality

Risks

- Resource availability - DHS and ND Information Technology staff may not be able to support the project resource requirements and could take longer than planned.
- Cost - development of new system while maintaining existing system may increase the cost of the MES.
- Funding - continued approval and support from the ND State Legislative Council and Federal 90/10 Enhanced Funding support.