



Alabama Medicaid Agency Pre-Proposal Conference December 13, 2011

12/14/2011

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Alabama Medicaid Agency

Medicaid

Information Services Division

Recipient Subsystem Modernization Project





Why are you here

PURPOSE



Eligibility Determination System Drivers

- Alabama Medicaid Application and Eligibility System (AMAES) is 30+ year old legacy system
- System not flexible in responding to new business needs
- Lack of Enterprise standards in regards to forms used, member information, and information availability
- Continued reliance on manual mechanisms to carry out process steps
- Staffing limitations outside the control of the Agency
- Affordable Care Act (ACA) changes the paradigm



In The Beginning...

- 2006
 - Replacement of AMAES
- 2007 -2008
 - MITA State Self-Assessment Added to Draft ITB
 - Formalized Beneficiary Services Wish List



In The Beginning...

- 2009
 - ITB Published
 - Goals
 - Complete MITA State Self Assessment
 - Perform Recipient Subsystem Business Process Reengineering
 - Launch Phase II
 - IV&V RFP
 - Recipient Subsystem RFP
 - Cognosante (formerly FOX Systems) – Vendor selected



In The Beginning...

- 2010
 - Affordable Care Act is signed
 - CMS Approves IAPDU & IV&V RFP
 - Project renamed 'Recipient Subsystem Modernization Project'
 - SLI Global Solutions – IV&V Vendor Selected
- 2011
 - IAPDU is updated to reflect new regulations
 - Request for Proposal is completed
 - CMS Approves IAPDU & DDI RFP
 - And, here we are



What we do

THE ALABAMA MEDICAID AGENCY





Alabama Medicaid Agency

Mission Statement

To serve eligible, low income Alabamians by efficiently and effectively financing medical services in order to ensure patient-centered, quality focused health care.

Vision

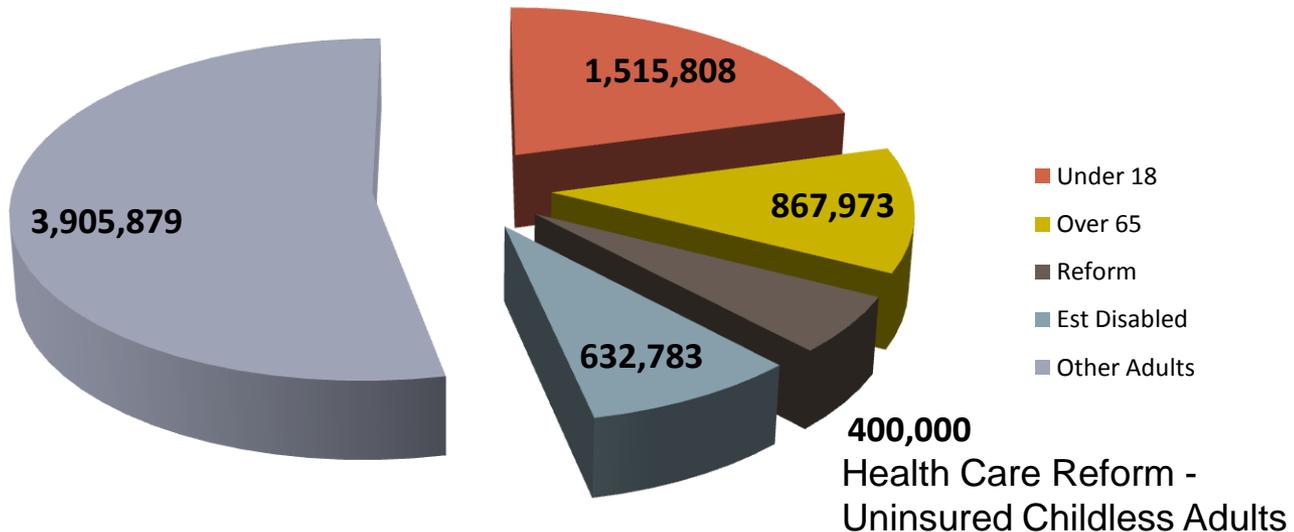
To be a leader through innovation and creativity, focusing on quality and transforming Alabama's healthcare system.



Alabama Demographics 2014

State Population 2014: **6,289,600**
Possibly Medicaid eligible*: **2,783,800**

← Recipient Subsystem - Eligibility?



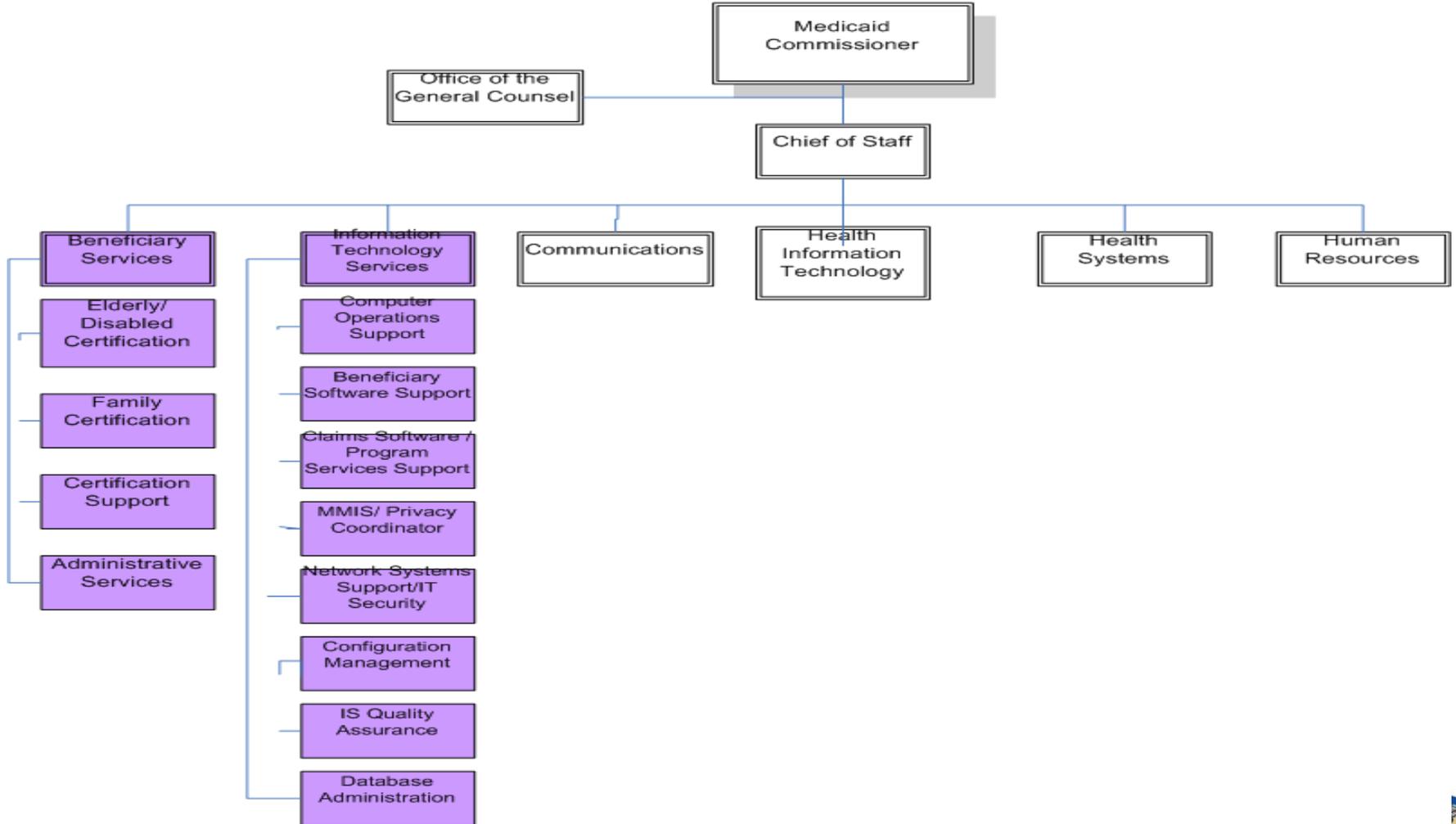
5.9% Increase per year

Medicaid Eligible in 2014
About 2 -3 million

*highest numbers used for system load estimation
12/14/2011



Organizational Focus





Agency Organization

Workers External to the Central Office

<u>District Office</u>	<u>District Office Staff</u>	<u>Affiliated Workers</u>	
Birmingham	50	27	} <i>Independent Offices; Physically dispersed</i>
Gadsden	21	16	
Mobile	26	34	
Tuscaloosa	21	17	
Florence	17	14	
Decatur	17	16	
Dothan	17	14	
Montgomery	15	15	
Auburn-Opelika	17	14	
Selma	17	13	
	218	180	
Application Assisters		50	
		230	

Average case load: 1000-1200

12/14/2011



Current Agency Systems and Projects

- AMMIS
 - The Alabama Medicaid Management Information System (MMIS). *HP interChange*.
- AMAES
 - The Alabama Medicaid Application and Eligibility System(AMAES)
 - Beneficiary Services and eligibility functions
 - Interfaces with Department of Human Resources, Public Health, State Data Exchange, IRS, others.



Current Agency Systems and Projects

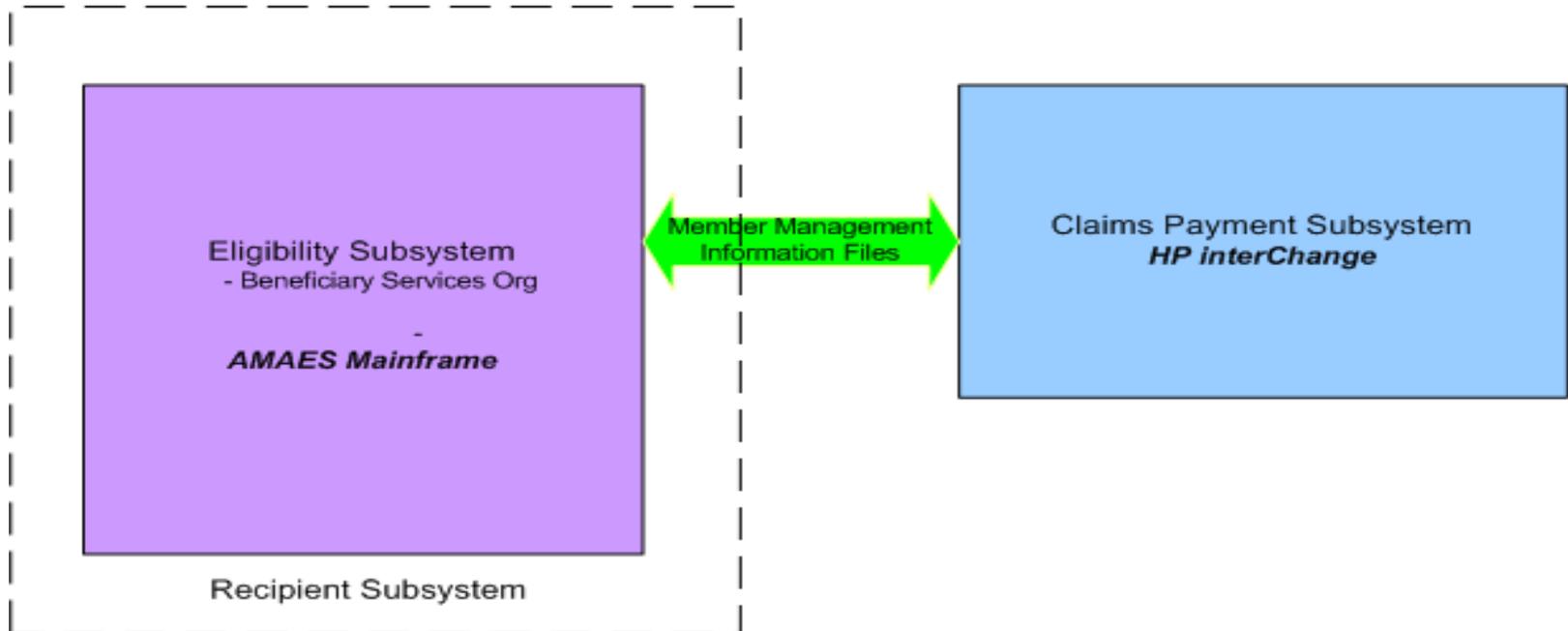
- AMAES (cont)
 - Provides to AMMIS (HP interChange)
 - Eligibility information from the daily updates
 - Medicare Part D updates
 - Enrollment Database updates
 - Monthly eligibility updates



AMMIS

ALABAMA MEDICAID AGENCY

Alabama Medicaid Management Information System





Current Systems and Projects

- Together For Quality (TFQ)
 - Goal of integrating a HIE that links Medicaid, State and health service agencies, providers and private payers. Share information about common recipients efficiently and effectively
- APS
 - Accounts Payable System (APS) processes agency and electronic payment and journal vouchers
- Recipient Subsystem Modernization Project
 - Medicaid Electronic Content Management System (MECMS)
 - Eligibility Determination System



What we're doing

THE RECIPIENT SUBSYSTEM MODERNIZATION PROJECT



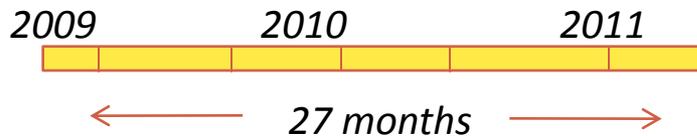


Recipient Subsystem Modernization Project

Modernization Phases

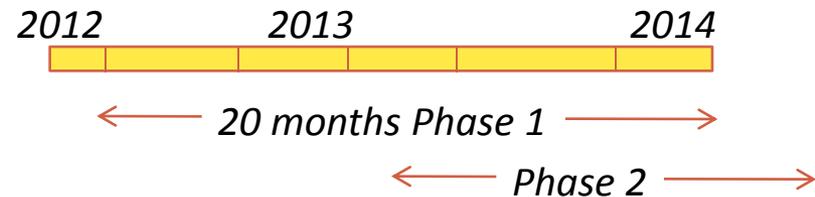
This project is Phase 1 of a 2 phase effort.

Phase I
MITA Assessment and BPR
Phase II RFPs – IVV & R&R



Phase II follows this project.

Phase II
Recipient Subsystem Redesign and
Redesign (RS R&R)



6 Stages

- 1 - Initiation, MITA Assessment
- 2 - BPR
- 3 - Monitor, Train BPR, IVV
- 4 - Modeling, Technology, Modernization
- 5 - RFPs, IAPDs, APDs ← Dec. 13, 2011
- 6 - Phase II Initiation, Phase I Closeout



In a MITA Architecture context

MITA BUSINESS FUNCTIONS OF INTEREST





MITA 2.01 to Recipient Subsystem Crosswalk

Major MITA Areas	Included in Recipient Subsystem	Relevant MITA Business Processes	Relevant Business Processes
Member Management	Yes	Outreach Determine Eligibility Member Enroll Member Disenroll Member Inquire	Outreach, Intake and referral
Provider Management	No	Provider Information	Eligibility Case Management
Contractor Management	No	None	Member Management
Operations Management	No	Manage TPL Recoveries Manage Recoupments Manage Estate Recovery Apply Attachments	TPL
Program Management	Partial	Performance Reporting Performance Monitoring	Reporting
Care Management	Partial	Manage Population Health Manage Registry	Program Integrity
Program Integrity	Partial	Identify Candidates Manage Cases	Quality Assurance
Business Relationship Management	No	None	



Alabama Medicaid Business Processes

- **Member Management**
 - Determine Eligibility
 - Enroll Member
 - Disenroll Member
 - Inquire Member Eligibility
 - Manage Applicant and Member Communication
 - Manage Member Information
 - Perform Population and Member Outreach



An agency-wide assessment

MITA SELF-ASSESSMENT FINDINGS





MITA Self-Assessment Themes

- **Staffing** - Resources are so limited that introduction of new capabilities require additional staff
- **Communication** - Inconsistent, insufficient
 - Documentation of agency systems not centrally available
 - Lack of collaborative effort
 - Communications tracking mechanism needed
- **Technology** - Little documentation
 - Enterprise architecture lacking



MITA Self-Assessment Themes

- **Data Standards and Enterprise Data Modeling**
 - Enterprise data standards and model lacking
- **Workflow Management and Electronic Document Management**
 - Manual event tracking and manual routing
 - *“Increasing the use of electronic document management would benefit nearly every aspect of Medicaid operations.”*
- **Rules Driven Processing**
 - Business logic currently largely hard coded in AMAES COBOL. Rules engine is needed.



MITA Self-Assessment Themes

- **Configuration Management**
 - No Agency level formal approach to configuration management
- **Enterprise Forms Management**
 - No formal forms management within the Agency



System Goals

WHAT SHOULD OUR SYSTEM DO?





MITA Goals

...our system should:

1. Develop seamless and integrated systems that communicate effectively to achieve common Medicaid goals through inter-operability and common standards.
2. Promote an environment that supports flexibility, adaptability, and rapid response to changes in programs and technology.
3. Promote an enterprise view that supports enabling technologies that are aligned with Medicaid business processes and technologies.



MITA Goals

...our system should:

4. Provide data that is timely, accurate, usable and easily accessible in order to support analysis and decision making for healthcare management and program administration.
5. Provide performance measurement for accountability and planning, coordinate with public health and other partners, and integrate public health outcomes within the Medicaid Community.



Ten wishes!

BENEFICIARY SERVICES WISH LIST



Beneficiary Services Wish List

Business Process 1: Create an Electronic Case Record

- Scanning and Imaging
- Electronic indexing
- Electronic case updates
- Electronic case record
- Automated alerts and notices
- Schedule for archiving, retention, and destruction of records
- Electronic inquiry to TPL, AMAES, LTC, and Medicaid Fiscal Agent



Beneficiary Services Wish List

Business Process 2: Enhance AMAES

- Web-based Worker portal
- Self-service web portal
- Web-based application
- Electronic forms
- Language translation
- Electronic budgeting
- Electronic disposition notices
- Automated renewal and redetermination
- Automated exparte across programs
- Automated case management actions



Beneficiary Services Wish List

Business Process 3: Create Customer Service Centers

- Create Recipient Service Centers
- Computer access to AMAES for staff and public
- Training plan
- Scanning and imaging available
- Common network including all Medicaid eligibility staff and community application assisters
- Ability for community assisters to transmit applications and documents



Beneficiary Services Wish List

Business Process 4: Improve Interfaces and Matches

- Electronic interfaces with non state sources such as TALX and credit bureau sources
- Expanded state agency interfaces, including vial records and DHR
- Internal interfaces with MEQC, LTC, TPL, Patient First
- Fiscal Agent/MMIS interfaces
- CMS/SSA interfaces
- Update electronic case files based on data matches



Beneficiary Services Wish List

Business Process 5: Automate Forms, Notices, Reports

- Notices, letters
- Forms
- Handouts
- Reports
- Ad hoc reports
- Alerts to workers and supervisors
- Alerts to applicants and beneficiaries



Beneficiary Services Wish List

Business Process 6: Improve System Maintenance

- Relational database
- Linking of Medicaid numbers
- Redundant file back up
- Address reconciliation
- Back up and security
- Integrated reference and resource files
- Event logs



Beneficiary Services Wish List

Business Process 7: Enhance Recipient Call Center

- Call center support
- Electronic access to documents
- Ability to update or change AMAES fields
- Central mail in
- Electronic scheduling and referral
- Event tracking and control



Beneficiary Services Wish List

Business Process 8: Business Continuity Plan

- Re-tooling of eligibility certification and related processes
- Transition plan for staff
- Disaster recovery plan
- Ongoing staff training including online training
- Marketing of web portal
- Recruitment of Community Partners
- Coordination with other State activities and Initiatives
- Electronic interface with TPL, Legal, Program Integrity, other Medicaid functions



Beneficiary Services Wish List

Business Process 9: Medicare Related Processes

- Medicare Entitlement screen
- Electronic Medicare Savings Program application and case processing
- Buy in Process data matches



Beneficiary Services Wish List

Business Process 10: Medicaid Eligibility QC

- Allow MEQC and PERM staff to access electronic case file
- Automated statistical sampling
- Electronic filing of MEQC reviews
- Access to verified sources of income

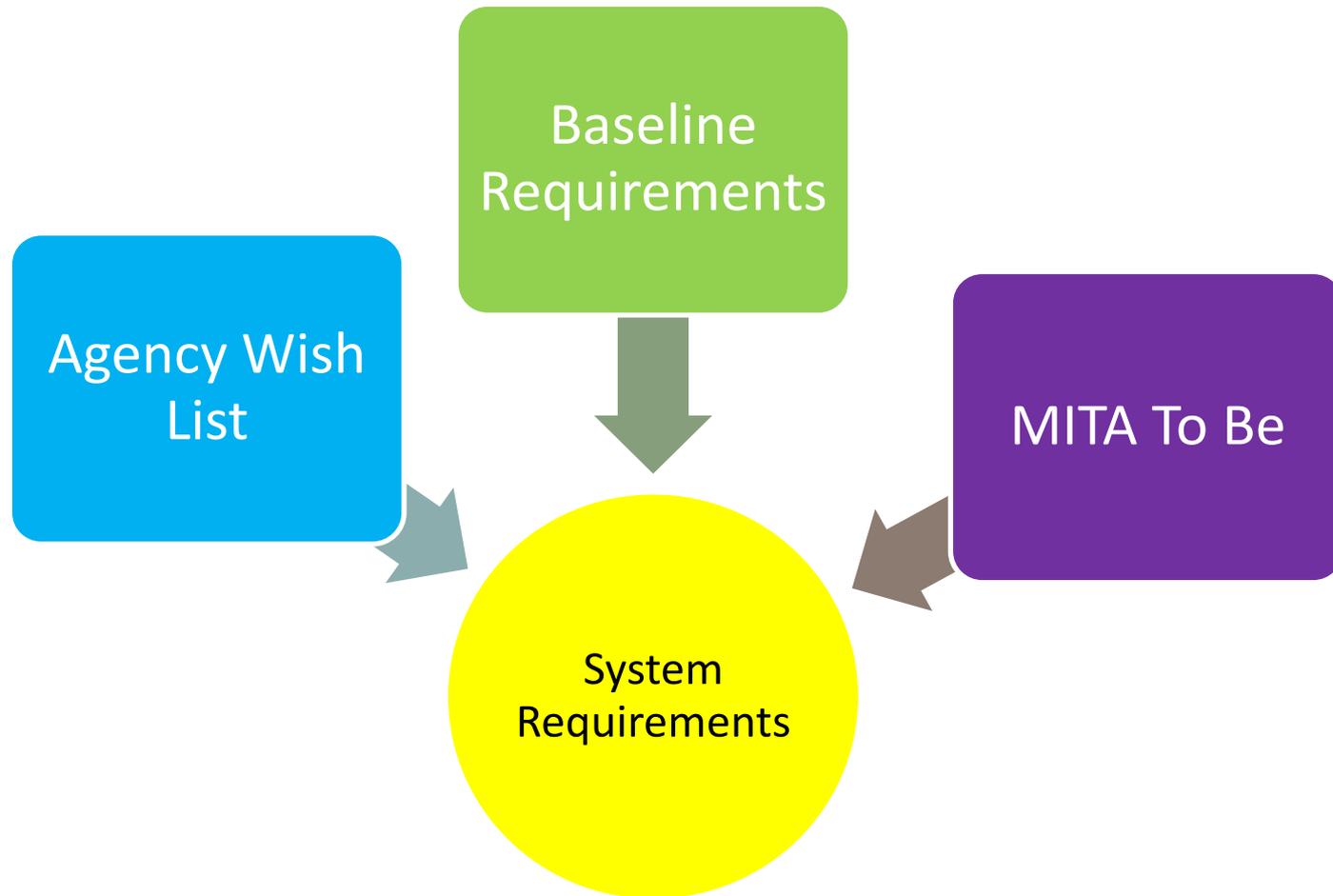


Mix them together and you get . . .

SYSTEM REQUIREMENTS



System Requirements





That meet or exceed

THE SEVEN CONDITIONS



Seven Conditions and Standards

- Meets or exceeds all seven conditions and standards as defined in the CMS publication *Enhanced Funding Requirements: Seven Conditions and Standards of April 2011* including:
 1. Uses a modular, flexible approach to systems development, including the use of open interfaces and exposed application programming interfaces; the separation of business rules from core programming; and the availability of business rules in both human and machine readable formats



Seven Conditions and Standards (continued)

2. Aligns to and advances increasingly in Medicaid Information Technology Architecture (MITA) maturity for business architecture, data, and the continuing evolution of the MITA initiative to facilitate ease of participation in the exchange and interaction of data.
3. Ensures alignment with, and incorporation of, industry standards:
 - a) Health Insurance Portability and Accountability Act of 1996 (HIPAA) security, privacy and transaction standards
 - b) Accessibility standards established under section 508 of the Rehabilitation Act
 - c) Standards adopted by the Secretary under sections 1104 & 1561 of the ACA



Seven Conditions and Standards (continued)

4. Promotes sharing, leveraging, and reuse of Medicaid technologies and systems within and among States
5. Supports accurate and timely processing of claims of eligibility and effective communications with providers, beneficiaries, and the public
6. Produces transaction data, reports, and performance information that would contribute to program evaluation, continuous improvement in business operations, and transparency and accountability



Seven Conditions and Standards (continued)

7. Ensures seamless coordination and integration with the Health Benefits Exchange (HBE) (whether run by the State, Federal government or other entity), and allows interoperability with health information exchanges, public health agencies (including the Children's Health Insurance Program (CHIP)), human services programs, and community organizations providing outreach and enrollment assistance services



A summary

SYSTEM INTEGRATION NEEDED



Summary of Required System Integration

- Development of the new eligibility determination system will require close coordination with the HBE and CHIP to ensure that:
 - A consumer-friendly application process is developed for all health subsidy programs
 - Seamless transition is coordinated across health subsidy programs
 - The new eligibility system must seamlessly integrate with CHIP and the Exchange utilizing an enterprise service bus or other interoperable requirements established by the HBE.
 - Application and renewal processes are minimized by accessing data from other sources
 - Transfer of consumer eligibility, enrollment, and disenrollment information between Medicaid and other insurance coverage options including CHIP, public/private health plans, and other Health Human Services(HHS) programs such as Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF) is facilitated
 - The Agency has governance of Medicaid eligibility policies in the HBE



Health Benefit Exchange

- Alabama Governor Robert Bentley signed an Executive Order on June 3, 2011 creating the Alabama Health Insurance Exchange Study Commission
- Study Commission has completed it's work and made recommendation to the governor.
- As of this date no enabling legislation has been passed to create the Exchange.
- Therefore specific requirements and functionality of the exchange have yet to be determined
- As a result...the Agency does not have very much information regarding the establishment of the Exchange. As both programs progress simultaneously there may be additional requirements that are required by the Exchange project. These will be clearly outside the scope of this project. ...There also exists the possibility that Alabama HBE will request the selected vendor to perform work on the Exchange. It is expected that the Vendor will negotiate in good faith with the State not to exceed the hourly rates identified in this proposal.....Section 5.2.3.7



A summary

KEY TECHNICAL FEATURES NEEDED





Summary of Key Technical Features Needed

1. Web based system that can support the major functions performed by the Beneficiary Services eligibility function.
2. Integrated system that can support all the major eligibility and enrollment functions performed by the agency, including: outreach and screening; intake, application and referral; verification and validation of key required information; and eligibility review and determination, case maintenance and redetermination, and enrollment.



Summary of Key Technical Features Needed

3. Provide a single system that can support each of the different divisions within the Beneficiary Services function that currently performs eligibility determination and enrollment functions.
4. Provide a robust rules engine capability that will make it possible to use a single web-based application to support different programs and functions, and a single electronic record and case review function that can be tailored to the specific rules and requirements of different programs.
5. Provide a robust electronic content management function to support the electronic imaging, management and control of key documents and reports.



Summary of Key Technical Features Needed

6. Provide an electronic capability to share with other internal and external data sources, including state agency sources, federal sources, and available commercial information sources, to obtain information that is needed to verify and validate eligibility information that has been received from the applicant or recipient, or to search for additional information that is needed.
7. Electronic interface with the AMMIS (*HP interChange*) system and other major state systems such as the systems maintained by the Department of Health and the Department of Human Resources.



Summary of Key Technical Features Needed

8. Provide a robust reporting and analysis capability, including a dashboard reporting capability.
9. Use Service Oriented Architecture (SOA) technology to make it possible to share, utilize, and build upon information and systems that already exist.
10. Use a robust enterprise service bus capability and service capability to allow information to be shared across systems and information sources, and to build applications that can be reused, and expanded upon for other similar functions.
11. Implement a technical design that can be readily expanded and modified on an ongoing iterative basis.



Summary of Key Technical Features Needed

12. Use a state-of-the-art open platform technology to allow the system to interface effectively with other related systems and information sources.



Current Technology

- The Agency would prefer the new system leverage as much of our existing architectural landscape
- Technology
 - InRule rules engine
 - SharePoint 2010
 - KnowledgeLake
 - Imaging
 - Document Management
- Refer to section 3.2.1 for more specifics



What we have to have

SUMMARY OF KEY BENEFITS



Benefits Sought – Improve:

- Certification processes for eligibility workers
- Electronic case file management
- Speed of service
- Improvements in recipient services
- Better use of human and technology resources
- Deliver long and short term administrative cost savings
- Administrative functions such as Quality Control audits and online application processes and automate budgeting



Benefits Sought – Improve:

- Medicare Part D, CMS Medicare EDB, and other federal and state required file transmission processes
- Production and ongoing maintenance of a Continuity of Operations Plan
- Methods for beneficiaries and applicants to contact the Agency to ask questions or report changes
- Correction of current system processing flaws
- System software maintenance
- Integration of new inputs and production of output files and reporting



Benefits Sought – Improve:

- Interfaces, HIPAA 270/271 eligibility determinations, file matches, and secure transmission processes
- Requesting and tracking IT changes and problem resolution



How we want it provided

PRICING OPTIONS



Operations Pricing Option 1 - In House

- Vendor shall provide pricing for the Stabilization period (one year) and Ongoing Operations by contract year for the five years following the Stabilization period
- Assumptions
 - Operations and maintenance are performed on site
 - May be assumed by Agency staff at any point in time



Operations Pricing Option 2 - Outsourced

- Agency is interested in exploring the long term benefits of outsourcing the system as opposed to maintaining the system themselves
- Vendor shall provide the pricing for outsourcing of the system stabilization, operations and maintenance defined above for a five year period following system go-live
- Vendor shall provide their strategy for assuming full responsibility for the ongoing operations and support of the system including plans for stabilization and maintenance of the system; ongoing operations and Help Desk provisions
- Assumption: Operations and maintenance performed off site



Questions

