



# Continuation Review – DHHS Division of Information Resource Management

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Health and Human Services**

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# Discussion Outline

- Background
- Purpose
- DIRM Overview
- Continuation Review Focus
- Operational IT Contracts
- Recommendations



# Background

- The mission of DHHS is to protect the health and safety of all North Carolinians and provide essential human services in collaboration with its partners. In support of this mission, the Division of Information Resource Management (DIRM) provides enterprise information technology leadership to leverage resources that enable the delivery of consistent, cost effective, reliable, accessible, and secure services.
- DIRM operates through a Delegation of Authority from the DHHS Secretary and is authorized under G.S. 143B-10; Session Law 2003-284, Section 10.8A and Session Law 2004-124, Section 10.2C. The director of DIRM serves as the Chief Information Officer (CIO) for DHHS. DIRM supports the business functions of the DHHS by providing the services.



# Purpose

- Presentation of Continuation Review submitted by DIRM to the General Assembly in March 2012 per SL 2011-145, Section 6.7.(d)
- Report describes the business functions supported within the operations contracts administered by DIRM and recommendations related to continuation budget funding



# DIRM Overview

- DIRM provides support for automation needed for DHHS business requirements
  - Operations and maintenance (O&M) of over 120 applications/information systems
  - IT infrastructure
- DIRM operating budget
  - DIRM workforce
  - Vendor contracts
  - Services provided by ITS
  - Software, hardware and other IT expenses



# Continuation Review Focus

- DIRM has contracts with four vendors for operations and maintenance support and/or software maintenance/upgrades for DHHS software applications/systems
  - Healthcare Enterprise Accounts Receivable and Tracking System (HEARTS)
  - DHHS Client Services Data Warehouse (CSDW) and Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMH/DD/SAS) Consumer Data Warehouse (CDW)
  - North Carolina Immunization Registry (NCIR)
  - Health Information System (HIS)
- Supplemental IT staffing support (10)



# Operational IT Contracts (HEARTS)

- Healthcare Enterprise Accounts Receivable and Tracking System
  - Key functions address patient management and patient billing for 14 state-operated health care facilities
  - Ongoing operations and maintenance contract provides continual software upgrades for health care and billing, technology, as well as state and federal mandated changes
- Consequences of discontinuing funding
  - Facilities would not have automated method for billing and collection of payments
  - Replacement cost prohibitive and unnecessary since the vendor is required to provide software upgrades as part of established contract maintenance costs



# Operational Contracts (HEARTS) – cont'd

- Vendor: QuadraMed
- Contract Dates: 6/15/1998 to 7/31/2014
- Total Not-to-Exceed Amount: \$19,107,629
- SFY 11-12 Total: \$915,488 (100% State)
- SFY 12-13 Total: \$915,488 (100% State)
- Performance Measures
  - 24 x 7 software support required
  - Established measures for response times





# Operational Contracts (DHHS CSDW and DMH/DD/SAS CDW)

- DHHS Client Services Data Warehouse
  - Enables compliance with federal and state reporting requirements that impact over \$400M in federal funds awarded annually
  - Supports more than 30 business areas across DHHS
  - Will support NC FAST reporting not met by out-of-the-box software solution
- DMH/DD/SAS Consumer Data Warehouse
  - Supports annual reporting and provides client-level data files required for continued receipt of approx. \$98M in Mental Health and Substance Abuse Block Grants
- Consequences of discontinuing funding
  - Loss of critical IT staff support to business areas in meeting mandated reporting requirements
  - Loss of IT staff support for reporting could negatively impact continuation of federal funds and grants



# Operational IT Contracts (DHHS CSDW and DMH/DD/SAS CDW) – cont'd

- Vendor: NTT DATA (formerly Keane, Inc.)
- Contract Dates: 6/15/2011 to 6/14/2014
- Total Not-to-Exceed Amount: \$2,895,600
- SFY 11-12 Total: \$1,331,748 (~48% Fed, 52% State)
- SFY 12-13 Total: \$1,563,852 (~48% Fed / 52% State)
- Performance Measures: Must be available 99% of time outside of planned downtime

# Operational IT Contracts (NCIR)

- North Carolina Immunization Registry
  - Official state source system for immunizations and recommended vaccines
  - Data accessed by parents, health care providers, schools and child care facilities
- Consequences of discontinuing funding
  - No automated means for capturing statewide proper vaccine identification and immunization records to ensure that children receive immunizations
  - Lack of immunization puts children at risk



# Operational IT Contracts (NCIR) – cont'd

- Vendor: HP Enterprise Services (formerly EDS)
- Contract Dates: 7/6/2004 to 6/30/2012
- Total Not-to-Exceed Amount: \$8,080,595
- SFY 11-12 Total: \$700,380 (31.67% Fed / 68.33% State)
- SFY 12-13 Total: TBD – RFP Proposal Responses Under Evaluation
- Performance Measures
  - SLA establishes performance measures and required response times
  - 98% availability required during business hours (M-F; 8:00 a.m. – 5:00 p.m.)

# Operational Contracts (HIS)

- Health Information System
  - Automated means of capturing, monitoring, reporting and billing services provided by local health departments, the Children's Developmental Service Agencies, the State Laboratory for Public Health and Environmental Lead Investigations
  - Provides a "Master Person Index" of clients that is accessed by local and statewide agencies
  - Ongoing operations and maintenance contract for proprietary software package (vendor-owned, client licensed) provides continual software upgrades for health care and billing, as well as other federal mandated changes
- Consequences of Discontinuing Funding
  - No automated state system available to local and state public health agencies for business operations, including billing and collecting payments for provided services

# Operational IT Contracts (HIS) – cont'd

- Vendor: Netsmart Technologies, Inc.
- Contract Dates: 9/7/2011 to 9/6/2014
- Total Not-to-Exceed Amount: \$4,807,700
- SFY 11-12 Total: \$1,408,750 (100% State)
- SFY 12-13 Total: \$1,537,500 (100% State)
- Performance Measures
  - 24 x 7 software support required
  - Established measures for response times



# Operational IT Contracts (Supplemental Staffing IT Support)

- 10 “Current” DIRM Supplemental Staffing IT Contractors
  - 6 - O&M support and enhancements for applications/systems
    - 4 - DSS Food Stamp Information System (FSIS) – system to be replaced via NC FAST Project 1
    - 2 - DSS Automated Collection and Tracking System (ACTS) for Child Support Enforcement
  - 4 - IT infrastructure (computers and network) support for DHHS divisions/offices
  - Contractors needed to supplement resource pool to meet new, short-term requirements



# Recommendations

- Continue funding for the HEARTS contract for software maintenance and software support
- Continue funding for the DHHS CSDW and DMH/DD/SAS CDW contract for O&M support
- Continue funding for the NCIR contract for O&M support
- Continue funding for the HIS contract for software maintenance and software support





# Recommendations – cont'd

- Continue funding for supplemental IT staffing contractors for application/system O&M and IT infrastructure support
- Continue funding to obtain supplemental IT staffing contractors staffing resource assistance when changes are required within tight timeframes to address federal/state mandated changes to applications/systems, and when there are short-term requirements for specialized skills
- No statutory or administrative changes
- No policy changes that require the General Assembly's attention