MMIS Replacement Project

Presentation to Joint Legislative Oversight Committees on Information Technology and Health and Human Services

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# SCIO, EPMO and Agency Responsibilities

- General Statue 147.33-72 defines the role of the State Chief Information Office (SCIO) in the oversight of information technology projects
  - State agencies cannot begin an IT project of more than $500,000 without approval by the SCIO
  - The SCIO may suspend the approval of any information technology project that does not continue to meet the applicable quality assurance standards
  - A project management assistant from the Enterprise Project Management Office (EPMO) is assigned to monitor agency progress in the development and implementation of a project

- The EPMO serves as the SCIO's eyes and ears
  - provides professional oversight to facilitate successful IT projects
  - assesses projects and facilitates resolution of issues, risks and roadblocks
  - provides early warning of potential project failure

- The agency is responsible for managing and controlling the IT project.

Tracking of Projects

- A project portfolio management tool is used by the SCIO and agencies to provide reporting, status updates and approval of projects.
- The EPMO works with the agency to determine how to define projects. Breaking large IT projects into smaller projects is a best practice.

Active Projects Trend
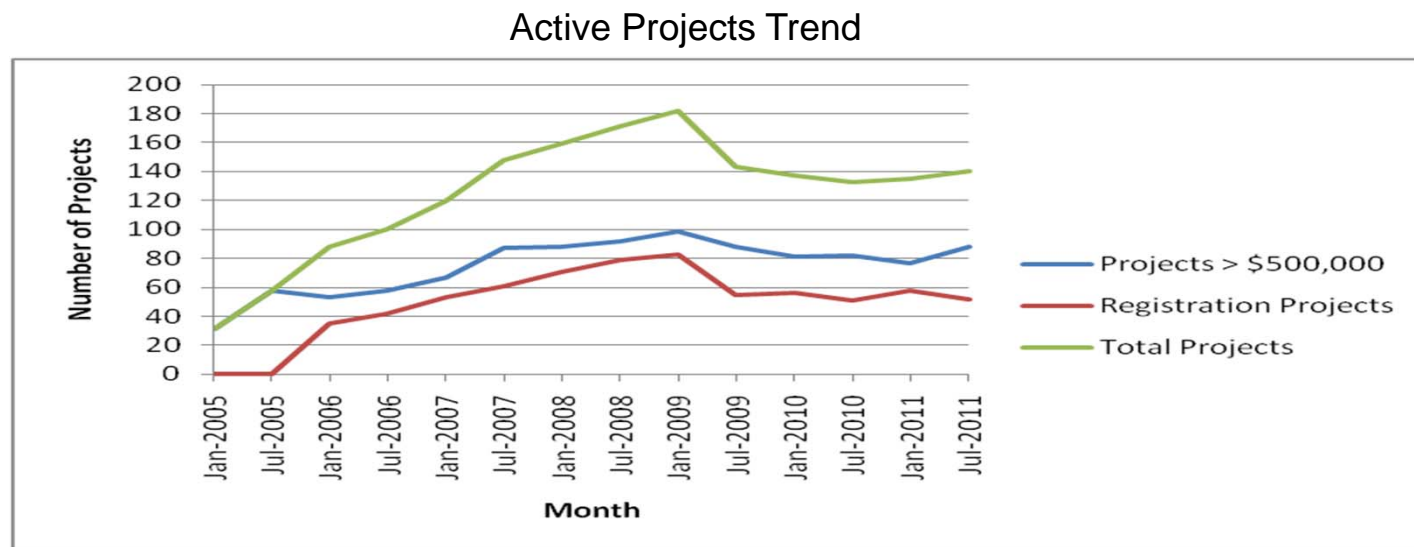
Oversight of MMIS Program

MMIS Program Definition and Program Overhead Projects

Completed Projects

MMIS Artifacts Review

NCMMIS Business Rules and Analysis

Department of Health Services Regulation (DHSR) Business Process Review

NCMMIS Program Planning

NCMMIS Medicaid Accounting Process

NCMMIS Provider Type and Specialty

MMIS Replacement System Procurement

Health Choice Business Rules and Analysis

DMA Budgeting and Forecasting Tool

Early Operations, Provider Enrollment and Drug Utilization Review

Active Projects

MMIS DDI Replacement System (Vendor CSC)

MMIS Reporting and Analytics (Vendor Thomson Reuters)

DHSR Business Process Automation (Vendor GL Solutions)

Began September 2006 | MMIS Operations July 1, 2013 | Program Ends June 2014

SCIO MMIS Oversight Activities

- Steering Committee Member (non-voting)
- Review monthly reports from Independent Validation and Verification (IV&V) vendor, status reports from vendors and Office of Medicaid Management Information Systems (OMMIS) monthly steering committee status report
- Quarterly update by EPMO on status of all projects in the program
- Project concerns and issues are brought to the attention of DHHS leadership
- Focus on completion of work, milestone delivery performance and earned value metrics

Tracking Progress by Earned Value Analysis

- Earned Value measures project performance against planned project cost and schedule. Is my project on schedule and on budget?
  - Score of 1 - on budget and on schedule
  - < 1 over budget and behind schedule
  - > 1 under budget and ahead of schedule
- Scorecard prepared by project vendor
- Current scores based on two months of data is Cost Performance is .94 or 6% over budget and Schedule Performance is .97 or 3% behind schedule
  - Variety of reasons
- November data (due December 23) will provide three months of data for clearer trend analysis

Timeline of Project Oversight

- Deputy State CIO and EPMO have attended MMIS Steering Committee Meetings since beginning of MMIS Design Develop and Implement (DDI) Replacement Project (2009)

- Beginning May 2010 – Tracking progress by builds and earned value consistently showed multiple builds yellow and red in color
  - Vendor was optimistic that they would "catch up"

- August 2010 – Vendor advises that schedule slippage will occur
  - Vendor estimated wrongly on how much application code from New York project could be reused (73% vs 32%)
  - OMMIS identified change requests that were approved that impacted schedule
  - Centers for Medicaid and Medicare Services (CMS) mandates 5010 and International Classification of Diseases (ICD) 10 changes to the Medicaid Program

State CIO Actions

- Written several memos since December 2010 outlining concerns
  - General Assembly copied on memos in August and September 2011, as directed by budget bill
- May 2011, SCIO reviewed cost and schedule change with OMMIS team
- July 14, 2011 SCIO began attending Steering Committee meetings.
  - Deputy State CIO attended previously

Critical Areas of Focus

- Continuation of SCIO involvement and guidance
  - SCIO is involved with project as non-voting member of Steering Committee, can quickly provide guidance
- Vendor Performance
  - Vendor management is critical so if tracking of work shows slippage, SCIO can meet with vendor or write memo to vendor with appropriate concerns and request for corrective actions
- Office of MMIS dealing with challenges of mandated changes
  - Federal government continues to mandate changes
  - Affordable Care Act
  - State mandated changes
- Monitor progress with tracking progress of "builds," "milestones" and "earned value"
  - If off track request corrective action and if necessary discuss suspension of project until appropriate corrective action can be completed

Questions?

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