

NCMMIS+Update
JointLegislative Oversight
Committeeon IT

March 19, 2008

NC Department of Health and Human Services
Office of MMIS Services

Overview

- Replacement MMIS Strategy
- Highlights of Evaluation Schedule
- Replacement MMIS Evaluation Progress
- Lessons Learned from Planning Project
- Budget Information

NCMMIS+Strategy

- Split up program into three projects
 - State CIO-directed to mitigate single vendor concerns
 - Replacement MMIS
 - Reporting & Analytics
 - DHSR IT Project
 - Potential downside: increased integration risk
- Realigned project schedules
 - Right activities at the right times

NCMMIS+Strategy (cont)

- Changed RFP from prescriptive to flexible
 - Allow vendors to accentuate their strengths
 - Add new ideas to the solutions
 - First MMIS in nation to use “Statement of Objectives”

- Vendors propose schedule
 - Software is not easily “fit” into a pre-determined schedule
 - Substantial damages used to enforce bid schedule

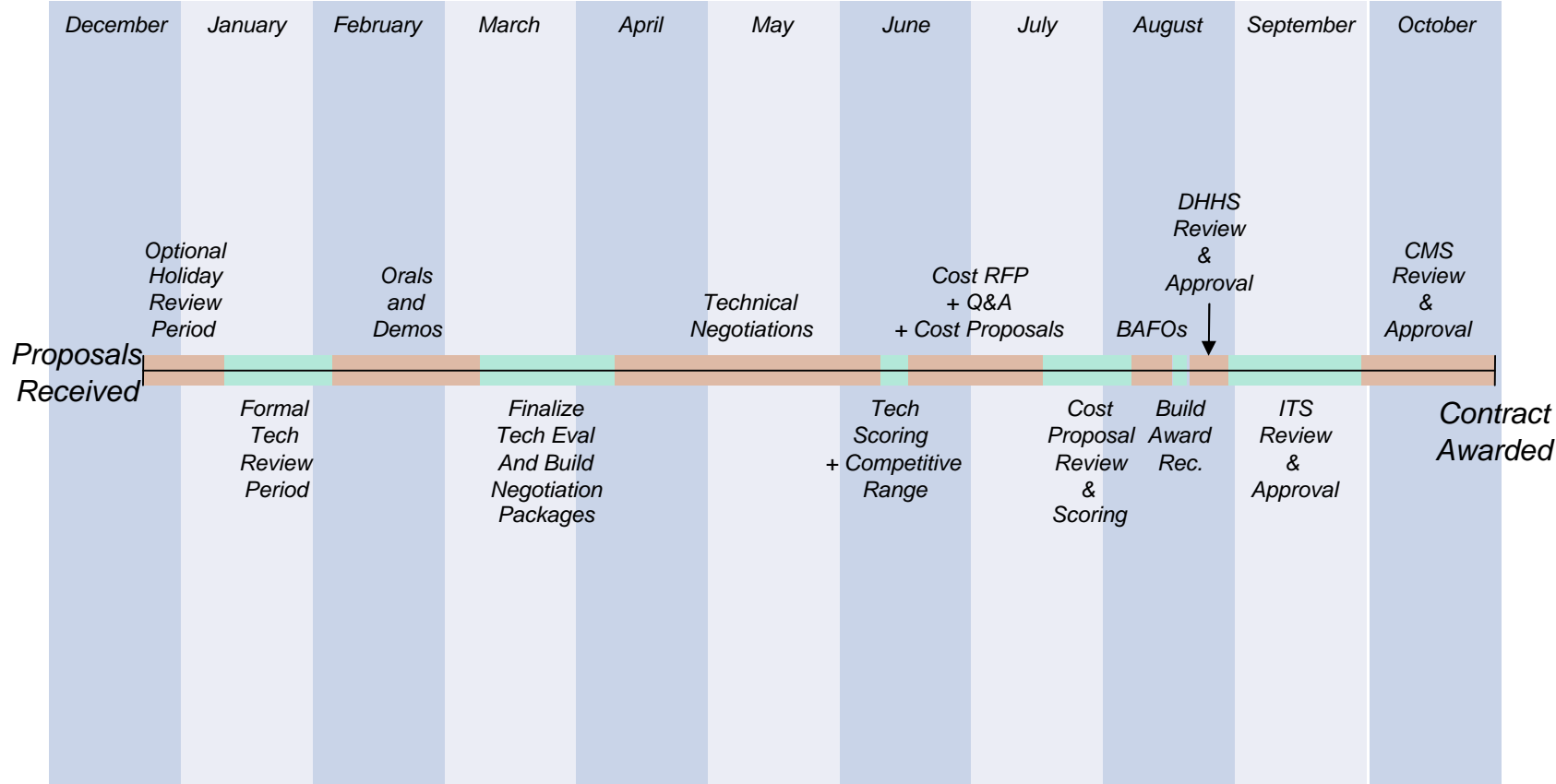
- Using two-step evaluation process
 - Technical negotiation allows better value and cleaner contract

NCMMIS+Strategy (cont)

- Legal review
 - In-house counsel from Attorney General's office
 - Outside legal counsel per direction of Legislature
 - Assistance from ITS legal counsel
 - Additional assistance from AG's office

*Perfection is impossible...
But we're trying hard to get close!*

Highlights of Evaluation Schedule



Replacement MMIS Evaluation Progress

- Proposals received Dec 20
- Evaluation training conducted in December with a refresher in January
- Oral Presentations and System Demonstrations conducted in February
- Currently finalizing technical evaluation and working on negotiation packages

Planning Project Lessons Learned

- Movement to a Statement of Objectives (SOO) approach was valuable, but initially limited experience was available in this technique
 - Initiatives need trained resources in order to be successful
- Creation of/use of Division Program Executives (DPEs) has been outstanding
 - “Two thumbs up” in terms of getting direct support and keeping the communications links open

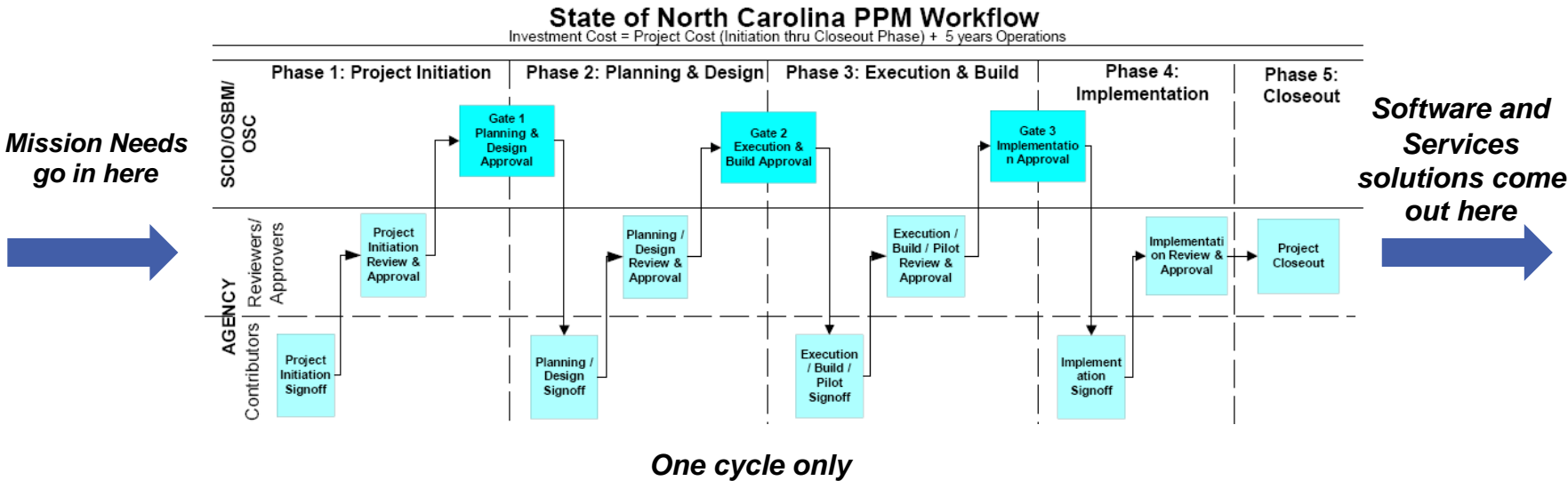
Planning Project Lessons Learned (cont)

- The Administrative Code has some issues that affect best practices
 - Use of Draft RFPs
 - Improves RFP prior to release
 - Allows for more open communication with vendors
 - Cost/price information confidentiality
 - Ambiguity as to what *cannot* be confidential
 - Adds challenge when requesting cost support information from vendors

Planning Project Lessons Learned (cont)

- Splitting up software development projects into subprojects for ITS reporting purposes is burdensome to the project management staff
 - NCMMS+ Program has a Steering Committee to ensure the projects remain on track
 - Each “product” should consist of a **single** project from beginning to end - Ex:
 - Replacement MMIS Project
 - Reporting & Analytics Project
 - DHSR IT Project

Planning Project Lessons Learned (cont)



Initial discussions with ITS indicate a favorable outcome to this issue

Budget Information

As of February 29, 2008

Project	Start Date	End Date	Expenditures to Date	Estimated Project Cost	Approved Budget
Program	02/01/07	12/31/08	2,185,949	\$5,040,516	\$5,345,331
MAS	09/16/06	12/19/06	\$86,970	\$86,970	\$174,000
Planning	09/16/06	09/28/07	\$1,305,236	\$1,305,236	\$1,289,611
ARUP	09/16/06	11/30/07	\$837,365	\$837,365	\$834,865
DHSR (DFS)	09/16/06	06/30/08	\$1,187,999	\$1,816,927	\$2,049,344
PT/PS	09/16/06	02/15/08	\$480,958	\$480,958	\$493,685
BR&A	09/16/06	07/15/08	\$1,400,560	\$1,750,058	\$1,627,482
MMIS Procurement	07/01/07	08/31/08	\$877,935	\$2,605,682	\$2,698,855
DDI	11/01/07	12/31/08	\$0	\$57,817,340	
Implementation			\$0	\$6,023,000	
Program Total			\$8,362,972	\$77,764,052	\$14,513,173

Questions?