Project #25-01

IT Project Proposal Report - Detail
Agency: 025 - DEPT OF HEALTH & HUMAN SERVICES
Budget Cycle: 2013-2015 Biennium   Version: AF - AGENCY FINAL REQUEST

IT Project : ACA IT Implementation

General Section

Contact Name :	Dan Gartin	**E-mail :**	dan.gartin@nebraska.gov	**Agency Priority :**	
Address :	1050 N Street, Suite 350	**Telephone :**	402-319-5742	**NITC Priority :**	
City :	Lincoln			**NITC Score :**	
State :	Nebraska	**Zip :**	68508		

Expenditures

IT Project Costs	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
Contractual Services						
Design	0	0	0	0	0	0
Programming	0	0	0	0	0	0
Project Management	0	0	0	0	0	0
Data Conversion	0	0	0	0	0	0
Other	53,000,000	0	0	20,500,000	32,500,000	0
Subtotal Contractual Services	53,000,000	0	0	20,500,000	32,500,000	0
Telecommunications						
Data	0	0	0	0	0	0
Video	0	0	0	0	0	0
Voice	0	0	0	0	0	0
Wireless	0	0	0	0	0	0
Subtotal Telecommunications	0	0	0	0	0	0
Training						
Technical Staff	0	0	0	0	0	0
End-user Staff	0	0	0	0	0	0
Subtotal Training	0	0	0	0	0	0

IT Project Proposal Report - Detail
Agency: 025 - DEPT OF HEALTH & HUMAN SERVICES
Budget Cycle: 2013-2015 Biennium   Version: AF - AGENCY FINAL REQUEST

Expenditures

IT Project Costs	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
Other Operating Costs						
Personnnel Cost	12,594,033	1,663,472	6,000,000	2,725,224	2,205,337	0
Supplies & Materials	0	0	0	0	0	0
Travel	0	0	0	0	0	0
Other	0	0	0	0	0	0
Subtotal Other Operating Costs	12,594,033	1,663,472	6,000,000	2,725,224	2,205,337	0
Capital Expenditures						
Hardware	6,000,000	0	0	6,000,000	0	0
Software	6,000,000	0	0	6,000,000	0	0
Network	0	0	0	0	0	0
Other	0	0	0	0	0	0
Subtotal Capital Expenditures	12,000,000	0	0	12,000,000	0	0
TOTAL PROJECT COST	77,594,033	1,663,472	6,000,000	35,225,224	34,705,337	0

Funding

Fund Type	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
General Fund	7,759,403	166,347	600,000	3,522,522	3,470,534	0
Cash Fund	0	0	0	0	0	0
Federal Fund	69,834,630	1,497,125	5,400,000	31,702,702	31,234,803	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	77,594,033	1,663,472	6,000,000	35,225,224	34,705,337	0
VARIANCE	**0**	**0**	**0**	**0**	**0**	**0**

IT Project: ACA IT Implementation

EXECUTIVE SUMMARY:

The Patient Protection and Affordable Care Act (PPACA, or as referred to in this document (ACA), signed into law 3/23/10, includes numerous provisions with significant information systems impacts. It expands healthcare to the uninsured through a combination of cost controls, subsidies and mandates. Key provisions include minimum benefits required of health plans, creation of health care exchanges, expansion of coverage to uninsured, elimination of pre-existing condition exclusions, continued coverage for adult, unmarried children to the age of 26, and many other changes affecting insurers, employers, providers and beneficiaries.

Activity related to this project has been sub-divided into 6 overall groupings (Medicaid Eligibility, Expanding Medicaid Benefits, Medicaid Financing, Program Integrity, American Indian Related Provisions, and Other Provisions) which contain a total of 41 activities of various sizes and scopes. Some of the activities have been completed, some are in progress, some are in planning, and some have yet to start. With the recent Supreme Court decision related to Medicaid Expansion, it is possible some of the work related to Medicaid Eligibility could be impacted.

Attachments:

ACA-MainDocument.docx

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

Project Description:

The ACA is comprised of 10 Acts, with hundreds of subsections. A complete listing of goals, objectives and projected outcomes would be a very extensive undertaking in the scope of this document. The ACA IT Implementation Project will be broken into many smaller projects that collectively meet the requirements as set forth in the law.

At the highest level, these include:

Title I. Quality, Affordable Health Care for All Americans
Title II. The Role of Public Programs
Title III. Improving the Quality and Efficiency of Health Care
Title IV. Prevention of Chronic Disease and Improving Public Health
Title V. Health Care Workforce
TITLE VI. Transparency and Program Integrity

Title VII. Improving Access to Innovative Medical Therapies
TITLE VII Improving Access to Innovative Medical Therapies
Title VIII. Community Living Assistance Services and Supports Act (CLASS Act) (Repealed)
Title IX. Revenue Provisions
TITLE X. Strengthening Quality, Affordable Health Care for All Americans

Beneficiaries are expected across the health care spectrum and include providers, payers, consumers and tax payers.

2. Describe the measurement and assessment methods that will verify that the project outcomes have been achieved.

Throughout the project, compliance testing and all applicable unit, system, integration, regression and customer acceptance testing will be completed to ensure applications and infrastructure are working properly in support of the ACA provisions.

3. Describe the project's relationship to your agency comprehensive information technology plan.

To the extent possible, all application and systems level change will be completed in alignment the comprehensive information technology plan for DHHS.

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

This project is the result of Federal mandates included in PL 11-148, the Patient Protection and Affordable Care Act, signed into law 03/23/10.

TECHNICAL IMPACT (20 PTS):

7.   Describe how the project enhances, changes or replaces present technology systems, or implements a new technology system. Describe the technical elements of the project, including hardware, software, and communications requirements. Describe the strengths and weaknesses of the proposed solution.

Technical impacts to multiple DHHS systems, including Medicaid (MMIS), Eligibility (N-FOCUS), and others software, communication and hardware -- such as Trading Partner applications, web portals, message envelope standards, data content change, etc… are expected. Hardware, Network, Application, Communication and Presentation layers of the OSI model will all see impacts. Changes that extend existing application or hardware functionality are likely the bulk of work, but systems replacement may also be necessary in some narrower cases.

However, any realistic catalog of expected technical impacts cannot yet be quantified because many final rules and clarifications to the hundreds of sections of the ACA law have not been issued.

8. **Address the following issues with respect to the proposed technology:**
   - **Describe the reliability, security and scalability (future needs for growth or adaptation) of the technology.**
   - **Address conformity with applicable NITC technical standards and guidelines (available at http://nitc.ne.gov/standards/) and generally accepted industry standards.**
   - **Address the compatibility with existing institutional and/or statewide infrastructure.**

See section 7. Mandates, planning and analysis and solutioning phases of project work have not progressed enough for a qualified response.

PRELIMINARY PLAN FOR IMPLEMENTATION (10 PTS):

9. **Describe the preliminary plans for implementing the project. Identify project sponsor(s) and examine stakeholder acceptance. Describe the project team, including their roles, responsibilities, and experience.**

These will be developed as part of the project(s). Where rules are specific and final enough to begin work already, projects have defined sponsors and stakeholders from impacted areas. Generally, this includes a Project Sponsor for IT, a Project Sponsor for an affected Business Unit, A Project Director and or Project Manager, Technical and Business analysts, Developers, Testing Staff and various other matrixed support staff for hardware / infrastructure or other support. Experienced State staff are being augmented, where necessary, with experienced contract resources to manage the necessary aspects of the Software Development and Project Management Life Cycles (SDLC / PMLC) for proper implementation(s).

10. **List the major milestones and/or deliverables and provide a timeline for completing each.**

These will be developed as part of the project(s).

11. **Describe the training and staff development requirements.**

These will be developed as part of the project(s). Training is being provided, where necessary and possible, using project funds under federal matching guidelines.

12. **Describe the ongoing support requirements.**

These will be developed as part of the project(s).

RISK ASSESSMENT (10 PTS):

13. Describe possible barriers and risks related to the project and the relative importance of each.

These will be developed as part of the project. Scope is unknown or unclear, causing resulting risk to budgets and schedules. Resource contention is expected in the delivery of so many concurrent initiatives. Scope, which drives most other risks, is the most relatively important risk presented. Efforts are underway to segment the overall ACA work into a set of sub-projects, each with its own governance, budget, timeline, etc… and efforts to analyze existing rules and obtain regulatory clarifications are underway.

14. Identify strategies which have been developed to minimize risks.

- Key hiring for experienced project implementation staff to augment State resources has occurred.
- Analysis and prioritization of work segments is underway with business areas directing requirements for projects that align with mandates.
- Most project staff have been centralized under common leadership for oversight of overlapping risks and dependencies as well as more effective scheduling.
- Project controls for issues, risks, communication, testing, change management, etc… are being standardized and aligned with best practices.
- For projects with rules and regulations that are final, teams have been assembled and are already underway with discovery, analysis, development or implementation tasks.
- Regulatory analysts are assisting business units with the interpretation of rules and the development of requirements.
- Consistent, regular communication with Federal authorities on planning and budgeting activities is underway for ACA activities.

FINANCIAL ANALYSIS AND BUDGET (20 PTS):

The "Financial" information tab in the Nebraska Budget Request and Reporting System (NBRRS) is used to enter the financial information for this project.

Nebraska Information Technology Commission

Project Proposal Form

**Funding Requests
for Information Technology Projects**

FY2013-2015 Biennial Budget

IMPORTANT NOTE: Project proposals should only be submitted by entering the information into the Nebraska Budget Request and Reporting System (NBRRS). The information requested in this Microsoft Word version of the form should be entered in the NBRRS in the "IT Project Proposal" section. The tabs in the "IT Project Proposal" section coincide with sections contained in this Microsoft Word version of the form. Information may be cut-and-pasted from this form or directly entered into the NBRRS. ALSO NOTE that for each IT Project Proposal created in the NBRRS, the submitting agency must prepare an "IT Issue" in the NBRRS to request funding for the project.

Project Title	**ACA IT Implementation**
Agency/Entity	**Department of Health and Human Services**

Notes about this form:

1. **USE.** The Nebraska Information Technology Commission ("NITC") is required by statute to "make recommendations on technology investments to the Governor and the Legislature, including a prioritized list of projects, reviewed by the technical panel..." Neb. Rev. Stat. §86-516(8). "Governmental entities, state agencies, and noneducation political subdivisions shall submit all projects which use any combination of general funds, federal funds, or cash funds for information technology purposes to the process established by sections 86-512 to 86-524. The commission may adopt policies that establish the format and minimum requirements for project submissions." Neb. Rev. Stat. §86-516(5). In order to perform this review, the NITC and DAS Budget Division require agencies/entities to complete this form when requesting funding for technology projects.

2. **WHICH TECHNOLOGY BUDGET REQUESTS REQUIRE A PROJECT PROPOSAL FORM?** See the document entitled NITC 1-202 "Project Review Process" available at http://nitc.ne.gov/standards/. Attachment A to that document establishes the minimum requirements for project submission.

3. **COMPLETING THE FORM IN THE NEBRASKA BUDGET REQUEST AND REPORTING SYSTEM (NBRRS).** Project proposals should only be submitted by entering the information into the NBRRS. The information requested in this Microsoft Word version of the form should be entered in the NBRRS in the "IT Project Proposal" section. The tabs in the "IT Project Proposal" section coincide with sections contained in this Microsoft Word version of the form. Information may be cut-and-pasted from this form or directly entered into the NBRRS. ALSO NOTE that for each "IT Project Proposal" created in the NBRRS, the submitting agency must prepare an "IT Issue" in the NBRRS to request funding for the project.

4. **QUESTIONS.** Contact the Office of the CIO/NITC at (402) 471-7984 or ocio.nitc@nebraska.gov

Section 1: General Information

Project Title	ACA IT Implementation
Agency (or entity)	Department of Health and Human Services

Contact Information for this Project:

Name	Dan Gartin
Address	1022 O Street, Suite 350
City, State, Zip	Lincoln, NE 68509
Telephone	402.319.5742
E-mail Address	Dan.Gartin@Nebraska.Gov

Section 2: Executive Summary

The Patient Protection and Affordable Care Act (PPACA, or as referred to in this document (ACA), signed into law 3/23/10, includes numerous provisions with significant information systems impacts. It expands healthcare to the uninsured through a combination of cost controls, subsidies and mandates. Key provisions include minimum benefits required of health plans, creation of health care exchanges, expansion of coverage to uninsured, elimination of pre-existing condition exclusions, continued coverage for adult, unmarried children to the age of 26, and many other changes affecting insurers, employers, providers and beneficiaries.

Activity related to this project has been sub-divided into 6 overall groupings (Medicaid Eligibility, Expanding Medicaid Benefits, Medicaid Financing, Program Integrity, American Indian Related Provisions, and Other Provisions) which contain a total of 41 activities of various sizes and scopes. Some of the activities have been completed, some are in progress, some are in planning, and some have yet to start. With the recent Supreme Court decision related to Medicaid Expansion, it is possible some of the work related to Medicaid Eligibility could be impacted.

Section 3: Goals, Objectives, and Projected Outcomes (15 Points)

The ACA is comprised of 10 Acts, with hundreds of subsections. A complete listing of goals, objectives and projected outcomes would be a very extensive undertaking in the scope of this document. The ACA IT Implementation Project will be broken into many smaller projects that collectively meet the requirements as set forth in the law.   At the highest level, these include:

Title I.   Quality, Affordable Health Care for All Americans
Title II.   The Role of Public Programs
Title III.   Improving the Quality and Efficiency of Health Care
Title IV.   Prevention of Chronic Disease and Improving Public Health
Title V.   Health Care Workforce
TITLE VI.   Transparency and Program Integrity
Title VII.   Improving Access to Innovative Medical Therapies
TITLE VII   Improving Access to Innovative Medical Therapies
Title VIII.   Community Living Assistance Services and Supports Act (CLASS Act) (Repealed)
Title IX.   Revenue Provisions
TITLE X.   Strengthening Quality, Affordable Health Care for All Americans

Beneficiaries are expected across the health care spectrum and include providers, payers, consumers and tax payers.

2. Describe the measurement and assessment methods that will verify that the project outcomes have been achieved.

Throughout the project, compliance testing and all applicable unit, system, integration, regression and customer acceptance testing will be completed to ensure applications and infrastructure are working properly in support of the ACA provisions.

3. Describe the project's relationship to your agency comprehensive information technology plan.

To the extent possible, all application and systems level change will be completed in alignment the comprehensive information technology plan for DHHS.

Section 4: Project Justification / Business Case (25 Points)

This project is the result of Federal mandates included in PL 11-148, the Patient Protection and Affordable Care Act, signed into law 03/23/10.

Section 5: Technical Impact (20 Points)

7. Describe how the project enhances, changes or replaces present technology systems, or implements a new technology system. Describe the technical elements of the project, including hardware, software, and communications requirements. Describe the strengths and weaknesses of the proposed solution.

Technical impacts to multiple DHHS systems, including Medicaid (MMIS), Eligibility (N-FOCUS), and others software, communication and hardware -- such as Trading Partner applications, web portals, message envelope standards, data content change, etc… are expected. Hardware, Network, Application, Communication and Presentation layers of the OSI model will all see impacts. Changes that extend existing application or hardware functionality are likely the bulk of work, but systems replacement may also be necessary in some narrower cases.

However, any realistic catalog of expected technical impacts cannot yet be quantified because many final rules and clarifications to the hundreds of sections of the ACA law have not been issued.

8. Address the following issues with respect to the proposed technology:
   - Describe the reliability, security and scalability (future needs for growth or adaptation) of the technology.
   - Address conformity with applicable NITC technical standards and guidelines (available at http://nitc.ne.gov/standards/) and generally accepted industry standards.
   - Address the compatibility with existing institutional and/or statewide infrastructure.

See section 7. Mandates, planning and analysis and solutioning phases of project work have not progressed enough for a qualified response.

Section 6: Preliminary Plan for Implementation (10 Points)

9. Describe the preliminary plans for implementing the project. Identify project sponsor(s) and examine stakeholder acceptance. Describe the project team, including their roles, responsibilities, and experience.

These will be developed as part of the project(s). Where rules are specific and final enough to begin work already, projects have defined sponsors and stakeholders from impacted areas. Generally, this includes a Project Sponsor for IT, a Project Sponsor for an affected Business Unit, A Project Director and or Project Manager, Technical and Business analysts, Developers, Testing Staff and various other matrixed support staff for hardware / infrastructure or other support. Experienced State staff are being augmented, where necessary, with experienced contract resources to manage the necessary aspects of the Software Development and Project Management Life Cycles (SDLC / PMLC) for proper implementation(s).

10. List the major milestones and/or deliverables and provide a timeline for completing each.

These will be developed as part of the project(s).

11. Describe the training and staff development requirements.

These will be developed as part of the project(s). Training is being provided, where necessary and possible, using project funds under federal matching guidelines.

12. Describe the ongoing support requirements.

These will be developed as part of the project(s).

Section 7: Risk Assessment (10 Points)

13. Describe possible barriers and risks related to the project and the relative importance of each.

These will be developed as part of the project. Scope is unknown or unclear, causing resulting risk to budgets and schedules. Resource contention is expected in the delivery of so many concurrent initiatives. Scope, which drives most other risks, is the most relatively important risk presented. Efforts are underway to segment the overall ACA work into a set of sub-projects, each with its own governance, budget, timeline, etc… and efforts to analyze existing rules and obtain regulatory clarifications are underway.

14. Identify strategies which have been developed to minimize risks.

- Key hiring for experienced project implementation staff to augment State resources has occurred.
- Analysis and prioritization of work segments is underway with business areas directing requirements for projects that align with mandates.
- Most project staff have been centralized under common leadership for oversight of overlapping risks and dependencies as well as more effective scheduling.
- Project controls for issues, risks, communication, testing, change management, etc… are being standardized and aligned with best practices.
- For projects with rules and regulations that are final, teams have been assembled and are already underway with discovery, analysis, development or implementation tasks.
- Regulatory analysts are assisting business units with the interpretation of rules and the development of requirements.
- Consistent, regular communication with Federal authorities on planning and budgeting activities is underway for ACA activities.

Section 8: Financial Analysis and Budget (20 Points)

15. Financial Information

The "Financial" information tab in the Nebraska Budget Request and Reporting System (NBRRS) is used to enter the financial information for this project (NOTE: For each IT Project Proposal created in the NBRRS, the submitting agency must prepare an "IT Issue" in the NBRRS to request funding for the project.)

Worksheet in Project
Proposal Form.xls