

Nebraska Information Technology Commission
State Government Council

2013-2015 – IT Project Proposals

Project #	Agency	Project Title
09-01	Secretary of State	Rules & Regulations Filing & Approval Application
09-02	Secretary of State	Collections / Licensing Filing Application
09-03	Secretary of State	State Records Center Web Application
18-01	Department of Agriculture	Paperless Inspections
22-01	Department of Insurance	Nebraska Exchange
23-01	Department of Labor	Electronic Content Management for UI Programs
23-02	Department of Labor	State Information Data Exchange System
25-01	DHHS	ACA IT Implementation
25-02	DHHS	ICD-10
25-03	DHHS	SMHP (State Medicaid Hit Plan)
25-04	DHHS	MMIS Replacement Study
25-05	DHHS	MMIS Replacement
25-06	DHHS	Medicaid Managed Care Expansion
25-07	DHHS	Behavioral Health Data System
47-02	NETC	Radio Transmission Replacement
47-03	NETC	Enterprise Uninterrupted Power Supply
47-04	NETC	Media Services Technology Project
47-05	NETC	NETC Facility Technical Corridor Redesign
47-06	NETC	Facility Routing Project
78-01	Crime Commission	Criminal Justice Information System

IT Project Proposal Report - Detail**Agency: 009 - SECRETARY OF STATE****Budget Cycle: 2013-2015 Biennium****Version: AF - AGENCY FINAL REQUEST****IT Project : Rules & Regulations Filing & Approval Application****General Section****Contact Name :** Colleen Byelick**E-mail :** colleen.byelick@nebraska.gov**Agency Priority :** 1**Address :** State Capitol, Suite 2300**Telephone :** 4024712554**NITC Priority :****City :** Lincoln**NITC Score :****State :** Nebraska**Zip :** 68509**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	200,000	0	0	150,000	50,000	0
Project Management	25,000	0	0	15,000	10,000	0
Data Conversion	0	0	0	0	0	0
Other	3,600	0	0	1,800	1,800	0
Subtotal Contractual Services	228,600	0	0	166,800	61,800	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: 009 - SECRETARY OF STATE

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	0	0	0	0	0	0
Supplies & Materials	0	0	0	0	0	0
Travel	0	0	0	0	0	0
Other	8,000	0	0	4,000	4,000	0
Subtotal Other Operating Costs	8,000	0	0	4,000	4,000	0
Capital Expenditures						
Hardware	0	0	0	0	0	0
Software	0	0	0	0	0	0
Network	0	0	0	0	0	0
Other	0	0	0	0	0	0
Subtotal Capital Expenditures	0	0	0	0	0	0
TOTAL PROJECT COST	236,600	0	0	170,800	65,800	0

Funding

Fund Type	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
General Fund	0	0	0	0	0	0
Cash Fund	236,600	0	0	170,800	65,800	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	236,600	0	0	170,800	65,800	0
VARIANCE	0	0	0	0	0	0

IT Project Proposal Report - Detail

Agency: 009 - SECRETARY OF STATE

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

IT Project: Rules & Regulations Filing & Approval Application

EXECUTIVE SUMMARY:

The proposed project is a multiple agency workflow and archival system for the promulgation and maintenance of proposed and current rules and regulations using the Enterprise Content Management System (ECM) provided by Hyland OnBase. Rules and Regulations (rule/s) affect virtually every citizen and business in Nebraska. The Secretary of State is the “keeper” of state agency rules. The basic process of promulgating rules is this: publication of a draft for comment by interested or affected citizens or businesses, hold public hearing, review and approval. Rules become effective, five days after filing with the Secretary of State and have the force and effect of a statute. The proposed system would begin with the post-hearing workflow and archiving.

The proposed project is a multiple agency workflow and archival system for the promulgation and maintenance of proposed and current rules and regulations using the Enterprise Content Management System (ECM) provided by Hyland OnBase. Rules and Regulations (rule/s) affect virtually every citizen and business in Nebraska. The Secretary of State is the “keeper” of state agency rules. The basic process of promulgating rules is this: publication of a draft for comment by interested or affected citizens or businesses, hold public hearing, review and approval. Rules become effective, five days after filing with the Secretary of State and have the force and effect of a statute. The proposed system would begin with the post-hearing workflow and archiving.

The OnBase ECM system would provide central document storage, where documents could be: checked out for modification, electronically sent to reviewers, electronically routed to final approvers, and electronically filed. The system would also maintain archived versions of the rules and interact with our online docket to notify subscribers about pending and approved rules. The official electronically stamped regulations would be published online allowing citizens' access to the official version of all current regulations.

By moving to an electronic system we would be able to maintain consistent formatting for rules, reduce filing errors and have the documents clearly dated maintaining the documents integrity throughout the process.

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

Two major goals have been defined for this project. One is to eliminate the paper promulgation process and create a totally electronic workflow. The second goal is to publish the official rules online in a searchable format.

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

IT Project Proposal Report - Detail
Agency: 009 - SECRETARY OF STATE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

1. Describe the project, including:

- Specific goals and objectives;
- Expected beneficiaries of the project; and
- Expected outcomes.

Two major goals have been defined for this project. One is to eliminate the paper promulgation process and create a totally electronic workflow. The second goal is to publish the official rules online in a searchable format.

The first goal would be met by using ECM Onbase to create a web based workflow where documents could be: checked out for modification by an agency, electronically sent to reviewers, electronically routed to final approvers, and electronically filed. This project would involve all agencies. Each agency user would be limited to a very specific set of actions which they could perform. The system would maintain archived versions of the rules and would work with our current regulations website.

Benefits of using ECM OnBase are a streamlined process to promulgate rules with each agency using the exact same format. An electronic system avoids the current issue of formatting inconsistencies and the cumbersome promulgation process which includes copying and delivering four copies of the proposed rules to multiple approving and filing agencies. By using ECM we can create a workflow and format that would be utilized by each agency to deliver a properly vetted and reliable document.

The second goal addressed by using ECM OnBase is publishing the official rules online. Currently, the official stamped version is only available via paper copy. To accommodate the public, our office began posting the unofficial version of rules on our website several years ago. Today, citizens are predominately accessing rules using this online function. We receive very few requests for copies or paper versions of rules. The current online version of rules is not official and is simply a soft copy version provided by the agency. Often the versions are not dated and are not consistently formatted. Further, we do not have the staff to review each version to make sure it is identical to the official paper version filed in our office. Since we are the filer of state agency regulations, many other state agencies' websites link to our online version of the regulations

With ECM, we would be able to put the "official" file stamped version of the regulation online. Citizens would have real-time access to rules once filed. Moving to an electronic version of the regulation would allow for the document to be fully searchable online in a consistent format, with clear approval and filing date stamps.

An added benefit of moving to a totally electronic promulgation process is that our office would dramatically reduce the amount of staff time used for low value activities such as date stamping and filing each page of a filed rule. Many times rules encompass hundreds of pages of paper. In 2011, over 120 regulations were filed and processed. We currently

IT Project Proposal Report - Detail
Agency: 009 - SECRETARY OF STATE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

receive three paper copies of each rule and manually date stamp each page received. We then file one copy in a current regulation binder by title, another copy in a file cabinet, and send one copy back to the agency. We also scan a paper copy into an access database for archiving and research purposes and make another copy of the regulation to file in an agency binder. These manual time consuming tasks would be eliminated with the proposed ECM system.

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

The OCIO has provided a proposal as of August 2012 which included both functional requirements and project benefits. We believe the project will take the entire FY13-15 biennium to complete because all agencies will be affected by this system. We will measure success by meeting the functional requirements and benefits as laid out in the OCIO proposal. This includes getting all agencies, boards and commissions integrated into this system with standardized document formats. Furthermore, making sure the Governor's PRO and AG's Office are comfortable with and sign-off on the electronic workflow.

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

This project is consistent with our agency's technology plan as existing technology will be utilized. Software and system licenses will be provided by the OCIO. The State's Active Directory and core network will be utilized for application communication, thus providing integrity, reliability and high system availability.

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

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

4. Provide the project justification in terms of tangible benefits (i.e. economic return on investment) and/or intangible benefits (e.g. additional services for customers).

The greatest benefit of the OnBase ECM project is that workflow redundancies are eliminated and the official regulations are published and searchable online.

IT Project Proposal Report - Detail

Agency: 009 - SECRETARY OF STATE

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

This technology would move our promulgation process from a silo approach with each agency using slightly different formats to a shared service electronic system where each regulation would move through an identical process. A very specific set of statutes are followed for the promulgation of regulations and moving to OnBase would allow for templates to be used for statutorily required documents. OnBase would effectively “lock down” the regulation so that once the post hearing process started editing the rule (document) would not be allowed and workflow would determine where the regulation was routed for approval. Document and process integrity would be heightened by using OnBase because of the ability to time and date-stamp each workflow step. Gaps in the current process, such as the regulation being returned to the agency after approval by the Attorney General's office, would be eliminated, creating a faster promulgation process. All in all the entire process would be clearer for the agencies and less cumbersome.

A major benefit for all citizens of the state will be the ability to have the official regulations available online. These documents will allow a person to use a key word search to search throughout the entirety of the code and pull up the stamped official version of the regulation. Currently the official stamped version is only available via paper copy. To accommodate the public, our office began posting the unofficial version of rules on our website several years ago. Today, citizens are predominately accessing rules using this online function. We receive very few requests for copies or paper versions of rules. The current online version of rules is not official and is simply a soft copy version provided by the agency. Often the versions are not dated and are not consistently formatted. Further, we do not have the staff to review each version to make sure it is identical to the official paper version filed in our office. Since we are the filer of state agency regulations, many other state agencies' websites link to our online version of the regulations

With OnBase ECM, we would be able to put the “official” file stamped version of the regulation online. Citizens would have real-time access to rules once filed. . Moving to an electronic version of the regulation would allow for the document to be fully searchable online in a consistent format, with clear approval and filing date stamps.

A tangible benefit for our office would be the space gained from removing the need to retain three sets of regulations. Currently our office keeps one copy of the code indexed by title, one copy indexed by agency and a third copy indexed by agency, code and year. The official code is found only in our office in these paper formats and in a scanned PDF version of the same paper format. We estimate that our office supply usage, including paper, printing, and scanning costs used to process new regulations would be eliminated. Staff time could be reallocated to other higher value office needs, most likely moving towards using .5 FTE verses the current 1.0 FTE.

5. Describe other solutions that were evaluated, including their strengths and weaknesses, and why they were rejected. Explain the implications of doing nothing and why this option is not acceptable.

An electronic system was discussed in 2008 but at that time Nebraska had not begun to use ECM and there was no state vetted vender.

IT Project Proposal Report - Detail

Agency: 009 - SECRETARY OF STATE

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

Our office also looked at making the archived regulations into searchable documents. Archived regulations are kept in a PDF version. Converting PDF documents would have allowed historical archived rules to be searchable, but would not have eliminated the time spent maintaining a paper promulgation method nor would it have streamlined the promulgation process.

In reality citizens are using the online unofficial version of rules more than the official version found in our office. With this information, it is apparent that our office needed to make the official version available online and as user friendly as possible. We believe ECM OnBase delivers such a product.

6. If the project is the result of a state or federal mandate, please specify the mandate being addressed.

Not Applicable

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.

Using the OnBase ECM for promulgating rules and regulations would be a completely new electronic workflow and incorporate new technology. Currently, our agency uses a Microsoft Access Database to track Rules and Regulations metadata along with a Windows path to physically store the Rules and Regulations documents. Our agency will not require any hardware. The OnBase ECM system utilizes the OCIO's Active Directory for access permissions. No communication enhancements will be needed as our network resides on the State backbone. Since multiple agencies are involved in the promulgation process using a centralized technology that all agencies can have access too provides a great level of efficiency.

Access files would be imported into the OnBase SQL RDBMS with the OnBase application handling the regulation workflow functionality. The State's Active Directory and core network will be utilized for application communication, thus providing integrity, reliability and high system availability. OnBase ECM has already been vetted and purchased by the OCIO; furthermore OnBase has become the ECM standard as referenced in NITC Standard 5-101. Weaknesses of the project are minimal because of the nature of the technology and hosting presence.

8. Address the following issues with respect to the proposed technology:

IT Project Proposal Report - Detail

Agency: 009 - SECRETARY OF STATE

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

- 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.

The OnBase ECM System was chosen through an RFP selection process. The system has been properly vetted and subsequently approved by the NITC in its Standard 5-101. This project is consistent with our agency's technology plan as existing technology will be utilized. Software and system licenses will be provided by the OCIO through a monthly fee. The State's Active Directory and core network will be utilized for application communication, thus providing integrity, reliability and high system availability. It is our understanding that the OCIO will be responsible for the growth of storage moving forward.

PRELIMINARY PLAN FOR IMPLEMENTATION (10 PTS):

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.

A preliminary plan has been submitted to the Secretary's office by the OCIO. The plan includes a two part solution beginning with a conversion of current regulations with the second part addressing the electronic workflow.

The project sponsor is the Secretary of State, John A. Gale. Stakeholders are the Agencies, Boards and Commissions of the State of Nebraska and the citizens and businesses of the State. Special approving stakeholders would be the Attorney General's Office and Governor's Policy Research Office.

SOS Project Team Members are: Grace Willnerd, Licensing Director; Colleen Byelick, General Counsel, Bess Boesiger, Rules and Regulations Assistant and Josh Daws, IT Manager.

OCIO OnBase ECM Team Members are still to be determined.

IT Project Proposal Report - Detail
Agency: 009 - SECRETARY OF STATE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

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

Major Milestones: Project to take entire FY13-15

1. Sign-off on a Statement of Work (SOW). (July 2013)
2. Planning of Business workflow with GPRO and AGO. (6 months)
3. Conversion of current regulations to OnBase (450 hours)
4. Meetings with State agencies to discuss workflow; receive input. (3 months)
5. System requirements meetings for development with OCIO OnBase ECM team. (6 months)
6. Testing and sign-off for each configuring document, workflow and eform. (6 months)
7. System training for SOS, GPRO, AGO and State agencies. (April/May 2015)
8. Signoff on the completed system. (June 2015)

11. Describe the training and staff development requirements.

Moving the promulgation of rules to the OnBase ECM System would involve training and staff development covering a multitude of different government agencies. The Secretary, Attorney General, and Governor's Policy Research Offices would have to be trained on the system as well as how they fit into the workflow of the promulgation.

Other departments that submit rules would have to be trained on how to submit as well as the formatting that would now be required.

12. Describe the ongoing support requirements.

The user fee is a monthly ongoing cost of \$36 per month per user x 4 users (\$144 per month x 24 months= \$3456 (biennium). Document storage costs are unknown at this time. Unless a statutory change occurs, we do not anticipate any changes to the system, if implemented. Only the Secretary of State's Office would incur the system cost going forward. All other agencies, boards and commissions would be utilizing the web based version of the OnBase ECM system at no cost.

RISK ASSESSMENT (10 PTS):

Section 7: Risk Assessment (10 Points)

IT Project Proposal Report - Detail
Agency: 009 - SECRETARY OF STATE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

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

Possible barriers include agreement by agencies of the electronic workflow that should be applied. The process must be affirmed by the two approving agencies: Governor's Policy Research Office and the Office of the Attorney General. Receiving agencies, boards and commissions buy- in early on in the process will be very important to move the project forward.

Processing and migration 24,000 different Rules and Regulations into a single e-form format is a significant task to complete. It is unlikely that the migration process can be automated.

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

Risks will be minimized by utilizing scheduled Joint Application Development (JAD) sessions to learn about the needs and concerns of agencies that promulgate regulations. During these JAD sessions we will cement the workflow to meet statutory requirements.

Adequate staff time will be given to the conversion step including as estimated 450 hours by the OCIO.

FINANCIAL ANALYSIS AND BUDGET (20 PTS):

The agency proposes a one-time transfer of cash funds from the Corporation Cash fund (Fund 20920) to the Administration Cash Fund (Fund 20940) to cover the project costs in FY14 & FY15. Costs to include OnBase Licenses, ongoing document storage fees from the OCIO and document scanning through our Records Management Division (DISC). Statutory language would be necessary to enable the cash transfer between funds.

Attachments:

NESOS Rules_Regs Creation PPD 083012.pdf

NESOS Post-Hearing Reg Change Workflow PPD 083012.pdf

Project Proposal Document

Ownership	
Client:	Nebraska Secretary of State (NESOS)
Project Name:	Rules/Regs Updates in OnBase
Key Stakeholder(s):	NESOS: Colleen Byelick – General Counsel Grace Willnerd – Assoc. General Counsel Bess Boesiger – Process SME
Other Stakeholder(s):	Josh Daws, Dale Arp, Kevin Keller

Overview	
Project Objectives:	<ul style="list-style-type: none"> • Migrate the current language for all agency regulations into OnBase • Have current regulations available in OnBase at the Title, Chapter and Section level • Provide agencies the ability to add, modify or delete Titles, Chapters or Sections of their regulations
Project Benefits:	<ul style="list-style-type: none"> • Ability to lock down submitted changes throughout the process • Ability for all agencies to select and submit only impacted language • Online versioning and visibility into “before” and “after” of changes • Ability to access regulations as they existed on a specific date • Ability to search for and access any changes for a specific regulation within a specific date range • Opportunity to eliminate multiple copies that may not be identical • Opportunity to sync the “agency copy” with the “SOS copy”

Functional Requirements
<ul style="list-style-type: none"> • The agencies need the ability to <ul style="list-style-type: none"> ○ Add new language to an existing regulation ○ Remove existing language from an existing regulation ○ Modify existing language within a regulation ○ A combination of add, remove or modify language within the same regulation ○ Author a new regulation ○ Repeal an existing regulation ○ Merge multiple existing regulations ○ Add, modify or remove forms affiliated with regulations ○ Add, modify or remove appendices affiliated with regulations • The user should be able to select and modify only impacted Titles, Chapters or Sections that need to be updated • Both Tables of Contents (numerical and alphabetical) should reflect changes to the proposed regulations • Page numbers should reflect changes to the proposed regulations • The user will need to provide both a “clean” and “dirty” copy for review • The users should have the ability to retrieve the version of a regulation that was in effect at a certain date • The users should have the ability to retrieve any chapters or sections that were modified for a specific title within a certain date range • Reserved Titles, Chapters and Sections must be created • There should be a designation as to whether language within versions that may be accessible by the public is unofficial or official language. • The users should have the ability to “claim” and use reserved Titles, Chapters and Sections when appropriate

- When repealing an existing Title, Chapter or Section, that respective component should then be marked as reserved and available for later use the text of that corresponding section should be archived and stored for historical purposes
- The approved, stamped official version should be presented to the public users who wish to read, download or print a regulation
- A text rendition of the regulations should be used to provide for search functionality
- The user should be able to use the utility that will be designed for the initial regulation section import to manually import old regulations and sections.

Proposed Dates	
Request Date:	8/23/12
Proposed Start Date:	07/01/13
Proposed Due Date:	1/01/14 (+/- 90 days)
<i>Dates are subject to change due to the project acceptance date and the availability of resource in said range of dates.</i>	

Projected Resource Requirements

High Level Task	Description	Est Hours	Hr. Rate	Est. Cost
Discovery/Requirements	Detailed Review of Process and Requirements	40	128	\$ 5,120.00
Development	Custom MS Word Integrations	40	128	\$ 5,120.00
Meeting and Information Sharing	Meetings to review and update progress as well as validate project deliverables	50	128	\$ 6,400.00
Documentation	Full Project Documentation	20	128	\$ 2,560.00
Solution Design	Doc Types, Folders, Keywords, End User Interface, Workflow: Lifecycles, notifications, timers, AdHoc Tasks - Document Composition: Templates - Security Setup	80	128	\$ 10,240.00
File Import	Process to bring SOS Sections	30	128	\$ 3,840.00
Testing	Unit Testing	80	128	\$ 10,240.00
Training	Train the trainer	16	128	\$ 2,048.00
Go Live Support	Production Issue Resolution	24	128	\$ 3,072.00
Project Management	Update project documentation, status, issue and task tracking, budget, client management and organize meetings and correspondence	70	128	\$ 8,960.00

450 \$ 57,600.00

Estimates are based on eDoc's current understanding of project requirements. These estimates have a variance level of +/- 50%

Assumptions

This project proposal has been developed based on the following assumptions and restrictions to scope.

1. eDocument Resources (eDoc) must receive MS Word files from SOS in the format and granularity (Title, Chapter, Section) that SOS expects to use in OnBase.
2. SOS will provide a mapping document that will relate the title, chapter, section structure to the files submitted for importing into OnBase.
3. SOS will provide the original effective date and revised effective date for each Title, Chapter or Section that should be included in OnBase.
4. The current promulgation process includes and assumes some risk today at multiple process steps that the language being used and/or approved may not be identical to the "official copy."
5. The risk identified in #4 cannot be eliminated or transferred through this project. It will remain and be inherent in that the original source documentation provided for use in OnBase may not be 100% validated.
6. During testing, the SOS will be responsible for coordinating, approving and accepting test data as it relates to the language and content within test files.
7. As these documents are process triggers near the front of the promulgation process, this project may impact process steps of the agency themselves, the Executive Council and the Governor's Policy Review Office (GPRO).
8. A related project (NESOS Post-Hearing Reg Change Workflow) has been requested for review, also. The scope of that project is limited to the promulgation process steps beginning after approval at the agency hearing. As such, there may be unintentional impact to people and process steps in between the creation of the proposed regulation in OnBase and the point at which the proposed workflow begins. Neither proposed project addresses the gap in between.
9. Any proposed solution and workflow would not include any automated awareness of circular references to pages, chapters or sections that could be impacted by adding, rearranging or deleting chapters or sections. Likewise, any possible references to other Titles that could be modified or repealed would also require manual research and updating.
10. More research will be required as it pertains to supporting changes to graphs, charts, tables and other exhibits that are part of the document. This could impact any proposed solution and the final estimate.

11. All forms associated with a Title may need to be defined and mapped as individual items.
12. SOS would need to indicate known reserved Titles, Chapters and Sections prior to the solution build.
13. This estimate does not include any workflow or process to submit the proposed regulation changes into the promulgation process.
14. Only current rules and regulations will initially be brought into OnBase under the scope of this project.
15. This estimate does not include any effort or cost related to any meetings, research, analysis, demos or documentation associated with review, consideration or adoption by the AG, GPRO or any other associated agency or supporting body.

Dependencies

The successful implementation is dependent on, but not limited to, the following variables.

1. The acceptance and approval by affected departments not directly within the reporting structure of the SOS to change their processes and adopt steps and methods required by the process and associated systems to work as envisioned.
2. The timing and approval of the proposed project is contingent upon funding availability and associated processes and timelines.

Risk

1. The current process assumes the risk that the initiating language submitted by the agency may not be the same as the current, approved regulatory language.
2. The current process does not validate that 100% of the text presented to the SOS in the final step is either a) consistent with current approved regulatory language or b) limited to only the intended, reviewed and approved changes.
3. The possibility that the AG and GPRO would not accept the conversion of complete, official documents into components as official, approved language. **UPDATE:** Per the 8/29 PPD walkthrough, this was not seen as an issue by SOS personnel.

Outstanding Deliverables and Questions

1. eDoc needs to research what extent that MS Word formatting and changes can be controlled once the original requested format is in OnBase.
2. Need to walk through the process of merging two titles and whether there would be a complete re-write or whether selected chapters and sections would be combined into a new document.
3. It is currently unknown what the legal opinion would be of complete, official language that is parsed into pieces either by a system or person. Would the AG and GPRO accept those derivations of the original as still approved language? **UPDATE:** Per the 8/29 PPD walkthrough, this was not seen as an issue by SOS personnel.
4. There are graphs, charts and forms that aren't in MS Word today. Need to research how to support this in proposed solution.
5. SOS and eDoc need to walk through what the page numbering requirement will be (if any) going forward.

Executive Approval			
Executive Sponsor:		Date:	
Team Lead:		Date:	

Project Proposal Document

Ownership	
Client:	Nebraska Secretary of State (NESOS)
Project Name:	Post-Hearing Rules/Regs Approval Workflow
Key Stakeholder(s):	NESOS: Colleen Byelick – General Counsel Grace Willnerd – Assoc. General Counsel Bess Boesiger – Process SME
Other Stakeholder(s):	Josh Daws, Dale Arp, Kevin Keller

Overview	
Project Objective:	Automate, simplify, digitize and report the promulgation process of agency regulation changes.
Project Benefits:	<ul style="list-style-type: none"> - Eliminate paper - Automated, electronic process - Streamlined process - Eliminate unnecessary steps where possible - Eliminate multiple copies - Real time access to updates by citizens - Reduce use of printing supplies by 50% - Reduce scanning costs - Improve useful life of scanning/printing hardware by lowering use and reducing wear - Increase FTE productivity by eliminating redundant, low value tasks - Simplify the process for all involved - Visibility into the status of each proposed change - Eliminate risk associated with "unofficial" version currently being published to public - #1 - Eliminate electronic/paper redundancy - Retire existing internal database - Improved reporting and querying functionality - Introduce electronic templates in place of some supporting required documents today that would auto-populate with known data - Document integrity – the system can validate the presence of all required documents prior to routing to Attorney General (AG)

Functional Requirements	
<ul style="list-style-type: none"> • Provide agencies with eForm templates that can replace some of the supporting documents used today <ul style="list-style-type: none"> ○ eForms should auto-populate with known data when available and provide defined fields for free text entry • The process should validate the presence of required supporting documents before sending on in the process • The AG and Governor's Policy Review Office (GPRO) need the ability to review the proposed regulation as well as the related, required documents • The AG and GPRO need the ability to Approve, Decline or Recall a submission • The process should record the Received Date when the submission is received by the AG, GPRO and SOS. • The process should record the decisions rendered by the AG and GPRO • In real-time, the process should populate the following fields on the SOS website: <ul style="list-style-type: none"> ○ Attorney General Office Received ○ Attorney General Office Approved 	

- Pre-defined statuses and terminology should be used
- Governor's Policy Research Office Received
- Date Governor Approved
 - Pre-defined statuses and terminology should be used
- Filed at Secretary of State
- Effective Date
 - All regulations are effective 5 calendar days following SOS filing, unless specifically noted for an effective date more than 5 days (ex – 1/1/2013)
- Each of the aforementioned SOS web updates should also trigger an email notification to the distribution group that receives updates on proposed changes to regulations
- Users within the AG office and GPRO should have the ability to designate where there stamp will go and upon approval the workflow should stamp the "clean copy" and include either the initials or signature of the logged in user who approves the task.
- The originating agency should receive a notification when AG and GPRO approve the change and the submission is sent to the next step in the workflow
- The end of submitted language should contain notation as to the original effective date of the legislation as well as reflect the date of the most recent, approved change
 - Ex - FR 23603, Nov 4, 1972, as amended 50 FR 12466, Mar. 28, 1985
- The originating agency should have the ability to terminate the process at any point prior to the SOS submitting for storage (SOS Rec'd Date) and online publication
 - This process should update the SOS website with language to reflect terminated at the agency's request
- The approved, stamped official version should be presented to the public users who wish to read, download or print a regulation at SOS site through Nebraska.gov.
- A text rendition of the regulations should be used to provide for search functionality online
- Monthly folders should be set up and retained for a rolling 12 months
 - Approved regulation changes will be stored in the monthly folder based on date filed w/ SOS
- OnBase should publish monthly folders to CD for monthly electronic subscribers

Proposed Dates	
Request Date:	8/23/12
Proposed Start Date:	07/01/13
Proposed Due Date:	10/15/13 (+/- 90 days)
<i>Dates are subject to change due to the project acceptance date and the availability of resource in said range of dates.</i>	

Projected Resource Requirements

High Level Task	Description	Est Hours	Hr. Rate	Est. Cost
Discovery/Requirements	Detailed Review of Process and Requirements	80	\$ 128.00	\$ 10,240.00
Meeting and Information Sharing	Meetings to review and update progress as well as validate project deliverables	80	\$ 128.00	\$ 10,240.00
Integrations	Integration to SOS Website	80	\$ 128.00	\$ 10,240.00
Documentation	Full Project Documentation	40	\$ 128.00	\$ 5,120.00
Solution Design	Doc Types, Folders, Keywords, End User Interface, Workflow: Lifecycles, notifications, timers, AdHoc Tasks - Document Composition: Templates - Security Setup	140	\$ 128.00	\$ 17,920.00
Testing	Unit Testing	40	\$ 128.00	\$ 5,120.00
Training	Train the trainer	16	\$ 128.00	\$ 2,048.00
Go Live Support	Production Issue Resolution	24	\$ 128.00	\$ 3,072.00
Project Management	Update project documentation, status, issue and task tracking, budget, client management and organize meetings and correspondence	80	\$ 128.00	\$ 10,240.00
		580		\$ 74,240.00
<i>Estimates are based on eDoc's current understanding of project requirements. These estimates have a variance level of +/- 50%</i>				

Assumptions

This project proposal has been developed based on the following assumptions and restrictions to scope.

1. The process steps in scope occur after the agency hearing and adoption. This proposal does not account for any possible changes to process or staff impact related to the steps, decisions and processing prior to agency adoption.
2. Any dates or statuses reported to the SOS website pertaining to activity that occurs prior to agency adoption will continue to be updated manually as is consistent with the current process.
3. The "Proposed Regulation Details" section of the "Proposed Rules and Regulations Docket" will continue to be populated manually and linked to the appropriate proposed regulation change.
4. The "Proposed Regulation Details" section does not need to be updated with any information from the post-hearing adoption process, nor does the proposed regulation need to be replaced with the approved regulation.
5. This project and workflow do not address the sub-processes, steps or decision making that occur within any of the agencies, nor specifically the supporting tasks of the AG office or GPRO.
6. The process as it relates to the AG and GPRO is simply to provide; a mechanism in which to present the proposed regulation as well as the required supporting documentation, the ability to approve, decline (substantial or non-substantial) or recall a proposed regulation, the ability to indicate where the stamp should be placed within the document and the stamp should bear either the signature or initials associated with the user decisioning the document.
 - a. When the AG or GPRO would recall a submission, it would be done because the submission was routed forward mistakenly. This recall function would return the submission to the queue of the agency that recalled it.
7. The SOS office will maintain the email distribution groups to be used in status notifications to docket subscribers and subscribers to monthly updates.
8. Any proposed change that is rejected along this process (except AG non-substantial change) will be treated as a new and distinct submission if it is sent back through the process and does not need to maintain a relationship in the system with the previous unapproved submission
9. If a proposed regulation requires multiple submissions and as a result undergoes several iterations, there is no

requirement to track, retain and version the iterations between what was the existing regulation at the beginning of the process and the updated, approved regulation that results from the process.

- a. These unsuccessful submissions can be purged at any time.
- 10. The process update notifications that are currently sent to docket subscribers are a 1:1 relationship to each update, not a single daily update that combines all of the data for the day.
- 11. The SOS website fields "Attorney General Office Approved" and "Date Governor Approved" should also contain information related to adverse decisions.
- 12. Look and feel of Nebraska.gov should retain as much look and feel as present today
- 13. This estimate does not include any effort or cost related to any meetings, research, analysis, demos or documentation associated with review, consideration or adoption by the AG, GPRO or any other associated agency or supporting body.
- 14. This does not include a conversion of any existing regulation or any items currently in the existing process.

Dependencies

The successful implementation is dependent on, but not limited to, the following variables.

- 1. The acceptance and approval by affected departments not directly within the reporting structure of the SOS to change their processes and adopt steps and methods required by the process and associated systems to work as envisioned.
- 2. The appropriate legal authority(ies) must conclude that electronic dates, stamps and signatures satisfy any statutory requirements to carry the full effect of the law.
- 3. Successful implementation will require state IT resources and support related to data and documents within the current Access DB/Windows Shared Folder solution as well as integrating with the SOS website.
- 4. The timing and approval of the proposed project is contingent upon funding availability and associated processes and timelines.

Risk

- 1. The current process assumes the risk that the initiating language submitted by the agency may not be the same as the current, approved regulatory language.
- 2. The current process does not validate that 100% of the text presented to the SOS in the final step is either a) consistent with current approved regulatory language or b) limited to only the intended, reviewed and approved changes.
- 3. With 1 and 2 present in the current system, aside from eDocument Resources receiving source files that a) meet the business' requirements for defined section granularity and b) have been reviewed and approved as consistent with the current regulatory language, the current risk exposure could not be mitigated.

Outstanding Deliverables and Questions

- 1. eDoc needs the format of the emails currently send to docket subscribers for both status updates as well as monthly updates.
- 2. eDoc and SOS need to validate the assumption surrounding resubmissions and related tracking. There may be conflicting requirements.
- 3. eDoc and SOS need to discussion Document Retention and Records Management guidelines.

Executive Approval			
Executive Sponsor:		Date:	
Team Lead:		Date:	

IT Project Proposal Report - Detail**Agency: 009 - SECRETARY OF STATE****Budget Cycle: 2013-2015 Biennium****Version: AF - AGENCY FINAL REQUEST****IT Project : Collections / Licensing Filing Application****General Section**

Contact Name :	Colleen Byelick	E-mail :	colleen.byelick@nebraska.gov	Agency Priority :	1
Address :	State Capitol, Suite 2300	Telephone :	4024712554	NITC Priority :	
City :	Lincoln			NITC Score :	
State :	Nebraska	Zip :	68509		

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	59,820	0	0	59,820	0	0
Project Management	0	0	0	0	0	0
Data Conversion	0	0	0	0	0	0
Other	3,600	0	0	1,800	1,800	0
Subtotal Contractual Services	63,420	0	0	61,620	1,800	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: 009 - SECRETARY OF STATE

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	0	0	0	0	0	0
Supplies & Materials	0	0	0	0	0	0
Travel	0	0	0	0	0	0
Other	7,000	0	0	3,500	3,500	0
Subtotal Other Operating Costs	7,000	0	0	3,500	3,500	0
Capital Expenditures						
Hardware	0	0	0	0	0	0
Software	0	0	0	0	0	0
Network	0	0	0	0	0	0
Other	22,500	0	0	15,000	7,500	0
Subtotal Capital Expenditures	22,500	0	0	15,000	7,500	0
TOTAL PROJECT COST	92,920	0	0	80,120	12,800	0

Funding

Fund Type	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
General Fund	0	0	0	0	0	0
Cash Fund	92,920	0	0	80,120	12,800	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	92,920	0	0	80,120	12,800	0
VARIANCE	0	0	0	0	0	0

IT Project Proposal Report - Detail

Agency: 009 - SECRETARY OF STATE

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

IT Project: Collections / Licensing Filing Application

EXECUTIVE SUMMARY:

We are proposing to implement an Enterprise Content Management System (ECM) using Hyland OnBase to consolidate current systems, documents and processes. This project is needed to modernize the record keeping and electronic database system currently being used to operate licensing and registration of the following occupations: Collection Agency, Athlete Agent, Credit Services, Debt Management, Private Detectives, Non-Recourse Civil Litigation Funding Companies, and Truth & Deception Examiners.

OnBase ECM would allow our office to replace filing cabinets currently taking up a fourth of our office with digital storage easily accessible from each employee's desk. Our current licensing processes would also be modernized creating a business workflow within OnBase where licenses would be processed, reviewed, approved and finally issued within the system. By converting our system to OnBase ECM we can eliminate paper, automate and streamline our workflow to serve citizens faster and better, and have our documents safe and secure, centrally stored and accessible by authorized staff.

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

The two main goals for moving to an ECM system are: electronic filing and storage system and streamlined workflow. Beneficiaries include citizens of Nebraska, licensees and our office employees.

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

1. Describe the project, including:

- Specific goals and objectives;
- Expected beneficiaries of the project; and
- Expected outcomes.

The two main goals for moving to an ECM system are: electronic filing and storage system and streamlined workflow. Beneficiaries include citizens of Nebraska, licensees and our office employees.

IT Project Proposal Report - Detail

Agency: 009 - SECRETARY OF STATE

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

By converting our system to ECM OnBase we expect to reduce paper usage, automate and streamline our workflow to serve citizens faster and better, and have our documents safe and secure, centrally stored and accessible by each employee. Moving from a paper based filing system to an electronic one would not only save office space but would allow each employee to answer citizen and licensee questions without searching for the paper file. Our quarterly Collection Agency Board Meeting would also benefit from electronic records as the typical meeting preparation packet includes upwards of 500 pages. Instead of producing a paper copy for each Board member each meeting, we would send the meeting packet electronically for Board member meeting preparation and produce a limited amount of the packet in paper form for the actual meeting.

Filing and retrieving paper documents would become less cumbersome and employee time would be saved. Combining electronic storage with a workflow process allows applications to be properly vetted and approved before licensing, eliminating the errors that sometimes occur with transferring paper files to and from employees' desks. An electronic workflow forces applications to move through a set of predetermined steps before being approved. Employees are able to track and see where in the process the application is and what elements might be missing. Many times Collection Agency applications are returned to the applicant multiple times for correction. By using an electronic system these corrections could be added to the application without the hassle and cost of paper and postage. Applicants and licensees would benefit from faster processing. With many of the ministerial tasks being completed by software staff time could be allocated to better serve citizens, applicants, and licensees. Put simply, more time would be devoted to citizens and licensees versus managing paper files.

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

Our staff currently consists of one FTE dedicated to licensing, thirty percent of another FTE's time and one manager. Low value tasks such as file retrieval, logging, and copying correspondence take up staff time which would be better spent on high value core business activities such as investigating applications, answering citizen questions, and regulating the occupations that are licensed. About sixty percent of our dedicated FTE is used conducting ministerial tasks such as file retrieval with the remaining forty percent of their time allocated for core business functions like preparing for Collection Agency Board meetings. We believe an ECM system could flip this percentage to sixty to seventy percent of staff time being devoted to core functions and thirty to forty percent dedicated to ministerial tasks by eliminating the need to keep paper files and allowing some types of correspondence to be transmitted automatically. Because we are a small staff the measurement would be easily recognizable by the time allocated to those low value vs. high value tasks.

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

This project is consistent with our agency technology plan. Software and system licenses will be provided by the OCIO. Our agency will be able to use our existing infrastructure (i.e. PCs, printers and scanners) to utilize the system. The State's Active Directory and core network will be utilized for application communication, thus providing integrity, reliability and high system availability.

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

IT Project Proposal Report - Detail
Agency: 009 - SECRETARY OF STATE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

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

4. Provide the project justification in terms of tangible benefits (i.e. economic return on investment) and/or intangible benefits (e.g. additional services for customers).

We estimate our office supplies including paper, toner, photocopier, staples, would be reduced by at least half by using ECM OnBase. Currently a fourth of the office is utilized for file storage. The bulk of files pertain to Collection Agencies. Once paper files are reduced this space would be utilized as a meeting area for staff and a place where licensing tests could be conducted.

There are many intangible benefits to our office using OnBase ECM. Filing and retrieving paper documents would become less cumbersome and employee time would be saved. Combining electronic storage with a workflow process allows applications to be properly vetted and approved before licensing, eliminating the errors that sometimes occur with transferring paper files to and from employees' desks. An electronic workflow forces applications to move through a set of predetermined steps before being approved. Employees are able to track and see where in the process the application is and what elements might be missing. Applicants and licensees would benefit from faster processing. With many of the ministerial tasks being completed by software staff time could be allocated to better serve citizens, applicants, and licensees. The burdensome process of preparing Collection Agency quarterly meeting materials would also be reduced by being able to supply electronic meeting packets. Put simply, more time would be devoted to citizens and licensees verses managing paper files.

As described above, a greater focus could be given to high value tasks such as investigating collection agency licensee applications and answering citizen questions more quickly. Everyday each staff person spends time accessing the paper files to respond to applicant and citizen questions. Being able to access records from our desktop would not only save staff time, but would save our callers' time. The applicant/licensee will also benefit from our streamlined workflow and quicker processing times.

Staff time dedicated to ministerial work would be shifted to core business services. This shift will allow staff time to be used more efficiently to address citizen and licensee concerns.

5. Describe other solutions that were evaluated, including their strengths and weaknesses, and why they were rejected. Explain the implications of doing nothing and why this option is not acceptable.

IT Project Proposal Report - Detail
Agency: 009 - SECRETARY OF STATE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

Our office has evaluated our needs for the last few years. We have participated in demonstrations of other licensing electronic systems as well as received project estimates from these companies. OnBase encompasses features of the other vendors and offers a similar cost and has been vetted by the State for use. NITC 5-101 Groupware Architecture recommendation states that agencies managing content and creating workflow shall use the Enterprise Content Management System (ECM) as provided by the OCIO. Using ECM to create a more efficient office space and workflow would allow us to better serve the occupational groups that we license as well as the citizens coming to our office for information about these occupations.

Taking no action would result in a continued overcrowding of office space and inefficiencies of time used looking for files. The use of paper meeting packets for Collection Agency Board quarterly meetings would continue without a way to provide the more efficient electronic copy. We do not have the physical space to continue using paper based files in our office.

6. If the project is the result of a state or federal mandate, please specify the mandate being addressed.

Not Applicable

TECHNICAL IMPACT (20 PTS):

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.

Using the OnBase ECM for our Licensing Division would be completely new from a business process and technology standpoint. Currently, our business processes utilizes separate Access databases for each license type. Each Access database currently holds licensee information, but other turnkey functionality is not available using this model. Moreover, our Access system is problematic at times and not user-friendly as compared to OnBase ECM. For example, our Access databases must be compacted periodically by IT staff. Also, the Access databases can become corrupted, which causes data input to be redone after a restore has been performed.

All Access files would be imported into the OnBase SQL RDBMS with the OnBase application handling the Licensing workflow functionality. The State's Active Directory and core

IT Project Proposal Report - Detail
Agency: 009 - SECRETARY OF STATE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

network will be utilized for application communication, thus providing integrity, reliability and high system availability. We do not anticipate any hardware procurement because the OnBase system is hosted by the OCIO.

OnBase ECM has already been vetted and purchased by the OCIO; furthermore OnBase has become the ECM standard as referenced in NITC Standard 5-101. Weaknesses of the project are minimal because of the nature of the technology and hosting presence.

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.

The OnBase ECM System was chosen through an RFP selection process. The system has been properly vetted and subsequently approved by the NITC in its Standard 5-101. Software and system licenses will be provided by the OCIO through a monthly fee. The State's Active Directory and core network will be utilized for application communication, thus providing integrity, reliability and high system availability. It is our understanding that the OCIO will be responsible for the growth of storage moving forward.

PRELIMINARY PLAN FOR IMPLEMENTATION (10 PTS):

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.

The Secretary of State's Office has met with the OCIO OnBase ECM team on several occasions to discuss preliminary project plans, options and business processes. We have received an estimate of conversion and implementation costs based on those discussions.

The project sponsor is the Secretary of State, John A. Gale. Stakeholders are the State of Nebraska, Secretary of State's Office and the citizens of the State.

IT Project Proposal Report - Detail
Agency: 009 - SECRETARY OF STATE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

SOS Project Team Members are: Grace Willnerd, Licensing Director; Colleen Byelick, General Counsel, Allyn Pella, Licensing Assistant and Josh Daws, IT Manager I, Dale Arp, IT Infrastructure Analyst, Senior.

OCIO OnBase ECM Team Members are still to be determined.

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

Major Milestones:

1. Sign-off on a Statement of Work (SOW).
2. Importation of seven (7) Access databases – including any data normalization needed. (340hrs. estimated)
3. Creation, testing and sign-off for each configuring document, workflow and eform. (4 months)
4. Training of four (4) staff members. (1 to 3 days)
5. Signoff on the completed system.

11. Describe the training and staff development requirements.

Minimal training would be necessary for our four (4) end users. We anticipate one to three days of training with staff manuals being produced as a part of the conversion process. Training would be necessary for two licensing staff and two managers.

12. Describe the ongoing support requirements.

The OCIO will provide technical and application support for the OnBase system. The user fee is a monthly ongoing cost of \$36 per month per user x 4 users (\$144 per month x 24 months= \$3456 (biennium). Unless a statutory change occurs, we do not anticipate any changes to the system.

RISK ASSESSMENT (10 PTS):

IT Project Proposal Report - Detail
Agency: 009 - SECRETARY OF STATE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

Section 7: Risk Assessment (10 Points)

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

A possible risk would be database conversion issues associated with any software transition.

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

All Access databases would be backed up prior to conversion. Testing is a required deliverable as is executive review and signoff before the project can be listed as complete.

FINANCIAL ANALYSIS AND BUDGET (20 PTS):

The attached document is an estimate to perform work on the Licensing project. The estimated cost is \$39,880 with a +/- of 50% increase based on OCIO analysis. The current cash balance in the Collection Cash Fund (Fund 20910) is sufficient to accommodate the entire cost of this project.

Attachments:

Secretary of State Licensure Estimate with comments 07 24 12.docx

Secretary of State – Licensure Estimate

Contents

License Types.....	2
General Information	2
Collection Agencies.....	2
Private Detective	2
Debt Management.....	2
Credit Services.....	3
Truth and Deception.....	3
Athlete Agents.....	3
Civil Litigation.....	3
Reports for Legislature	3
License Approval Process	4
Email Notifications.....	5
Exams	5
Authorization in ECM	5
Collections Board Meeting Agenda	5
Conversion Information	6
Estimate.....	8

License Types

General Information

Information can be found at <http://www.sos.state.ne.us/dyindex.html#boxingName>

Retention => Keep for 2 yrs for Athlete Agent, 5 Yrs for Collection, Debt Management, Truth & Deception and Nonrecourse Civil Litigation, and 10 yrs for Private Detective files and databases.

Collection Agencies

Forms

- Initial License Application
- Oath of Applicant
- Personal/Corporate Financial Statement
- Officers' Interrogatory
- Bond
- Customers for Reference
- Licenses Held in Other States

Renew Yearly by December 30

- Must reapply if miss the deadline. Quarterly Board meetings
- Board approves the licenses
- Solicitors and branch offices are added throughout the year

Private Detective

Forms

- Fingerprint Card
- United States Citizenship Attestation Form
- Application for Private Detective Agency
- Application for Private Detective/Plain Clothes Investigator
- Private Detective Agency License Bond
- Addendum to Application for Plain Clothes Investigator
- Authorization for Release of Information

Renewals => Even Years by June 30

- Pictures needed for Badges
- Need to Save Pictures in ECM, and print information to Zebra printer

Debt Management

Forms

- License Application

Personal/Corporate Financial Statement
Officers' Interrogatory
Bond
Branch Office Application
Renewals Annually by December 30th

Credit Services

Forms
Registration
Bond

Truth and Deception

Forms

Athlete Agents

Forms
Application
Affidavit
Reciprocal Forms from other states
Renew every two years from issuance

Civil Litigation

Forms
Application
Officers' Interrogatory
Bond
Oath of Applicant
Renew September 30

** Need to create a yearly report for the Legislature in October
** Need details of what this report would contain

Reports for Legislature

Number of times SOS Contacted the Company

Complaints – Generally just basic information needed

- We would want to make sure that complaints would be routinely deleted, maybe 6 months after they are closed.

Collection gets a large amount of complaints. Would want e-form to track the following information:

- Who complaint is against (may not be a licensed person/company)
- License Type (if any)
- Date
- Who is filing complaint – name, email, phone, fax
- Complaint
- Resolution
- Status
- Date Open
- Date Resolved

License Approval Process

- Mail is opened and initial processing completed
 - All license types have a checklist to help verify when all information is completed
- All items are recorded, regardless of whether they are complete or not
- Items missing information are sent back with request to fill out missing information
 - These items are placed in a pending status
- Business Services is contacted for information on businesses. They provide information, but are not a part of the approval process
- Completed items are routed to Grace for approval
 - Grace puts Collections on agenda for next board meeting. The Board will approve the Collections applications
 - Collections applications may be able to be sent out electronically before the meeting, either through the agenda management or emails or workflow
 - Grace initials the checklist on the rest of the applications to indicate that new licenses can be sent out to the applicant
- Audit Manager – will they need to have access to ECM?
- Licenses are paid by Cash and Check – need to track payment type and amount collected.
 - Could there be multiple charges for a license type?
 - Be able to print receipt from ECM for monies collected
- Print Certificate from ECM when the process is completed. Gather items in a queue so they can be batched together

Email Notifications

- Private Detective – none
- Be able to send applicants individual emails looking for more information, or mass emails informing group of deadlines
- Renewal Notifications
- Maillist for Rules and Regulations Distribution
- May need workflow to accomplish this

Exams

- Private Detective – monthly exams. Possibly take pictures at exam time
- Truth and Deception has exams, but not regularly scheduled.

Authorization in ECM

- 2 Levels – one level as super-user, one level as regular user

Collections Board Meeting Agenda

Use this as a way to collect information for the Board.

Estimate on setting this up so it can be used

*** Note: The estimate for this will not be included in this estimate. There are some new features coming out in the next version that could affect this estimate.

Conversion Information

There are 7 access databases that could be converted. If we convert the paper as needed, there would not be any additional charges. It would be the same as scanning in a new paper application. If we convert the access databases, we would need to set up an eform for each of the access databases that are listed.

Estimates are based on size of tables (number of fields, number of records), number of tables to convert into an eform, and complexity of fields. There is a certain amount of setup needed for all tables so some small tables may seem to be higher than expected.

I listed all the tables in all the access databases that were provided to me. We do not need to convert all of these tables. We can convert them as needed.

License Type	Number of Fields	Hours to set up eform	Cost
Athlete Agent – Current and Temporary	11 fields	6 hr	\$510
Collections – Branch	13 fields	8 hours	\$680
Collections – Collection Table	53 fields	24 hours	\$2040
Collections – Agency License Dates	15 fields	8 hours	\$680
Collection Copy 10-23-09	45 fields	16 hours	\$1360
Collection Renewal 2007 – 2011	8 fields	6 hours	\$510
Credit Service Organizations	10 fields	6 hours	\$510
Debt Management - Branch	9 fields	6 hours	\$510
Debt Management – 2004 - 2010 ***	25 fields	16 hours	\$1360
Debt Management – Current	30 fields	16 hours	\$1360
Debt Management Renewals – 2008 – 2011	9 fields	8 hours	\$680
Civil Litigation - Current	33 fields	16 hours	\$1360
Private Detective – Applications Received	13 fields	8 hours	\$680
Private Detective – Cannot be licensed ###	2 fields	4 hours	\$340
Private Detective – Denied License ###	2 fields	4 hours	\$340
Private Detective – Old Plain Clothes Investigator	16 fields	8 hours	\$680
Private Detective – Old Private Detective Agencies	30 fields	18 hours	\$1530
Private Detective – Old	16 fields	8 hours	\$680

Private Detectives			
Private Detective – Plain Clothes Investigator	20 fields	12 hours	\$1020
Private Detective – Private Detective Agencies	42 fields	14 hours	\$1190
Private Detective – Private Detectives w/ pictures	23 fields	20 hours	\$1700
Truth and Deception – Private – all years	19 fields	24 hours (Hours could be reduced if we do not do all these tables)	\$2040
Truth and Deception – Private Renewals – All years	10 fields	12 hours (Hours could be reduced if we do not do all these tables)	\$1020
Truth and Deception – Public	20 fields	24 hours (Hours could be reduced if we do not do all these tables)	\$1020
Truth and Deception – Public Renewals	10 fields	12 hours (Hours could be reduced if we do not do all these tables)	\$1020
Truth and Deception – Voice	16 fields	24 hours (Hours could be reduced if we do not do all these tables)	\$2040
Truth and Deception – Voice Renewals	10 fields	12 hours (Hours could be reduced if we do not do all these tables)	\$1020
Total Conversion:			\$27,880

*** If we convert the Debt Management – Current access table, then the effort to convert these tables would be reduced to about 4 hours.

I highly recommend we create these electronic forms and build this into the licensing process for private detectives. We could build these into one form and reduce the effort.

Estimate

The estimate for creating configuring documents, setting up workflows, and other items needed for the solution, for the various licenses, based on what is known today, is \$10,000 - \$12,000. This would be reduced if it was decided not to do all licenses types.

To convert all the tables in the access databases would come to approximately \$27,880. We could discuss what tables would need to be converted. If only a few tables needed to be converted, the charges would be only for those tables.

All work is time and materials. If the work was done sooner, you would not be charged the entire amount.

IT Project Proposal Report - Detail

Agency: 009 - SECRETARY OF STATE

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

IT Project : State Records Center Web Application

General Section

Contact Name :	Cathy Danahy	E-mail :	cathy.danahy@nebraska.gov	Agency Priority :	1
Address :	440 S. 8th Street, Suite 210	Telephone :	4024712550	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	20,000	0	0	12,500	7,500	0
Project Management	7,500	0	0	5,000	2,500	0
Data Conversion	0	0	0	0	0	0
Other	10,000	0	0	5,000	5,000	0
Subtotal Contractual Services	37,500	0	0	22,500	15,000	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: 009 - SECRETARY OF STATE

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	0	0	0	0	0	0
Supplies & Materials	1,800	0	0	900	900	0
Travel	12,000	0	0	6,000	6,000	0
Other	0	0	0	0	0	0
Subtotal Other Operating Costs	13,800	0	0	6,900	6,900	0
Capital Expenditures						
Hardware	0	0	0	0	0	0
Software	10,000	0	0	10,000	0	0
Network	0	0	0	0	0	0
Other	0	0	0	0	0	0
Subtotal Capital Expenditures	10,000	0	0	10,000	0	0
TOTAL PROJECT COST	61,300	0	0	39,400	21,900	0

Funding

Fund Type	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
General Fund	0	0	0	0	0	0
Cash Fund	61,300	0	0	39,400	21,900	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	61,300	0	0	39,400	21,900	0
VARIANCE	0	0	0	0	0	0

IT Project Proposal Report - Detail

Agency: 009 - SECRETARY OF STATE

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

IT Project: State Records Center Web Application

EXECUTIVE SUMMARY:

The Secretary of State (SOS) serves as the state records administrator. The Records Management Division (RMD) assists state agencies in managing the creation, use, storage and disposal of records in an efficient and economical manner. The State Records Center (SRC) currently maintains and tracks over 70,000 cubic feet of state agency records. The SOS-RMD is interested in a web-based software application to maximize the efficient and cost-effective use of updated technologies in order to upgrade from a limited and somewhat unstable database system. The City of Lincoln developed a web-based records tracking system for use in the Lancaster County Records & Information Management office. They have offered to share this web application with the state for a modest investment.

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

The primary goals for this new and updated system are to establish a more client-oriented program which allows the customer base to take advantage of a "Self-service" records management model.

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

1. Describe the project, including:

- Specific goals and objectives;
- Expected beneficiaries of the project; and
- Expected outcomes.

Specific Goals & Objectives:

The primary goals for this new and updated system are to establish a more client-oriented program which allows the customer base to take advantage of a "Self-service" records management model. For an extended period of years, the clients have been required to make manual requests to the SRC for all types of inquiries involving their record collections. This translates to inefficient access of important records and information each agency needs to conduct their business operations. We expect this system to significantly enhance all aspects of the process for requesting, transferring, accessing and retrieving records across the state. In addition, we understand each agency has a need

IT Project Proposal Report - Detail

Agency: 009 - SECRETARY OF STATE

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

to analyze various aspects of their collections. The older more antiquated methods have left a significant gap in the ability of each agency to control their own destiny with respect to records access, analysis and management. Finally, the SOS-RMD simply does not have the staff available, on a day to day basis, to assist each agency with a wide variety of unique requests for each type of record collection. This system will allow agencies quick and efficient access [24/7] to request, review and develop specific reporting capabilities for effective analysis based on their individual needs as they arise day to day.

Current Process: The SRC uses a Microsoft Access 2007 database to track and manage its holdings. A "hardcopy" Records Transfer Form is completed to initiate a transfer request by each client. Today, this form is delivered or emailed to the State Records Center for processing. A photocopy is maintained for reference and any future actions on the records. The transfer form is received and must be data-entered into the Access database by SRC staff. This entire process is manually oriented and very labor intensive while being prone to basic human error.

Clients wishing to query their holdings must request a print-out or report from the SRC. This requires extra steps for SRC staff to generate a report and submit it back to the client via email or in hardcopy form. This is time consuming and delays client access to important records and information which ultimately restricts their ability to analyze and review critical records in the decision-making process. The current tool does not allow record requests to be tracked through the electronic system. This is a critical aspect of effective records management and customer service. Presently, requests are handled in a manual fashion and out cards are generated to allow SRC staff the ability of knowing when boxes and files have been checked out. This makes the tracking process cumbersome and requires manual intervention by SRC staff to determine the current status of a box or file.

Objective: The new system would allow clients to quickly reference all records and their current check-out status without extra steps by SRC staff. An automated system would provide all parties with a current and accurate status of each request. In the new system, the client generates a Records Transfer Form online via web access with the ability to search & review their holdings, directly. The system will track a wide range of key criteria for each client making it much more efficient to analyze "in-real-time" various elements of their record collections. Requesters with appropriate security will be able to search on requests utilizing the data fields captured, including record description. SRC staff can process record requests from an automated queue for more efficient handling with increased processing & turnaround speeds.

Beneficiaries: State agency records officers and authorized requesters will benefit from a web-based system. Our current user group exceeds 100 customers around the state. Agencies will be capable of accessing their holdings at any time and numerous reports may be compiled based upon their business needs eliminating the time delay of receiving a report. SRC staff will be able to respond to transfers and requests in a more timely and efficient manner alleviating numerous manual and repetitive tasks such as re-keying data which ultimately eliminates errors.

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

Customers will have the ability to input directly into the records tracking system. Requests will be tracked electronically eliminating numerous manual tracking steps. Accuracy and

IT Project Proposal Report - Detail
Agency: 009 - SECRETARY OF STATE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

response times will be enhanced with this system. An assessment of these critical elements should quickly confirm anticipated benefits have been achieved.

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

Upgrading to this newer technology will allow us to modernize our records management (Microsoft Access) system and processes while working to build a more stable environment in a sequel based custom software application to house critical data used to track important record collections for agencies on a state-wide basis. We envision the web application to use the OCIO's Active Directory with Group Policy, so agency records officers can use their credentials to logon to the system, thus providing integrity, reliability and high system availability. Going forward, the new web application will require the use of a Microsoft SQL database and 1 web server (VMware). As our agency has already acquired the necessary SQL licenses; owns or has access to the hardware, we think this project is in-line with our agency's IT plan.

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

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

4. Provide the project justification in terms of tangible benefits (i.e. economic return on investment) and/or intangible benefits (e.g. additional services for customers).

Record transfers, requests, and disposals will be completed in a more timely and efficient manner through automation. Clients have consistently requested more robust reporting capabilities for their holdings for some time. Client business needs such as monitoring records retention lifecycles will be enhanced by allowing the client to query, sort and create reports from their workstation(via the Web) directly from the database for comprehensive decision making. Automated records request functionality (replacing paper-based requests) is a significant enhancement to the Records Management Division and will dramatically improve customer service.

5. Describe other solutions that were evaluated, including their strengths and weaknesses, and why they were rejected. Explain the implications of doing nothing and why this option is not acceptable.

IT Project Proposal Report - Detail

Agency: 009 - SECRETARY OF STATE

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

A comprehensive RFP for a “complete” Records Center Management solution involving the State Records Center, Scanning & Microfilming Services, Records Retention Schedule capability and service billing was released in July, 2010. The investment would have exceeded \$200,000. The SOS – Records Management Division determined the budget would not allow for that large an expenditure given circumstances at that time. Since the issue of a more complete Records Information Management (RIM) solution was reviewed, the Records Management Division has continued to struggle with various aspects of maintaining effective customer service. Our customer base is demanding better and more efficient capabilities in the management of their record collections. This business driver will not go away and continues to magnify each year. We need better and more robust tools to keep pace with customer demands and constant changes to the business climate. At this stage, doing nothing will continue to erode our abilities to provide superior records management services to all state agencies.

6. If the project is the result of a state or federal mandate, please specify the mandate being addressed.

N/A

TECHNICAL IMPACT (20 PTS):

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.

Essentially, we intend to upgrade from a basic MS Access 2007 centralized database which is somewhat unstable with limited growth potential and zero customer access to an online web-based solution which allows more efficient access by our customer base. There would be no need to add hardware should we proceed with a strategy for the OCIO to host this application moving forward using virtual servers and shared relational database engines. We will need the ability to install this in a network environment whereby our state agency records officers may gain access to it via the web using their STN credentials. Additional communications requirements would not be necessary. We believe the current infrastructure is capable of handling the demand of this system.

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.

IT Project Proposal Report - Detail
Agency: 009 - SECRETARY OF STATE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

We intend for the proposed system to comply with all NITC standards as well as adapt the system to the statewide infrastructure. By upgrading and doing these things we will dramatically improve the reliability and security of accessing this important information for all agencies. It will be backed up and have a better security model which will ultimately make this critical system more stable. It will grow and should be scalable to adapt to our changing records management environment. We envision the proposed system to utilize the State of Nebraska's Active Directory Domain (STN), so state agencies, boards and commissions may use their STN accounts to access the new system.

PRELIMINARY PLAN FOR IMPLEMENTATION (10 PTS):

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.

The Project Team involves a cross-section of resources from several groups which includes the following:

Project Sponsor: Cathy Danahy – SOS Deputy for Records Management

Josh Daws – SOS - IT Manager

Dale Arp – SOS - IT Infrastructure Analyst, Senior

Duane Doppler – SOS Electronic Records Manager

OCIO - Database Resource (TBD)

OCIO - Network Resource with Web-based knowledge (TBD)

Terry Lowe – City of Lincoln ISD

Nicholas J. Wemhoff – City of Lincoln ISD

Brian Pillard – Lancaster County Records Manager

IT Project Proposal Report - Detail

Agency: 009 - SECRETARY OF STATE

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

Basically, this group would be responsible for transferring and installing this software system to the new environment where it could be hosted by the OCIO on a state-managed technology platform. We would need some guidance and consulting from the OCIO group in order to assure this system could be migrated without any major technical difficulties. We believe the resources identified on this project have a very strong understanding and knowledge base to accomplish this project in a very short period of time. The original writers for this software system are on the team and the primary user from Lancaster County is also identified and would be available to answer questions. Therefore, we have a high degree of experience and acceptance from the team involved in working to make this a successful transition.

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

The major milestones and deliverables will involve copying the current system from the City of Lincoln technology platform and assuring it can be installed directly to the state-managed platform. The City and State have previously worked in conjunction with one another in this capacity and therefore are very familiar with each other's technology infrastructure. Beginning 07/01/2013, project management planning will begin for the State Records Center to convert their ACCESS database to the City of Lincoln application as soon as the Oracle to SQL conversion is completed. The software currently resides in an Oracle database. The City of Lincoln intends to convert this application to a Microsoft SQL database by 12/31/2013. Beginning 01/2014 State conversion, testing, rollout and training will begin.

Once installed, it is possible some minor modifications to the software will be needed to accommodate the records management warehouse processes for the State Records Center. We have discussed this possibility in detail and are confident this can be accomplished by the project team with some analysis and minor testing. Another milestone includes working to map current data from the SRC MS Access database over to the new system. We will need technical assistance to assure this is completed in an effective and efficient manner. The final milestone involves testing the software system in the new environment to work out any final bugs or issues to make it operational for the State Records Center Team.

11. Describe the training and staff development requirements.

Internal SRC staff will need training on the use of the new system. The Lancaster County Records Manager will be available to aid in this process as they are already utilizing this program in their day to day operations. There will be some changes to our current processes, however, we believe the software is very compatible with our vision moving forward. Training for the user community which includes all state Records Officers will range from 80-100 customers. The SRC staff will be the primary resource to accomplish this phase of installation.

IT Project Proposal Report - Detail
Agency: 009 - SECRETARY OF STATE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

12. Describe the ongoing support requirements.

We will need the OCIO to provide ongoing support for the database and the web-based access for the overall user-community. The system will operate across the state network and will require security clearance for each state agency and/or user group in order to access their specific record collections.

RISK ASSESSMENT (10 PTS):

Section 7: Risk Assessment (10 Points)

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

The limited risks we have identified involve the initial stages of migration to assure the software will run effectively on the state technology platform. We may also encounter some initial learning curve issues from the user-group community which we believe can be overcome with basic training. Overall, we believe the risks are minimal.

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

By testing the software prior to rollout to the customers, we should be able to correct and eliminate nearly all the risk factors. In addition, by developing a training program for the user-group community, we should be able to move them through the learning curve which will effectively allow them to access their record collections in a more timely and efficient manner.

FINANCIAL ANALYSIS AND BUDGET (20 PTS):

The agency proposes a one-time transfer of cash from the Corporation Cash Fund (Fund 20920) to the Records Management Revolving Fund (Fund 50900) to cover the project costs in FY14 and FY15. Statutory language may be necessary to accommodate the transfer between funds.

IT Project Proposal Report - Detail

Agency: 018 - DEPT OF AGRICULTURE

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

IT Project : Paperless Inspections

General Section

Contact Name : Tom Jensen

E-mail : tom.jensen@nebraska.gov

Agency Priority : YES

Address : 301 Centennial Mall South

Telephone : 402-471-2341

NITC Priority :

City : Lincoln

NITC Score :

State : Nebraska

Zip : 68509

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	76,500	0	0	38,250	38,250	0
Project Management	0	0	0	0	0	0
Data Conversion	0	0	0	0	0	0
Other	0	0	0	0	0	0
Subtotal Contractual Services	76,500	0	0	38,250	38,250	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: 018 - DEPT OF AGRICULTURE

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	0	0	0	0	0	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	0	0	0	0	0	0
Capital Expenditures						
Hardware	160,000	0	0	80,000	80,000	0
Software	180,000	0	0	90,000	90,000	0
Network	0	0	0	0	0	0
Other	0	0	0	0	0	0
Subtotal Capital Expenditures	340,000	0	0	170,000	170,000	0
TOTAL PROJECT COST	416,500	0	0	208,250	208,250	0

Funding

Fund Type	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
General Fund	216,500	0	0	108,250	108,250	0
Cash Fund	200,000	0	0	100,000	100,000	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	416,500	0	0	208,250	208,250	0
VARIANCE	0	0	0	0	0	0

IT Project Proposal Report - Detail

Agency: 018 - DEPT OF AGRICULTURE

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

IT Project: Paperless Inspections

EXECUTIVE SUMMARY:

The department's biennium request contains an expanded budget request that includes a one time biennium cost to convert inspection activities to a paperless document flow between the office and sixty plus inspection staff home officed throughout the State. This will allow the department to perform electronic inspections, provide the opportunity for a single employee productivity/time entry system, better communications with field staff, including field staff access to central data base data, and give all employees access to the State's LINK system to comply with Administrative Services (AS) new business process. Edoucment Resources conducted a Return On Investment (ROI) study for this project. The report is attached.

Attachments:

Dept of Ag - ROI Projections Slides.pdf

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

The primary focus is to perform electronic inspections, but this would also provide the opportunity for NDA to provide a single employee productivity/time entry system, better communications with field staff, including field staff access to central data base data, and give all employees access to the State's LINK system to comply with Administrative Services (AS) new business process.

To accomplish this the following goals have been identified.

1. Improve processing time of field inspections to gain efficiencies for field staff.

- Remove the form design, purchase and form distribution currently in place.
- Reduce time handwriting inspection forms and performing various manual calculations.
- Create a uniform process that will provide better documentation if there is a legal challenge.

Outcome - Implement an electronic data capture solution that would replace the paper process, write directly to the legacy AS400 database and replace current paper records retention with an electronic storage and retrieval system.

2. Reduce cost of printing, preparation and distribution of paper inspection forms.

IT Project Proposal Report - Detail
Agency: 018 - DEPT OF AGRICULTURE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

- Reduce the cost of printing NCR multipart inspection forms; handling and storage.
- Create staff efficiency in not having to order and handle paper inspection forms.

Outcome - Provide field staff the ability to collect data using an electronic form via a mobile device or tablet.

3. Reduce office clerical time handling and filing of inspection forms.

- Eliminate duplicate data entry of form information.
- Reduce staff time manually filing and retrieving information from files.
- Reduce number of file cabinets that store inspection form data.

Outcome - Provide a solution that electronically stores inspection form data and writes data to a central database.

4. Develop additional applications to replace time sheet and productivity reporting process currently used.

- Provide a mobile device or tablet to all inspection staff.
- Create a uniform electronic time and productivity reporting system for all field staff.
- Provide access to all field staff to the State's LINK system to comply with AS new business process for employee benefits, talent learning and performance reporting.

Outcome - Provide a solution that electronically gives all field staff Internet access to state systems similar to office employees who have either a desktop, laptop, or like device.

IT Project Proposal Report - Detail

Agency: 018 - DEPT OF AGRICULTURE

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

Performing manual hand written inspections, mailing into the office, clerical staff reentering data into a data base, manual filing and retrieval is not the most cost effective use of limited staff and funding resources. With recent year budget cuts and staff reductions, it was determined there is a need to change the processes used for all the inspection work performed by over sixty field inspectors. The department consulted with the OCIO's office who used an independent contractor to complete an in-depth Return On Investment (ROI) analysis. The report shows in 1.43 years there would be a payback to our agency. The ROI attachment further details the factors taken into consideration.

TECHNICAL IMPACT (20 PTS):

Under this proposed concept, there would be a uniform process to complete all types of inspections performed by the department. There are currently over 100,000 inspections performed annually, mostly on paper forms. An electronic inspection system will increase the number of devices that will need to be managed. The department proposes not to change current data bases. Development costs include design/architecture of e-forms, configuration of document types, key words, foldering, workflow, records storage, digital signatures and printer configuration. Consideration has also been taken into account for AS400 integration of data flow, device testing, training and the need for a support structure. The department has reviewed other private outside vendors and will continue to analyze cost/benefit factors compared to the results found in the OCIO's ROI document.

PRELIMINARY PLAN FOR IMPLEMENTATION (10 PTS):

The department will direct one time additional resources to implement a new electronic inspection program and to try and convert all programs in this time frame. During FY2012-13, utilizing approved federal funding and some existing resources, the department plans to purchase six each hand held devices from two manufacturers. Selected applications will be developed and tested by field staff. An analysis will be performed to select the best device for the type of inspections being performed and electronic communication needs to interact with the central data base. The department will then prioritize, by focus area, an equipment purchase and development plan. To the extent state funding is available and utilizing approved federal funds, application development will be started.

During the next biennium, assuming funding and appropriation is approved by the Legislature, full implementation will begin to purchase devices, set up communications and develop programs with a goal to have full implementation by January, 2015.

RISK ASSESSMENT (10 PTS):

The department worked with the OCIO's office who utilized a contractor to do a Return On Investment (ROI). The OCIO has up to a 15 year commitment with Edocument Resources that will provide stability if this is the chosen developer. The department is currently in process of evaluating other products that have similar products that are currently utilized in other states. The department has biweekly meetings with focus area administrators that include reviewing risk assessment.

FINANCIAL ANALYSIS AND BUDGET (20 PTS):

IT Project Proposal Report - Detail

Agency: 018 - DEPT OF AGRICULTURE

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

The current proposed model is to use approximately 1/3 state general funds, 1/3 cash fund user fees, and 1/3 federal funding over an approximate 2 year time frame. A large percentage of the federal funds have already been approved. The agency biennium budget request reflects an expanded budget request for state general and cash fund appropriation. There would be an estimated \$616,500 fiscal impact over approximately a 2 fiscal year time frame to make this happen. Based on the ROI study and other management decisions, this could change.

The federal government is supportive so there is uniformity between cooperating states, paperless flow of information, and real time sharing of data.



Return on Investment Findings *Department of Agriculture*

Agenda

- Scope of Analysis
- Business Objectives
- Key Factors
- Operational Costs and Savings
- Investment Requirements
- Return On Investment Projections
- Benefits
- Important Considerations

Scope of Analysis

- **Scope Explained**

- Paper Forms Process for Field Staff: Onsite data collection and processing.
- *Process of ordering, distributing, onsite data collection, data entry and filing.*

- **Other Notes**

- More detailed analysis done of the field staff workflow process
- Key assumptions about the workflow steps have been made for other departments in order to simplify the process
- Process Time for Mailing and Time Saving will be significant

Business Objective #1

- **Improve process time to gain efficiencies for Field Staff**
 - **Purpose**
 - Remove Form Purchase and Distribution
 - Reduce time handwriting inspection forms and performing various calculations
 - Create uniform process that will provide better documentation if there is a legal challenge
 - **Consequences of not meeting this Objective**
 - The Department of Agriculture collects over 100,000 paper filings of data collection from its Field Staff. This causes slower processing and higher overhead.
 - Potential for calculation error's and making calculation changes
 - **Remedy:** *Implement a electronic data capture solution that process that replaces the paper process and writes directly to the legacy AS400 database.*

Business Objective #2

- **Reduce Material Cost**
 - **Purpose**
 - Reduction in yearly form procurement and distribution
 - Form distribution time savings
 - **Consequences of not meeting this Objective**
 - Continued high cost to print forms and mailing distribution cost to the agency. Continued delay in form distribution to field staff.
 - **Remedy:** *Provide field staff the ability to collect data using an electronic form via a mobile device or tablet.*

Business Objective #3

- **Reduce Clerical Handling and Filing of Inspection Forms**
 - **Purpose**
 - Reduce clerical time for data entry into central database
 - Reduce time in filing forms and number of file cabinets
 - **Consequences of not meeting this Objective**
 - Continued clerical staff handling of forms and filing of the information.
 - **Remedy:** *Provide a solution that electronically stores inspection form data and writes data to central database.*

Picture of Current Cost (As-Is)

Cost Summarization

Cost Category	Definition	Current Op Cost	Daily Op Cost
<i>Total Paper Management Costs</i>	<i>Costs associated to handling paper files. Not associated to a business process.</i>	\$ -	\$ -
<i>Total Information Distribution Costs</i>	<i>Costs associated to the receiving and sending of information.</i>	\$ 18,500.00	\$ 77.08
<i>Total Existing Technology Costs</i>		\$ -	\$ -
<i>Total Miscellaneous Costs (Labor)</i>		\$ -	\$ -
<i>Total Process Costs (Labor)</i>	<i>Costs associated to specific business processes</i>	\$ 914,711.04	\$ 3,811.30
<i>Workflow Support Costs</i>	<i>Costs for support functions and assets pertaining to a business process</i>	\$ 43,740.00	\$ 182.25
<i>Loss Expectancy Costs</i>	<i>Cost avoidance items</i>	\$ -	\$ -
Total		\$ 976,951.04	\$ 4,070.63

Notes:

- All figures are annual
- Full details available

Proposed Savings with Solution

Cost Summarization

Cost Category	Definition	Current Op Cost	Daily Op Cost	New Op Cost	New Daily Op Cost	Cost Benefit
<i>Total Paper Management Costs</i>	<i>Costs associated to handling paper files. Not associated to a business process.</i>	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Total Information Distribution Costs</i>	<i>Costs associated to the receiving and sending of information.</i>	\$ 18,500.00	\$ 77.08	\$ 18,500.00	\$ 77.08	\$ -
<i>Total Existing Technology Costs</i>		\$ -	\$ -	\$ -	\$ -	\$ -
<i>Total Miscellaneous Costs (Labor)</i>		\$ -	\$ -	\$ -	\$ -	\$ -
<i>Total Process Costs (Labor)</i>	<i>Costs associated to specific business processes</i>	\$ 914,711.04	\$ 3,811.30	\$ 292,169.68	\$ 1,217.37	\$ 622,541.36
<i>Workflow Support Costs</i>	<i>Costs for support functions and assets pertaining to a business process</i>	\$ 43,740.00	\$ 182.25	\$ -	\$ -	\$ 43,740.00
<i>Loss Expectancy Costs</i>	<i>Cost avoidance items</i>	\$ -	\$ -	\$ -	\$ -	\$ -
Total		\$ 976,951.04	\$ 4,070.63	\$ 310,669.69	\$ 1,294.46	\$ 666,281.36

Notes:

- All figures are annual
- Full details available

Investment Required

Investment Summary Table

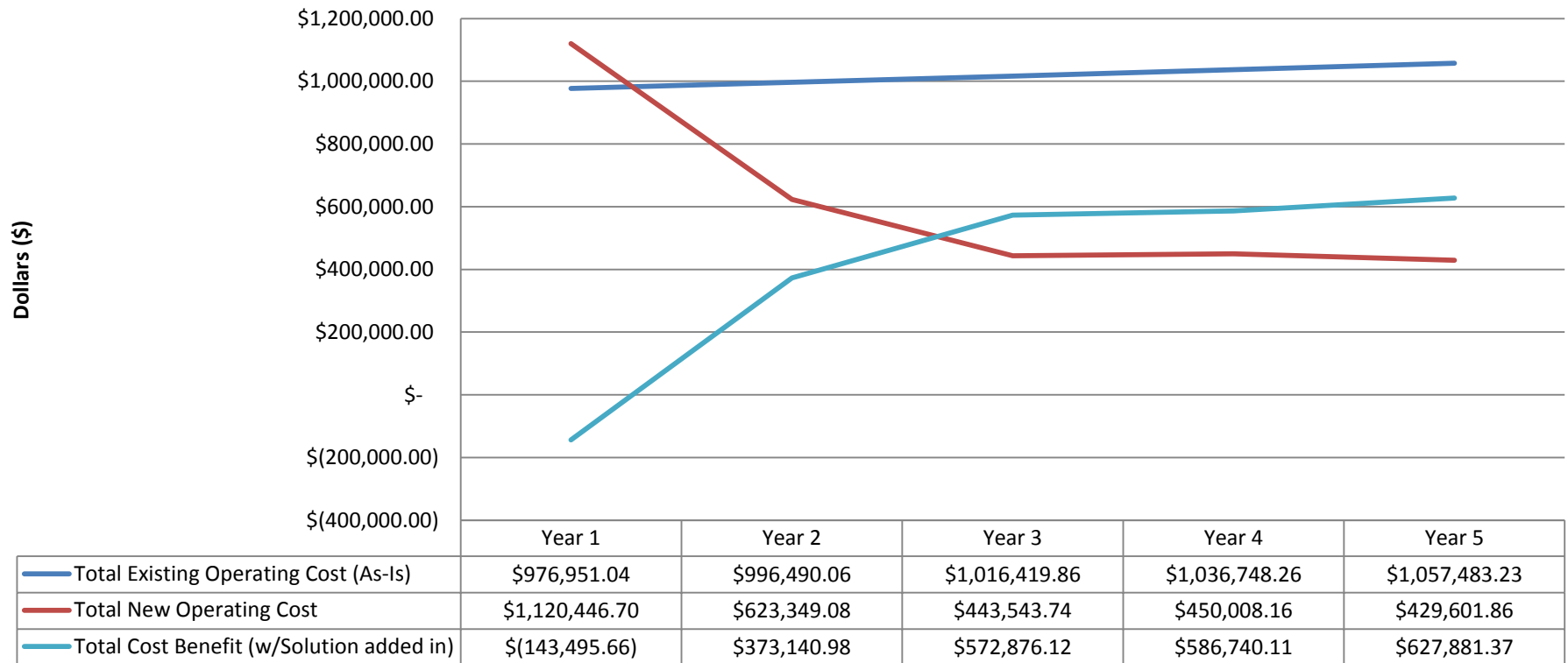
Cost Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
<i>eDoc Products and Services</i>	\$ 12,800.00	\$ 12,800.00				\$ 25,600.00
<i>Hardware</i>	\$ 102,740.00	\$ 99,140.00	\$ 36,140.00	\$ 36,140.00	\$ 9,140.00	\$ 283,300.00
<i>Software License</i>	\$ 61,956.00	\$ 61,956.00	\$ 40,608.00	\$ 40,608.00	\$ 40,608.00	\$ 245,736.00
<i>OCIO Products and Services</i>	\$ 92,595.00	\$ 92,595.00	\$ 3,600.00	\$ 3,600.00	\$ 3,600.00	\$ 195,990.00
<i>Ag. Support - Department FTE</i>	\$ 39,975.00	\$ 39,975.00	\$ 39,975.00	\$ 39,975.00	\$ 39,975.00	\$ 199,875.00
Grand Total	\$ 310,066.00	\$ 306,466.00	\$ 120,323.00	\$ 120,323.00	\$ 93,323.00	\$ 950,501.00

Notes:

- Full details available
- Estimate Only

Financial Projections

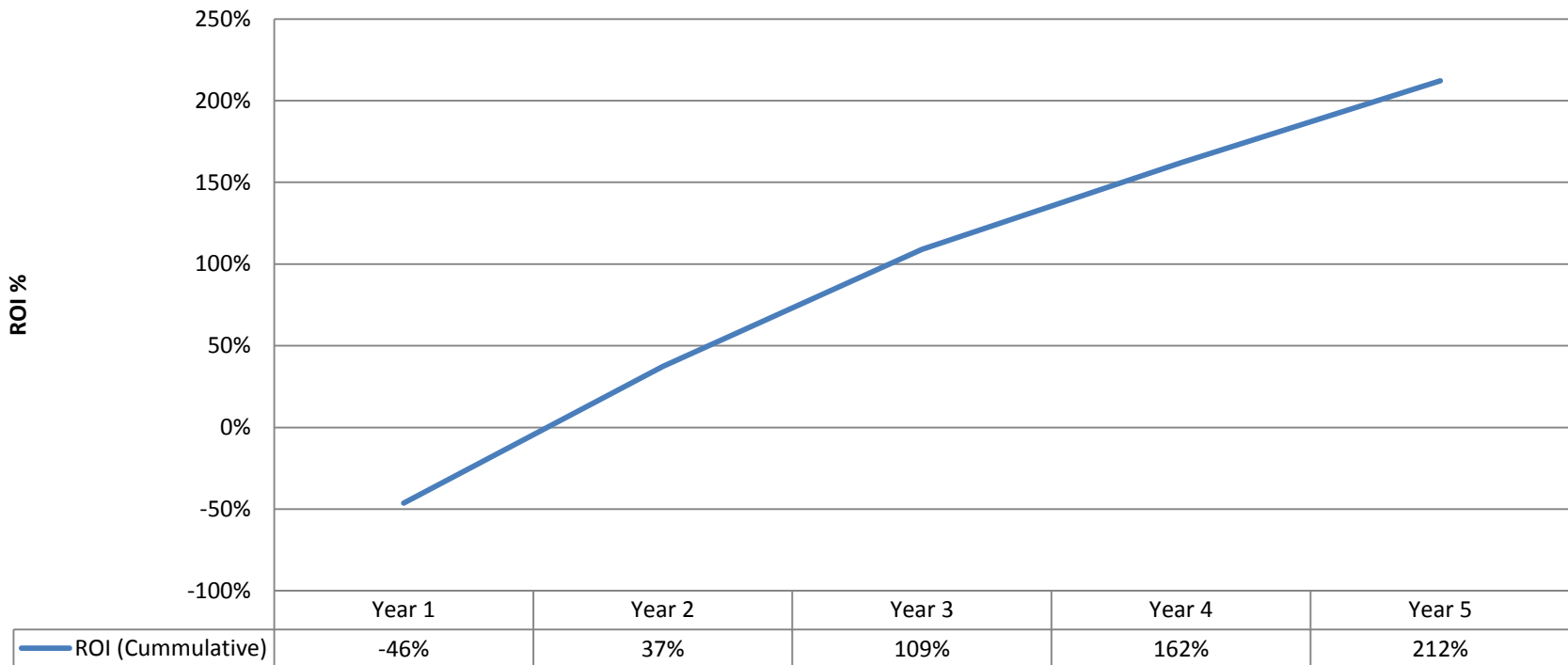
Cost Scenarios



Note:.

Return On Investment Projection

Project ROI



$$ROI (\%) = \text{Net Benefits} / \text{Project Cost}$$

Financial Summary

Base Benefits Statement and Financial Summary

Financial Summary	Value	Notes
<i>Current Operating Cost</i>	\$ 976,951.04	<i>As-Is. Annual Figure</i>
<i>New Operating Cost</i>	\$ 310,669.69	<i>Assumed To-Be. Annual Figure</i>
<i>Operating Cost Delta</i>	\$ 666,281.36	<i>Assumed. Annual Figure</i>
<i>Total Initial Investment</i>	\$ 950,501.00	<i>See Investment Table/Tab</i>
<i>Payback Period (in Years)</i>	1.43	
<i>Net Benefit</i>	\$ (284,219.64)	
<i>Base ROI (Return on Investment)</i>	-30%	<i>All Costs, All Benefits</i>
<i>BCR (Benefits to Cost Ratio)</i>	0.70	

Other Important Considerations

- Time to market for project
 - Developing eForms Unity Forms
 - Development and Professional Services
 - Change Management
 - Discovery
 - Design/Architecture
 - Configuration
 - Document Types and Keywords
 - Foldering
 - Workflow
 - Records Management
 - Digital Signatures (?)
 - Printer Configuration
 - Brief Case Set Up
 - AS400 Integration
 - Tablet Set Up and Testing
 - Testing
 - Training (Train the Trainer)
 - Production Support
 - Support Structure Planning/Define
 - On Going Support
 - Project Management

IT Project Proposal Report - Detail

Agency: 022 - DEPT OF INSURANCE

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

IT Project : Nebraska Exchange

General Section

Contact Name :	Martin Swanson	E-mail :	Martin.Swanson@nebraska.gov	Agency Priority :	1
Address :	941 O Street, Suite 400	Telephone :	402-471-4648	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	12,000,000	0	6,000,000	5,000,000	1,000,000	0
Programming	85,000,000	0	40,000,000	30,000,000	15,000,000	0
Project Management	7,719,137	719,137	3,000,000	3,000,000	1,000,000	0
Data Conversion	6,000,000	0	3,000,000	2,000,000	1,000,000	0
Other	20,000,000	0	8,500,000	6,000,000	5,500,000	0
Subtotal Contractual Services	130,719,137	719,137	60,500,000	46,000,000	23,500,000	0
Telecommunications						
Data	6,000,000	0	3,000,000	2,500,000	500,000	0
Video	0	0	0	0	0	0
Voice	3,000,000	0	1,500,000	1,200,000	300,000	0
Wireless	0	0	0	0	0	0
Subtotal Telecommunications	9,000,000	0	4,500,000	3,700,000	800,000	0
Training						
Technical Staff	2,500,000	0	1,250,000	1,000,000	250,000	0
End-user Staff	2,500,000	0	1,250,000	1,000,000	250,000	0
Subtotal Training	5,000,000	0	2,500,000	2,000,000	500,000	0

IT Project Proposal Report - Detail

Agency: 022 - DEPT OF INSURANCE

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	1,398,720	126,830	0	635,945	635,945	0
Supplies & Materials	263,742	23,742	0	200,000	40,000	0
Travel	57,451	17,451	0	25,000	15,000	0
Other	0	0	0	0	0	0
Subtotal Other Operating Costs	1,719,913	168,023	0	860,945	690,945	0
Capital Expenditures						
Hardware	91,250,000	0	20,000,000	10,000,000	5,000,000	56,250,000
Software	54,062,500	0	22,000,000	13,000,000	5,000,000	14,062,500
Network	20,875,000	0	5,000,000	2,500,000	1,000,000	12,375,000
Other	19,500,000	0	8,500,000	6,000,000	5,000,000	0
Subtotal Capital Expenditures	185,687,500	0	55,500,000	31,500,000	16,000,000	82,687,500
TOTAL PROJECT COST	332,126,550	887,160	123,000,000	84,060,945	41,490,945	82,687,500

Funding

Fund Type	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
General Fund	0	0	0	0	0	0
Cash Fund	82,687,500	0	0	0	0	82,687,500
Federal Fund	249,439,050	887,160	123,000,000	84,060,945	41,490,945	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	332,126,550	887,160	123,000,000	84,060,945	41,490,945	82,687,500
VARIANCE	0	0	0	0	0	0

IT Project Proposal Report - Detail

Agency: 022 - DEPT OF INSURANCE

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

IT Project: Nebraska Exchange

EXECUTIVE SUMMARY:

Nebraska Department of Insurance is the state agency designated to administer the Nebraska Health Insurance Exchange. The Exchange is responsible for complying with the mandates required within the Patient Protection and Affordable Care Act (PPACA), including the implementation of a Health Insurance Exchange to facilitate access to affordable health insurance coverage for citizens of the State of Nebraska.

The federal vision for the Exchange is to reduce the number of uninsured individuals, provide a transparent marketplace, conduct consumer education, and assist individuals in gaining access to insurance affordability programs, premium assistance tax credits, and cost-sharing reductions.

The State of Nebraska, Department of Insurance (NDOI) is issuing a Request for Proposal (RFP), for the purpose of selecting a qualified contractor to provide services, technical solutions, and operational support for the State of Nebraska Health Insurance Exchange to be administered NDOI.

Nebraska has completed the preliminary design phase of establishing a State-based Exchange and has a vision to develop a web-based solution that can be accessed by external customers and stakeholders on a 24 hour/7 days a week basis. Stakeholders include individual applicants/enrollees, employers, brokers, navigators, and issuers. Nebraska's Exchange system will provide a single point of access to multiple doorways based on an individual's eligibility. Nebraska has determined that the optimal strategy is one that allows the two organizations (e.g., Medicaid and Exchange) to develop and deploy their systems as independently as possible while ensuring proper data integration and consistency of user experience. Under this model, the Exchange IT systems are deployed independently from Medicaid's eligibility and enrollment and web portal systems. Further details will follow in this request.

NDOI is seeking proposals from qualified bidders to design, develop and implement a Health Insurance Exchange system which combines the Individual Exchange and the Small Business Health Options Program (SHOP) Exchange into one Exchange. The Exchange will facilitate access to affordable health insurance coverage for all Nebraska citizens in compliance with the mandates required within the Patient Protection and Affordable Care Act (PPACA).

If you want more detail on any area of the narrative, please see attached consultant PCG's Health Insurance Exchange Planning - Technology Plan (Oct 2011) and Concept of Operations Plan. The costs referenced in PCG's Technology Plan report are not accurate due to the length of time since it was prepared, the shortened time line, Supreme Court Ruling, and US-HHS guideline and regulation changes since October of 2011.

Attachments:

Health_Insurance_Exchange_Planning - Technology Plan.pdf

NE HIX CONOPs v1-31.pdf

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

Major goals for the Exchange are to increase access to quality health plans and to reduce the number of uninsured individuals in Nebraska.

IT Project Proposal Report - Detail
Agency: 022 - DEPT OF INSURANCE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

The Exchange must be a transparent marketplace that simply and seamlessly:

- Directs consumers to the appropriate Qualified Health Plans (QHPs) including Dental Plans
- Allows consumers to apply for QHPs
- Determines and allows consumers to apply for subsidies
- Enrolls consumers in QHPs selected

The Nebraska Exchange will be designed, developed and implemented in a manner that will leverage, when possible, its existing infrastructure. Leveraging existing infrastructure and maximizing interoperability will minimize Nebraska's ongoing operational costs. This interoperability will allow the Exchange to maintain financial sustainability after federal funding changes in 2015. The selected vendor will need to provide a web portal solution for the delivery of Exchange functionality. The web portal should allow user based access for consumers, employers, navigator/assisters, agent/brokers, and exchange staff allowing access specific to their responsibilities. The Exchange will maintain security over private information and comply with Health Insurance Portability and Accountability Act (HIPAA).

The project measurements and assessments will be defined in the contract with the chosen vendor. This contract is being developed by a hired consulting group and independent of the chosen vendor of this project. A separate RFP will be issued for an Independent Validation and Verification vendor to make sure all areas of the contract with project vendor are met and satisfied.

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

The purpose of this project is to procure a shared services configurable solution for the implementation of a fully functional Health Insurance Exchange by October 1, 2013. The Exchange system is a web-based solution that can be accessed by external customers and stakeholders on a 24 hour/7 days a week basis. Stakeholders include individual applicants/enrollees, employers, brokers, navigators, and issuers. This project will provide the opportunity for individual and employer enrollees seeking health insurance to find a qualified health plan from an insurer and determine if the enrollee qualifies for subsidized health insurance.

The options are for a federal based, a partnership (federal/state), or a state based exchange. The preferred option is a state based exchange, with a partnership next, and the federal based exchange as the least preferred. The state based option is the most robust, and the other two options are subsets of the state based option.

The Nebraska Exchange project is a federally mandated project as the result of the Patient Protection and Affordable Care Act of 2010 (PPACA).

TECHNICAL IMPACT (20 PTS):

The project will try to provide enhancements to existing, replace outdated, and additional technology and solutions whenever possible and feasible. This project will require additional hardware, software, and communications capabilities. The details of these capabilities are not available until the vendor is selected. There are numerous possibilities to provide a solution for this project, and until we select the vendor, we will not know what the technical elements for the project are.

Reliability

IT Project Proposal Report - Detail

Agency: 022 - DEPT OF INSURANCE

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

The system will include full redundancy at all physical layers, including network (routers, load balancers), web servers, application servers, and database servers. The system will provide the capability to be backed up to a remote site that is separate and distinct from primary hosting facility within the Recovery Time Objective (RTO) defined by the Exchange. The system will be built upon an infrastructure that is easily upgradable through patches and point releases, including the upgrading of the Exchange software and all prerequisite infrastructure software and the application of data migration or update scripts.

Security

The Exchange solution must allow the implementation, management and monitoring of the following security and compliance policies:

- Health Insurance Portability and Accountability Act (HIPAA)
- Health Information Technology for Economic and Clinical Health Act (HITECH) of 1996
- Privacy Act of 1974
- Patient Protection and Affordable Care Act (ACA) of 2010, Section 1561 Recommendations
- Safeguarding and Protecting Tax Returns and Return Information (26 U. S. C. 6130 and related provisions)
- Nebraska Information Technology Commission (NITC) Standards and Guidelines
- CMS's *Harmonized Security and Privacy Framework – Exchange TRA Supplement*
- The Exchange solution must implement a security architecture based on MITA 3.0 Security and Privacy model, including the following security architectural elements

The Security Plan include oversight of Exchange information resources and infrastructure, including electronic and non-electronic processes and data, network and computing utilities, personnel and all Exchange facilities.

The Security Report will document all security incidents (potential or actual) of sufficient severity and their time of identification.

Scalability

- The Bidder will provide architecture diagrams or other documentation that demonstrates that the host environment has the ability to scale while maintaining adequate performance, is secure, and is sufficiently fault-tolerant.
- The Bidder will describe how its solution meets the CMS growth projections including allowance for future interfaces not defined within the requirements of this RFP.
- The Bidder will describe any upper limits to the solution's performance and scalability. The description should include sufficient data to allow the Exchange to determine the limitations, at a minimum, by user accounts and transactions, peak period processing, and what actions are required to upgrade the solution to meet future needs.
- The Bidder shall provide an overview of the internal operations relative to operating and maintaining the solution, including which party is responsible for each of the operational activities. If the Bidder is proposing uses the services of subcontractors or third party vendors to hosting of the solution, the Bidder shall describe how the Bidder ensures the third party stays current on appropriate evidence of having implemented a "standard enterprise operational framework".

PRELIMINARY PLAN FOR IMPLEMENTATION (10 PTS):

The current plan is to announce the RFP on September 14, 2012 with opening of proposals 30 days later. Vendor(s) will be selected after the group of vendor finalists presents their solutions to an evaluation team.

The major milestones are to have a complete system implemented for the Nebraska for healthcare insurance exchange on October 1, 2013. The details of the timeline will be provided by the vendor selected from the RFP.

IT Project Proposal Report - Detail
Agency: 022 - DEPT OF INSURANCE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

The Training Plan describes how the Bidder plans to train the business, help desk, and technical Exchange personnel on how to operate and maintain the Exchange within the boundaries of the Exchange's responsibilities.

The Bidder must develop a training curriculum based and segmented toward specific security levels and role-based groups. The Bidder must develop all initial and ongoing training documentation and training curriculum for technical, Exchange, and business personnel.

Additionally, the Exchange Solution Bidder will be responsible for developing a Training Plan for Exchange Operations and Maintenance phase. The following areas will be addressed in the Training Plan:

- Training Needs by Position: For each position identified collaboratively with the Exchange, identify the training need and source or approach to acquiring the training.
- Applicable Training Tools and Methods: Identify and describe the tools and methods to be employed in the personnel training process.
- Trainer Roles and Responsibilities: Identify: 1) personnel and their responsibilities for developing and implementing the training, development, and distribution of instructional materials, etc.; 2) person(s) and organization(s) that will conduct the training; and 3) any other groups who may serve as consultants, such as members of the development team, experienced users, etc.
- Training Evaluation: Describe how training evaluation will be performed and how feedback will be elicited from personnel to ensure that training objectives were met (e.g., evaluation tools, forms, etc.).
- Training Development Schedule: Provide a schedule of training activities to be accomplished in accordance with the Training Plan, which may or may not include actual course information.
- Monitoring and Reporting: Describe how training registration and training completion will be monitored and tracked.

RISK ASSESSMENT (10 PTS):

The major risks facing the procurement and deployment of the Exchange IT systems include the following:

- The tight timelines for Exchange certification and initial enrollment defined by the ACA and Federal regulations make proper procurement and testing time difficult at best and leave little room for error and correction of those errors if any.
- The "go-live" date is immovable due to the federal statute. The release of regulations which effect business process flow for the IT project have made it extremely difficult for the procurement of an IT solution. Every regulation release, every piece of guidance to those regulations and every interpretation of the regulations make the process of procurement extremely difficult. The adjustment of the IT system, once procured, to any new rules or adjustment of rules may also be difficult as well with the current deadlines as set forth by the ACA.
- In the wake of the Supreme Court decision upholding the ACA, CMS and CCIIO have been delayed in releasing post-decision guidance to the states, leaving uncertain multiple key issues that may change the design of the business processes and IT systems necessary to support the Exchange.

IT Project Proposal Report - Detail

Agency: 022 - DEPT OF INSURANCE

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

- The Federal Department of Health and Human Services has announced that additional regulations will be published at the end of the summer of 2012, which may introduce new business and systems requirements late in the Nebraska design and procurement process.
- Dozens of states are engaging in Exchange implementations at the same time, which will likely create a shortage of qualified vendor resources to deliver the system implementations.
- Many of the systems and services with which the Exchange IT systems have not yet been built and, in some cases, are not even known at this stage, making integration requirements difficult to define.
- The Exchange implementation has dependencies on many systems and processes outside of its control, including the Federal Data Hub, other Federal systems, and the SERFF plan management system. Delays in the timeline for deploying these systems could create delays in the Exchange IT system implementation.
- The Nebraska Medicaid non-MAGI eligibility and enrollment systems for the aged, blind, and disabled populations are in the process of redesign and updates, creating both a development dependency and also leaving uncertain the details of data exchange.

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

- The primary strategy is to learn from states that are further along in this process. To select a vendor that already has experience in the development of this solution for another state.
- The Exchange team meets weekly with federal and Nebraska HHS to make sure we have the latest information, and troubleshoot potential roadblocks as we discover them.
- The Exchange should minimize implementation risk by selecting vendors with a proven track record in the health insurance and state government market and high likelihood of success.
- The Exchange should seek a reliable, proven commercial-off-the-shelf (COTS) solution that is in production with multiple other customers (either in the state Exchange space or related health insurance industries).

FINANCIAL ANALYSIS AND BUDGET (20 PTS):

The financial information submitted is based on information from RFIs received in early May of 2012. There have been some significant changes since then and, as a result of these changes, the accuracy of the information in the RFIs is less accurate today. The Exchange team has revised these earlier estimates to the best of our ability, based on the information we have at the present time.

The cost for FY13 is in anticipation of the grant and will be as of January 1, 2013.

The costs in Future Add column are for projected hardware and software replacements through 2020.

**Nebraska Department of Insurance
Exchange Planning Division**

**Patient Protection and Affordable Care
Act –
Nebraska Health Insurance
Exchange Project (NE-HIX)**

**Concept of Operations
(CONOPs)**

Version: 1.3

Last Modified: August 27, 2012

Document Number: <document's configuration item control number>

Contract Number: <current contract number of company maintaining document>

APPROVALS

Submitting Organization's Approving Authority:

Signature	Printed Name	Date	Phone Number
-----------	--------------	------	--------------

Exchange – Project Manager

CMS' Approving Authority:

Signature	Printed Name	Date	Phone Number
-----------	--------------	------	--------------

<Position Title> [e.g., <Contract or System Name> Government Task Leader]

REVISION HISTORY

Version	Date	Organization/Point of Contact	Description of Changes
1.0	Mar 15, 2012	NE-DOI HIX / Michael Sciullo	Baseline Version
1.1	Aug 10, 2012	Navigant Consulting / J. Azpeitia	Updated Draft
1.2	Aug 22, 2012	Navigant Consulting / J. Azpeitia	Updated Draft based on NDOI discussion and input
1.2	Aug 27, 2012	Navigant Consulting / C. Duva	Updated Draft

TABLE OF CONTENTS

1. INTRODUCTION	5
2. REFERENCED DOCUMENTS.....	6
3. CURRENT SYSTEM.....	6
3.1 FUNCTIONAL DESCRIPTION	6
THE FUNCTIONAL DESCRIPTION OF THE CURRENT SYSTEMS IN NEBRASKA IS DESCRIBED BELOW:	6
• THE ELIGIBILITY FOR CHIP, LONG TERM CARE AND AGED, BLIND OR DISABLED MEDICAID CATEGORIES ARE HANDLED BY NE-DHHS.....	6
3.2 USER COMMUNITY DESCRIPTION	7
3.3 TECHNICAL ARCHITECTURE	7
4. GOALS, OBJECTIVES, AND RATIONALE FOR NEW OR SIGNIFICANTLY MODIFIED SYSTEM	8
4.1 PROJECT PURPOSE	9
4.2 SYSTEM GOALS AND OBJECTIVES	9
4.3 PROPOSED SYSTEM.....	9
4.3.1 <i>System Scope</i>	10
4.3.2 <i>Business Processes Supported</i>	10
4.3.3 <i>High Level Functional Requirements</i>	11
4.3.4 <i>Summary of Changes</i>	11
5. SCENARIOS ANALYSIS.....	12
6. FACTORS INFLUENCING TECHNICAL DESIGN	13
6.1 RELEVANT STANDARDS.....	13
6.2 ASSUMPTIONS AND DEPENDENCIES	13
6.3 CONSTRAINTS	15
6.4 DESIGN GOALS	15
7. PROPOSED SYSTEM.....	16
7.1 CONTEXT DIAGRAM.....	16
7.2 HIGH-LEVEL OPERATIONAL REQUIREMENTS AND CHARACTERISTICS.....	17
7.2.1 <i>User Community Description</i>	18
7.2.2 <i>Non-Functional Requirements</i>	21
7.3 HIGH LEVEL ARCHITECTURE AND ALTERNATIVES ANALYSIS.....	22
7.3.1 <i>Application Architecture</i>	24
7.3.2 <i>Information Architecture</i>	28
7.3.3 <i>Interface Architecture</i>	30
7.3.4 <i>Technology Architecture</i>	32
7.3.5 <i>Security and Privacy Architecture</i>	32
8. ANALYSIS OF THE PROPOSED SYSTEM.....	33
8.1 IMPACT ANALYSIS	33
8.1.1 <i>Operational Impacts</i>	33

<i>This project has significant operational impacts on all involved State agencies. Each of the agencies will need to initiate changes and additions to their existing operations to support the ACA requirements and for ensuring an efficient and proper implementation and operation of the NE-HIX solution. These state agencies are active participants in supporting and guiding the project.....</i>	<i>33</i>
8.1.2 Organizational Impacts.....	33
<i>This project has significant organizational impacts on all involved State agencies. The staffing and the allocation of staff time for many of the agencies will change to support the requirements analysis, development, testing, implementation and ongoing maintenance of this solution. The State workers will need to go through re-training and education on the ACA requirements and processes, as well as the new system features.....</i>	<i>33</i>
8.1.3 Risks	33
8.2 ISSUES TO RESOLVE.....	34
8.3 CRITICAL SUCCESS FACTORS FOR REMAINDER OF PROJECT.....	34
9. GLOSSARY	35
10. APPENDIX A: CONCEPTUAL INFORMATION MODEL.....	36

1. INTRODUCTION

The Patient Protection and Affordable Care Act (PPACA) drastically changes the State of Nebraska's insurance and Medicaid programs specifically related to enrollment in public programs including subsidized health insurance plans on the Exchange and in terms of the state's IT infrastructure needed to support the eligibility and enrollment process. PPACA sets forth a vision that includes:

- A technology platform that supports a cutting edge consumer experience and provides shared services to the Exchange and the Nebraska Department of Health and Human Services (NE-DHHS).
- Seamless coordination and integration experience between Medicaid, CHIP and State Insurance Exchange.
- Direct communication, integration, and coordination between the Exchange and insurers, employers, brokers, and navigators.
- Multiple right doors for consumers to access insurance affordability programs.
- The ability for Nebraska's consumers to compare high quality health care plans with the federally mandated standardization.

Nebraska is starting its planning and design process and is working toward a high level IT architecture solution that meets PPACA guidelines in the form of multiple right doors through the Health Insurance Exchange and Medicaid agency. The goals for this solution focus on the following:

- Allow Nebraska consumers to access MAGI based eligibility for private insurance products, and MAGI based Medicaid categories via the Health Insurance Exchange web portal and NE-DHHS ACCESSNebraska portal.
- Plan and design a Health Insurance Exchange technical solution that allows Nebraskans to access, and facilitates their application of, MAGI based Medicaid and private health insurance products.
- Facilitation of this process includes using contemporary and cost effective technologies and models to provide the highest level of consumer service, efficiency, and quality outcomes.
- Leverage existing business processes, turn-key solutions, early innovator artifacts, and federal Exchange documents to aid in planning and designing Nebraska's Exchange.

2. REFERENCED DOCUMENTS

Nebraska's Health Insurance Exchange Gap Analysis, Performed by Public Consulting Group (October 11 2011). This document is referenced as the Alternatives Analysis and can be found as an attachment.

Use Case Scenarios, completed by the NE-HIX team, is also an attached document.

3. CURRENT SYSTEM

Nebraska faces many challenges in developing and implementing a federally compliant and fully functional Health Insurance Exchange (HIX) solution by October 1st, 2013. Project timelines are very rigid, and therefore this project will require efficient coordination, as well as significant federal support and guidance. Nebraska realizes that our existing legacy systems are unable to support PPACA requirements. Therefore, Nebraska must procure and integrate capable and configurable solutions.

3.1 Functional Description

The functional description of the current systems in Nebraska is described below:

- The eligibility for Medicaid categories, and all Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF) and other human services programs are handled by the Nebraska Department of Health and Human Services (NE-DHHS).
- The eligibility for CHIP, Long Term Care and Aged, Blind or Disabled Medicaid categories are handled by NE-DHHS.
- The Nebraska Family Online Client User System (N-FOCUS) is the State's integrated eligibility and case management system, which integrates to Nebraska's Medical Management Information System (MMIS). This system is subject to change.
- ACCESSNebraska is the public facing front-end for N-FOCUS. Its web-based interface provides the public access to apply for public aid (multiple programs). Personal support provided by customer service representatives occurs through ACCESSNebraska.
- ACCESSNebraska and N-FOCUS are not currently integrated electronically, therefore eligibility workers rekey scanned online applications to initiate the eligibility and enrollment process.

- NE-DHHS operates four Call Centers that operate in conjunction with the ACCESSNebraska online portal for the applicants to apply, submit changes, and check their application status.

Nebraska's current systems do not meet federal PPACA requirements or satisfy CMS's vision of a streamlined approach guided by MITA principles.

The State's intent is for our proposed approach to meet PPACA requirements, and provide a manageable scope of work and streamlined and consumer friendly platform for private insurance products and MAGI based Medicaid enrollment and eligibility.

3.2 User Community Description

The current user community in Nebraska includes the following constituents:

- **Agents**
- **Consumers** – Individuals who apply for services for themselves and/or their families.
- **Community Groups (Assistors)** – Individuals who assist consumers in applying for services and who work in hospitals, clinics, Indian Health Services and other community based organizations.
- **DHHS State Workers** – State workers who determine eligibility for Medicaid, CHIP, Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF) and other programs.
- **Brokers** – Individuals who will be able to help consumers or employers purchase health insurance or apply for advance payments of the premium tax credit and cost-sharing reductions for Qualified Health Plans.
- **Navigators** – Individuals or entities who will educate consumers about the Exchange and the health coverage options offered by the Exchange.

3.3 Technical Architecture

The current technical environment is developed, managed, and maintained by a combination of two organizations, NE-DHHS Information Systems & Technology (IS&T) and the State's Office of the Chief Information Officer (OCIO).

IS&T administers the NE-DHHS computer resources and provides support in such areas as: feasibility studies, system design and development, system maintenance, computer hardware/network acquisition, installation and maintenance, data processing operations,

and system project management. IS&T maintains the NE-DHHS' Help Desk, desktop support, Outlook email and Lotus Notes databases. It is responsible for application support of Nebraska DHHS applications, including those highlighted in this report: 1) the Medicaid Management Information System (MMIS), 2) the Nebraska Family Online Client User System (N-FOCUS) and 3) ACCESSNebraska. Over the past several years, IS&T's efforts have primarily focused on maintaining the NE-DHHS' legacy applications.

The OCIO administers the State's data center, data network, and telecommunications network. The NE-DHHS purchases staffing and computing resources from the OCIO, and collaborates with the OCIO to manage, operate and maintain the MMIS.

The IT applications that are maintained by IS&T in support of the NE-DHHS Division of Medicaid and Long-Term Care programs include:

- Nebraska Family Online Client User System (N-FOCUS) – Nebraska's integrated eligibility and case management system.
- ACCESSNebraska – Nebraska's public facing front-end for N-FOCUS
- Medicaid Management Information System (MMIS) – Nebraska's Medicaid Claims Processing system

4. GOALS, OBJECTIVES, AND RATIONALE FOR NEW OR SIGNIFICANTLY MODIFIED SYSTEM

Nebraska's goal is to reach certification requirements by utilizing a MAGI based rules system to determine eligibility for MAGI applicable Medicaid determinations. Our proposed solution will have difficulty leveraging existing assets or modifying them to be compliant with the ACA requirements. Even though Nebraska has some minor assets that can be leveraged, the existing system components will need to go through significant modifications to meet the ACA requirements and, in most cases, new solutions and services will need to be either built or purchased. Therefore, a new system will be procured. The Exchange's isolated business rules engine will be a deployed shared service between Medicaid and the Exchange.

4.1 Project Purpose

The purpose of this project is to procure a shared services configurable solution for the implementation of a fully functional Health Insurance Exchange by October 1, 2013.

4.2 System Goals and Objectives

Nebraska will procure a shared services configurable solution, such as an eligibility determination system, noticing, user accounts, verification, and appeals. A plan management selection portal will also provide seamless interaction between the consumer with the Exchange, state eligibility systems, the federal and state data warehouse, other systems and Qualified Health Plans (QHPs).

4.3 Proposed System

The vision for the Exchange system is a web-based solution that can be accessed by external customers and stakeholders on a 24 hour/7 days a week basis. Stakeholders include individual applicants/enrollees, employers, brokers, agents, assisters, navigators, and issuers.

Nebraska's Exchange system will allow for both the self-service for private insurance products and MAGI based Medicaid and assisted enrollments. Assisted enrollments will allow a range of qualified enrollers to help the consumers apply, per federal and state regulatory requirements.

The eligibility for Non-MAGI Medicaid categories, and all SNAP, TANF and other human services programs are handled by the Nebraska Department of Health and Human Services' integrated eligibility determination system.

The proposed system will fundamentally change Nebraska's IT infrastructure. As noted, Nebraska will procure other solutions for the below functions in order to achieve certification and compliance.

- Eligibility (Shared Service)
- Enrollment
- Plan Management [System for Electronic Rate and Form Filing (SERFF)]
- Plan Selection

- Small Business Health Options Program (SHOP) and support services
- Consumer assistance and support services (Shared Service)
- Notices Management and support services (Shared Service)
- Appeals, Grievances and Complaints Management and support services (Shared Service)
- Financial Management and support services
- Audit and Compliance and support services (Shared Service)
- Reporting and Data Warehouse functions and support services (Shared Service)
- Training and development services

The procured solutions will support the above business functions of Nebraska's Individual and Small Business Health Options Program (SHOP) Exchange, while providing shared services to NE-DHHS.

4.3.1 System Scope

The overall system scope is a web-based system that provides portals for consumers, small employers and their employees, navigators, assisters, community groups, state workers, brokers and agents, and qualified health plans. The NE-HIX will provide full capabilities across this spectrum of portals to provide the business processes noted below.

The NE-HIX will also provide the functionality allowing consumers and employees the capability to apply for health insurance and/or public benefits including Medicaid and APTC for private insurance plans. To accomplish this, the NE-HIX will share its rules engine and additional services with NE-DHHS (per Nebraska's Multiple Right Door approach) and integrate with a shared database, and the Federal Hub.

4.3.2 Business Processes Supported

The core business processes that will be supported in the proposed system are as follows:

- Eligibility and Enrollment - Individual
- Eligibility and Enrollment - SHOP
- Consumer Assistance
- Plan Management

- Financial Management
- Audit and Compliance
- Reporting and Data Warehouse Functions

4.3.3 High Level Functional Requirements

The high level functional requirements for the proposed system are described below:

- Integrate with State and Private Insurance Systems
- Interface with State and Federal Health Insurance Portals and data hubs and other verification systems
- Integrate with Plan Management (SERFF) which will be secured through National Association of Insurance Commissioners
- Integrate with Plan Selection, SHOP, Financial Management, Appeals Management (shared service) component solutions that will be procured through competitive bids
- Integrate with Qualified Health Plans (QHPs)
- Support management of any applicable data (Data Warehouse)
- Provide support for customer service support systems and processes
- Utilize customer feedback surveys, notices, help language, live chat, email and texting
- Provide a State Worker Portal to support the completion of applications for public benefits, renewals, and updates
- Provide Navigator, Broker and Agent Portals to support the completion of applications, renewals, and updates
- Provide a Qualified Health Plan Portal and/or integration to link current provider lists
- Provide an Employer portal so employers can access SHOP and keep rosters current

4.3.4 Summary of Changes

As described above, there are not many assets that can be leveraged in Nebraska. Many of the existing system features and functionalities will need to be completely replaced to accommodate the ACA requirements. At the same time new solutions and services will need to be implemented to fill in the gaps. Summarized below are some potential new solutions and services that will need to be implemented:

New Solutions and Services

- NDOI Shared Rules Engine to accommodate MAGI and other ACA rules
- Eligibility & Enrollment solution and support services
- SHOP solution and support services
- Plan Selection solution
- Plan Management solution
- Consumer Support solution and support services
- Financial Management solution and support services
- Notices Management solution and support services
- Appeals, Grievances and Complaints Management solution
- Customer feedback and support system
- e-Learning solution and support services
- Integration with Federal Data Services Hub
- Integration with the Federal Tax Credit Calculator and Cost Sharing
- Data Management solution and support services
- Data Warehousing and Reporting solution and support services
- NE-HIX Workflow
- E-mail and text messaging framework

5. SCENARIOS ANALYSIS

The NE-HIX team has completed the process of developing business and functional use case scenarios (please see Attachment B of this document) as a part of the requirements analysis and has finalized the business process models. The state started the process with the blueprints provided by CMS and CCIIO and customized them for Nebraska. Details were expanded to ensure that the use cases reflect the breadth and complexity of the NE-HIX process. Many of these scenarios are used to guide the requirements and system design and development process. Any documents submitted to CMS are subject to change as the state reserves the right to make modifications based on internal and external stakeholder review. Finalized business process flows will be submitted on November 16, 2012 as part of the Blueprint application submission. Once the documents are completed, the State will post them to CALT.

6. FACTORS INFLUENCING TECHNICAL DESIGN

High level factors that will influence the technical design of the system are:

- IT Guidance 1.0, 2.0 & 3.0 from CMS
- Seven Conditions and Standards
- MITA framework and guidelines

6.1 Relevant Standards

Relevant standards that will be addressed during the design of the NE-HIX and its supporting solutions include:

- All applicable Nebraska state laws and regulations
- Section 1561 standards
- Security, privacy and operational standards required by HIPAA, HITECH, NIST, and FIPS standards
- NIST standards for Disaster recovery and Continuity of Operations Program (COOP)
(http://csrc.nist.gov/publications/nistpubs/800-34-rev1/sp800-34-rev1_errata-Nov11-2010.pdf)
- ADA Section 508 and W3C standards for disability support
- Limited English Proficiency (LEP) standards

6.2 Assumptions and Dependencies

Nebraska's work on the NE-HIX assumes that CMS will provide sufficient guidance and support so that Nebraska can make decisions and build capability for the NE-HIX in time for an October 1, 2013 start up. Additional assumptions include:

- While existing State systems and processes will be leveraged where feasible, the Exchange will procure its own IT systems as necessary to support its business operations.

- The procurement will be based upon the business and technical requirements known today to meet the ACA and current Federal HHS regulations.
- While we may leverage existing facilities or equipment, the Exchange will operate a separate call center for consumer assistance that will be staffed by the Exchange and not by other agencies.
- The Exchange will be hosted at the NDOI. The Director of Insurance is tasked with the oversight of a potential state based exchange.
- Project has support from the project sponsor, stakeholders, and all involved divisions/departments.
- A third party vendor may administer the project management for NE-HIX development.
- Decisions will be made in a timely fashion, based on information known at the time of the decision.
- Decisions will be based on sound business and technical analysis.
- NDOI will be responsible for managing business related project activities such as business case, business scope, business objectives, business requirements, business rules, and user acceptance testing for the Exchange.
- NE-DHHS will be responsible for managing business related project activities such as business case, business scope, business objectives, business requirements, business rules, and user acceptance testing for Medicaid.
- NDOI will be responsible for managing its plan and for all IT functions, such as technical requirements, system design, code development, unit/system/regression testing, infrastructure development, IT implementation, and IT training for the Exchange.
- The Federal Government will provide timely and relevant guidance that will not delay or impede the progress of the creation of an exchange.
- Federal Government will provide on-going refinement of guidance once released.
- Adequate federal / state funding will be available and will cover costs to achieve the project scope.
- Agency partners will provide necessary resources when needed.
- Strong possibility that significant changes in federal or state law, court rulings, policy or regulation will materially impact the project.
- Internal / external suppliers and integrators will provide deliverables in a timely manner.

There are several dependencies for this project; many of them are related to Federal rules, guidelines and services. These dependencies are listed below:

- Federal rules around MAGI and other ACA rules
- APTC guidance and details in a State-Based Exchange
- Federal Data Services Hub

- Federal Calculator for Tax Credits and Cost Sharing Reduction
- Federal standards such as NIEM
- Federal guidelines on areas such as Risk Adjustment, Identity Resolution and more
- SERFF
- State Legislation

6.3 Constraints

The following are some of the high level project constraints:

- The “go-live” date is immovable due to the federal statute.
- Initial system procurement and deployment can be funded via Federal Exchange Establishment Grants, but the ongoing support costs of the systems must be fully-funded by the Exchange’s operating funds.
- First year of operational testing will be funded by Federal Exchange Establishment Grants.
- Availability of CCIO Federal Solutions
- Unknowns around the Federal Rules, Federal Data Services Hub, Federal Calculator for Tax Credits and Cost Sharing Reduction, NIEM Standard.
- Limited verification data to be provided by IRS, combined with onerous security requirements.
- Pending guidelines on Identity Resolution
- Unknowns around specifics of the Risk Adjustment, Reinsurance and Risk Corridor programs and associated operations.
- Pending federal regulations, revised regulations or additional guidance or other program memoranda.
- Multiple layers of oversight which consume project leadership time.
- State Legislation
- Time and schedule
- Project complexity

6.4 Design Goals

The following are some of the goals that will be considered during the design of NE-HIX and its supporting solutions:

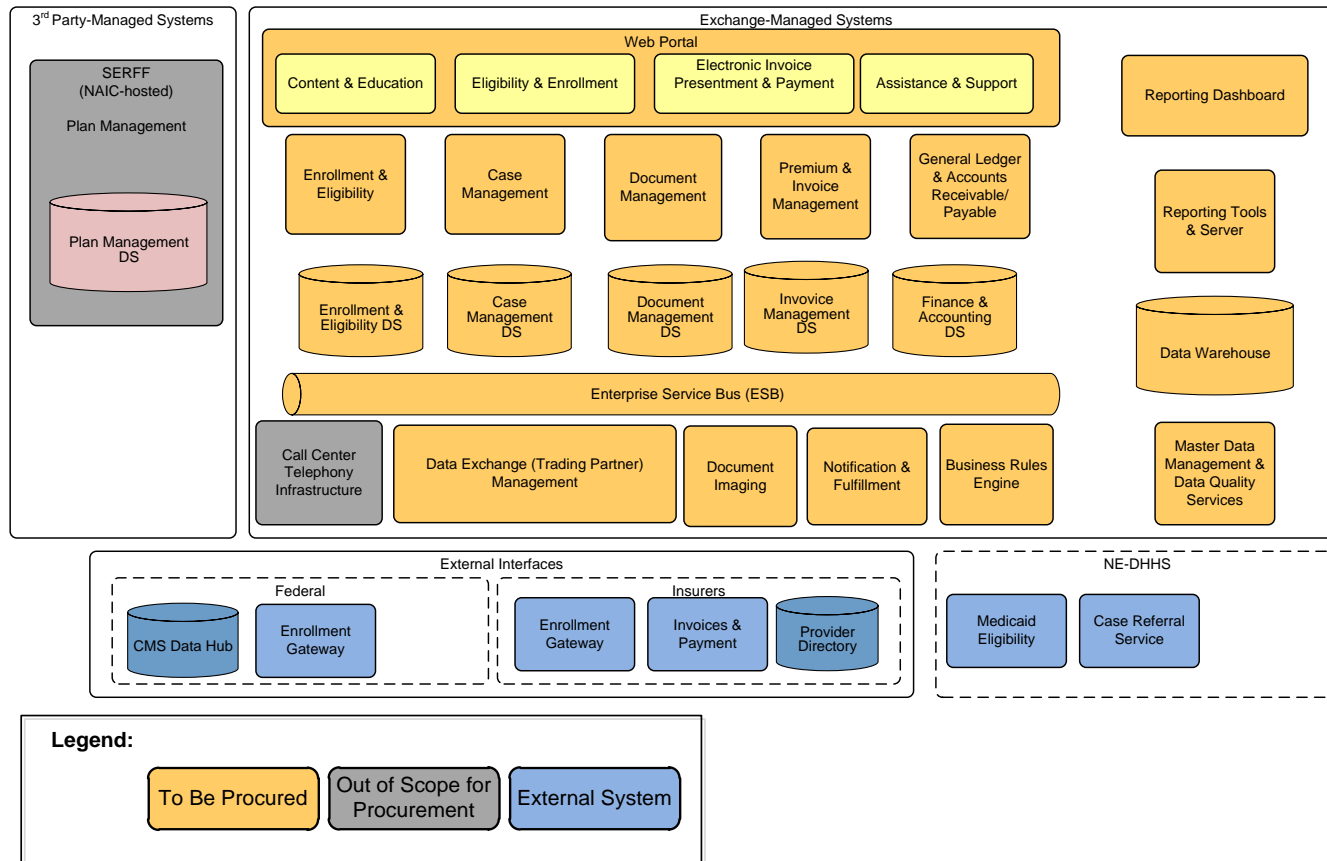
- Provide a first-class customer experience for the residents of Nebraska
- Meet, or beat, the initial minimum requirements of the ACA
- Financially and operationally sustainable
- Service Oriented Architecture (SOA)
- System architecture based on open standards
- Flexible architecture that can easily incorporate change and new features
- Easily adaptable to new products and regulatory requirements
- Focus on reusable, reliable, and maintainable solutions that avoid the writing of custom code and the duplication of systems
- Design for maximum reusability
- Highly available and highly scalable architecture
- Ensure the security and privacy of the Exchange system and the data it contains
- Mitigate business continuity risks and support formal processes and best practices for disaster recovery, including automated fail over and horizontal and vertical scalability

7. PROPOSED SYSTEM

The core NE-HIX will provide full capabilities across this spectrum of portals to provide the business processes noted above. The NE-HIX will also provide configurable shared services so that consumers and employees can apply for health insurance and Medicaid.

7.1 Context Diagram

The System Context Diagram for NE-HIX is presented below:



7.2 High-Level Operational Requirements and Characteristics

Some of the high level operational requirements and characteristics that will be considered while planning Nebraska's integrated solution include:

- First Class Consumer Experience
- Consumer Mediated Approach
- Eligibility support and determinations
- Real Time Verification with Federal and State Systems
- Automated renewal process
- Reasonable compatibility and self-attestation
- Integrate with State and Private Insurance Systems
- Integrate with State and Federal Health Insurance Portals and data hubs
- Integrate with Plan Management (SERFF)
- Integrate with Qualified Health Plans (QHPs) and state eligibility systems
- Provide support for and integration with customer support systems and processes
- Provide a State Worker Portal to support the completion of applications for public benefits, renewals, and updates
- Provide a Community Assistor and Navigator, Broker and Agent Portals to support the completion of applications, renewals, and updates
- Provide a Qualified Health Plan Portal and/or integration to link current providers lists
- Provide an Employer portal so employers can access SHOP and keep rosters current
- HIPAA (5010), NIST, HITECH, and FIPS Compliance

7.2.1 User Community Description

User Group	Description / Expected Use of System	Type (Federal/State Employee, Contractor)	Geographic Location	Total Users	Concurrent Users
Consumer	This group will include individuals, families and small business employees who want to use NE-HIX for public benefits and private	Non Federal or State Employee or Contractor	Nebraska	Approximately 290,000 - 300,000	Analysis in Progress

User Group	Description / Expected Use of System	Type (Federal/State Employee, Contractor)	Geographic Location	Total Users	Concurrent Users
	insurance				
Community Assistor	Community Assistors who will be helping the consumers to apply	Non Federal or State Employee or Contractor	Nebraska	Analysis of Total Users in Progress	Analysis in Progress
Navigator	Navigators who will be helping the consumers to apply	Non Federal or State Employee. Will be contracted under the State's Navigator program	Nebraska	Analysis of Total Users in Progress	Analysis in Progress
Small Business	Employers who will be eligible as small business in Nebraska to purchase insurance for their employees	Non Federal or State Employee or Contractor	Nebraska	Analysis of Total Users in Progress	Analysis in Progress
State Worker	State Workers from participating State agencies who will work on the public benefits and/or private insurance areas	State Employee or Contractor	Nebraska	Analysis of Total Users in Progress	Analysis in Progress
Brokers and Agents	Brokers and Agents who may be helping consumers or employers purchase health insurance	Non Federal or State Employee or Contractor	Nebraska	Analysis of Total Users in Progress	Analysis in Progress

User Group	Description / Expected Use of System	Type (Federal/State Employee, Contractor)	Geographic Location	Total Users	Concurrent Users
Qualified Health Plan	Users from Health Plans who will offer their insurance plans in NE-HIX	Non Federal or State Employee or Contractor	Nebraska	Analysis of Total Users in Progress	Analysis in Progress

7.2.2 Non-Functional Requirements

The following are the non-functional requirements for this project:

- The enrollment management system must support the configuring of dozens of issuers and thousands of plans and enrollment transactions while still ensuring rapid system response times.
- Exchange systems managing credit card payments must be certified to meet PCI Compliance Level 4 standards
- All exchange of enrollment related information must conform to HIPAA security standards.

7.2.2.1 Security and Privacy Considerations

The eligibility, enrollment and other processes required by ACA will require NE-HIX to collect, store and share Personally Identifiable Information (PII) and Personal Health Information (PHI). Accordingly, NE-HIX will implement appropriate security and privacy controls. The integrated NE-HIX solution will be compliant with appropriate security and privacy guidelines. It will also be comply, as necessary, with the appropriate standards for Disaster Recovery and Continuation of Operations Program (COOP).

7.2.2.2 Volume and Performance Expectations

Based on the analysis conducted for the Exchange Planning Grant, Nebraska is expecting new consumers to be a part of the NE-HIX solution. See the tables below:

Baseline Scenario: Separate Markets with Small Employer at 50, Estimated Covered Lives

Year	Exchange	Market	Outside Market			
	Individual	Small Group	Total	Individual	Small Group	Total
2014 [‡]	48,545	1,663	50,207	22,340	94,770	117,110
2015 [‡]	72,790	4,465	77,255	28,037	97,451	125,488
2016	106,129	14,180	120,309	35,410	148,640	184,049
2017	110,186	16,801	126,987	38,384	151,205	189,589
2018	110,967	16,920	127,887	38,656	152,276	190,932

Baseline Scenario: Separate Markets with Small Employer at 100, Estimated Covered Lives

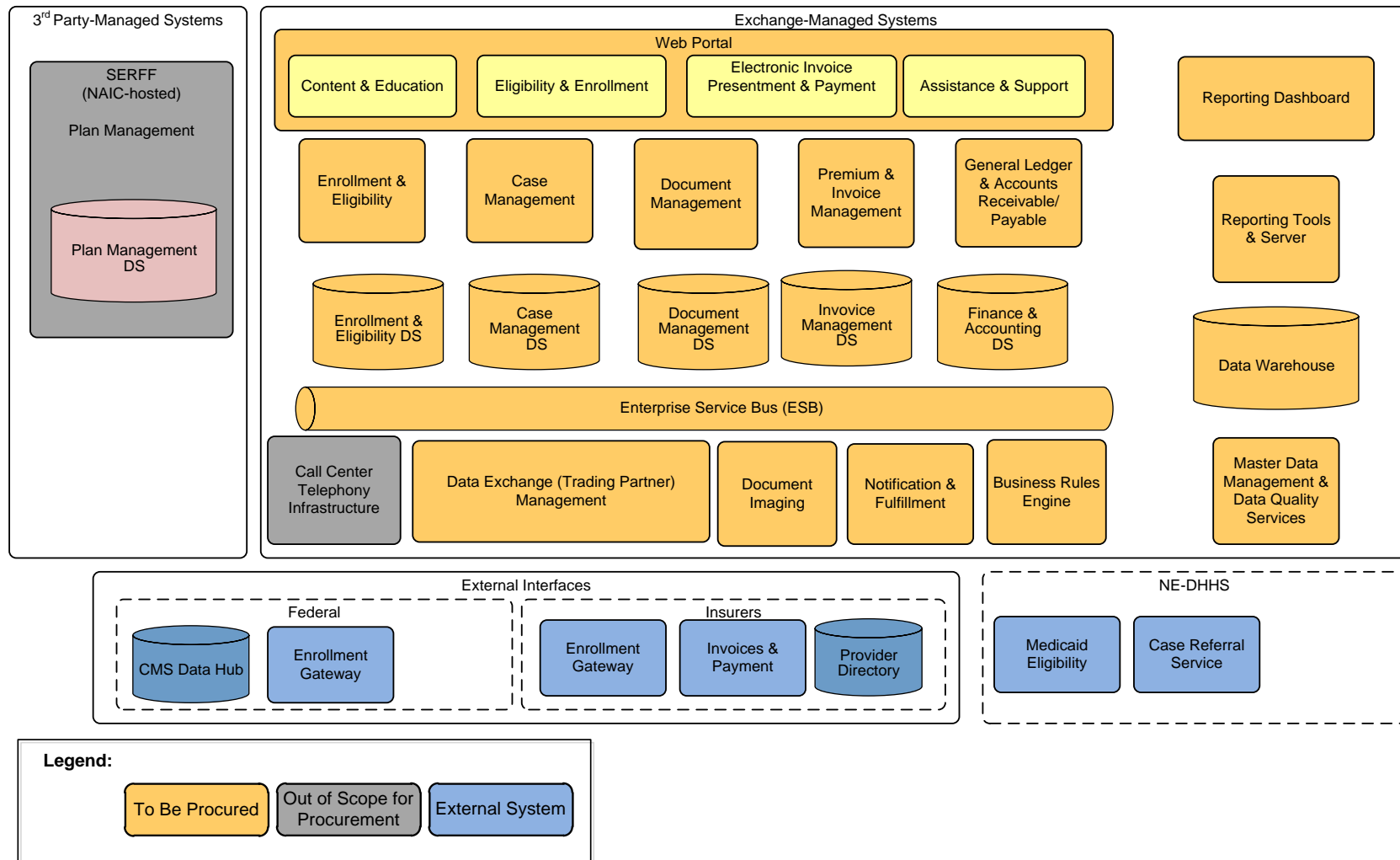
Year	Exchange	Market	Total	Outside Market		
	Individual	Small Group		Individual	Small Group	Total
2014 [‡]	48,545	2,467	51,012	22,340	140,634	162,974
2015 [‡]	72,790	6,626	79,416	28,037	144,612	172,650
2016	106,129	14,180	120,309	35,410	148,640	184,049
2017	110,186	16,801	126,987	38,384	151,205	189,589
2018	110,967	16,920	127,887	38,656	152,276	190,932

[‡]The PPACA defines small employer to be those employers with up to 100 employees. States have the option for 2014 and 2015 to define small employer to be those with up to 50 employees.

7.3 High Level Architecture and Alternatives Analysis

The high level business architecture for the NE-HIX is presented below:

Nebraska Department of Insurance - Health Benefits Exchange



The Alternatives Analysis is included as Attachment A of this document.

7.3.1 Application Architecture

The following table provides the application component and associated application architecture:

Diagram ID	Application Component	Description (Business Process Supported, Purpose of Component)	Type (Identify both – (1) Operational or Analytical; (2) Batch or Online?)	Strategy (Build, Buy, Reuse, Rewrite)
	Eligibility and Enrollment	Support eligibility and enrollment into Medicaid and QHPs	TBD	Procure
	State Worker View	Allow State Workers to process applications, determine eligibility (if required) and manage benefits (if required) for public and private benefits	TBD	Procure
	Plan Management	Management of the certification, recertification, decertification and compliance monitoring of qualified health plans that want to offer their plans in the NE-HIX.	TBD	Procure
	Plan Selection	The Plan Selection will allow consumers to search for public health plans (Medicaid and CHIP) and QHP (private health	TBD	Procure

Diagram ID	Application Component	Description (Business Process Supported, Purpose of Component)	Type (Identify both – (1) Operational or Analytical; (2) Batch or Online?)	Strategy (Build, Buy, Reuse, Rewrite)
		insurance) plans that are offered in the NE-HIX		
	SHOP	The SHOP business area assists “qualified” small employers with enrolling their employees in private health insurance plans	TBD	Procure
	Financial Management	The Financial Management business area deals with the administration and management of financial transactions that are related to the NE-HIX	TBD	Procure
	Consumer Support	The Consumer Support business area requires the NE-HIX to act as the first point of contact, and provide consumer support through multiple channels and mechanisms	TBD	Procure
	Appeals, Complaints and Grievances	The Complaints, Grievances and Appeals management business area establishes a process for	TBD	Procure

Diagram ID	Application Component	Description (Business Process Supported, Purpose of Component)	Type (Identify both – (1) Operational or Analytical; (2) Batch or Online?)	Strategy (Build, Buy, Reuse, Rewrite)
	Management	customers to submit their complaints, grievances or appeals regarding eligibility decisions and other activities related to the NE-HIX		
	Notices Management	Notices Management will allow inbound and outbound notifications between NE-HIX and the customers	TBD	Procure
	Document Management	Document Management will provide submission, storage, management, retrieval and tracking of electronic documents, images. Audio and video files	TBD	Procure
	Outreach and Education (e-Learning and more)	This feature will deal with the outreach and education of the users on the functions, features and programs of NE-HIX	TBD	Procure
	Data Management	The Data Management solution	TBD	Procure

Diagram ID	Application Component	Description (Business Process Supported, Purpose of Component)	Type (Identify both – (1) Operational or Analytical; (2) Batch or Online?)	Strategy (Build, Buy, Reuse, Rewrite)
		will enable the NE-HIX to uniquely identify data records from multiple systems and provide a single view of data records		
	Reporting and Data Warehouse	The Data Warehouse solution will allow the State to have the required business intelligence for analyzing the operational impacts and improvements of the NE-HIX as well as satisfying the various stakeholders (Federal and State) reporting requirements	TBD	Procure
	NIEM Translator	The NIEM translator will allow NE-HIX to translate the data that will be exchanged with HHS and the Federal services (e.g. Federal Data Hub, Federal Calculator etc.) into a NIEM format	TBD	Procure

7.3.2 Information Architecture

Diagram ID	Conceptual Information Entity	Description	Type of Data Store (Transactional, Analytical)	System of Record? (Does this system or another system serve as system or record for information?)	Data Acquisition Approach (e.g., User Data Entry, Interface)
	Eligibility and Enrollment Data	Information to support the eligibility and enrollment for MAGI, QHPs and Other benefits supported in NE-HIX	Analytical and Transactional	Yes	User Data Entry, Interface with Federal and State Data Hubs, other state agency data
	SHOP Data	Information about the small business and their employees to support the SHOP process	Transactional	Yes	User Data Entry
	Plan Management Data	Data from the Health Plans to support Plan Management	Analytical	Yes	Interface
	Plan Selection Data	Information about the QHPs from the Health Plans to support Plan Selection	Analytical	Yes	Interface
	Financial	Data to support the Financial	Transactional	Yes	Interface

Diagram ID	Conceptual Information Entity	Description	Type of Data Store (Transactional, Analytical)	System of Record? (Does this system or another system serve as system or record for information?)	Data Acquisition Approach (e.g., User Data Entry, Interface)
	Management Data	Management for NE-HIX			
	Reporting Data	Data to support Reporting	Transactional	Other systems above	Interface

7.3.3 Interface Architecture

Diagram ID	Information Shared	Interfacing Application	Purpose	Platforms Involved	Inbound or Outbound?	Batch or Near Real Time?	Data Stored Persistently? (Will the proposed system stored inbound data from the external system persistently?)
	Verification Information for a Consumer	Federal Data Services Hub	Real time verification	TBD	Both	Real Time	TBD
	Verification Information for a SHOP	Federal Data Services Hub	Realtime verification	TBD	Both	Real Time	TBD
	Data required to calculate Tax Credit and Cost Sharing Reduction	TBD	Information collection	TBD	Both	Real Time	TBD
	Eligibility and Enrollment Data	TBD	Information collection	TBD	Both	Real Time	TBD

Diagram ID	Information Shared	Interfacing Application	Purpose	Platforms Involved	Inbound or Outbound?	Batch or Near Real Time?	Data Stored Persistently? (Will the proposed system stored inbound data from the external system persistently?)
	for public benefits						
	Eligibility and Enrollment Data for QHPs	TBD	Information collection	TBD	Both	Real Time	TBD
	Plan Management Data	SERFF	Information collection	TBD	Both	Real Time	No

7.3.4 Technology Architecture

The technology architecture for NE-HIX will be a Service Oriented Architecture that will follow the MITA 3.0 guidelines. The technology architecture of the solutions being procured to augment the core NE-HIX are not yet known, but are required to be provided so that they can be integrated with the core NE-HIX technical architecture.

Some of the high level targeted features of the core NE-HIX architecture are described below:

- System architecture based on open standards
- Reusable services and system components
- Flexible architecture that can easily incorporate change and new features

7.3.4.1 Platform

- Currently Unknown

7.3.4.2 System Hosting

- Currently Unknown

7.3.4.3 Connectivity Requirements

- Currently Unknown

7.3.4.4 Modes of Operation

- Currently Unknown

7.3.5 Security and Privacy Architecture

- Currently Unknown

7.3.5.1 Authentication

- Currently unknown

7.3.5.2 Authorization

- Currently unknown

7.3.5.3 Encryption

- Currently unknown

8. ANALYSIS OF THE PROPOSED SYSTEM

Summarized below is the analysis of the proposed system:

8.1 Impact Analysis

8.1.1 Operational Impacts

This project has significant operational impacts on all involved State agencies. Each of the agencies will need to initiate changes and additions to their existing operations to support the ACA requirements and for ensuring an efficient and proper implementation and operation of the NE-HIX solution. These state agencies are active participants in supporting and guiding the project.

8.1.2 Organizational Impacts

This project has significant organizational impacts on all involved State agencies. The staffing and the allocation of staff time for many of the agencies will change to support the requirements analysis, development, testing, implementation and ongoing maintenance of this solution. The State workers will need to go through re-training and education on the ACA requirements and processes, as well as the new system features.

8.1.3 Risks

Summarized below are some of the major risks that have been identified to date for this project:

- Schedule/Timeline
- State Legislation
- Procurement
- Unknowns around the Federal Rules, Federal Data Services Hub, NIEM, Federal Calculator for Tax Credits and Cost Sharing Reduction
- Limited verification data elements to be provided by IRS, combined with onerous security requirements
- Pending guidelines on Identity Resolution
- Unknowns around specifics on the Risk Adjustment, Reinsurance and Risk Corridor programs

- Ongoing funding risks for supporting development and operations of the NE-HIX

8.2 Issues to Resolve

The majority of the risks mentioned above remain as unresolved issues at this point.

8.3 Critical Success Factors for Remainder of Project

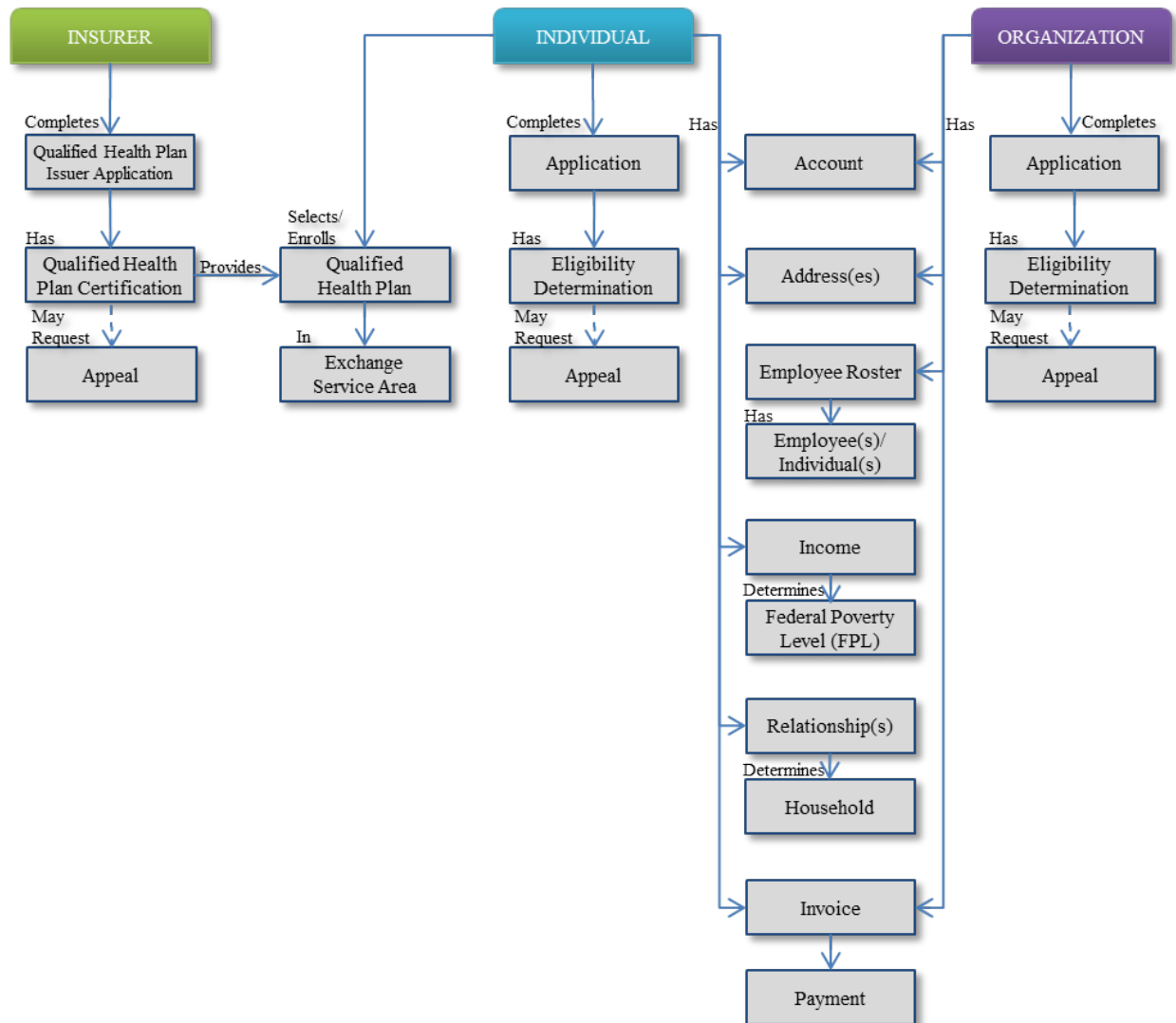
Some of the critical success factors for the remainder of the project are listed below:

- Successful completion of the Establishment reviews
- Successful completion of the IAPD
- On time solicitation award
- Successful and timely completion of the requirements analysis
- Successful and timely completion of the system and interface designs
- Successful and timely completion of the system development and integration tasks
- Successful completion of the CMS certification of the Exchange
- Successful and timely completion of the User Acceptance Testing (UAT)
- Successful completion of the Training and Outreach
- Go Live

9. GLOSSARY

ACCESS NEBRASKA	Over Arching System Architecture for Current Public Assistance Programs
CMS	Centers for Medicare and Medicaid Services
HIX	Health Insurance Exchange
IS&T	Information Systems & Technology
MMIS	Medical Management Information System
N-FOCUS	Nebraska Family Online Client User System (Nebraska's Current Eligibility System)
NDOI	Nebraska Department of Insurance
NE-DHHS	Nebraska Department of Health and Human Services
NE-HIX	Nebraska Health Insurance Exchange
OCIO	Office of the Chief Information Officer
PPACA	Patient Protection and Affordable Care Act
QHP	Qualified Health Plan
SERFF	System for Electronic Rate and Form Filing
SHOP	Small Business Health Options Program

10. APPENDIX A: CONCEPTUAL INFORMATION MODEL



State of Nebraska Department of Insurance

Health Insurance Exchange Information Technology Roadmap Final Report

October 11, 2011

Table of Contents

1. EXECUTIVE SUMMARY	1
2. PURPOSE, SCOPE, APPROACH.....	3
3. THE CURRENT HEALTH CARE REFORM ENVIRONMENT	5
3.1. The ACA Requirements	5
3.2. The Early Innovator States.....	6
4. EXISTING ELIGIBILITY PROCESSING OPERATIONAL AND TECHNICAL ENVIRONMENT.....	15
4.1. Program	15
4.2. Technical.....	19
4.2.1. The Nebraska Family Online Client User System (N-FOCUS).....	20
4.2.2. AccessNebraska	21
4.2.3. Medicaid Management Information System (MMIS).....	23
4.2.4. System Limitations	25
4.3. State Initiatives.....	28
5. FUTURE ENVIRONMENT / IT ROADMAP.....	31
5.1. Alternatives Considered	31
5.2. Selecting the Recommended Solution	38
5.3. Estimated Cost for the Recommended Solution	42
5.3.1. Costing Assumptions	42
5.3.2. Sustainability	46
5.4. Potential Exchange Solutions in the Marketplace	47
5.5. Proposed Timeline	48

Table of Figures

Figure 4-1: Nebraska DHHS Organization Chart	17
Figure 4-2: Server Configuration for the Customer Service Center	23
Figure 5-1: Alternative 1 – Centralizing the Rules and Member Data.....	32
Figure 5-2: Alternative 2 – Determining Eligibility in the Exchange Portal without a Rules Engine.....	33
Figure 5-3: Alternative 3 – Decentralizing MAGI Eligibility Determination	34
Figure 5-4: Alternative 4 – Building the Rules into N-FOCUS	35
Figure 5-5: Logical Diagram for the Preferred Alternative	41

Table of Tables

Table 3-1: Exchange Planning Activities in the Early Innovator States	8
Table 4-1: Current State Initiatives	29
Table 5-1: One-Time Development and M&O Cost Estimates for the Viable Alternatives	35
Table 5-2: Alternatives Comparison	36
Table 5-3: Description of Evaluation Criteria	38
Table 5-4: Alternatives Comparison	40
Table 5-5: Estimated Project Costs by Fiscal Year	46
Table 5-6: Estimated Implementation Timeline	49

1. Executive Summary

The Patient Protection and Affordable Care Act of 2010¹ (hereinafter the ACA) provides for the creation of state-based Health Benefit Exchanges that will allow consumers to access and evaluate plans from commercial insurers and to apply for health subsidy programs that best meet their needs for coverage effective January 2014. In so doing, the federal government expects states to use a “single, streamlined form that: may be used [by individuals] to apply for all applicable State health subsidy programs within the State; may be filed online, in person, by mail, or by telephone; may be filed with an Exchange or with State officials operating one of the other applicable State health subsidy programs; and is structured to maximize an applicant’s ability to complete the form satisfactorily, taking into account the characteristics of individuals who qualify for applicable State health subsidy programs.”

States have the option of leveraging a federal Health Insurance Exchange (Exchange), joining with other states to offer a regional Exchange, building a state-based Exchange, or creating multiple Exchanges within a single state to implement this new law. The Nebraska Department of Insurance (NDOI) awarded a contract to Public Consulting Group, Inc. (PCG) to determine the financial feasibility of creating a state-based Exchange, focusing specifically on what will be required to streamline the eligibility and enrollment processes for publicly subsidized health coverage programs. This information, considered in tandem with other planning work that Nebraska is pursuing, will help to inform the State’s decision-making process and support its efforts to request enhanced federal funding through the federal grant making process should the State decide to move forward.

To conduct this analysis, the PCG project team reviewed materials that document the Nebraska Department of Health and Human Services’ (DHHS’) current program and technical environments. The project team also met with key staff members to better understand the existing information technology (IT) systems that could be leveraged to meet the requirements of the ACA and to identify alternatives that the State could pursue. PCG also looked at state initiatives that might impact the Nebraska Exchange planning process and identified recent activities in the Early Innovator states to identify potential leveraging opportunities.

When this project was conducted, the health care reform environment was very fluid. There were many unknowns in terms of services that would be provided at the federal level and leveraged by the states. Regulations were in the making. New rules to streamline the eligibility determination process for all of Medicaid,

¹ Public Law 111-149, Patient Protection and Affordable Care Act, March 23, 2010, 124 Stat. 119, <http://www.gpo.gov/fdsys/pkg/PLAW-111publ148/content-detail.html>.

not just those for the expanded populations, were pending. In the midst of this shifting environment, the NDOI (as well as many other states) initiated its planning processes in order to meet the implementation deadline as required by federal law. To meet this need, PCG worked with representatives of the NDOI and the Nebraska DHHS to identify a recommended solution for moving ahead.

Nebraska's solution for meeting the requirements of the ACA is to acquire a rules engine that will provide a coordinated set of rules for the State's publicly-subsidized health coverage programs in one system. The eligibility rules engine will function to determine eligibility and be usable by authorized systems that are accessible to consumers, state workers, Navigators, or individuals shopping for health coverage. This recommended solution also includes the acquisition of a federated database to store recipient data for all of the publicly subsidized programs and the modification of existing systems to support the new populations. All total, the high-level one-time cost is estimated to be \$14,223,503. The annual ongoing IT-related cost is estimated at \$3,942,859.

The results of our work are provided in this Information Technology Roadmap, which describes the recommended solution and provides details on the estimated costs, as well as the steps and timeline for moving ahead.

2. Purpose, Scope, Approach

In September 2010, the NDOI received a \$1 million grant award from the Office of Consumer Information and Insurance Oversight in the U.S. Department of Health and Human Services (HHS) to evaluate if Nebraska will establish an Exchange, and if so, begin conducting the critical planning activities for Exchange development. A portion of the grant award was used to fund a contract that was awarded to Public Consulting Group (PCG) to assist the NDOI in the development of an Information Technology (IT) Roadmap to inform future funding needs for a state-based Health Insurance Exchange. The overall goal of this planning effort was to conduct an initial assessment of existing state IT systems and to identify modifications and/or new systems that may be needed. This included customer service centers, state Medicaid eligibility and enrollment systems (to include Internet applications) and other existing state infrastructure that could be leveraged by an Exchange. The project scope included:

- Reviewing the Nebraska Department of Health and Human Services current processes and systems that support the eligibility and enrollment processes for primarily Medicaid and the Children's Health Insurance Program (CHIP), but also for the Temporary Assistance for Needy Families (TANF) and the Supplemental Nutrition Assistance Program (SNAP).²
- Identifying current state initiatives and projects that may be impacted by, or have an impact upon, the Exchange planning efforts.
- Identifying the processes and systems that must be in place by the fall of 2013 in order to support the eligibility and enrollment functions for the new ACA populations.
- Conducting an IT Gap Analysis to compare current capabilities to the functional requirements of an Exchange.
- Identifying alternatives for bridging the gap between the current and future environments through leveraging existing technology assets and building new technology to meet the requirements of the ACA.
- Developing an estimated budget and timeline for implementing the recommended solution by the fall of 2013 and include ongoing annual maintenance costs.
- Documenting the outcome of the above activities in the final IT Roadmap report.

² At the start of this project, the NDOI and the DHHS determined that the Exchange will not determine eligibility for welfare programs (e.g., SNAP, TANF) in January 2014. As a result, any discussion of current SNAP and TANF eligibility processes are discussed only in relation to processes that are used to determine eligibility for Medicaid in this report.

To complete this project, the PCG project team performed the following tasks:

- Reviewed existing ACA requirements and kept abreast of newly developed regulations as they were released by the HHS.
- Reviewed existing documentation provided by the Nebraska DHHS program and Information Technology (IT) areas.
- Reviewed and summarized responses to the NDOI's Request for Information (RFI) that was sent to vendors to identify the extent to which solutions exist in the marketplace to support the business functions of an Exchange.
- Met with Nebraska DHHS program and IT subject matter experts to agree upon the project assumptions, identify current projects underway, discuss the alternatives under consideration, and refine the recommended solution.
- Developed workflow diagrams to depict the process of applicants applying for medical insurance through the Health Insurance Exchange.
- Met with a representative of the Nebraska IT Commission (NITC) eHealth Council to identify current planning efforts related to two Health Information Exchanges that are being planned in the State.
- Met with a representative of the Nebraska DHHS' Customer Service Centers, and toured the Customer Service Center in Lincoln, NE to understand and document the State's ability to leverage the call centers to support the expanded Medicaid population in January 2014.
- Documented efforts that are being undertaken in the Early Innovator States to develop technologies to support the implementation of the ACA and potentially avail those technologies and lessons learned.
- Attended weekly meetings with the NDOI project team to review project status, identify issues and mitigate any risks that arose during the project.
- Attended bi-monthly meetings with Health Management Associates (HMA) who were providing actuarial and non-IT Exchange planning assistance to NDOI during the course of this project.

3. The Current Health Care Reform Environment

Today's exchange planning environment is typified by a plentitude of activity and many unknowns. States are challenged with designing and implementing technical solutions while the ACA regulations are evolving and are being challenged in the courts. Efforts to build new governance structures while determining how best to leverage and share supporting technologies to support an Exchange by the fall of 2013 within the confines of federal and state rules are ambitious to say the least. To inform the State's decision-making process on how best to move ahead during these very fluid times, this section provides a brief description of the ACA requirements related to this project and discusses what is transpiring in states that were awarded Early Innovator grant funding.

3.1. The ACA Requirements

In March 2010, the ACA was enacted by Congress and signed into law by the President. The Health Care Reform law mandates the creation of Health Benefit Exchanges that will allow consumers to access and evaluate plans from commercial insurers and to apply for health subsidy programs (e.g., Medicaid, the Children's Health Insurance Program [CHIP], and subsidized commercial insurance through the Exchange) that best meet their needs through an online marketplace.

Integrating the eligibility determination and enrollment processes for publicly-subsidized health coverage programs and providing seamless coordination between the Exchange, Medicaid and CHIP will be critical to providing a 'one-stop shop' to coverage for millions of people across the country starting in 2014. The intent of the law is to allow an individual to supply a limited amount of information that can be used to determine eligibility for coverage under any of the publicly-subsidized health coverage programs available in the State.

The successful establishment and operation of the Exchange supports the ACA goal of extending coverage to tens of millions of Americans. Non-elderly individuals with incomes up to 133 percent³ of the federal poverty level (FPL); based on the applicant's Modified Adjusted Gross Income (MAGI) will be eligible for expanded Medicaid. Through the Exchange, lower and middle-income individuals with MAGI up to 400 percent FPL may be eligible for subsidized commercial health insurance, with limits on point-of-service cost sharing and caps on out-of-pocket expenses. Small employers with lower-income workers that provide employer-sponsored insurance (ESI) purchased through the Exchange may also be eligible for premium subsidies for up to two years. IT systems and processes must be in place by mid-2013 to support these

³ The ACA provides for a 5% income disregard, which effectively increases the income eligibility for Medicaid to 138% FPL.

programs. The State will also need to establish processes to effectively and efficiently handle situations that will arise when circumstances change and people become ineligible for one program (e.g., Medicaid) and eligible for another (e.g., premium subsidies through the Exchange).

Recent Rule Making

In July 2011, CMS issued rules on the establishment of Exchanges and Qualified Health Plans (QHPs). Rules were also issued on standards related to reinsurance, risk corridors and risk adjustment, which do not directly impact this project. However, the establishment of Exchanges and QHP rules present states with an option to pursue “a flexible State partnership model combining State-designed and operated business functions with Federally-designed and operated business functions. Examples of such shared business functions might include eligibility and enrollment, financial management, and health plan management systems and services.” Based on these unknowns, PCG believes that Nebraska should stay on course with its current planning efforts until the services that will be available at the Federal level become more clear.

In August 2011, CMS issued proposed rules implementing ACA requirements on Medicaid and CHIP eligibility determinations after 1/1/14, including a comprehensive redesign of eligibility categories and requirements, use of MAGI as the new financial eligibility standard for applicants who will be “newly eligible” beginning in 2014 due to the ACA, increased Federal medical assistance percentages (FMAP) for state expenditures with respect to such persons, and increased FMAP on state expenditures beginning in 2014 in “expansion states” offering a comparable federal financial benefit to states that expanded eligibility earlier. While these rules could impact the eventual governance and design of Nebraska’s proposed approach considerably, comments on the proposed rules are not due until the end of October 2011.

3.2. The Early Innovator States

In February 2011, the U.S. Department of Health and Human Services (HHS) announced the award of seven cooperative agreements to help a group of “Early Innovator” states design and implement the IT infrastructure that would be needed to operate Health Insurance Exchanges⁴. The federal government sought to reduce replication and the cost of work on the IT components of the Exchange in offering this opportunity. States seeking federal funding were required to provide assurances that new technology would be designed to be reusable and transferable in order to serve as building blocks for Exchange IT systems in other states and provide models for how Exchange IT systems can be created.

⁴ Cooperative Agreement to Support Innovative Exchange Information Technology Systems Funding Opportunity, February 2011.

As a result of this funding opportunity, Kansas, Maryland, New York, Oklahoma, Oregon, Wisconsin, and a multi-state consortium led by the University of Massachusetts Medical School (known as the New England States Collaborative Insurance Exchange Systems, or NESCIES) received a total of approximately \$241 million and became known as the Early Innovator states. Representing diverse approaches and different regions of the country, it was the federal government's intent to provide for a wide range of IT models from which every state could benefit rather than re-inventing the wheel.

Summary

While most of the Early Innovator states are moving ahead, the planning process is slow going. Kansas and Oklahoma returned their grant money to the federal government. Most states are still in the process of establishing their governance structures. The reality of whether technologies developed by the Early Innovator states will be accessible and available for use in other states by January 2014 has come into question and in some instances is very dubious. Very few appear to be "cross-pollinating" with other states in order to understand their mutual business needs and information technology challenges. The Early Innovator states' exchange planning activities as of August 2011 are summarized in the table below.

Table 3-1: Exchange Planning Activities in the Early Innovator States

State	Grantee	Grant Amount	Original Proposal	Current Status
Kansas	Kansas Insurance Department	\$31,537,465	<p>Proposed IT Strategy:</p> <ul style="list-style-type: none"> Leverage the new Kansas Medicaid/CHIP eligibility system (K-MED) that was procured and implemented by the Kansas Health Policy Authority (KHPA) and integrate K-MED with the Kansas Health Insurance Exchange to meet the requirements of the ACA. Explore the possibility of creating a “cloud” solution that would be accessible to other states. 	<p>Progress to Date:</p> <ul style="list-style-type: none"> Kansas returned \$31.5 million of federal grant funding in August 2011 Prior to that, the state had yet to pass legislation for an Exchange and is in the midst of suing the federal government to declare the ACA unconstitutional. The KHPA had announced that it would seek a Software as a Service (SaaS) solution for their Exchange in April 2011. Although the Exchange Steering Committee planned to release an RFP for a SaaS solution for the Exchange in July 2011, the Administration had delayed the procurement until the 2012 Legislature has the opportunity to evaluate the plan developed by the Committee.
Maryland	Maryland Dept of Health and Mental Hygiene	\$6,227,454	<p>Proposed IT Strategy:</p> <ul style="list-style-type: none"> Build off a prototype it has already developed that models the point of access for the Exchange, Integrate with Maryland legacy systems and the federal portal 	<p>Progress to Date:</p> <ul style="list-style-type: none"> The Maryland Health Benefit Exchange Act of 2011 was signed into law in April 2011, which established the Exchange as an independent unit of State government.

State	Grantee	Grant Amount	Original Proposal	Current Status
			<p>systems, and Maryland's consumption of planned federal web services (e.g. verification and rules).</p> <ul style="list-style-type: none"> Healthy Maryland initiative to serve as technology foundation, extending this platform currently being used by several other states. This "point" solution will extend the existing Healthy Maryland platform, which was recently implemented. 	<ul style="list-style-type: none"> The State is developing a solution that extends its existing "Healthy Maryland" platform as the Exchange infrastructure. The State plans to develop a hybrid Exchange that will be comprised of both public and private entities. The Exchange is expected to support social services eligibility as well. The State intends to generate a solution that can be leveraged within other states. Governor Martin O'Malley hopes the state becomes a leader in implementing an Exchange. In June 2011, the Exchange Board voted and approved the resolution for the Exchange Establishment Level 1 Grant Proposal. The application for Level One funding was submitted to HHS at the end of June. In July 2011, Maryland Health Benefit Exchange issued a Navigator and SHOP Research/Analysis RFP, and named the Chairs of the Advisory Committees (18 in total).
Connecticut, Maine, Massachusetts, Rhode Island,	University of Massachusetts Medical School	\$35,591,333	<p>Proposed IT Strategy:</p> <ul style="list-style-type: none"> Create and build a flexible Exchange information technology 	<p>Progress to Date:</p> <ul style="list-style-type: none"> The University hired a consultant (CGI Group Inc.) to

State	Grantee	Grant Amount	Original Proposal	Current Status
and Vermont (NESCIES)			<p>framework in Massachusetts and share those products with other New England states.</p> <ul style="list-style-type: none"> • Apply lessons learned from the Massachusetts Exchange implementation and gain efficiencies so it can accelerate Exchange development for participating New England states. 	<p>assist in a business process redesign that will determine whether the current Exchange IT components will meet the CCIIO and CMS standards, and the extent to which they could be reusable by members of the consortium.</p> <ul style="list-style-type: none"> • NESCIES has categorized its reusability approach into 3 tiers: sharing artifacts, jointly procuring HW/SW, and offering a SaaS approach to members of the consortium. • NESCIES is planning on releasing its RFP for a systems integrator in August 2011 • The solution is projected to go live in February 2013.
New York	New York Department of Health	\$27,431,432	<p>Proposed IT Strategy:</p> <ul style="list-style-type: none"> • Build off its eMedNY Medicaid Management Information System (MMIS) system to build products for the Exchange. • This approach will also result in the development of Exchange IT components fully extensible and scalable to any other jurisdiction. 	<p>Progress to Date:</p> <ul style="list-style-type: none"> • In late June 2011, negotiations were concluded on a bill to establish a Health Benefit Exchange. The bill authorizes one statewide Exchange that would be governed by a Board of Directors, consisting of nine state officers or employees, with appropriate powers to implement key components of the federal law in New York State. Exchange bill passed in the Assembly by an 82-44 vote, but has not yet been approved

State	Grantee	Grant Amount	Original Proposal	Current Status
				<p>by the Senate.</p> <ul style="list-style-type: none"> • The New York Department of Health plans to build an Exchange off of the existing eMedNY Medicaid Management Information System (MMIS). The eMedNY MMIS system will serve as a base and produce products for the future exchange. • The Exchange technical architecture will support and integrate with the Medicaid program, including but not limited to Medicaid eligibility and enrollment determinations and to anticipated enhancements to New York's current Medicaid eligibility system, as well as support the six core business areas as defined by CMS. • The state released a Funding Availability Solicitation (FAS) to acquire a contractor to design, develop and deliver an operational ready Exchange solution in July 2011. The Department of Health intends to award a four year contract with the option to extend the contract for five additional years. • The state has two ideas for models for the Exchange -- one being a public benefit corporation, the other a public

State	Grantee	Grant Amount	Original Proposal	Current Status
				authority. The first model, in which the Exchange authority would act as a buyer, would regulate insurance plans and set minimum requirements for plans offered. The second model would have no regulatory leverage and no power to act as a buyer.
Oklahoma	Oklahoma Health Care Authority	\$54,582,269	<p>Proposed IT Strategy:</p> <ul style="list-style-type: none"> Extend its current technical architecture of Medicaid Management Information System (MMIS) and several other systems to implement the Oklahoma Health Infrastructure and Exchange initiative. Leverage tools such as the web-based real time claims processing provider service portal created in 2003 by the Oklahoma Health Care Authority. Oklahoma will issue an RFP under this grant to conduct a gap analysis to determine the necessary steps for its systems to become operational for the Exchange factoring in portability and reuse. 	<p>Progress to Date:</p> <ul style="list-style-type: none"> Oklahoma returned \$54.6 million of federal grant funding in April 2011 due to fears that accepting the funding would intrude upon the State's Exchange planning efforts. Legislation (SB971) to establish the Oklahoma Health Insurance Private Enterprise Network has been introduced. The State plans to use its own funds to develop an Exchange. Legislative leaders in Oklahoma have stated that they will not be considering a plan to set up an Exchange, and instead will be study the issue in the interim.
Oregon	Oregon Health Authority	\$48,096,307	<p>Proposed IT Strategy:</p> <ul style="list-style-type: none"> Leverage a commercial off-the-shelf (COTS) application to create the Exchange. Create a modular, reusable IT 	<p>Progress to Date:</p> <ul style="list-style-type: none"> Oregon is moving forward with system design for its Exchange. The state hired a consulting firm (Wakely Consulting) to assist in

State	Grantee	Grant Amount	Original Proposal	Current Status
			solution that will provide the Exchange's customers	<p>planning efforts, and passed legislation (Senate Bill 99) in June 2011 to establish an Exchange.</p> <ul style="list-style-type: none"> • Oregon will also be considering House Bill 3650 for Health Care Transformation that will create an integrated, coordinated health care delivery system for Oregon Health Plan recipients. The Governor is encouraging state lawmakers to move forward on the bill. • Oregon released a request for proposal (RFP) to procure the Exchange software, which will be followed by a solicitation for system integrator services.
Wisconsin	Wisconsin Department of Health Services	\$37,757,266	<p>Proposed IT Strategy:</p> <ul style="list-style-type: none"> • Implement a single, intuitive portal through which residents can access subsidized and non-subsidized health care and other state-based programs (e.g. Medicaid, CHIP, child care). • The Exchange will integrate across health and human services programs to promote efficiency and lower overall administrative cost. 	<p>Progress to Date:</p> <ul style="list-style-type: none"> • Wisconsin is building out its automated eligibility system for state-based health insurance programs despite the Governor's oppositions to the healthcare reform law. • Wisconsin has held numerous webinars to demonstrate its web portal and has offered the source code at no cost to interested states. • The State has contracted Deloitte to work on its eligibility system, known as CARES, which will have Exchange

State	Grantee	Grant Amount	Original Proposal	Current Status
				<p>capabilities. ACCESS, Wisconsin's Web-based self-service tool for checking eligibility for health benefits and other forms of assistance is fully integrated with CARES and the State's MMIS system.</p> <ul style="list-style-type: none"> • The State recently released a Request for Information (RFI) for research relating to marketing of an Exchange. • In mid-July, Wisconsin reported that it will be using Corticon's automatic rules engine to streamline the eligibility process. The system will determine eligibility upfront and then guide the information selection process with little to no interaction with case workers.

4. Existing Eligibility Processing Operational and Technical Environment

This section provides a brief description of the current program and technical environments at the Nebraska DHHS.

4.1. Program

The Medicaid Program

In 1965, Title XIX of the Social Security Act initiated a jointly funded medical assistance program for certain individuals and families with low incomes and resources. The program, called Medicaid, is a cooperative venture between the federal and state governments to assist states in providing medical care to eligible needy persons. Nebraska's Children's Health Insurance Program (CHIP) is a Medicaid expansion program, meaning that the State uses federal CHIP funds to extend Medicaid benefits to children who meet the CHIP eligibility requirements⁵. Today, the Medicaid program is the largest program providing medical and health-related services to America's poorest people.

The Medicaid program, although jointly funded by the federal and state governments, is administered by the state. Under broad federal guidelines, each state establishes its own eligibility standards, determines the scope of covered services and sets rates of payment. In Nebraska, Medicaid provides health care services to eligible elderly and disabled individuals and eligible low-income pregnant women, children and parents. Nebraska Medicaid has a budget of roughly \$1.6 billion. Currently an estimated 11.6 percent of Nebraska residents are enrolled in Medicaid, or approximately one in nine residents. Based on an independent study⁶, the new provisions of the federal health care law could expand eligibility to close to 20 percent of residents, or approximately one in every five Nebraskans, adding more than 145,000 Nebraskans to the Medicaid program over the next decade.

Nebraska DHHS

The Nebraska Department of Health and Human Services (DHHS) is comprised of six divisions led by a Chief Executive Officer. The agency divisions and brief descriptions are outlined below.

- *Behavioral Health* administers state hospitals for the mentally ill and publicly funded community-based behavioral health services.

⁵ Hereinafter within this report the use of the term 'Medicaid' will refer to both Medicaid and CHIP.

⁶ <http://www.governor.nebraska.gov/news/2010/08/pdf/Nebraska%20Medicaid%20PPACA%20Fiscal%20Impact.pdf>

- *Children and Family Services* includes protection and safety programs and services (child welfare, juvenile services), economic and family support programs and services, and the service areas. Economic assistance service delivery of the determination of eligibility and benefits including Medicaid is currently provided by local DHHS offices located throughout Nebraska.
- *Developmental Disabilities* consists of the Beatrice State Developmental Center and publicly-funded community-based developmental disabilities services
- *Medicaid and Long-Term Care* administers the Medicaid program, aging services, and other related programs and services
- *Public Health* includes preventive and community health programs and services, regulation and licensure of health-related occupations, regulation and licensure of health care facilities, and health care services
- *Veterans' Homes* includes several facilities located throughout the State

The current Nebraska DHHS organization chart is provided in the figure below.

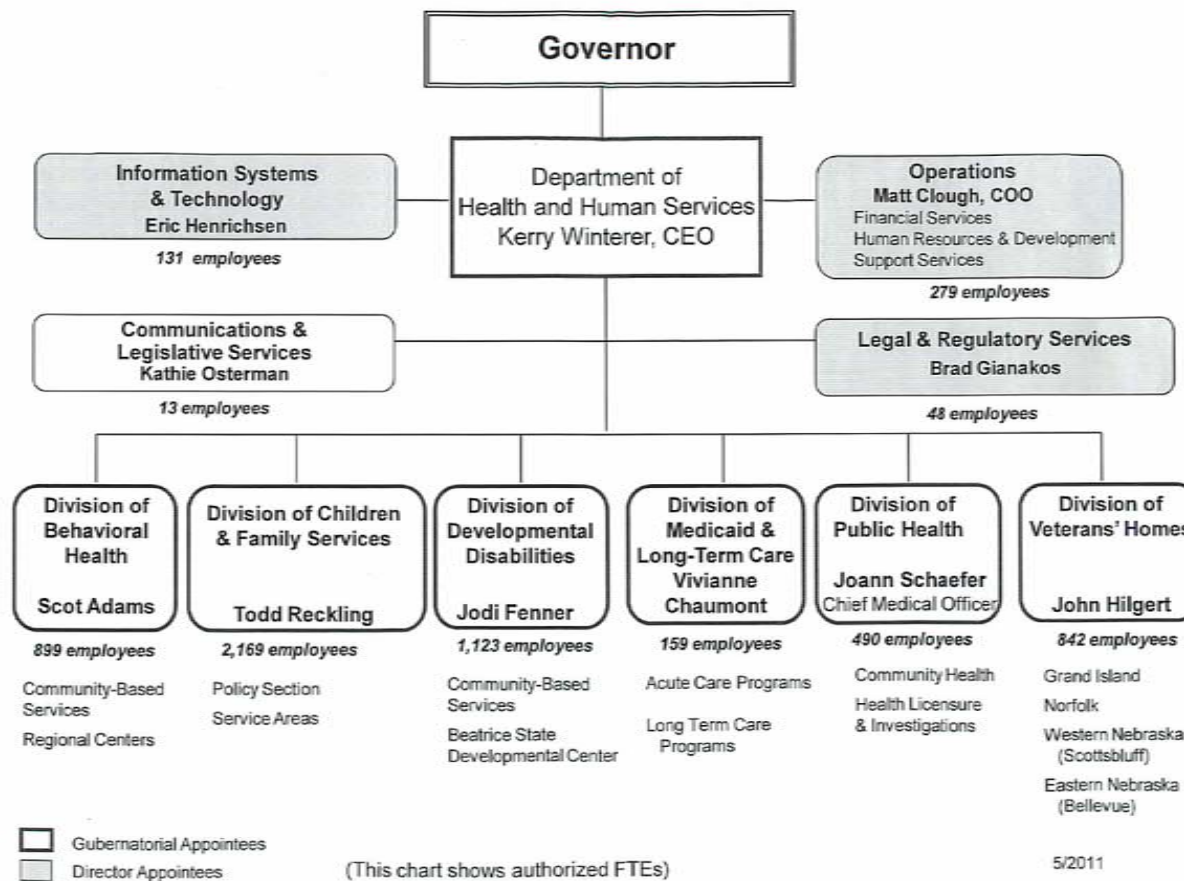


Figure 4-1: Nebraska DHHS Organization Chart

A Chief Information Officer (CIO), in charge of Information Systems and Technology (IS&T) and a Chief Operating Officer (COO), in charge of operations that support the Department, also report to the CEO. Operations areas within the Nebraska DHHS include: Communications and Legislative Services, Financial Services, Human Resources and Staff Development, Legal and Regulatory Services, and Support Services.

The Current Application Process

In Nebraska, the current application process is supported through AccessNebraska, which modernized how services are provided to applicants and recipients. Through AccessNebraska, individuals can apply for Medicaid, the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and other programs. The AccessNebraska concept is comprised of three components: the ability to apply for services online; document scanning and retrieval of economic assistance case files; and the creation of four customer service centers.

Currently, over 60 percent of the individuals seeking Medicaid services apply online. Through an online tool (described in Section 4.1.1) that is currently available via the Nebraska DHHS website⁷, applicants can identify programs that might meet their needs, determine whether they may qualify for services, apply or re-apply for services, report changes, and view their current benefits. The application process can be completed within 15 – 20 minutes through AccessNebraska.

To support the application process, the Nebraska DHHS recently established Customer Service Centers that are responsible for conducting interviews, taking customer changes and providing information and referral services via the telephone. By 2012, the Nebraska DHHS will have four customer service centers to provide a more efficient way to process and approve requests for economic assistance services like Medicaid, SNAP, Aid to Dependent Children, energy assistance, assistance to the aged, blind or disabled, child care, employment assistance, and Social Services Block Grant (transportation, chore, meals, respite) assistance.

Customer Service Centers are already, or will soon be, located in:

- Lincoln: This center has approximately 100 staff and began taking calls in November.
- Fremont: This center opened in May 2011 with approximately 150 staff.
- Lexington: This center is planned to open with about 50 staff in the fall of 2011.

⁷ <https://dhhs-access-neb-menu.ne.gov/start/?tl=en>

- Scottsbluff: This center is planned for January 2012 and will include 100 staff.

The Lincoln Customer Service Center was the test site for a new Universal Queue Caseload methodology and began taking calls from clients in mid-November. With this new system, clients call an 800 number for assistance. Instead of having one assigned caseworker, calls are routed to either a family team or adult team of caseworkers, based on preliminary information provided by the caller. The Nebraska DHHS allowed for 25 percent growth in building the Customer Service Centers.

The Customer Service Centers primarily offer service over the phone. However, people will continue to have the option of going to a local office and talking to someone in person even after all four centers are in place. Many local offices also are equipped with computer kiosks, and telephones to provide increased access to services.

4.2. Technical

The current technical environment is developed, managed, and maintained by a combination of two organizations, IS&T and the State's Office of the Chief Information Officer (OCIO).

IS&T administers the Nebraska DHHS computer resources and provides support in such areas as: feasibility studies, system design and development, system maintenance, computer hardware/network acquisition, installation and maintenance, data processing operations, and system project management. IS&T maintains the Nebraska DHHS Help Desk and desktop support, Outlook email and Lotus Notes databases. It is responsible for application support of Nebraska DHHS applications, including the ones highlighted in this report: the Medicaid Management Information System (MMIS), the Nebraska Family Online Client User System (N-FOCUS) and AccessNebraska⁸. Over the past several years IS&T's efforts have primarily focused on maintaining the Nebraska DHHS' legacy applications.

The OCIO administers the State's data center and telecommunications network. The Nebraska DHHS purchases staffing and computing resources from the OCIO, and collaborates with the OCIO to manage, operate and maintain the MMIS.

The IT applications that are maintained by IS&T in support of the Nebraska DHHS Division of Medicaid and Long-Term Care programs include:

- *N-FOCUS* – Nebraska's integrated eligibility and case management system.

⁸ This section of the report speaks to the component of AccessNebraska that offers an online web application.

- *AccessNebraska* – This application is a public facing front-end for N-FOCUS. Its web-based interface provides the public access to apply for public aid (multiple programs). Personal support provided by Customer Service Representatives occurs through AccessNebraska
- *Medicaid Management Information System (MMIS)* – This system adjudicates Medicaid claims and maintains the claims history and eligibility data of Medicaid beneficiaries

These core systems that currently support the enrollment and eligibility determination functions of Nebraska's publically subsidized benefits programs are described below.

4.2.1. The Nebraska Family Online Client User System (N-FOCUS)

N-FOCUS (Nebraska Family Online Client User System) is an integrated client/server system that automates benefit and service delivery and case management for over 30 Nebraska Health and Human Services System programs, including client benefit determination, Medicaid eligibility and child welfare. N-FOCUS functions include client/case intake, eligibility determination, case management, service authorization, benefit payments, ancillary claims processing and payments, provider agreements, and government and management reporting. N-FOCUS is also the Statewide Automated Child Welfare Information System (SACWIS) for the Nebraska DHHS. N-FOCUS was implemented in production in mid-1996 and today is operational statewide. N-FOCUS interfaces with the MMIS.

The application has both batch and online components and stores data in DB2, V9. The DB2 database has over 500 tables, some with a corresponding archive table. There are over 550 relationships between tables, 935 indexes, and over 8700 attributes. There are over 1.3 billion rows of production data with over 200 million rows in one table.

The batch system is coded in Z/OS COBOL and executes in a Z/OS environment. There are more than 700 procedures, over 640 programs, and over 220 stored procedures. The application generates over 540 reports using Crystal Reports that are published to a web portal through Business Objects Enterprise software.

The online system is an integrated client/server based software system. The client software executes on Windows 7 client workstations and resides on Windows 2003/2008 servers located throughout the State. Computer Associates Gen and AION toolsets are used to generate windows and C code, along with custom in-house architecture code written in C. The server components are Z/OS CICS transactions. The CICS programs are Gen-generated COBOL, along with in-house written COBOL and Assembler externals. The CICS programs access DB2 on the Z/OS mainframe. The Gen clients use External Call Interface (ECI), IBM's CICS Universal Client to connect to the Z/OS CICS using TCP/IP

protocol. The Gen online system consists of over 490 client procedures, 470 server procedures, 475 windows, and 1300 dialog boxes. The AION online system supports the complex eligibility data gathering and automated determination and noticing processes.

N-FOCUS web applications consist of public applications, including dashboard applications, and applications launched directly from N-FOCUS. Eclipse is the IDE used to generate the Java Server Faces and Facelets code. These Java applications run on Tomcat application servers on the Linux Operating System. The Java applications call stored procedures to access DB2 data and SQL to access SQL Server data.

4.2.2. AccessNebraska

The web-based front end application called AccessNebraska is approximately three years old. It was established in 2008. This tool supports: 1) Screening – a 17 question survey that helps clients understand their eligibility status; 2) e-App – the electronic application for benefits; 3) Change reporting – permits clients to update name, address and other demographic data with changes; and 4) Inquiry – allows clients to check on the status of their benefits. This front-end application is available to users in Spanish and English.

AccessNebraska operates with a temporary SQL database which is refreshed to the DB2 database in N-FOCUS every 15 minutes. The AccessNebraska applications include:

- *Dashboard Client* – This application uses a CTI (computer-telephone integration) client agent from E-Metro Tel. This allows the call center workers to answer calls, place them on hold, or terminate them using the computer.
- *Dashboard Manager Shortcut* – This shortcut provides access to the Nortel Contact Manager. This provides the ability to review call statistics as they are taking place in real time.
- *Nortel Contact Recording and Quality Monitoring (CRQM)* – This tool is used to monitor customer interactions. It allows search of the recorded customer calls so they can be listened to for follow up on customer and staff issues.

Database

N-FOCUS provides the call center/IVR real time data using stored procedure calls to DB2.

WAN

Each Customer Service Center is connected to the State's MPLS backbone with a 10Mb point-to-point WAN circuit. This circuit is used for both data and Voice over Internet Protocol (VoIP) traffic.

Voice

All calls into the Customer Service Centers initially arrive at an Interactive Voice Response System hosted on an Avaya MPS500. The system can be interfaced by the caller using either DTMF touch tones or voice recognition. The MPS500 scripting carries callers through an elaborate dialogue where information is exchanged between the Nebraska DHHS N-FOCUS database and the caller. Some callers may be able to complete their business using only the IVR while others are placed in a queue to talk to a Customer Service Representative best suited to assist them based on information provided while interfacing with the IVR.

All Customer Service Representatives use a combination of Avaya telephone sets, custom designed Computer Telephone Integration software, and screen pops to communicate with the callers. As a call arrives at the Customer Service Center, the callers account information is automatically “popped” onto the computer screen in order to more effectively and expeditiously assist the caller. The Customer Service Center hardware and software operates on a combination of Avaya platforms designed to distribute calls to the Customer Service Representative most available in any one of four geographically dispersed call centers throughout Nebraska. The Avaya platform provides redundancy, resiliency, reporting, and centralized management. Customer Service Centers in Lincoln, Fremont, Scottsbluff, and Lexington operate as a single unit utilizing VOIP across the State backbone. Each site is designed and configured for remote survivability. In the event of a data network outage each site can operate independently with the exception of having the ability to accept calls. Currently the AccessNebraska system processes an average of 58,000 calls per month.

Following is a graphical depiction of the Customer Service Center server configuration.

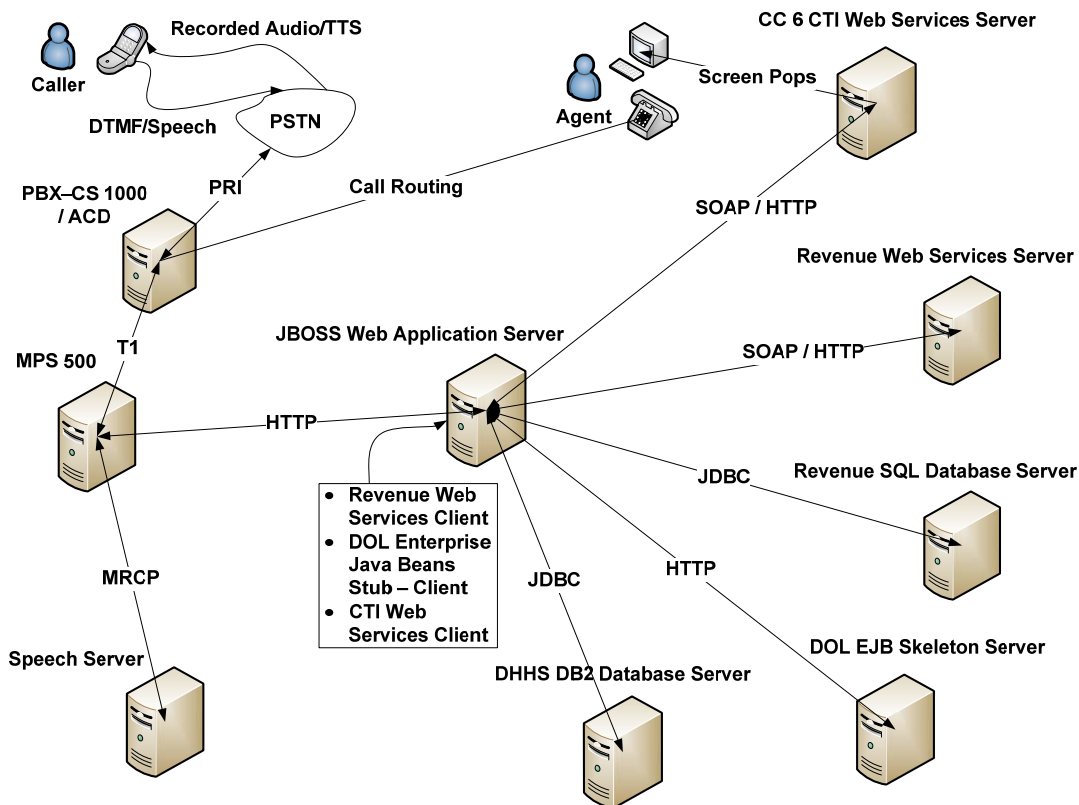


Figure 4-2: Server Configuration for the Customer Service Center

4.2.3. Medicaid Management Information System (MMIS)

The foundation of the current MMIS technical architecture was developed in 1973. The current MMIS has been fully operational since 1978 and became HIPAA compliant in October 2003. The MMIS consists of batch and online CICS mainframe components and a front-end HIPAA compliant Sybase Translator.

The Nebraska MMIS currently consists of the following 16 subsystems:

1. **Data Management** – The Nebraska DHHS currently contracts with Thomson Reuters for data management, housing ten years of Medicaid claims and provider and client information used to facilitate management reporting, including the Management & Administrative Reporting Subsystem (MARS), the Surveillance and Utilization Review Subsystem (SURS) and the MSIS reporting.
2. **Drug Claims Processing** – The Nebraska DHHS currently contracts with First Health Services Corporation (FHSC) for drug claims receipt and adjudication. The FHSC Point of Service (POS) system supports the National Council for Prescription Drug Programs standards, including currently 5.1 (real-time) and 1.1 (batch) formats. The POS sends processed pharmacy claims to the State's MMIS on a daily basis, where

the claims are passed into the MMIS weekly payment cycle for final adjudication, payment, and reporting.

3. Management & Administrative Reporting Subsystem (MARS) – Provides system generated reports. The Nebraska DHHS also contracts with Thomson Reuters to provide management information.
4. Medicaid Drug Rebate (MDR) – A PC-based extract from MMIS claims history to prepare quarterly invoices for drug rebates from manufacturers.
5. Medical Claims Processing (MCP) – Edits claims and calculates reimbursement amounts.
6. Medical Non-Federal (MNF) – Ensures that Title XIX Federal matching funds are not used to pay for health care services otherwise available through Title XVIII (Medicare) funding.
7. Medical Provider Subsystem (MPS) – Maintains demographic, eligibility, and licensing data for all enrolled Medicaid providers.
8. Nebraska Aging Management Information System (NAMIS II) – This application supports the activities of the State Unit on Aging. It was developed to enter, edit, monitor, and report services provided by Area Agencies on Aging in Nebraska, track services required by the U.S. Administration on Aging (AoA), and to compile information required by the AoA for NAPIS, the National Aging Program Information System. It is also used to manage programs, track costs in certain services, track program usage, and analyze client demographics.
9. Nebraska Disability Program (NDP) – Accounts for the separate funding of health care services for disabled persons who do not meet the SSI disability duration requirements but are eligible for the same medical services as Medicaid.
10. Nebraska Managed Care System (NMC) – Provides plan and PCP enrollment of Medicaid clients into managed care, and documentation of communications between the client, the enrollment broker, and the managed care plans. The NMC offers basic case management functionality.
11. Nebraska Medicaid Eligibility System (NMES) – An automated voice response system used to verify client Medicaid or managed care eligibility for Nebraska Medicaid. The current Interactive Voice Response Unit also supports the Nebraska's Child Support system, known as Children Have A Right To Support (CHARTS), which serves as Nebraska's statewide Child Support Enforcement (CSE) system.
12. Recipient File Subsystem (RFS) – Uses and maintains Medicaid client eligibility data obtained from N-FOCUS.

13. Reference File Subsystem (RSS) – A database containing various reference information that includes but is not limited to, procedure, diagnosis and drug codes, and fee schedules.
14. Screening Eligible Children (SEC) – Facilitates comprehensive, preventative health care and early detection and treatment of health problems in Medicaid eligible children.
15. Surveillance and Utilization Review Subsystem (SURS) – Provides system generated reports. The Nebraska DHHS also contracts with Thomson Reuters for reports and tools to support the investigation of potential provider fraud, abuse, or misuse.
16. Third Party Liability (TPL) – Stores information on Medicaid clients with private insurance; contains edits and produces reports for coordination of benefits and recovery.

The MMIS consists of batch and online CICS mainframe components and a front-end HIPAA compliant Sybase Translator. Batch components consist of 829 COBOL programs and 208 Batch Assembler programs (DRG software). The online CICS consists of 343 COBOL programs and 2 Online Assembler programs. There are 7 COBOL programs that are used both in Batch and Online. There are 406 jobs executed on a scheduled basis and an additional 150 on a request basis. The online CICS component consists of 27 transactions with over 225 on-line screens.

The Sybase translator communicates to a server database (mainframe DB2) through a UDB Gateway utilizing the TCP/IP communications protocol. The translator application consists of 44 VBScripts, 7 VA Cobol programs, 282 Gateway Scheduler Tasks, 272 Gateway Process Scripts, 13 Compliance Maps, 13 in-house developed EMap maps and 10 CONNECT: Direct processes. As of February 2011 there are 359 Trading Partners set up in the Trading Partner server, 231 of which are in production with one or more transactions. A total of six servers are used to support the translator software.

The CICS online and batch components make use of 13 DB2 databases with 523 tables and 505 million rows of data. The Sybase Translator utilizes 79 tables and over nine million rows of data in a Windows server environment.

4.2.4. System Limitations

Starting in 2014, Exchanges will help qualified individuals and small employers shop for, select, and pay for private health plans that, according to proponents, will be high-quality, affordable, and fit individual needs at competitive prices. By providing a place for one-stop shopping, it is intended that Exchanges will make purchasing health insurance easier and more understandable. Having a sophisticated, consumer-friendly IT infrastructure will be critical to success. Nebraska's ability to meet these requirements will be significantly impacted by: 1) the age of some of its back-end legacy systems that are built on outdated

technology and, 2) the federal timeframe that has been established for states to implement Exchanges.

Expectations at the federal level have been set. To help frame the future, “to-be” environment for which the State needs to strive, direction provided by the Centers for Medicaid and Medicare Services (CMS) regarding IT systems is summarized below.

CMS Framework for IT Systems

The CMS has established a framework and approach for developing IT systems⁹, focusing primarily on those components and functions that are the subject of the Early Innovator IT Cooperative Agreement awards issued in February 2011¹⁰, and the Final Rule on Federal Funding for Medicaid Eligibility Determination and Enrollment Activities¹¹. In January 2011, the U.S. Department of Health and Human Services (HHS) announced enhanced funding opportunities for grants to help states implement Exchanges. States receiving funding under a Cooperative Agreement for Exchange development or under an Advance Planning Document (APD) under Medicaid for eligibility system development must pay close attention to, and comply with this guidance. Based upon these national standards, new systems must:

- Support real-time eligibility determination, routing and enrollment whenever feasible, and for all individuals, a timely and responsive resolution process;
- Create a knowledge-base that serves as a single “point of truth” for business rules and is complemented with a high level of integration to avoid duplication of costs, processes, data and effort on the part of the State and beneficiaries;
- Leverage the federal approach [federal hub] for verification from federal agencies such as the Internal Revenue Service, Department of Health and Human Services, and Department of Homeland Security to eliminate the independent establishment of those interfaces and connections at the State level;
- Achieve the necessary degree of interoperability between technology components to provide health insurance coverage through the Exchange, Medicaid or the Children’s Health Insurance Program (CHIP);

⁹ *Guidance for Exchange and Medicaid Information Technology (IT) Systems*, ver. 2.0, May 2011.

¹⁰ See <http://www.healthcare.gov/news/factsheets/exchanges02162011a.html>.

¹¹ Published in the Federal Register on April 19, 2011 (Volume 76, Number 75, at 21950).

- Build a solution that will meet the seven CMS conditions and standards¹² that were developed to ensure that states are making efficient investments and improving the likelihood of successful implementation and operation;
- Support MITA initiatives that provide a common framework to focus on opportunities to build common services by decoupling legacy systems and processes, liberating data previously stored and contained in inaccessible silos, and increasing the State's ability to keep up with the rate of change demanded by the changing business landscape of health care delivery and administration;
- Move the design and development of the State's Medicaid systems away from siloed systems to a service oriented architecture (SOA) framework;
- Build a solution that provides the flexibility of open interfaces and exposed application program interfaces (APIs);
- Ensure alignment with, and incorporation of federal standards to include HIPAA requirements¹³, standards that provide greater accessibility for individuals with disabilities¹⁴, ACA requirements¹⁵, and federal civil rights laws;
- Reduce time to deliver and overall costs by separating the business rules from the rest of the application logic; and
- Be scalable to allow for the incorporation of shared eligibility determination rules to support the State's phased approach.

Nebraska's IT System Limitations

Like most states, Nebraska's current IT environment is not yet in line with CMS' vision for the future. Nebraska's current legacy systems are characterized as follows:

- The MMIS was designed in the 1970s and as such employs a dated application architecture. N-FOCUS was designed in the early 1990s and utilizes client/server application architecture. Neither of these architectures embodies relevant MITA principles such as comprehensive modularity, use of open and exposed application programming interfaces (APIs), and separation of business rules from core programming. Neither

¹² *Enhanced Funding Requirements: Seven Conditions and Standards, Medicaid IT Supplement (MITS-11-01-v1.0) Version 1.0, April 2011.*

¹³ The security, privacy and transaction standards established under Health Insurance Portability and Accountability Act of 1996 (HIPAA).

¹⁴ Section 508 of the Rehabilitation Act.

¹⁵ Section 1104 of the ACA, and standards and protocols adopted by the Secretary under section 1561 of the ACA.

the MMIS nor N-FOCUS use a service-oriented architecture or a business rules engine.

- The MMIS was not designed for configuration, although some MMIS reference subsystem elements are table-driven. The MMIS does not employ a comprehensive table-driven architecture and system features are not designed to be configurable. Similarly, the MMIS design predates a benefit plan approach to administration of health care programs, as such the system does not support configurable benefit plans.
- Given these conditions, the ability to reuse and leverage current investments, especially from the national perspective, is limited. In addition, the ability to change the systems rapidly in response to today's dynamic Medicaid business environment is limited.
- The MMIS does not support real time (or near real time) adjudication of claims. The MMIS utilizes a non-relational master file for core batch claims processing activities which does not readily lend itself to an enhancement to support real time adjudication. The non-relational nature of the master file also adds time and cost to changes that involve new data elements or significant data structure changes.
- The MMIS lacks a web portal with functionality for external stakeholders.
- Two of the primary N-FOCUS development tools, CA Gen and CA Aion, are no longer leading, strategic development technologies in the marketplace.
- Both the MMIS and N-FOCUS have limited current capability to meet management reporting needs.
- There is no electronic feed between the AccessNebraska online tool and N-FOCUS. Applications received electronically must be rekeyed by staff in order to complete the eligibility determination and enrollment process.

4.3. State Initiatives

The following is a list of ongoing projects and/or initiatives that are on Nebraska's horizon – whether from a program planning or an IT development perspective – and should be considered as the State moves through its Exchange planning efforts. While some projects may pose resource contentions, others may be seen as significant contributors to the goals of health care reform. Having awareness and understanding of if and how these initiatives impact the project in terms of creating project dependencies or providing opportunities for leverage new functionality is important. The initiatives that were identified as of the date of this report, and the impact each has on the DOI Exchange planning project, are included in the table below.

Table 4-1: Current State Initiatives

Initiative / Project	Description	Impact
Nebraska DHHS Customer Service Centers	Customer Service Centers are responsible for conducting interviews, taking customer changes and providing information and referral services via the telephone.	High -- These centers could be leveraged to meet some of the ACA requirements regarding the establishment of call centers.
Eligibility re-certification / re-determination	Will retrieve previous information for a client when they are required to submit a new application to meet review/recertification requirements through AccessNebraska. The requested target release date for this project is March 2012.	High -- This project directly supports the federal government's goals of allowing applicants to either apply for, or re-apply for health coverage online.
Automated clearance	Will automate/facilitate 'clearance', or the process to identify whether an applicant is already receiving benefits or services. The requested target release date for this project is July 2012.	High -- This project directly supports the federal government's goal of streamlining the eligibility determination process and CMS' expectation that most individuals will be able to complete their online application and be enrolled in a program within 15 to 20 minutes.
Document Imaging	Will allow applicants to electronically submit documentation in support of an electronic application that is submitted through AccessNebraska. This project is to be released in July 2011 and is supported by a federal grant.	Medium -- This project supports the federal government's goal of streamlining the application process for publicly funded health coverage programs.
Client Benefit Inquiry	Will allow clients to inquire into the tracking/ status of the receipt of their requested verifications through AccessNebraska. The requested target release data for this project is March 2012.	Medium -- This project supports the federal government's goal of making it easier for individuals to seek health coverage through an automated process
Nebraska IT Commission (NITC) eHealth Council studies	The NITC is currently administering a \$6.8 million grant that is supporting the development and enhancement of two Health Information Exchanges (HIEs) – the Nebraska Health Information Initiative (NEHII) and the eBehavioral Health Information Network (eBHIN) – that will eventually become part of the National Health	Low -- While the NITC does not see any linkage between the HIE and Exchange planning efforts, NEHII is currently developing a provider directory that will be available in 2012. Once available, the NDOI may wish to evaluate the extent to which the directory could be leveraged by a

Initiative / Project	Description	Impact
	Information Network (NHIN).	state-based Exchange.
Applicant verification / DMV Access	Will provide users the ability to access their Department of Motor Vehicle information directly from N-FOCUS. This project is to be released in July 2011.	Low -- This project is indirectly related to the ACA requirements which encourage states to implement real-time interfaces.
Adding Developmental Disabilities programs to N-FOCUS	Will provide screening, electronic application and change reporting functionality for DD programs through AccessNebraska. This project is to be released in July 2011.	Low -- This project is indirectly related to the ACA requirements that encourage states to provide a "one-stop shop" to individuals seeking health and welfare benefits and services.
Automated Interface with the Department of Education	Will provide an interface to N-FOCUS that allows the Department of Education to certify an applicant for the National School Lunch Program (NSLP).	Low -- This project is to be released in July 2011. As the NSLP and Express Eligibility are addressed in the ACA requirements, this project speaks to the federal government's intent of health care reform.
Automated Interview Scheduling	Will provide an automated interview scheduling system for AccessNebraska. The requested target release data for this project is March 2012.	Low -- This project may support the federal government's goal of streamlining the application process for publicly funded health coverage programs.

5. Future Environment / IT Roadmap

This section presents the recommended approach to leveraging Nebraska's existing systems supporting Medicaid eligibility determination and enrollment functions and developing new systems to support the requirements of the ACA. It describes:

- Alternatives considered.
- The recommended solution.
- High-level cost estimates for the planning, design, development and implementation (DD&I) and maintenance and operations (M&O) of the recommended solution
- A road map / project timeline for the DOI and the Nebraska DHHS to pursue in order to implement the recommended solution in accordance with the ACA requirements.

5.1. Alternatives Considered

Models that were considered to implement the eligibility and enrollment requirements of the ACA in Nebraska are described in this section. Through collaboration with the NDOI and the Nebraska DHHS, PCG developed and presented four alternatives upon which Nebraska could base its future, "to-be" environment.

It is important to note that these alternatives were developed in the midst of a rapidly changing health care reform environment characterized by several unknowns. Regulations are still in the making and functionality, such as the federal hub for validating personal information and federal exchange services, is not fully defined. This leaves the role the federal government will perform unclear at a time when critical decisions need to be made by the states. Dealing with this uncertainty and working under the assumption that Nebraska would offer a state-based Exchange, four viable alternatives were developed for the NDOI and the Nebraska DHHS. These are presented on the following pages.

Alternative 1 – Centralizing the Rules and Member Data

Alternative 1 introduces the use of a business rules engine to store the Modified Adjusted Income (MAGI) rules and determine eligibility for the commercial insurance subsidies and expanded Medicaid. The rules engine would house these rules in separate sets that would be accessible to the Exchange portal and AccessNebraska. Eligibility determination for traditional Medicaid eligibility would remain in N-FOCUS. Recipient data for the commercial subsidies would be stored in an Exchange database. Recipient data for Medicaid, including expanded Medicaid, would be stored in N-FOCUS. To determine whether an applicant is already receiving publicly subsidized coverage (commercial subsidies or Medicaid) recipient data would be copied to a federated recipient

database that would be accessible to the front-end portals. The front-end web portal would verify applicant data through the federal hub. The MMIS would pay Medicaid claims, including those for expanded Medicaid.

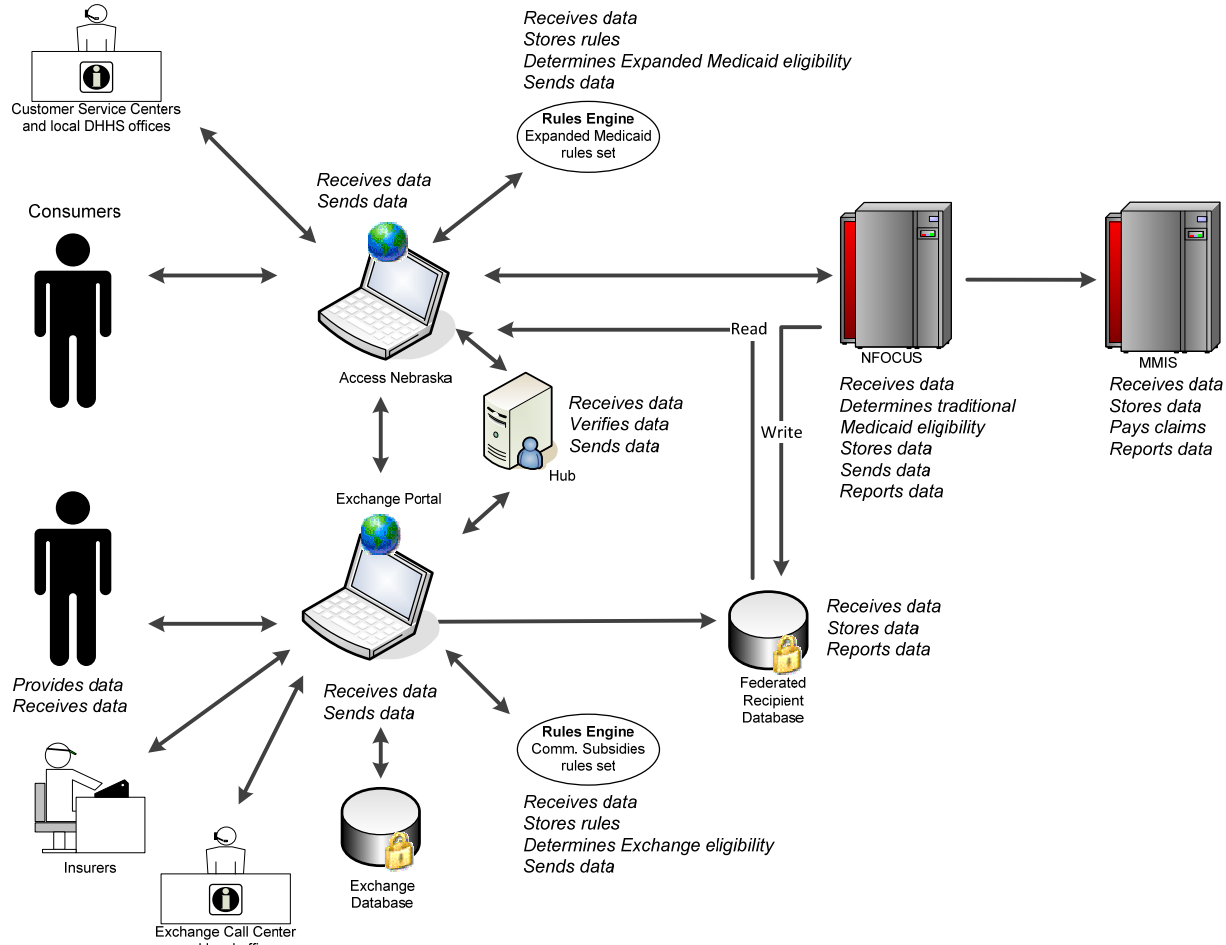


Figure 5-1: Alternative 1 – Centralizing the Rules and Member Data

Alternative 2 – Determining Eligibility in the Exchange Portal without a Rules Engine

Alternative 2 does not include the use of a rules engine and stores all of the MAGI rules in the Exchange portal, which would function to determine eligibility for commercial insurance subsidies and expanded Medicaid, and validate applicant data through the federal hub. Recipients seeking commercial insurance subsidies would be limited to using the Exchange portal; AccessNebraska would not support any eligibility determinations based on the MAGI rules. Recipient data for Medicaid, including expanded Medicaid, would be stored in N-FOCUS. Recipient data for the commercial insurance subsidies would be stored in the Exchange database. To determine whether an applicant is already receiving

publically subsidized coverage (commercial subsidies or Medicaid) the portal would need to search both N-FOCUS and the Exchange database. The MMIS would pay Medicaid claims, including those for expanded Medicaid.

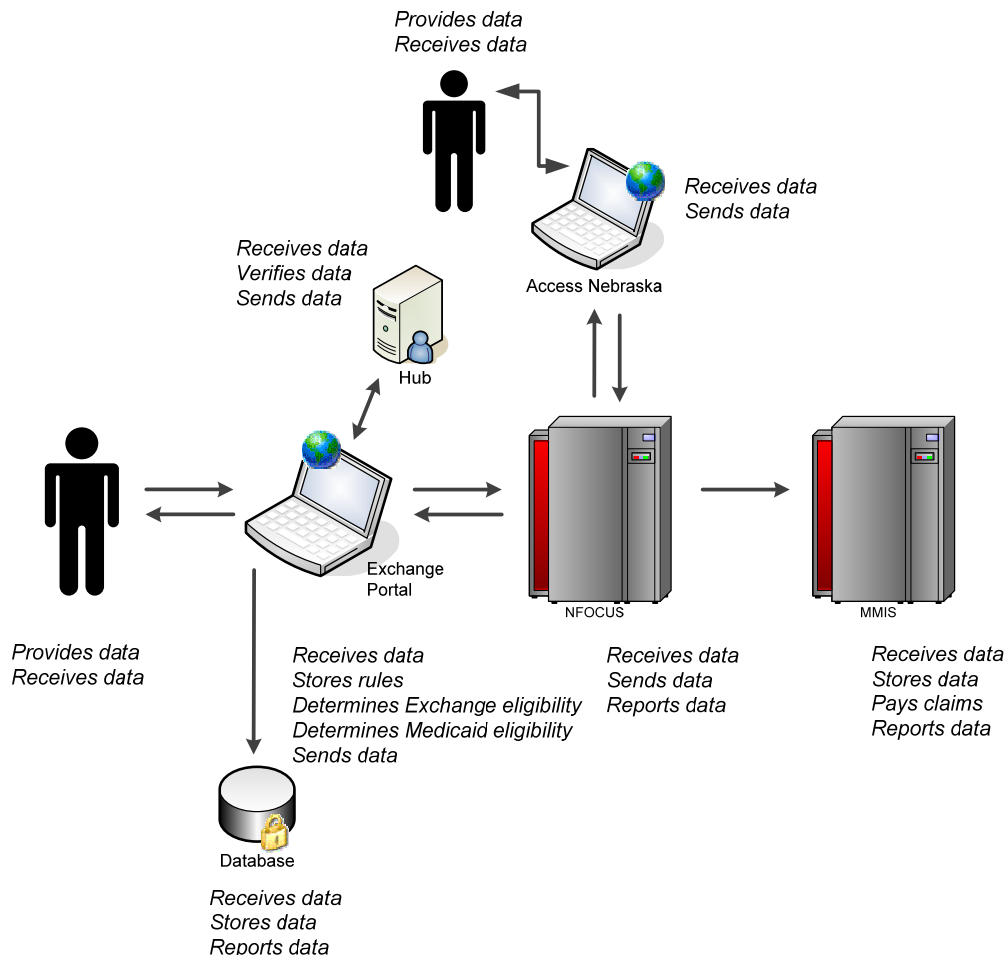


Figure 5-2: Alternative 2 – Determining Eligibility in the Exchange Portal without a Rules Engine

Alternative 3 – Decentralizing MAGI Eligibility Determination

Alternative 3 is similar to Alternative 1 with the introduction of a business rules engine, but introduces an applicant screening function in the front-end portals and places the eligibility determination processes for expanded Medicaid and the commercial insurance subsidies in different places. In this alternative, the rules engine would determine eligibility for expanded Medicaid. The Exchange web-portal would determine eligibility for the commercial insurance subsidies. Eligibility determination for traditional Medicaid eligibility would remain in N-FOCUS. Recipient data for the commercial subsidies would be stored in an Exchange database. Recipient data for Medicaid, including expanded Medicaid, would be stored in N-FOCUS. To determine whether an applicant is already

receiving publically subsidized coverage (commercial subsidies or Medicaid) both N-FOCUS and the Exchange database would be searched. The Exchange portal and the rules engine would verify applicant data through the federal hub. The MMIS would pay Medicaid claims, including those for expanded Medicaid.

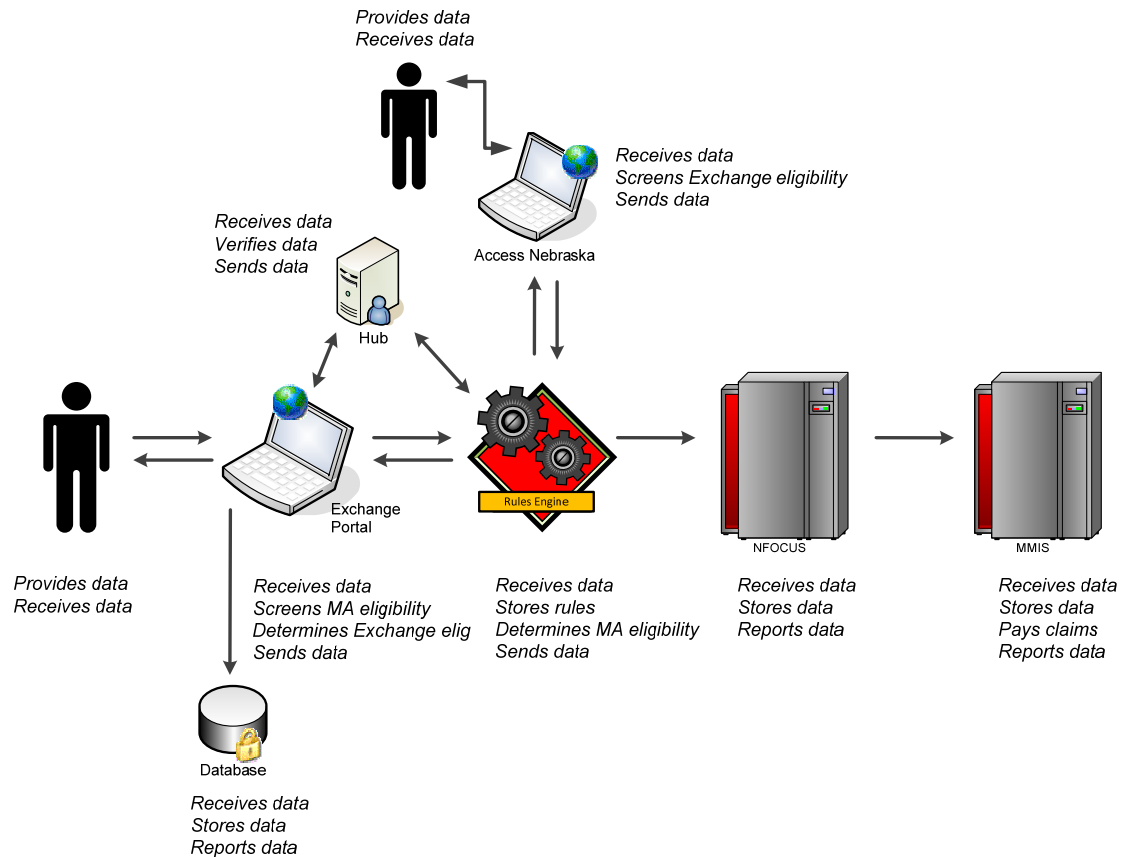


Figure 5-3: Alternative 3 – Decentralizing MAGI Eligibility Determination

Alternative 4 – Building the Rules into N-FOCUS

In alternative 4, the MAGI rules would be stored in N-FOCUS to determine eligibility for expanded Medicaid. The most significant differentiator between this alternative and the others is that it would require the replacement of N-FOCUS because the system does not meet CMS' enhanced funding requirements (see footnote 12). This alternative also stores the MAGI rules in the Exchange portal to determine eligibility for the commercial insurance subsidies. Eligibility determination for traditional Medicaid eligibility would remain in N-FOCUS. Recipient data for the commercial subsidies would be stored in an Exchange database. Recipient data for Medicaid, including expanded Medicaid, would be stored in N-FOCUS. To determine whether an applicant is already receiving publically subsidized coverage (commercial subsidies or Medicaid) both N-FOCUS and the Exchange database would be searched. The Exchange portal and N-FOCUS would verify applicant data through the federal hub. The MMIS would pay Medicaid claims, including those for expanded Medicaid.

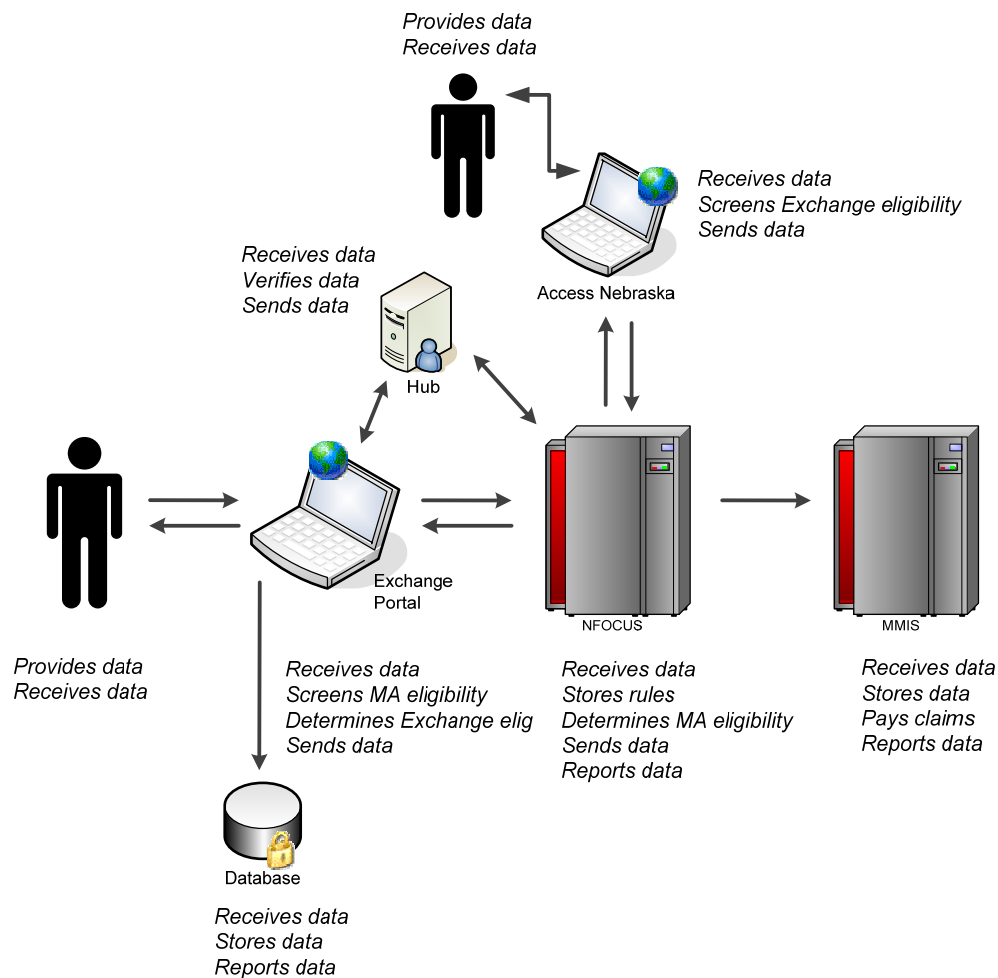


Figure 5-4: Alternative 4 – Building the Rules into N-FOCUS

High-level cost estimates for one-time development and ongoing maintenance and operations (M&O)¹⁶ for the alternatives discussed above appear in the table below.

Table 5-1: One-Time Development and M&O Cost Estimates for the Viable Alternatives

Alternative	One-Time Development Costs	Ongoing Annual M&O Costs
1 – Centralizing Rules and Member Data	\$7.6 million	\$1.2 million
2 – Determining Eligibility in the Exchange Portal	\$2.3 million	\$352,000
3 – Decentralizing MAGI Eligibility Determination	\$6.5 million	\$976,000
4 – Building the Rules into N-FOCUS	\$17.1 million	\$2.6 million

¹⁶ Cost estimates reflected in Table 5-2 do not include the costs associated with administrative overhead, planning services, infrastructure, hardware and software costs, training, customer service center, and Independent Verification and Validation (IV&V) services.

The pros and cons associated with each one of the alternatives are provided in the table below.

Table 5-2: Alternatives Comparison

Alternatives	Pros	Cons
1 – Centralizing Rules and Member Data	<ul style="list-style-type: none"> • Applies a modular, flexible approach to systems development • Separates the business rules from the rest of the applications, and enables the rules to be accessible and adaptable • Ensures seamless coordination between Medicaid and the Exchange • Stores recipient data for both the commercial insurance subsidies and expanded Medicaid in a single repository • Leverages functionality of current systems • Minimizes impact on, and investment in existing legacy systems • Supports Nebraska's "multiple right doors" approach • Facilitates efficient "look-up" of recipients who may already be receiving services and/or benefits • Begins to move Nebraska towards a Service Oriented Architecture (SOA) approach 	<ul style="list-style-type: none"> • Requires modifications to existing legacy systems that need to be replaced. • Somewhat costly in comparison to other alternatives because it requires the purchase and development of new technologies

Alternatives	Pros	Cons
2 – Determining Eligibility in the Exchange Portal without a Rules Engine	<ul style="list-style-type: none"> • Stores the business rules in a single location • Leverages functionality of current systems • Minimizes impact on existing legacy systems • Model could support pursuing some Exchange services at the federal level, depending on the functionality (i.e., providing a common set of MAGI business rules as a service) that will be afforded. • Lowest cost 	<ul style="list-style-type: none"> • Access to the business rules is limited • Business rules are not isolated from the rest of the applications • Limits user ability to access MAGI-based programs through AccessNebraska • Does not create a single repository that stores recipient data for both the commercial insurance subsidies and expanded Medicaid • Does not facilitate an efficient “look-up” process to identify recipients who may already be receiving services and/or benefits • Does not distinguish a centralized source to access the federal hub
3 – Decentralizing MAGI Eligibility Determination	<ul style="list-style-type: none"> • Applies a modular, flexible approach to systems development • Separates the business rules from the rest of the applications, and enables the rules to be accessible and adaptable • Begins to move Nebraska towards a Service-Oriented Architecture (SOA) approach 	<ul style="list-style-type: none"> • Eligibility determination for MAGI-based programs is not centralized in one location • Does not create a single repository that stores recipient data for both the commercial insurance subsidies and expanded Medicaid • Does not facilitate an efficient “look-up” process to identify recipients who may already be receiving services and/or benefits

Alternatives	Pros	Cons
4 – Building the Rules into N-FOCUS	<ul style="list-style-type: none"> Model could support pursuing some Exchange services at the federal level, depending on the functionality (i.e., providing a common set of MAGI business rules as a service) that will be afforded. 	<ul style="list-style-type: none"> N-FOCUS does not meet CMS' Seven Conditions and Standards for enhanced funding. Because of the extent of modification that would be required, N-FOCUS would need to be replaced, into which the expanded Medicaid rules would be incorporated. Highest cost State would not be able to replace N-FOCUS by October 2013 Determines eligibility in different places Does not distinguish a centralized source to access the federal hub Business rules are not isolated from the rest of the applications Does not facilitate an efficient "look-up" process to identify recipients who may already be receiving services and/or benefits

5.2. Selecting the Recommended Solution

To evaluate these alternatives, PCG used a set of criteria that is primarily based upon the architectural principles¹⁷ set forth by the Center for Consumer Information and Insurance Oversight (CCIIO) at CMS, which are presented and described in the following table.

Table 5-3: Description of Evaluation Criteria

Criteria Used	Description
System Integration	<p>Applies a modular, flexible approach to systems development, including the use of open interfaces and exposed application programming interfaces, and the separation of business rules from core programming, available in both human and machine-readable formats.</p> <p>Ensures seamless coordination between Medicaid, CHIP, and the Exchange, and allows interoperability with health</p>

¹⁷ *Guidance for Exchange and Medicaid Information Technology (IT) Systems, Version 1.0*, November 3, 2010.

Criteria Used	Description
	information exchanges, public health agencies, human services programs, and community organizations providing outreach and enrollment assistance services.
Service-Oriented Architecture (SOA)	Employs common authoritative data sources and data exchange services such as but not limited to, federal and state agencies or other commercial entities.
Isolation of Business Rules	Uses standards-based business rules and a technology-neutral business rules repository. Enables the business rules to be accessible and adaptable by other states.
Security and Privacy	Supports the application of appropriate controls to provide security and protection of enrollee privacy.
Efficient and Scalable Infrastructure	Leverages the concept of a shared pool of configurable, secure computing resources.
System Performance	Ensures quality, integrity, accuracy, and usefulness of functionality and information. Provides timely information transaction processing, including maximizing real-time determinations and decisions. Ensures systems are highly available and respond in a timely manner to customer requests.
Time to Implement	Timeliness of implementation in accordance with the ACA requirements. State's ability to address scope of solution/system requirements by October 2013.
Cost	Minimizes impact on federal and state funding sources.

Each alternative was evaluated against, and assigned a rating of high, medium or low based on the degree to which it satisfied each criterion. The high, medium, and low ratings were defined as follows:

- High – the alternative meets the criteria to the fullest extent.
- Medium – the alternative meets some aspects of the criteria.
- Low – the alternative does not meet, or meets minimal aspects of the criteria.

The comparison of the alternatives based on the above evaluation is provided in the table below.

Table 5-4: Alternatives Comparison

Criteria / Alternative	#1: Centralizing Rules and Member Data	#2: Determining Eligibility in the Exchange Portal w/o a Rules Engine	#3: Decentralizing MAGI Eligibility Determination	#4 Building the Rules into N- FOCUS*
System Integration	High	High	Medium	High
Service-Oriented Architecture (SOA)	High	High	High	High
Isolation of Business Rules	High	Low	Medium	High
Security and Privacy	High	High	High	High
Efficient and Scalable Infrastructure	High	Medium	High	High
System Performance	High	High	High	High
Time to Implement	Medium	High	Low	Low
Cost	Medium	High	Medium	Low

* Assumes N-FOCUS would be replaced.

Based on the pros and cons, the project cost estimates, and the alternatives comparison based on the CCIO's criteria, the NDOI and the Nebraska DHHS selected Alternative 1 – Centralizing the Rules and Member Data, as the recommended solution to meet the eligibility determination and enrollment requirements of ACA. While the current thinking may evolve as the ACA environment matures, the logical diagram for the recommended solution is presented in the figure on the following page.

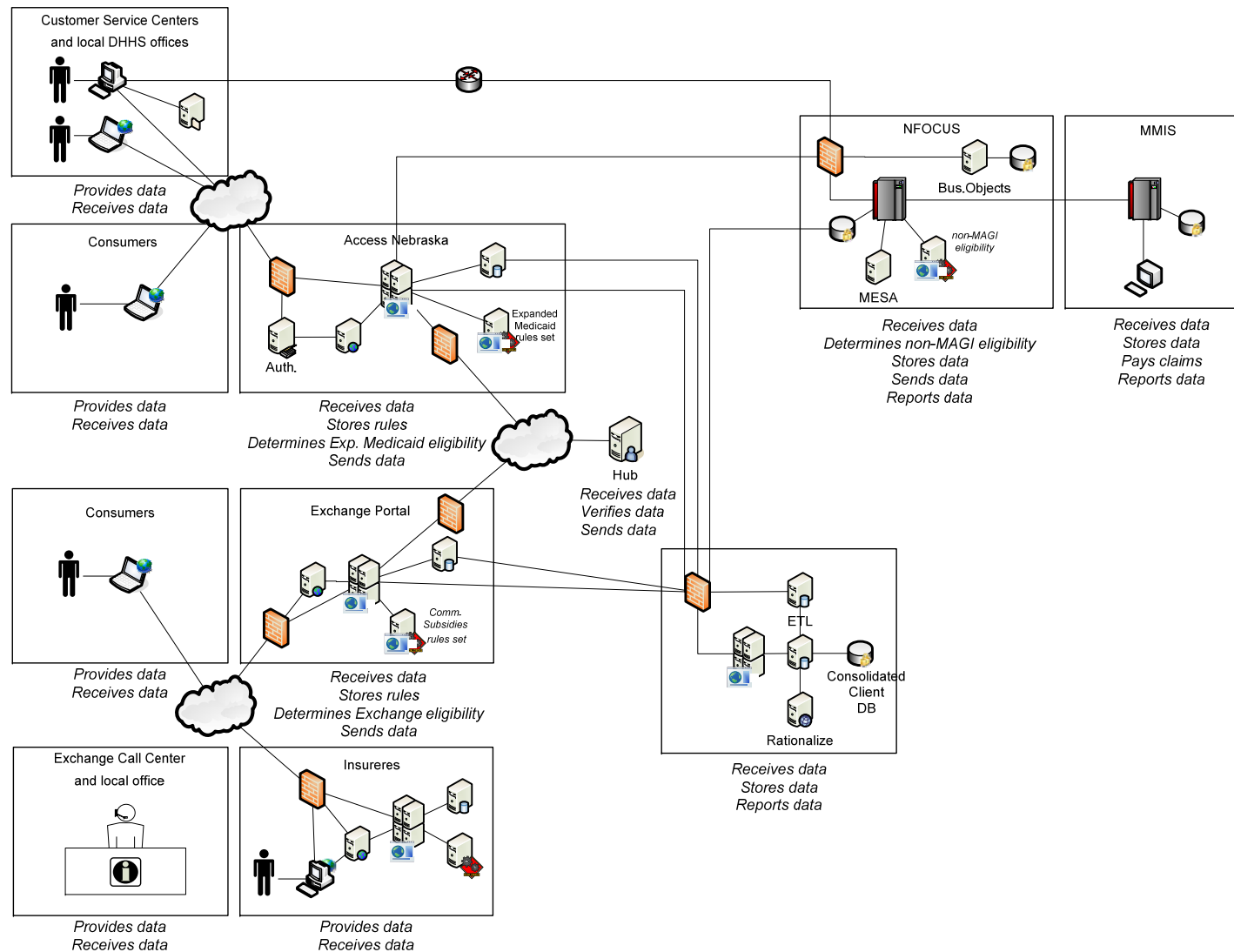


Figure 5-5: Logical Diagram for the Preferred Alternative

The estimated costs and timeline for implementing the recommended solution are presented in the following section.

5.3. Estimated Cost for the Recommended Solution

This section provides the high-level cost estimate for the recommended solution. The total estimated one-time cost is \$14,223,503. The annual ongoing IT-related cost is estimated at \$3,942,859.

5.3.1. Costing Assumptions

The assumptions that were made in developing the estimates for the one-time and ongoing costs are presented below.

One-Time Cost Estimates

State Staffing Costs

The state staffing cost estimate is \$1,444,800, which represents 15% of the total design, development and implementation (DD&I) cost. The state staffing costs are budgeted in January 2012 to coincide with the commencement of work on the existing system modifications and will continue through the life of the project. This estimate encompasses the state staffing costs at both the Nebraska DHHS and the NDOI.

Planning Contractor Costs

The planning contractor cost estimate is \$400,000. This will allow the NDOI and the Nebraska DHHS to seek outside consultants to develop the Implementation Advance Planning Document (IAPD) to obtain enhanced federal funding for the project and the Request for Proposal (RFP) to acquire a contractor for the DD&I of the business rules engine, federated database, and associated interfaces. A total of 2,500 hours at \$160/hour was estimated for these services.

Design, Development and Implementation (DD&I) Costs for the Business Rules Engine and Federated Database

The DD&I cost estimate is \$4,998,750 under the assumption that the State will acquire Commercial-off-the-Shelf (COTS) solutions for the business rules engine and the federated database. This work will be performed by an outside contractor that will be acquired through a competitive bidding process. DD&I for the business rules engine, federated database and associated interfaces will begin in July 2012 and end in October 2013, allowing for a 16 month DD&I cycle.

DD&I Costs for Modifying the Existing Systems

Software estimation techniques fall into three camps: counting artifacts, computation based on known information, and personal judgment. The first two techniques rely on quantitative measures to provide a basis for the estimate; the last technique relies solely on the experience of the estimator. Of the three

methods, counting and computation provide estimates with a higher degree of probability than just personal judgment.

Software application size is a key input to estimating the cost, effort, and schedule associated with the development of any complex application. The main objective of our methodology is to estimate the size of the application's required functionality in order to build the model. There are a number of techniques and numerous tools available for size estimation; many of which are included in available software cost models. It is generally recommended that small projects (usually, less than \$50K) use either a bottom up or top down estimate to generate a size estimate. For medium sized projects (\$50K to \$1M), a metric based approach should be employed (e.g. lines of code, function point, object point).

For larger projects it is appropriate to use two or more metric-based approaches and models and correlate the results. The most popular metric-based approaches for estimating software size are source lines of code (SLOC), function points (FP), and object points (OP). This was the original metric-based approach and was popularized by the Constructive Cost Model (COCOMO).

PCG's estimation methodology employs several metric-based models for estimating – Function Point Analysis, Analogy Model, and a proprietary variation of the Wideband Delphi Model. Once the metric-based models are created, PCG utilizes data from Software Productivity Research (SPR), a company founded by Capers Jones in 1984, which captures, analyzes, and calibrates the software development data and practices. Every year, SPR releases its industry reference Programming Language Tables (PLT), based on its extensive software development project data knowledge base. The PLT comparatively ranks language into levels along with correlation data for Function Point to source lines of code. Tapping into this knowledge base of historical software development data allows PCG to “fill in the blanks” when looking at software development projects in a variety of different languages and technologies.

The Function Point Analysis (FPA) model is an internationally recognized methodology developed by IBM for determining the overall size of a software application. It is one of the most common techniques for estimating management information system (MIS) application size. In its simplest terms, function points count the externally visible aspects of software products: inputs to an application, outputs from an application, user inquiries, the data files updated by the application, and the number of interfaces to other applications. These items are then weighted by their complexity – the relative difficulty of implementing each. Once adjusted by their complexity factors, the total of all these represent the function point count of the application.

The Analogy Model estimates program size by comparison with one or more software applications with a similar user base and scope of business process support. The list of candidate comparable applications is culled from several sources: for public sector application development, the costs for other state's

similar implementations; for private sector applications, the cost data for similarly sized, functionally equivalent systems.

The last model is an experiential-based model maintained by PCG – Technology Consulting based on their experience of working as a Quality Assurance and Independent Verification and Validation (IV&V) consultant on a number of government and private sector systems.

We use these results to provide estimated project effort, scheduling, and costs.

Each model produces an independent high and low cost estimate for the development of the application. After close examination of the range of estimates based on the different models and approaches, a consensus estimate is reached using triangulation based on the low and high estimates from all models. This approach is very similar to the Wideband Delphi technique (team based, collaborative estimating) with the exception that the independent estimates were based on metrics based models. By triangulating all these separate data points, we are able to double-check and validate our estimations.

The DD&I cost estimate for modifying the existing systems and building the new systems to support the ACA requirements is \$2,633,250, based on information (i.e., level of effort) provided by IS&T and cost estimation techniques described above. These estimates are based on an internal rate of \$75/hour and contractor rates of \$150/hour. DD&I to modify the existing systems is scheduled to begin in January 2012, and will be completed by IS&T staff with a complement of contractor positions.

DD&I Cost for Enhancing the Customer Service Center

The DD&I cost estimate for enhancing the Customer Service Center is \$150,000, based on information provided by the Nebraska DHHS and adjusted by PCG to allow for contingencies. The total estimated cost to complete the coding changes is based on 1,200 hours at \$125/hour. The DD&I timeframe for the Customer Service Center enhancements is scheduled to begin in October 2012.

Infrastructure Costs

The infrastructure cost estimate is \$1,329,215, based on information provided by the Nebraska DHHS and covers items such as workstations, telephone, computers, supplies, and equipment. This estimate captures what would be required to support the completion of the systems modifications (\$590,015) and enhance the Customer Service Center (\$739,200).

Hardware Costs

The hardware costs estimate was determined to be \$682,538 based on the assumption that the OCIO will host the new technologies and to ensure that the necessary hardware will be in place.

Software Costs

The software cost estimate is \$1,981,750, which is for a COTS business rules engine based upon vendor quotes received.

Staff Training Costs

The staff training cost estimate is \$125,000, which includes the cost of obtaining business rules engine training for up to 10 technical staff (\$75,000) and for training staff in the Customer Service Centers (\$50,000).

Independent Verification and Validation Costs

The Independent Verification and Validation (IV&V) cost estimate is \$778,200, which represents 10% of the DD&I cost estimate.

Ongoing Cost Estimates

Maintenance and Operations (M&O) Costs

Ongoing M&O is scheduled to begin in October 2013.

- Annual DD&I maintenance represents 15% of the estimated DD&I cost.
- Annual hardware maintenance represents 20% of the estimated hardware cost.
- Annual software maintenance represents 22% of the estimated software cost.

State Data Center Costs

The annual State Data Center cost was estimated at \$987,167, which was provided by the Nebraska DHHS and represents computer processing charges that will be incurred to support the new populations.

Customer Service Center Costs

The annual Customer Service Center infrastructure cost was estimated to be \$1,131,900, which was provided by the Nebraska DHHS and represents the costs associated with telephones, computers, supplies and rent.

This estimate does not include the ongoing Customer Service staffing cost that was estimated to be \$5,131,527, based on Nebraska DHHS' annual salaries and benefits for 100 social service workers and 10 supervisors that would be funded through the FMAP process

Printing and Postage Costs

The annual printing and postage costs were estimated to be \$84,000, which is based upon 200,000 notices at .42/notice.

The total estimated project costs are broken out by State Fiscal Year (SFY) in the table below.

Table 5-5: Estimated Project Costs by Fiscal Year

Cost Item	FY 2011/12	FY2012/13	FY2013/14	Total One-Time Costs	Ongoing Costs
One-Time Costs:					
State Personnel	\$312,218	\$624,436	\$208,145	\$1,444,800	
Planning Contractor	\$400,000	\$0	\$0	\$400,000	
DD&I:					
BRE / Federated Database	\$0	\$3,749,063	\$1,249,688	\$4,998,750	
System Modifications	\$1,026,968	\$1,204,712	\$401,571	\$2,633,250	
Customer Service Center		\$112,500	\$37,500	\$150,000	
Infrastructure	\$664,607	\$664,607	\$0	\$1,329,215	
Hardware	\$0	\$682,538	\$0	\$682,538	
Software	\$0	\$1,981,750	\$0	\$1,981,750	
Staff Training	\$0	\$125,000	\$0	\$125,000	
IV&V	\$0	\$583,650	\$194,550	\$778,200	
Total One-Time Cost	\$2,403,793	\$9,728,256	\$2,091,454	\$14,223,503	
Ongoing Costs:					
DD&I Maintenance			\$778,200		\$1,167,300
Hardware Maintenance			\$91,005		\$136,508
Software Maintenance			\$290,657		\$435,985
State Data Center Costs			\$658,111		\$987,167
Customer Service Center Infrastructure			\$754,600		\$1,131,900
Printing / Postage			\$56,000		\$84,000
Ongoing Costs			\$2,628,573		
Total Annual Ongoing Cost					\$3,942,859

5.3.2. Sustainability

The ACA requires Exchanges to be self-sustaining by the end of 2015. As indicated in Table 5.3 above, the annual ongoing IT costs for the Exchange,

comprised of maintenance, infrastructure, and printing/postage costs, are estimated to be \$3.9 million. This estimate does not include the ongoing cost of staffing the Nebraska DHHS' Customer Service Center to support an increased volume of incoming calls. While there may be merits to leveraging the existing Call Center to support the expanded Medicaid population, the State should pursue the competitive bidding process to provide a basis upon which to evaluate this option.

5.4. Potential Exchange Solutions in the Marketplace

In March of 2011, the NDOI issued a Request for Information (RFI)¹⁸ to identify IT solutions in the marketplace that could meet the Exchange's business needs and better understand the associated costs. Above and beyond the eligibility determination and enrollment processes, the business functions that the Exchange must perform fall into the areas of plan management, financial management, customer service, communications and oversight¹⁹.

The NDOI received five responses to their RFI and have attended several meetings with vendors as an outcome of this exercise. While this experience allowed the NDOI to vet its requirements and obtain a better understanding of the marketplace, the most prominent finding was that many vendors are in a position not dissimilar to those in the state government – with regulations in flux and business demands unclear, it is difficult to develop and price new applications. At this point, “vaporware” is prolific and vendors looking to partner are in abundance. While some vendors tout strong web-based insurance shopping experience, others bring expertise in Medicaid and CHIP eligibility and enrollment processing. Both state hosted and Software as a Service (SaaS) IT solutions are in the offing. All claim to be flexible, scalable and adaptable. While the Congressional Budget Office (CBO) report²⁰ to the House of Representatives estimated that Exchange start-up costs would approximate \$2 billion nationwide (or \$40 million for each state if divided equally among the states) we are seeing costs ranging anywhere from \$4 - \$120 million²¹, excluding plan management (e.g., plan certification, rating and monitoring), financial management (e.g., plan assessment, reinsurance, risk adjustment, and risk corridors), governance, and other critical needs of an Exchange.

¹⁸ PCG was not involved in the RFI process.

¹⁹ US Department of Health and Human Services, Centers for Medicare and Medicaid Services, Exchange Reference Architecture: Foundation Guidance, March 16, 2011.

²⁰ Dated March 20, 2010.

²¹ Vendor response to Nebraska's RFI that offered a SaaS solution was \$4 million; start up costs for the Massachusetts Health Insurance Connector Authority were estimated at \$25 million; Texas Health and Human Services Commission's preliminary estimate of \$120 million for the establishment of the web portal and information technology systems based on projected population. If using Nebraska's projected population, estimate may equate to approximately \$17.8 million.

5.5. Proposed Timeline

This section provides a proposed timeline for performing the activities that will be required to acquire, design, develop and implement the IT solution to support the Exchange by October 2013. The underlying assumptions that were used in developing the timeline are stated below:

- In order for the State to implement the IT solution to support the Exchange, ongoing support and commitment will be required from executive level management in the Administration, the Nebraska DHHS and the NDOI.
- The timeline encompasses the planning activities (development of the Level One Establishment Grant Application, an Implementation Advanced Planning Document (IAPD), and a Request for Proposal (RFP) in order to secure funding for, and acquire assistance from, a vendor to design, develop, and implement the solution) as well as the design, development and implementation (DD&I) of the recommended solution.
- The NDOI and the Nebraska DHHS will seek assistance from an outside vendor to develop the IAPD and the RFP.
- The procurement strategy for acquiring the technical solution has not been determined. For the purposes of the estimated schedule, it is assumed that one RFP will be released, seeking a vendor to design and develop the new technologies and coordinate with the IS&T in regards to the existing system modifications.
- The DD&I for the business rules engine and the federated database will span 16 months. In order for this to occur, the State will acquire COTS solutions for these applications rather than pursuing in-house development.
- The DD&I for modifying the existing systems will start in January 2012 and once a vendor comes on board, will be performed in parallel with the DD&I for the business rules engine / federated database in order to allow sufficient time for development and to meet the implementation deadline of October 2013.
- Five day review cycles will be allowed for the NDOI / Nebraska DHHS review and finalization of documents prepared.
- Sixty-day review cycles will be allowed for federal agency review of the Level One Grant Application, the IAPD and the RFP.
- The development of the RFP will commence with CMS' review of the IAPD.

The proposed timeline is presented on the following page.

Table 5-6: Estimated Implementation Timeline

Milestone	Start	Duration	Finish
Develop Level One Grant Application to secure HIX funding	September 1, 2011	3 weeks	September 23, 2011
NDOI / Nebraska DHHS review	September 23, 2011	1 week	September 30, 2011
Submit to HHS	September 30, 2011		
HHS review and approval	September 30, 2011	2 months	November 30, 2011
Develop the IAPD to obtain Medicaid / CHIP funding	September 1, 2011	3 weeks	September 23, 2011
NDOI / Nebraska DHHS review	September 23, 2011	1 week	September 30, 2011
Submit to HHS	September 30, 2011		
HHS review and approval	September 30, 2011	2 months	November 30, 2011
Select planning vendor through competitive bid process	September 6, 2011		October 24, 2011
Develop RFP	October 31, 2011	3 months	December 30, 2011
NDOI / Nebraska DHHS review	January 2, 2012	1 week	January 6, 2012
Submit to HHS	January 9, 2012		
HHS review and approval	January 2012	2 months	March 2012
Release RFP	March 1, 2012		
Receive vendor responses	March 2012	1 month	April 2012
Select vendor / contract award	April 2012	1 month	May 2012
CMS approval of contract	May 2012	2 months	July 2012
Design / develop	July 2012	13 months	July 2013
Test	July 2013	3 months	October 2013
Full Implementation	October 2013		

IT Project Proposal Report - Detail

Agency: 023 - DEPARTMENT OF LABOR

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

IT Project : Electronic Content Management for UI Programs

General Section

Contact Name : Terri Slone

E-mail : terri.slone@nebraska.gov

Agency Priority :

Address : 550 S 16th Street

Telephone : 402-471-8358

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	100,000	0	0	100,000	0	0
Programming	200,000	0	0	200,000	0	0
Project Management	100,000	0	0	100,000	0	0
Data Conversion	0	0	0	0	0	0
Other	8,000	0	0	8,000	0	0
Subtotal Contractual Services	408,000	0	0	408,000	0	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: 023 - DEPARTMENT OF LABOR

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	0	0	0	0	0	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	0	0	0	0	0	0
Capital Expenditures						
Hardware	0	0	0	0	0	0
Software	0	0	0	0	0	0
Network	0	0	0	0	0	0
Other	0	0	0	0	0	0
Subtotal Capital Expenditures	0	0	0	0	0	0
TOTAL PROJECT COST	408,000	0	0	408,000	0	0

Funding

Fund Type	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
General Fund	0	0	0	0	0	0
Cash Fund	0	0	0	0	0	0
Federal Fund	408,000	0	0	408,000	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	408,000	0	0	408,000	0	0
VARIANCE	0	0	0	0	0	0

IT Project Proposal Report - Detail
Agency: 023 - DEPARTMENT OF LABOR
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

IT Project: Electronic Content Management for UI Programs

EXECUTIVE SUMMARY:

The Department of Labor has invested in and implemented Electronic Content Management (ECM) for UI (Benefits and Appeals) and Employment & Training (WOTC and WIA/Wagner-Peyser) programs. This project is a continuation of NDOL's commitment to the enterprise ECM solution. It will extend ECM functionality into other UI program areas to provide a seamless workflow and document management tools for the UI program.

This project is funded by federal UI Automation funds, made available by USDOL. Funds must be obligated by September 30, 2013 and liquidated by December 31, 2013.

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

This project will convert documents, emails, faxes, and records currently in a paper format to an electronic format and archive them into a central repository, incorporating existing processes into a workflow for easy document handling, storage and retrieval in a secure manner based on a key word search.

The goals and objectives of the project are:

- Integrate systems, storage, databases, and applications to manage documents in a full life cycle manner
- Reduce organizational risk
- Increase end user productivity
- Reduce costs (paper, printing, staff time)
- Preserve records for the long term

This project is a continuation of NDOL's commitment to ECM. NDOL through funding received from USDOL, has already implemented ECM in UI Benefits and Appeals and for other federally funded programs. This project will address other business units in UI, including: Tax, Benefit Accuracy Measurement, Benefit Payment Control, Tax Performance System, Treasury, so that an end-to-end solution is in place.

NDOL will develop business requirements and project plans that track against the documented requirements to ensure all objectives are met.

This project fits into NDOL's overall technology plan of leveraging enterprise resources to provide internal and external users with technology solutions and tools to address their needs.

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

IT Project Proposal Report - Detail
Agency: 023 - DEPARTMENT OF LABOR
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

The Office of the Chief Information Officer (OCIO) evaluated bids and vendors for an enterprise solution for an electronic content management system and awarded the bid to OnBase. NDOL has completed implementation of ECM in several UI business units, as well as Employment & Training for their case management system. NDOL has reduced use of paper and ink and saved in paper, printing, and mailing costs, while increasing staff availability to work directly with the public. The applications have provided tools to the public to meet their particular needs, whether it be filing an appeal and providing exhibits for a hearing, or applying for a worker opportunity tax credit. Implementing ECM has streamlined processes and improved efficiencies, while providing a repository for easy retrieval and long-term retention of records.

This project is funded by dollars made available by USDOL. Funds must be encumbered by September 30, 2013 and liquidated by December 31, 2013. Through supplemental budget requests, USDOL has emphasized the importance of using technology to provide tools and services to the public, while improving business processes in the UI program.

TECHNICAL IMPACT (20 PTS):

This project will utilize the existing ECM infrastructure and interface with existing NDOL systems. All hardware, software, and communications requirements are in place under the existing enterprise agreement. Conformity with NITC technical standards and guidelines and generally accepted industry standards has been met. Reliability, security and scalability of the infrastructure has been addressed by OCIO.

PRELIMINARY PLAN FOR IMPLEMENTATION (10 PTS):

NDOL has developed an overall project plan and timeline for the development of ECM projects for the business units described in Section 2. The development process will be interactive and include a communication plan, project status reporting and meetings and coordination between project managers to ensure availability of NDOL resources. A detailed project plan developed for each business unit includes milestones and tasks.

The Project will include the following high level tasks: Project management, discovery/requirements, gap analysis and cross project review, business process improvement analysis, design, documentation, configuration, integration with existing systems, testing, training, and support.

Project sponsors include: UI Benefits Administrator, UI Tax Administrator, General Counsel, Director of Administrative Services.

Project team members include: OnBase and NDOL Project Managers, Business Analysts, Subject Matter Experts, IT Resource (Hardware/OS, Desktop, LAN, DBA, Developers), Testers.

Roles and responsibilities are defined in a Statement of Work.

Ongoing support requirements have been defined in an agency service support plan, which includes a process for trouble tickets, as well as defect resolution and enhancements.

NDOL staff have participated in the training sessions offered by OCIO and ECM user meetings.

RISK ASSESSMENT (10 PTS):

Successful completion of this project is dependent upon critical success factors and mitigation of risks.

IT Project Proposal Report - Detail

Agency: 023 - DEPARTMENT OF LABOR

Budget Cycle: 2013-2015 Biennium Version: AF - AGENCY FINAL REQUEST

Critical success factors applicable to this project include: Availability of NDOL resource who are already committed to numerous projects; timely review and acceptance of deliverables; subject matter expert participation; clear definition of project scope and limitation of change order requests.

Risks applicable to this project include: Dependency to other NDOL projects mandated by state or federal legislation; ongoing changes to existing systems required by state or federal mandates; loss of key staff or contractors; scope creep due to insufficient discovery or added business requirements.

Risks can be mitigated through collaboration, communication, and commitment to the project plan and critical success factors.

FINANCIAL ANALYSIS AND BUDGET (20 PTS):

(Revise dates as necessary for your request.)

	Estimated Prior Expended	Request for FY2014 (Year 1)	Request for FY2015 (Year 2)	Request for FY2016 (Year 3)	Request for FY2017 (Year 4)	Future	Total
1. Personnel Costs							\$ -
2. Contractual Services							
2.1 Design		\$ 100,000.00					\$ 100,000.00
2.2 Programming		\$ 200,000.00					\$ 200,000.00
2.3 Project Management		\$ 100,000.00					\$ 100,000.00
2.4 Other		\$ 8,000.00					\$ 8,000.00
3. Supplies and Materials							\$ -
4. Telecommunications							\$ -
5. Training							\$ -
6. Travel							\$ -
7. Other Operating Costs							\$ -
8. Capital Expenditures							
8.1 Hardware							\$ -
8.2 Software							\$ -
8.3 Network							\$ -
8.4 Other							\$ -
TOTAL COSTS	\$ -	\$ 408,000.00	\$ -	\$ -	\$ -	\$ -	\$ 408,000.00
General Funds							\$ -
Cash Funds							\$ -
Federal Funds		\$ 408,000.00					\$ 408,000.00
Revolving Funds							\$ -

Version: AF - AGENCY FINAL REQUEST

IT Project Proposal Report - Detail

Agency: 023 - DEPARTMENT OF LABOR

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

IT Project : State Information Data Exchange System

General Section

Contact Name : Terri Slone

E-mail : terri.slone@nebraska.gov

Agency Priority :

Address : 550 S 16th Street

Telephone : 402-471-8358

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	207,300	0	0	207,300	0	0
Project Management	0	0	0	0	0	0
Data Conversion	0	0	0	0	0	0
Other	30,000	0	0	30,000	0	0
Subtotal Contractual Services	237,300	0	0	237,300	0	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	3,000	0	0	3,000	0	0
Subtotal Training	3,000	0	0	3,000	0	0

IT Project Proposal Report - Detail

Agency: 023 - DEPARTMENT OF LABOR

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	0	0	0	0	0	0
Supplies & Materials	0	0	0	0	0	0
Travel	0	0	0	0	0	0
Other	50,000	0	0	50,000	0	0
Subtotal Other Operating Costs	50,000	0	0	50,000	0	0
Capital Expenditures						
Hardware	0	0	0	0	0	0
Software	0	0	0	0	0	0
Network	0	0	0	0	0	0
Other	0	0	0	0	0	0
Subtotal Capital Expenditures	0	0	0	0	0	0
TOTAL PROJECT COST	290,300	0	0	290,300	0	0

Funding

Fund Type	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
General Fund	0	0	0	0	0	0
Cash Fund	0	0	0	0	0	0
Federal Fund	290,300	0	0	290,300	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	290,300	0	0	290,300	0	0
VARIANCE	0	0	0	0	0	0

IT Project Proposal Report - Detail
Agency: 023 - DEPARTMENT OF LABOR
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

IT Project: State Information Data Exchange System

EXECUTIVE SUMMARY:

In 2005 the Information Technology Support Center (ITSC) of the National Association of State Workforce Agencies (NASWA) undertook a project to evaluate, develop, and implement the State Information Data Exchange System (SIDES). SIDES utilizes a standardized format and specifications for a web service-based electronic exchange of separation information with multi-state employers/TPAs.

This project is federally mandated and supports state and federal initiatives for the integrity of the UI program and the prevention, detection, and recovery of improper UI benefit payments.

This project is funded by Supplemental Budget Request funds made available by USDOL. Funds must be obligated by September 30, 2013 and liquidated by December 31, 2013.

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

The goals and objectives of the project are:

- Improve response time to UI separation information requests from employers/TPAs
- Ensure more complete information is provided and validated
- Provide a mechanism for immediate and ongoing reduction of improper payments
- Improve detection of improper payments as a result of misreported earnings
- Reduce follow up phone calls and streamline UI response processes
- Improve BTQ performance to maintain >75% minimum standard
- Improve First Payment Timeliness: meet/exceed established federal standards (87%)
- Improve Non-Monetary Determination Timeliness: meet/exceed established federal standards (80%)
- Allow completion of the SIDES initiative in Nebraska's integrity strategic plan

SIDES functions as an electronic message broker for electronic communication between state agencies and employers or TPAs. These communications are managed by a Central Broker that uses web services (computer-to-computer internet connection). SIDES provides a method for states, and employers / TPAs to improve timeliness, accuracy and reduce costs by creating an electronic exchange of information using a standardized, secure mechanism with data validations that are strictly enforced to prevent the transfer of incomplete or incorrectly formatted data. SIDES can be thought of as a strategic program and partnership between states, and employers / TPAs. Through this cooperative effort, the SIDES participants work together to implement and add standardized data exchanges that will ultimately accommodate the majority of information exchanged between states, and employers / TPAs.

The UI program must meet performance measures as defined by USDOL (see above). The outcomes of this project will be assessed against USDOL established performance

IT Project Proposal Report - Detail
Agency: 023 - DEPARTMENT OF LABOR
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

measures.

This project fits into NDOL's overall technology plan of leveraging resources and technology solutions to improve program performance and delivery of services to the public.

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

Verification of earnings data and separation information related to an unemployment insurance claim is central to the entire UI benefits process. Untimely earnings information responses and incorrect separation decisions can contribute to a higher employer tax rate. SIDES allows for a complete and comprehensive collection of employer UI information, which provides cost savings through increased speed and accuracy of determinations and fewer improper payments. SIDES helps states reduce improper payments through verifying earnings by claimant who appear to be working and collecting UI benefits simultaneously.

Benefits:

- Reduced postage and handling costs;
- Reduced time to follow-up efforts to obtain/provide complete and correct employer separation Information and earnings information;
- Reduced improper benefit payments (improved quality because of standardized questions and in some cases a more detailed request for UI information);
- Identification of claimants who work and do not report their earnings while receiving UI benefits;
- Reduced improper benefit payments;
- Decrease in number of appeals filed due to lack of quality information for original determination;
- Improved completeness and accuracy of information;
- Reduced time spent on fact-finding interviews as the detailed employer information is submitted electronically;
- Improved employer timeliness for returning UI information;
- Increased number of earnings verification cases can be processed;
- Elimination of mail time;
- Audit control;
- Re-send capability;
- Capability to send attachments; and
- Edit checks for quality of responses based on business rule validation requirements
- Reduction in unnecessary appeal hearings
- Security of paper-based personal information
- Standardized format for state agencies, employers, and TPAs

Because each employer or TPA is connecting to the same common Web service application with the same fields, in the same place, with the same requirements for completing them, states can be assured that they will be receiving higher quality data.

This project is federally mandated and funded by Supplemental Budget Request dollars made available by USDOL. Funds must be encumbered by September 30, 2013 and liquidated by December 31, 2013. Through supplemental budget requests, USDOL has emphasized the importance of using technology to provide tools and services to the public, while improving business processes in the UI program.

IT Project Proposal Report - Detail
Agency: 023 - DEPARTMENT OF LABOR
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

References:

- Improper Payment Information Act of 2002 (IPIA; 31 U.S.C. 3321 note);
- Improper Payment Elimination and Recovery Act of 2010 (IPERA; 31 U.S.C. 3301 note);
- Executive Order (E.O.) 13520, *Reducing Improper Payments* (November 20, 2009);
- Unemployment Insurance Program Letter (UIPL) No. 19-11, *National Effort to Reduce Improper Payments in Unemployment Insurance (UI) Program*;
- UIPL 26-11, *Unemployment Insurance (UI) Supplemental Funding Opportunity for Program Integrity and Performance and System Improvement*;
- UIPL 28-11, *Unemployment Insurance (UI) State Integrity Task Forces and Strategic Plans*

TECHNICAL IMPACT (20 PTS):

SIDES will provide a web based system that facilitates the electronic transmission and communication of UI separation information requests from NDOL's UI division to employers and/or TPAs, as well as transmission of responses containing the requested separation information back. The current process is a paper process initiated upon submission of a claim. Each employer involved on a claim is sent by mail a "Request to Employer for Separation Information," Form UI-350. The employer must provide the information requested by the due date printed on the form. This is the only opportunity to provide information about separation which could affect chargeability to the employer's UI tax account. Separation forms are returned by mail and fax. Employers do have the option of inputting separation information via UIConnect, UI's employer portal. The current process is dependent upon functionality of printing systems, mail delivery, and timeliness. Employers and TPAs indicate that they have not received separation requests in a timely manner. Delays in receiving responses result in delays in claims processing and meeting time-lapse and performance measures as established by USDOL.

The SIDES system will allow direct notification to the employer or TPA for requested separation information and earnings verification. The process would include a common standardized set of request and response data elements. The electronic communications would allow faster processing and scheduling of fact-finding, adjudication, or non-fact-finding adjudication. The SIDES software includes a confirmation statement for the employer, and will not allow the employer to submit separation information without completing all the required fields. The system will provide accurate and confirmed date stamps, reduce appeals, and improve time-lapse statistics. All data received will be integrated into our electronic content management (ECM) system for claims processing, adjudication, and appeals.

This is accomplished through a Central Broker facilitating connections between NDOL and Employers/TPAs. The three main operations that make up the communication between the connectors and the Central Broker are posting information, pulling information, and pushing information. These three main operations are implemented as "flows" between the connector clients and the Central Broker.

The core system functions are:

- Secure and encrypt messages; authenticate requests and messages
- Perform Request/Response messaging (establish computer-to-computer communication)
- Validate requests and responses
- Repeat failed transmissions
- Report on transfer activity
- Calculate and provide metrics

SIDES will interface with the UI Benefit Payment System (BPS). NDOL will implement security measures in compliance with NITC standards and guidelines (transport and message level authentication, confidentiality, and integrity mechanisms).

IT Project Proposal Report - Detail
Agency: 023 - DEPARTMENT OF LABOR
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

PRELIMINARY PLAN FOR IMPLEMENTATION (10 PTS):

NDOL has developed an overall project plan and timeline for the development of the SIDES project to align with requirements of USDOL to complete the project by August 31, 2013. Funding for the project must be encumbered by September 30 and liquidated by December 31, 2013. The development process will be interactive and include a communication plan, project status reporting and meetings and coordination between project managers to ensure availability of NDOL resources. A detailed project plan will be developed to include milestones and tasks.

The Project will include the following high level tasks: Project management, discovery/requirements, gap analysis and cross project review, business process improvement analysis, design, documentation, configuration, integration with existing systems, testing, training, and support.

Project sponsors include: UI Benefits Administrator, Director of Administrative Services.

Project team members include: NDOL Project Managers, Business Analysts, Subject Matter Experts, IT Resource (Hardware/OS, Desktop, LAN, DBA, and Developers), and Testers.

Roles and responsibilities will be defined in a Statement of Work.

Ongoing support requirements have been defined in an agency service support plan, which includes a process for trouble tickets, as well as defect resolution and enhancements.

NDOL staff will participate in user training sessions.

RISK ASSESSMENT (10 PTS):

Successful completion of this project is dependent upon critical success factors and mitigation of risks.

Critical success factors applicable to this project include: Availability of NDOL resource who are already committed to numerous projects; timely review and acceptance of deliverables; subject matter expert participation; clear definition of project scope and limitation of change order requests.

Risks applicable to this project include: Dependency to other NDOL projects mandated by state or federal legislation; ongoing changes to existing systems required by state or federal mandates; loss of key staff or contractors; scope creep due to insufficient discovery or added business requirements.

Risks can be mitigated through collaboration, communication, and commitment to the project plan and critical success factors.

FINANCIAL ANALYSIS AND BUDGET (20 PTS):

Estimated Prior Expended	Request for FY2014 (Year 1)	Request for FY2015 (Year 2)	Request for FY2016 (Year 3)	Request for FY2017 (Year 4)	Future
Printed By: RBecker			Printed At: 09/17/2012 07:23:09		Page 6 of 7

Total

IT Project Proposal Report - Detail

Agency: 023 - DEPARTMENT OF LABOR

Budget Cycle: 2013-2015 Biennium

Version: AF - AGENCY FINAL REQUEST

1. Personnel Costs										\$ -
2. Contractual Services										
2.1 Design										\$ -
2.2 Programming	\$	207,300.00								\$ 207,300.00
2.3 Project Management										\$ -
2.4 Other	\$	30,000.00								\$ 30,000.00
3. Supplies and Materials										\$ -
4. Telecommunications										\$ -
5. Training	\$	3,000.00								\$ 3,000.00
6. Travel										\$ -
7. Other Operating Costs	\$	50,000.00								\$ 50,000.00
8. Capital Expenditures										
8.1 Hardware										\$ -
8.2 Software										\$ -
8.3 Network										\$ -
8.4 Other										\$ -
TOTAL COSTS	\$	-	\$ 290,300.00	\$	-	\$	-	\$	-	\$ 290,300.00
General Funds										\$ -
Cash Funds										\$ -
Federal Funds		\$ 290,300.00								\$ 290,300.00
Revolving Funds										\$ -
Other Funds										\$ -
TOTAL FUNDS	\$	-	\$ 290,300.00	\$	-	\$	-	\$	-	\$ 290,300.00

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 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

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

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

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.

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

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).

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

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

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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](http://nitc.ne.gov/standards/) “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

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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

**Project Proposal Form
FY2013-2015 Biennial Budget Requests**

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.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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

IT Project Proposal Report - Detail

Agency: 025 - DEPT OF HEALTH & HUMAN SERVICES

Budget Cycle: 2013-2015 Biennium Version: AF - AGENCY FINAL REQUEST

IT Project : ICD-10**General Section**

Contact Name : Eric Henrichsen	E-mail : eric.henrichsen@nebraska.gov	Agency Priority :
Address : 1050 N Street, Mezzanine	Telephone : 402-471-8554	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	18,970,777	970,777	6,000,000	6,000,000	6,000,000	0
Subtotal Contractual Services	18,970,777	970,777	6,000,000	6,000,000	6,000,000	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	72,641	72,641	0	0	0	0
Supplies & Materials	0	0	0	0	0	0
Travel	3,578	3,578	0	0	0	0
Other	35	35	0	0	0	0
Subtotal Other Operating Costs	76,254	76,254	0	0	0	0
Capital Expenditures						
Hardware	16,073	16,073	0	0	0	0
Software	964	964	0	0	0	0
Network	0	0	0	0	0	0
Other	0	0	0	0	0	0
Subtotal Capital Expenditures	17,037	17,037	0	0	0	0
TOTAL PROJECT COST	19,064,068	1,064,068	6,000,000	6,000,000	6,000,000	0

Funding

Fund Type	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
General Fund	1,906,407	106,407	600,000	600,000	600,000	0
Cash Fund	0	0	0	0	0	0
Federal Fund	17,157,661	957,661	5,400,000	5,400,000	5,400,000	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	19,064,068	1,064,068	6,000,000	6,000,000	6,000,000	0
VARIANCE	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**

IT Project: ICD-10

EXECUTIVE SUMMARY:

In January 2009, the U.S. Department of Health and Human Services released a Health Insurance Portability and Accountability Act (HIPAA) Administrative Simplification Final Rule for adoption of the Tenth Revision of the International Classification of Diseases (ICD-10). ICD-10 is a coding system used to classify diagnoses and hospital procedures. As a HIPAA covered entity, Nebraska DHHS is required to comply with the U.S. Department of Health & Human Services mandate to utilize ICD-10 for medical coding effective October 1, 2014. ICD-9 codes sets used today to designate medical diagnoses and inpatient procedures will be replaced with ICD-10 code sets.

The primary impact of the ICD-10 mandate for Nebraska DHHS is anticipated to fall within the scope of the Medicaid & Long-Term Care (MLTC) division, its business processes and systems, including the Medicaid Management Information System (MMIS). Significant changes to business processes, the MMIS and other smaller systems are anticipated in order to comply with the mandate.

Attachments:

ICD-10 MainDoc.doc

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

Please see below for this section.

1. Describe the project, including:

- **Specific goals and objectives;**
- **Expected beneficiaries of the project; and**
- **Expected outcomes.**

The decision to mandate use of ICD-10 was driven primarily by the current limitations of ICD-9, which has been in use since the 1970s. From that time, ICD-9 has slowly become outdated and can no longer accurately capture and reflect appropriate medical classifications. For example, in its current use, ICD-9 has the following limitations:

- Lack of structural growth capacity (i.e., limited number of characters) within the existing code set prevents accommodation of advances in health care medicine and technology.
- Diagnosis-Related Groups (DRGs) currently include various and differing ICD-9 procedure codes.
- ICD-9 terminology has become obsolete and no longer reflects the current state of health care management, medicine or technologies.
- Lack of specificity and modern terminologies inhibits the ability to compare costs and outcomes of different health practices or technologies.
- Inconsistent code structure and terminology prevents data exchanges and data sharing currently in practice on an international scale.
- Inability to accurately reflect medical procedures, conditions or diagnoses as there are too many generic "one-size fits all" codes and "unclassified" dump codes.

IT Project Proposal Report - Detail

Agency: 025 - DEPT OF HEALTH & HUMAN SERVICES

Budget Cycle: 2013-2015 Biennium Version: AF - AGENCY FINAL REQUEST

ICD-10 was developed to utilize modern terminology for descriptions and provides greater clarity and specificity when referring to disease state classifications. In addition, ICD-10 provides more clinical information for use in clinical or analytical models. Such detailed information allows health care managers to have greater flexibility in leveraging transaction data to conduct detailed and comprehensive analyses and therefore improve the delivery and quality of care. ICD-10 has several specific characteristics designed to improve the classification and reporting of disease states which ultimately impacts many facets of a Medicaid program.

The ICD-10 Project is a collaborative effort between the MLTC and Information Systems & Technology (IS&T) divisions of DHHS. Two business-focused impact assessments have been completed by MLTC, the second significantly more detailed than the first. Detailed system impact assessments are being initiated by IS&T, the largest of which is the detailed assessment of the impact on the MMIS. The impact assessments are being used to guide planning for the remediation activities. System remediation will follow a standard software development life-cycle approach.

The following matrix outlines anticipated components of the Business Remediation strategy and the rationale/action items for each component.

<i>Strategic Component</i>	<i>Components of Business Remediation Strategic Plan Rationale/Action Item</i>
Alignment among organizational initiatives	<ul style="list-style-type: none"> § Align the ICD-10 transition with other key MLTC priorities (such as acquisition of new DRG grouper software, replacement of the MMIS, statewide managed care, etc.) § Coordinate timing of key initiatives § Align strategic decision-making across initiatives § Avoid duplicative/conflicting efforts § Leverage work across initiatives
Business Processing Methods and Work Flow	<ul style="list-style-type: none"> § Use staff interview findings, along with findings from the subsequent business process review, to identify and prioritize ICD-10 impacts for remediation § Ensure that high-impact functions and staff concerns are addressed in the strategic plan and timeline § Document processor instructions
Code Remediation	<ul style="list-style-type: none"> § Prioritize remediation efforts based on analysis of MLTC ICD code usage § Provide training on use of GEMs and mapping processes to personnel involved in data conversion § Consider use of external tools to support translation § Ensure that high-frequency and high-dollar codes are fully reviewed and translated § Ensure that codes within high-concentration clinical categories (e.g., Mental Disorders, Pregnancy) are thoroughly reviewed/remediated § Align business translation strategy with IS&T technical strategy for remediating systems, sub-systems, interfaces, reports, SCRs, etc.

IT Project Proposal Report - Detail

Agency: 025 - DEPT OF HEALTH & HUMAN SERVICES
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

	<ul style="list-style-type: none"> § Proactively identify at-risk providers that may need special attention § Leverage custom GEMs developed by other payers
Staff Training	<ul style="list-style-type: none"> § Tailor training to staff roles and responsibilities § Ensure highly-impacted staff receive adequate advance training § Educate personnel about code set specifications and regulatory requirements § Assess impacts on productivity and resource needs
Policy and Business Rule Revision	<ul style="list-style-type: none"> § Prioritize impacts as identified in findings § Consider use of temporary policies/rules designed to facilitate transition § Review/revise rules and policies to accommodate transition to ICD-10 § Develop new policies to support ICD-10 transition § Document/revise processor instructions
Collaboration with IS&T	<ul style="list-style-type: none"> § Align the business and technical remediation strategies – purpose and timing § Update internal system scans of ICD-9 data use § Complete inventory of all impacted systems, subsystems, interfaces, SCRs, reports, etc. – current and planned § Review and address external systems and interfaces § Ensure that policy changes are appropriately reflected in system edits § Prioritize sequence of system changes § Revise error resolution methods as needed § Consider system data storage capacity § Consider compatibility with future versions of ICD § Develop new or upgraded hardware and software requirements § Determine plans for data quality assessment
Fiscal Neutrality Analysis	<ul style="list-style-type: none"> § Ensure that the adoption of ICD-10 does not result in unintended cost increases/decreases in provider payments § Evaluate potential DRG shifts and changes in case mix index § Plan for and mitigate financial risk associated with the transition
Transition Approach	<ul style="list-style-type: none"> § Establish DOS-driven compliance date § Establish the time period for maintaining dual code sets § Maintain access and use of historical data for analysis § Coordinate with vendors/follow up on business associate readiness

IT Project Proposal Report - Detail

Agency: 025 - DEPT OF HEALTH & HUMAN SERVICES
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

Detailed Project Plan	§ Develop detailed internal implementation timeline § Delineate transition tasks, deadlines, and responsibilities § Specify resources required to complete tasks § Specify stakeholder roles and responsibilities
Testing	§ Conduct internal testing and validation of systems changes § Coordinate testing with vendors and other business associates
Program Documentation Modifications	§ Modify or develop policies, procedures, reports and forms § Modify State Plan, Error Resolution Manual, etc. § Modify vendor contracts as needed

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

DHHS is employing industry-standard project management practices to plan, initiate, monitor and control project activities. Extensive system testing will be utilized to ensure system changes are validated and tested with external business associates.

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

As part of the Medicaid Management Information System (MMIS) Strategy review occurring in the second half of 2012, an overall strategy for the MMIS will be developed. Based on this strategy, the ICD-10 project could have minimal relationship to the plan if the strategy is that the existing MMIS will be replaced. In that situation, a strategy to achieve "minimum compliance" will probably be followed. However, if the existing MMIS system will be leveraged in some manner as part of the future strategy, the ICD-10 project could be a key component of the strategy, by possibly externalizing business rules, developing Services, and other modernization techniques.

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

4. Provide the project justification in terms of tangible benefits (i.e. economic return on investment) and/or intangible benefits (e.g. additional services for customers).

While ICD-10's main justification is compliance, as noted previously the expanded code set will provide detailed information about factors related to quality care. This additional information can be used to deliver high quality patient care and improve patient outcomes.

5. Describe other solutions that were evaluated, including their strengths and weaknesses, and why they were rejected. Explain the implications of doing nothing and

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

why this option is not acceptable.

Solution alternatives will be evaluated and selected following the detailed impact assessments currently underway. Doing nothing would leave the state out of compliance with federal regulations and also not allow the processing of Medicaid health care claims that are transmitted using the ICD-10 code set.

6. If the project is the result of a state or federal mandate, please specify the mandate being addressed.

On January 16, 2009, the U.S. Department of Health and Human Services (HHS) released the [final rule](#) mandating that everyone covered by the [Health Insurance Portability and Accountability Act \(HIPAA\)](#) implement [ICD-10](#) for medical coding.

On August 24, 2012, HHS [announced](#) the [final rule](#) that delays the ICD-10 compliance date from October 1, 2013 to October 1, 2014.

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.

Solution alternatives will be developed and selected subsequent to the detailed system impact assessments which are currently ongoing.

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.

To be determined when solution alternatives are developed and considered.

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.

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

The MLTC portion of the scope of the ICD-10 project is sponsored by Ruth Vineyard, MLTC Deputy Director for Initiatives and Eligibility. The ICD-10 Project is a collaborative effort between the MLTC and Information Systems & Technology (IS&T) divisions of DHHS. The project will be managed by a joint project management team representing both MLTC and IS&T. Generally, MLTC will be responsible for the business aspects of the project while IS&T will be responsible for systems development. The ICD-10 mandate may also impact business processes and systems within DHHS but outside the scope of the MLTC division. These impacts are anticipated to be significantly smaller in scope than the impact on MLTC and the MMIS. The IS&T project team will take responsibility to make non-MLTC business areas aware of the ICD-10 mandate and assist efforts by those business areas to assess their business processes and systems for impact. If non-Medicaid impacts are identified, IS&T will work with the impacted business area to assess remediation alternatives and the resources required to initiate remediation activity.

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

Detailed systems impact assessments are planned for completion in the 4th quarter of calendar year 2012. When impact assessments are completed, business and technical strategies will be developed which will drive the specific systems development life-cycle schedule along with the required business process, policy and procedure changes.

As was noted previously, the compliance date for ICD-10 is October 1, 2014.

11. Describe the training and staff development requirements.

The staff training requirements for successful implementation of the ICD-10 coding structure are significant.

12. Describe the ongoing support requirements.

These will be developed as part of the project.

RISK ASSESSMENT (10 PTS):

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

ICD-10 will be completed during a time when many other major initiatives are in progress within the state Medicaid division. Resource contention will be high, and also the ability of DHHS and Medicaid to have the bandwidth to manage a significant amount of activity will be tested.

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

DHHS has a number of resources that worked on the HIPAA 5010 project that gained knowledge of the state MMIS. This knowledge will be leveraged to ICD-10. DHHS will employ

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

a project governance structure for the coordination of the numerous Medicaid and IS&T projects that will be underway simultaneously. Internal subject matter expertise, both in Medicaid business operations and MMIS system operations, are being supplemented and leveraged with supplemental contract resources.

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.

Attachments:

ICD-10 Financial.xlsx

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

IT Project : SMHP (State Medicaid Hit Plan)**General Section**

Contact Name : Eric Henrichsen	E-mail : eric.henrichsen@nebraska.gov	Agency Priority :
Address : 1050 N Street, Mezzanine	Telephone : 402-471-8554	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	190,000	0	0	95,000	95,000	0
Subtotal Contractual Services	190,000	0	0	95,000	95,000	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	31,000	0	0	25,000	6,000	0
End-user Staff	0	0	0	0	0	0
Subtotal Training	31,000	0	0	25,000	6,000	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	3,177,598	1,627,598	850,000	500,000	200,000	0
Supplies & Materials	67,200	0	0	33,600	33,600	0
Travel	14,800	0	0	7,500	7,300	0
Other	24,000	0	0	12,000	12,000	0
Subtotal Other Operating Costs	3,283,598	1,627,598	850,000	553,100	252,900	0
Capital Expenditures						
Hardware	0	0	0	0	0	0
Software	0	0	0	0	0	0
Network	0	0	0	0	0	0
Other	1,405,000	0	0	1,105,000	300,000	0
Subtotal Capital Expenditures	1,405,000	0	0	1,105,000	300,000	0
TOTAL PROJECT COST	4,909,598	1,627,598	850,000	1,778,100	653,900	0

Funding

Fund Type	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
General Fund	490,960	162,760	85,000	177,810	65,390	0
Cash Fund	0	0	0	0	0	0
Federal Fund	4,418,638	1,464,838	765,000	1,600,290	588,510	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	4,909,598	1,627,598	850,000	1,778,100	653,900	0
VARIANCE	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**

IT Project: SMHP (State Medicaid Hit Plan)

EXECUTIVE SUMMARY:

Provide a one or two paragraph summary of the proposed project. This summary will be used in other externally distributed documents and should therefore clearly and succinctly describe the project and the information technology required.

The Nebraska Medicaid EHR Incentive Payment, program funded under the HITECH provisions of the American Recovery and Reinvestment Act (ARRA), provides incentive payments (100% federal funds) for providers and hospitals who acquire and become Meaningful Users of certified EHR technology. Eligibility depends upon a number of factors, including percentage of Medicaid recipients treated. Nebraska's program implemented May, 2012, with federal authority to operate through 2021. Program administration requires compliance with evolving federal rules around eligibility and Meaningful Use.

Administration of the EHR Incentive Payment program is funded with a 90/10 federal/state match. Program activities, carried out within the Division of Medicaid & Long-Term Care, DHHS, include: receiving provider and hospital enrollment documents; establishing eligibility; determining payment amount; making payments; issuing denials where appropriate; participating in a an appeal process when needed; planning for and conducting audits of participants; electronically exchanging registration, eligibility, payment and reporting information with the Centers for Medicaid and Medicare Services (CMS); updating program materials, funding requests, and guidance as directed.

Attachments:

SMHP-MainTemplate.doc

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

1. Describe the project, including:

- **Specific goals and objectives;**
- **Expected beneficiaries of the project; and**
- **Expected outcomes.**

This program is intended to provide funding which assists eligible health care providers and hospitals in acquiring and upgrading electronic health record technology. The providers and hospitals receiving incentive payments are the immediate beneficiaries of the project. The longer term goals include improved access to and sharing of patient health care information; improved care coordination due to better health care information sharing; reduced health care costs, including Medicaid costs; improved patient care.

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

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

The primary measure for project outcome is how many providers enroll, are determined eligible, and receive payments over the life of the program. One part of program administration involves outreach to provider organizations in order to educate providers about program requirements and payments and to encourage their participation. Throughout the life of the program, Nebraska Medicaid will report to CMS on number of providers and hospitals being paid, payment amounts, and progress of each through multiple years of the program (payments to providers are made over 6 years, to hospitals over 3, and for every payment year the payee must demonstrate continued eligibility and increasingly sophisticated use of the EHR technology they have acquired).

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

CMS required each state to develop a State Medicaid Health Information Technology Plan (SMHP) as part of the planning process for the EHR Incentive Payment program. The SMHP details implementation of the EHR Incentive Payment program as well as outlining steps towards Medicaid's participation with Health Information Exchange (HIE) activities in the state and with the Nationwide Health Information Network (NwHIN). Future iterations of the SMHP will require more detail about how Medicaid will interact with HIE activities in the state and with the NwHIN. As DHHS makes agency-wide decisions about Health Information Exchange, these will in turn inform Medicaid's SMHPs and development of the EHR Incentive Payment program.

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

4. Provide the project justification in terms of tangible benefits (i.e. economic return on investment) and/or intangible benefits (e.g. additional services for customers).

The immediate tangible benefit resulting from this program is incentive payments of 100% federal dollars to eligible Nebraska providers and hospitals, assisting them in acquisition of certified Electronic Health Record technology.

Intangible benefits from increased use of Electronic Health Record technology are projected to include more efficient sharing of patient health information among providers resulting in better coordination of care, reduced duplication of treatments and assessments, more efficient and responsive health care, and improved health outcomes for recipients of care.

5. Describe other solutions that were evaluated, including their strengths and weaknesses, and why they were rejected. Explain the implications of doing nothing and why this option is not acceptable.

When the decision to implement a Nebraska Medicaid EHR Incentive Program was made, there was an examination of the alternatives of buying or building an IT system to support program implementation. At the time, with some uncertainty about the number of Nebraska providers who would apply and/or qualify for incentive payments, the decision was made to utilize in-house IT expertise to build tools to support a largely manual enrollment and eligibility determination process. Budget request includes possible need for outsourcing a system solution which can manage the increasing complexity of the latter years of the program in a risk-reducing and CMS-compliant fashion.

6. If the project is the result of a state or federal mandate, please specify the mandate being addressed.

State Medicaid Agencies were not mandated to participate in the EHR Incentive Payment program (but all states have elected to do so). The program authorization is via the HITECH legislation, part of the American Reinvestment and Recovery Act (ARRA), and governance is through 42 CFR Parts 412, 413 and 495

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

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.

The current phase of the project includes two primary activities which involve IT resources. The first is the enhancement of the tools that were developed to support the manual processes delivered in Phase 1 of the project. This will entail expanding the tool functionality to support Stage 1 Meaningful Use (MU). There will be no impact to existing technology and no new technology introduced.

The second activity involves a cost/benefit analysis and possible implementation of a third-party systems solution for the program. At this time, we cannot specify the impact to technology since the system will be identified after the cost/benefit analysis is complete.

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.**

As mentioned above, we are unable to comment on the items until we have completed the cost/benefit analysis and selected a specific systems solution (if justified).

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.

SMHP will be sponsored by Vivianne Chaumont, the State Medicaid Director and Eric Henrichsen, the DHHS CIO. The project team will include members from the Medicaid IT Initiatives team who will provide subject matter expertise, and DHHS IS&T who will bring project management and systems expertise..

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

These will be developed as part of the project.

11. Describe the training and staff development requirements.

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

These will be developed as part of the project.

12. Describe the ongoing support requirements.

These will be developed as part of the project.

RISK ASSESSMENT (10 PTS):

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

SMHP will need to be completed during a time when many other major initiatives are in progress within the state Medicaid division. Resource contention will be high, and also the ability of DHHS and Medicaid to have the bandwidth to manage a significant amount of activity will be tested.

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

DHHS has developed a Governance structure for the numerous Medicaid projects that will be underway simultaneously. This should lessen the risk of projects not receiving appropriate attention.

DHHS has, and continues, to acquire outside resources to supplement Medicaid staff for their requirements related to the projects.

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.

Attachments:

SMHP-Financial.xlsx

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	SMHP
Agency/Entity	Department of Health and Human Services

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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](http://nitc.ne.gov/standards/) “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

**Project Proposal Form
FY2013-2015 Biennial Budget Requests****Section 1: General Information**

Project Title	SMHP
Agency (or entity)	Department of Health and Human Services

Contact Information for this Project:

Name	Eric Henrichsen
Address	
City, State, Zip	Lincoln, NE, 68509
Telephone	402-471-8554
E-mail Address	Eric.Henrichsen@nebraska.gov

Section 2: Executive Summary

Provide a one or two paragraph summary of the proposed project. This summary will be used in other externally distributed documents and should therefore clearly and succinctly describe the project and the information technology required.

The Nebraska Medicaid EHR Incentive Payment, program funded under the HITECH provisions of the American Recovery and Reinvestment Act (ARRA), provides incentive payments (100% federal funds) for providers and hospitals who acquire and become Meaningful Users of certified EHR technology. Eligibility depends upon a number of factors, including percentage of Medicaid recipients treated. Nebraska's program implemented May, 2012, with federal authority to operate through 2021. Program administration requires compliance with evolving federal rules around eligibility and Meaningful Use.

Administration of the EHR Incentive Payment program is funded with a 90/10 federal/state match. Program activities, carried out within the Division of Medicaid & Long-Term Care, DHHS, include: receiving provider and hospital enrollment documents; establishing eligibility; determining payment amount; making payments; issuing denials where appropriate; participating in an appeal process when needed; planning for and conducting audits of participants; electronically exchanging registration, eligibility, payment and reporting information with the Centers for Medicaid and Medicare Services (CMS); updating program materials, funding requests, and guidance as directed.

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

1. Describe the project, including:
 - Specific goals and objectives;
 - Expected beneficiaries of the project; and
 - Expected outcomes.

This program is intended to provide funding which assists eligible health care providers and hospitals in acquiring and upgrading electronic health record technology. The providers and hospitals receiving incentive payments are the immediate beneficiaries of the project. The longer term goals include improved access to and sharing of patient health care information; improved care coordination due to better health care information sharing; reduced health care costs, including Medicaid costs; improved patient care.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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

The primary measure for project outcome is how many providers enroll, are determined eligible, and receive payments over the life of the program. One part of program administration involves outreach to provider organizations in order to educate providers about program requirements and payments and to encourage their participation. Throughout the life of the program, Nebraska Medicaid will report to CMS on number of providers and hospitals being paid, payment amounts, and progress of each through multiple years of the program (payments to providers are made over 6 years, to hospitals over 3, and for every payment year the payee must demonstrate continued eligibility and increasingly sophisticated use of the EHR technology they have acquired).

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

CMS required each state to develop a State Medicaid Health Information Technology Plan (SMHP) as part of the planning process for the EHR Incentive Payment program. The SMHP details implementation of the EHR Incentive Payment program as well as outlining steps towards Medicaid's participation with Health Information Exchange (HIE) activities in the state and with the Nationwide Health Information Network (NwHIN). Future iterations of the SMHP will require more detail about how Medicaid will interact with HIE activities in the state and with the NwHIN. As DHHS makes agency-wide decisions about Health Information Exchange, these will in turn inform Medicaid's SMHPs and development of the EHR Incentive Payment program.

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

4. Provide the project justification in terms of tangible benefits (i.e. economic return on investment) and/or intangible benefits (e.g. additional services for customers).

The immediate tangible benefit resulting from this program is incentive payments of 100% federal dollars to eligible Nebraska providers and hospitals, assisting them in acquisition of certified Electronic Health Record technology.

Intangible benefits from increased use of Electronic Health Record technology are projected to include more efficient sharing of patient health information among providers resulting in better coordination of care, reduced duplication of treatments and assessments, more efficient and responsive health care, and improved health outcomes for recipients of care.

5. Describe other solutions that were evaluated, including their strengths and weaknesses, and why they were rejected. Explain the implications of doing nothing and why this option is not acceptable.

When the decision to implement a Nebraska Medicaid EHR Incentive Program was made, there was an examination of the alternatives of buying or building an IT system to support program implementation. At the time, with some uncertainty about the number of Nebraska providers who would apply and/or qualify for incentive payments, the decision was made to utilize in-house IT expertise to build tools to support a largely manual enrollment and eligibility determination process. Budget request includes possible need for outsourcing a system solution which can manage the increasing complexity of the latter years of the program in a risk-reducing and CMS-compliant fashion.

**Project Proposal Form
FY2013-2015 Biennial Budget Requests**

6. If the project is the result of a state or federal mandate, please specify the mandate being addressed.

State Medicaid Agencies were not mandated to participate in the EHR Incentive Payment program (but all states have elected to do so). The program authorization is via the HITECH legislation, part of the American Reinvestment and Recovery Act (ARRA), and governance is through 42 CFR Parts 412, 413 and 495

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.

The current phase of the project includes two primary activities which involve IT resources. The first is the enhancement of the tools that were developed to support the manual processes delivered in Phase 1 of the project. This will entail expanding the tool functionality to support Stage 1 Meaningful Use (MU). There will be no impact to existing technology and no new technology introduced.

The second activity involves a cost/benefit analysis and possible implementation of a third-party systems solution for the program. At this time, we cannot specify the impact to technology since the system will be identified after the cost/benefit analysis is complete.

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.

As mentioned above, we are unable to comment on the items until we have completed the cost/benefit analysis and selected a specific systems solution (if justified).

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.

SMHP will be sponsored by Vivianne Chaumont, the State Medicaid Director and Eric Henrichsen, the DHHS CIO. The project team will include members from the Medicaid IT Initiatives team who will provide subject matter expertise, and DHHS IS&T who will bring project management and systems expertise..

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

These will be developed as part of the project.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

11. Describe the training and staff development requirements.

These will be developed as part of the project.

12. Describe the ongoing support requirements.

These will be developed as part of the project.

Section 7: Risk Assessment (10 Points)

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

SMHP will need to be completed during a time when many other major initiatives are in progress within the state Medicaid division. Resource contention will be high, and also the ability of DHHS and Medicaid to have the bandwidth to manage a significant amount of activity will be tested.

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

DHHS has developed a Governance structure for the numerous Medicaid projects that will be underway simultaneously. This should lessen the risk of projects not receiving appropriate attention. DHHS has, and continues, to acquire outside resources to supplement Medicaid staff for their requirements related to the projects.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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

IT Project Proposal Report - Detail

Agency: 025 - DEPT OF HEALTH & HUMAN SERVICES

Budget Cycle: 2013-2015 Biennium Version: AF - AGENCY FINAL REQUEST

IT Project : MMIS Replacement Study

General Section

Contact Name : Vivianne Chaumont	E-mail : vivianne.chaumont@nebraska.gov	Agency Priority :
Address : 301 Centennial Mall South	Telephone : 402-471-2135	NITC Priority :
City : Lincoln		NITC Score :
State : Nebraska	Zip : 68509	

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	3,864,120	1,761,470	1,300,000	802,650	0	0
Subtotal Contractual Services	3,864,120	1,761,470	1,300,000	802,650	0	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	0	0	0	0	0	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	0	0	0	0	0	0
Capital Expenditures						
Hardware	0	0	0	0	0	0
Software	0	0	0	0	0	0
Network	0	0	0	0	0	0
Other	0	0	0	0	0	0
Subtotal Capital Expenditures	0	0	0	0	0	0
TOTAL PROJECT COST	3,864,120	1,761,470	1,300,000	802,650	0	0

Funding

Fund Type	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
General Fund	386,412	176,147	130,000	80,265	0	0
Cash Fund	0	0	0	0	0	0
Federal Fund	3,477,708	1,585,323	1,170,000	722,385	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	3,864,120	1,761,470	1,300,000	802,650	0	0
VARIANCE	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**

IT Project: MMIS Replacement Study

EXECUTIVE SUMMARY:

The Nebraska legacy Medicaid Management Information System (MMIS) was certified by The Centers for Medicare and Medicaid Services (CMS) in 1978 and has been in operation for over 30 years. The legacy MMIS was designed primarily to process Medicaid claims, which it does with reasonable efficiency for the fee-for-service (FFS) sector of Medicaid operations. However, over the past 33 years, the business of Medicaid has changed significantly. Many new Medicaid business functions have been added, expanding services beyond the typical FFS to include waiver services, capitated managed care, accountable case services, and varying benefit categories.

The legacy MMIS does not have the flexibility to take advantage of current technology to reduce manual processing, improve data integrity, support data analysis, and increase quality. The MMIS file structure is too limited to allow CMS mandates to be fully implemented without extensive, costly modifications. Lack of compliance with these mandated initiatives places Nebraska at risk of a reduced Federal Financial Participation (FFP).

The Department contracted with Public Consulting Group (PCG) through request for proposal 3226Z1 to conduct an MMIS Replacement Study. The contract deliverables include a Nebraska Medicaid Systems Replacement Plan and Nebraska Medicaid Systems Procurement Package. In completing the Replacement Plan, PCG will conduct an Alternative Analysis to compare the legacy MMIS capabilities, as well as maintenance and operations costs to the Medicaid Enterprise System marketplace. The analysis will consider various options and cost benefits to assist DHHS in selecting the best strategy regarding the legacy MMIS. The options considered range from continuing to operate the legacy MMIS with no enhancement to a full replacement of the MMIS using a vendor solution. This analysis is due to be completed in October 2012.

The Procurement Package deliverable will be based on the option selected from the Alternatives Analysis. If the decision is made to replace the legacy MMIS, PCG is tasked with drafting business requirements and developing a request for proposal (RFP). The RFP details the scope of work and contractual requirements for the vendor bidding process.

Attachments:

MMIS Replacement Study-Main.docx

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

Please see below for this section:

1. Describe the project, including:

- **Specific goals and objectives;**
- **Expected beneficiaries of the project; and**
- **Expected outcomes.**

The Replacement Plan and Procurement Package is intended to provide DHHS with the expertise to plan their MMIS replacement strategy and develop a scope of work that meets the needs of DHHS while attracting the best-qualified vendors. The Alternatives Analysis will outline the various MMIS replacement and vendor contracting options.

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

DHHS determined a need to bring in outside resources with experience in current technology and MMIS procurements to round out the department's Nebraska-specific knowledge. By becoming better informed of the available options, DHHS will be able to release an RFP that:

- Attracts multiple bidders allowing DHHS to choose the best qualified vendor versus settling for a single bidder
- Encourages competition from bidders eager to offer a good solution at a competitive price
- Protects DHHS interests through well-defined requirements that clearly state expectations of state and vendor responsibilities

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

The Replacement Plan is expected to provide DHHS with sufficient information to make an informed decision on the MMIS replacement approach. The Procurement Package success will be measured by the response from the vendor community and the ability to achieve consensus during requirement validation activities conducted once the MMIS replacement contract is awarded. This is dependent on the approach selected.

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

Replacement of the MMIS supports Nebraska's fiscal management of the Medicaid program and places the Department in a stronger position to address impending budget challenges. The replacement would be accomplished by supporting less costly implementation of Medicaid program alternatives, providing increased financial reporting functionality and reducing overall MMIS maintenance costs. The replacement study will provide DHHS with tools to make an informed decision.

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

4. Provide the project justification in terms of tangible benefits (i.e. economic return on investment) and/or intangible benefits (e.g. additional services for customers).

The legacy MMIS is based on outdated technology that is challenging to maintain and restricts the progress of the Nebraska Medicaid program. Benefits to be realized by procuring a new MMIS include:

- More flexible system structure to support the implementation of federal standards, which will allow Nebraska to continue to receive 75/25 federal match for operations
- Ability to receive 90/10 federal match for enhancements
- Ability to incorporate new payment and delivery models to achieve cost savings
- Increased reporting and analytical capabilities to adequately manage program
- Improved ability to identify fraud, waste, and abuse of services, as well as potential cost saving opportunities and quantify results
- Increased user configuration and control along with reduced system modification turnaround time

The MMIS Replacement Study looks at the alternatives and educates DHHS on available technology, best practices, and risk reduction.

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

5. Describe other solutions that were evaluated, including their strengths and weaknesses, and why they were rejected. Explain the implications of doing nothing and why this option is not acceptable.

DHHS contracted for a previous Alternative Analysis, which was completed in 2004. The recommendation at that time was to replace the legacy MMIS. The RFP that was created resulted in a single bidder whose attempt to implement a new MMIS failed.

The legacy MMIS can continue to process Medicaid claims. However, the technical staff struggled to implement new initiatives in the restrictive structure and record layout limitations. The inability to fully implement CMS initiatives puts Nebraska at risk of FFP reduction.

At this time, DHHS is waiting on the completion of the Alternatives Analysis to outline the various options and cost benefits. This analysis is due to be completed in October 2012.

6. If the project is the result of a state or federal mandate, please specify the mandate being addressed.

There is no single mandate driving the need to replace the legacy MMIS. Each initiative or mandate has presented an increasing challenge to modify the system to simulate the needed processing.

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.

While the Replacement Plan and the Procurement Package do not have a technical impact per se, the actions based on those deliverables may. As indicated in the response to item #5, the Alternatives Analysis has not been completed. There are many variables to be considered. If the decision is made to have a vendor implement and maintain an MMIS, the result could be a system fully supported by a vendor using their hardware and data center. This approach will offer the most competitive vendor response to a request for proposal.

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.

As indicated in response to item #7, the Replacement Plan and the Procurement Package alone do not have a technical impact.

PRELIMINARY PLAN FOR IMPLEMENTATION (10 PTS):

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

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.

The MMIS Replacement will be sponsored by Vivianne Chaumont, the State Medicaid Director. A project team will be formed under the Governance of the Department of Health and Human Services Medicaid Non Operations Project Portfolio (MNOPP) Steering Committee.

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

These will be developed as part of the project.

11. Describe the training and staff development requirements.

These will be developed as part of the project.

12. Describe the ongoing support requirements.

These will be developed as part of the project.

RISK ASSESSMENT (10 PTS):

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

The MMIS Replacement Plan is underway and progressing according to schedule. Risk is minimal.

The MMIS Replacement Procurement Package is dependent on the approach chosen from the information in the Replacement Plan. Risk will be determined by the approach selected and any delay in making that decision.

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

Outside resources with experience in MMIS procurement, implementation, and operations, as well as large-scale project management have been acquired to assist DHHS in the MMIS Replacement Study. These resources will also provide guidance and education to the DHHS staff during this project.

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

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	MMIS Replacement Study
Agency/Entity	Department of Health and Human Services

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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](http://nitc.ne.gov/standards/) “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

**Project Proposal Form
FY2013-2015 Biennial Budget Requests****Section 1: General Information**

Project Title	MMIS Replacement Study
Agency (or entity)	Department of Health and Human Services

Contact Information for this Project:

Name	Vivianne Chaumont
Address	301 Centennial Mall South
City, State, Zip	Lincoln, NE 68509
Telephone	402-471-2135
E-mail Address	Vivianne.Chaumont@nebraska.gov

Section 2: Executive Summary

Provide a one or two paragraph summary of the proposed project. This summary will be used in other externally distributed documents and should therefore clearly and succinctly describe the project and the information technology required.

The Nebraska legacy Medicaid Management Information System (MMIS) was certified by The Centers for Medicare and Medicaid Services (CMS) in 1978 and has been in operation for over 30 years. The legacy MMIS was designed primarily to process Medicaid claims, which it does with reasonable efficiency for the fee-for-service (FFS) sector of Medicaid operations. However, over the past 33 years, the business of Medicaid has changed significantly. Many new Medicaid business functions have been added, expanding services beyond the typical FFS to include waiver services, capitated managed care, accountable case services, and varying benefit categories. The legacy MMIS does not have the flexibility to take advantage of current technology to reduce manual processing, improve data integrity, support data analysis, and increase quality. The MMIS file structure is too limited to allow CMS mandates to be fully implemented without extensive, costly modifications. Lack of compliance with these mandated initiatives places Nebraska at risk of a reduced Federal Financial Participation (FFP).

The Department contracted with Public Consulting Group (PCG) through request for proposal 3226Z1 to conduct an MMIS Replacement Study. The contract deliverables include a Nebraska Medicaid Systems Replacement Plan and Nebraska Medicaid Systems Procurement Package. In completing the Replacement Plan, PCG will conduct an Alternative Analysis to compare the legacy MMIS capabilities, as well as maintenance and operations costs to the Medicaid Enterprise System marketplace. The analysis will consider various options and cost benefits to assist DHHS in selecting the best strategy regarding the legacy MMIS. The options considered range from continuing to operate the legacy MMIS with no enhancement to a full replacement of the MMIS using a vendor solution. This analysis is due to be completed in October 2012.

The Procurement Package deliverable will be based on the option selected from the Alternatives Analysis. If the decision is made to replace the legacy MMIS, PCG is tasked with drafting

Project Proposal Form
FY2013-2015 Biennial Budget Requests

business requirements and developing a request for proposal (RFP). The RFP details the scope of work and contractual requirements for the vendor bidding process.

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

1. Describe the project, including:
 - Specific goals and objectives;
 - Expected beneficiaries of the project; and
 - Expected outcomes.

The Replacement Plan and Procurement Package is intended to provide DHHS with the expertise to plan their MMIS replacement strategy and develop a scope of work that meets the needs of DHHS while attracting the best-qualified vendors. The Alternatives Analysis will outline the various MMIS replacement and vendor contracting options.

DHHS determined a need to bring in outside resources with experience in current technology and MMIS procurements to round out the department's Nebraska-specific knowledge. By becoming better informed of the available options, DHHS will be able to release an RFP that:

- Attracts multiple bidders allowing DHHS to choose the best qualified vendor versus settling for a single bidder
- Encourages competition from bidders eager to offer a good solution at a competitive price
- Protects DHHS interests through well-defined requirements that clearly state expectations of state and vendor responsibilities

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

The Replacement Plan is expected to provide DHHS with sufficient information to make an informed decision on the MMIS replacement approach. The Procurement Package success will be measured by the response from the vendor community and the ability to achieve consensus during requirement validation activities conducted once the MMIS replacement contract is awarded. This is dependent on the approach selected.

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

Replacement of the MMIS supports Nebraska's fiscal management of the Medicaid program and places the Department in a stronger position to address impending budget challenges. The replacement would be accomplished by supporting less costly implementation of Medicaid program alternatives, providing increased financial reporting functionality and reducing overall MMIS maintenance costs. The replacement study will provide DHHS with tools to make an informed decision.

**Project Proposal Form
FY2013-2015 Biennial Budget Requests**

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

4. Provide the project justification in terms of tangible benefits (i.e. economic return on investment) and/or intangible benefits (e.g. additional services for customers).

The legacy MMIS is based on outdated technology that is challenging to maintain and restricts the progress of the Nebraska Medicaid program. Benefits to be realized by procuring a new MMIS include:

- More flexible system structure to support the implementation of federal standards, which will allow Nebraska to continue to receive 75/25 federal match for operations
- Ability to receive 90/10 federal match for enhancements
- Ability to incorporate new payment and delivery models to achieve cost savings
- Increased reporting and analytical capabilities to adequately manage program
- Improved ability to identify fraud, waste, and abuse of services, as well as potential cost saving opportunities and quantify results
- Increased user configuration and control along with reduced system modification turnaround time

The MMIS Replacement Study looks at the alternatives and educates DHHS on available technology, best practices, and risk reduction.

5. Describe other solutions that were evaluated, including their strengths and weaknesses, and why they were rejected. Explain the implications of doing nothing and why this option is not acceptable.

DHHS contracted for a previous Alternative Analysis, which was completed in 2004. The recommendation at that time was to replace the legacy MMIS. The RFP that was created resulted in a single bidder whose attempt to implement a new MMIS failed.

The legacy MMIS can continue to process Medicaid claims. However, the technical staff struggled to implement new initiatives in the restrictive structure and record layout limitations. The inability to fully implement CMS initiatives puts Nebraska at risk of FFP reduction.

At this time, DHHS is waiting on the completion of the Alternatives Analysis to outline the various options and cost benefits. This analysis is due to be completed in October 2012.

6. If the project is the result of a state or federal mandate, please specify the mandate being addressed.

There is no single mandate driving the need to replace the legacy MMIS. Each initiative or mandate has presented an increasing challenge to modify the system to simulate the needed processing.

Section 5: Technical Impact (20 Points)

**Project Proposal Form
FY2013-2015 Biennial Budget Requests**

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.

While the Replacement Plan and the Procurement Package do not have a technical impact per se, the actions based on those deliverables may. As indicated in the response to item #5, the Alternatives Analysis has not been completed. There are many variables to be considered. If the decision is made to have a vendor implement and maintain an MMIS, the result could be a system fully supported by a vendor using their hardware and data center. This approach will offer the most competitive vendor response to a request for proposal.

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.

As indicated in response to item #7, the Replacement Plan and the Procurement Package alone do not have a technical impact.

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.

The MMIS Replacement will be sponsored by Vivianne Chaumont, the State Medicaid Director. A project team will be formed under the Governance of the Department of Health and Human Services Medicaid Non Operations Project Portfolio (MNOPP) Steering Committee.

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

These will be developed as part of the project.

11. Describe the training and staff development requirements.

These will be developed as part of the project.

12. Describe the ongoing support requirements.

These will be developed as part of the project.

Section 7: Risk Assessment (10 Points)

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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

The MMIS Replacement Plan is underway and progressing according to schedule. Risk is minimal.

The MMIS Replacement Procurement Package is dependent on the approach chosen from the information in the Replacement Plan. Risk will be determined by the approach selected and any delay in making that decision.

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

Outside resources with experience in MMIS procurement, implementation, and operations, as well as large-scale project management have been acquired to assist DHHS in the MMIS Replacement Study. These resources will also provide guidance and education to the DHHS staff during this project.

Nebraska Information Technology Commission

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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.)

(Revise dates as necessary for your request.)

	Estimated Prior Expended	Forecast FY2013	Request for FY2014 (Year 1)			Future	Total
1. Personnel Costs							\$ -
2. Contractual Services							
2.1 Design							\$ -
2.2 Programming							\$ -
2.3 Project Management							\$ -
2.4 Other	\$ 1,761,470.00	\$ 1,300,000.00	\$ 802,650.00	\$ -	\$ -		\$ 3,864,120.00
3. Supplies and Materials							\$ -
4. Telecommunications							\$ -
5. Training							\$ -
6. Travel							\$ -
7. Other Operating Costs							\$ -
8. Capital Expenditures							
8.1 Hardware							\$ -
8.2 Software							\$ -
8.3 Network							\$ -
8.4 Other							\$ -
TOTAL COSTS	\$ 1,761,470.00	\$ 1,300,000.00	\$ 802,650.00	\$ -	\$ -	\$ -	\$ 3,864,120.00
General Funds	\$ 176,147.00	\$ 130,000.00	\$ 80,265.00				\$ 386,412.00
Cash Funds							\$ -
Federal Funds	\$ 1,585,323.00	\$ 1,170,000.00	\$ 722,385.00				\$ 3,477,708.00
Revolving Funds							\$ -
Other Funds							\$ -
TOTAL FUNDS	\$ 1,761,470.00	\$ 1,300,000.00	\$ 802,650.00	\$ -	\$ -	\$ -	\$ 3,864,120.00

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

IT Project : MMIS Replacement**General Section**

Contact Name : Vivianne Chaumont	E-mail : vivianne.chaumont@nebraska.gov	Agency Priority :
Address : 301 Centennial Mall South	Telephone : 402-471-2135	NITC Priority :
City : Lincoln		NITC Score :
State : Nebraska	Zip : 68509	

Expenditures

IT Project Costs	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
Contractual Services						
Design	39,142,288	0	0	9,785,572	9,785,572	19,571,144
Programming	39,142,288	0	0	9,785,572	9,785,572	19,571,144
Project Management	10,735,560	0	0	2,683,890	2,683,890	5,367,780
Data Conversion	0	0	0	0	0	0
Other	0	0	0	0	0	0
Subtotal Contractual Services	89,020,136	0	0	22,255,034	22,255,034	44,510,068
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	3,924,988	0	0	981,247	981,247	1,962,494
End-user Staff	0	0	0	0	0	0
Subtotal Training	3,924,988	0	0	981,247	981,247	1,962,494

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	0	0	0	0	0	0
Supplies & Materials	0	0	0	0	0	0
Travel	11,045,580	0	0	2,761,395	2,761,395	5,522,790
Other	0	0	0	0	0	0
Subtotal Other Operating Costs	11,045,580	0	0	2,761,395	2,761,395	5,522,790
Capital Expenditures						
Hardware	978,464	0	0	244,616	244,616	489,232
Software	6,098,392	0	0	1,504,958	1,504,958	3,088,476
Network	1,500,000	0	0	375,000	375,000	750,000
Other	1,111,000	0	0	277,750	277,750	555,500
Subtotal Capital Expenditures	9,687,856	0	0	2,402,324	2,402,324	4,883,208
TOTAL PROJECT COST	113,678,560	0	0	28,400,000	28,400,000	56,878,560

Funding

Fund Type	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
General Fund	4,360,000	0	0	0	0	4,360,000
Cash Fund	7,000,000	0	0	2,840,000	2,840,000	1,320,000
Federal Fund	102,318,560	0	0	25,560,000	25,560,000	51,198,560
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	113,678,560	0	0	28,400,000	28,400,000	56,878,560
VARIANCE	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**

IT Project: MMIS Replacement

EXECUTIVE SUMMARY:

The Nebraska legacy Medicaid Management Information System (MMIS) was certified by The Centers for Medicare and Medicaid Services (CMS) in 1978 and has been in operation for over 30 years. The legacy MMIS was designed primarily to process Medicaid claims, which it does with reasonable efficiency for the fee-for-service (FFS) sector of Medicaid operations. However, over the past 33 years, the business of Medicaid has changed significantly. Many new Medicaid business functions have been added expanding services beyond the typical FFS to include waiver services, capitated managed care, accountable case services, and varying benefit categories.

The legacy MMIS does not have the flexibility to take advantage of current technology to reduce manual processing, improve data integrity, support data analysis, and increase quality. Transactions are being processed using several disparate software applications because the MMIS cannot support the electronic data exchange of the various records. The manipulation and transformation of incoming data from a standardized format to a legacy MMIS-acceptable format results in the loss of data for processing and reporting.

CMS has mandated the implementation of several initiatives such as ICD-10, HIPAA, NPI, 5010 and most recently the CMS 7 Standards and Conditions. These implementations have been challenging in a system with restrictive record layouts and hard-coded logic. The legacy MMIS technical staff often has had to design stop-gap type logic to be able to accept new standardized transactions. The MMIS file structure is too limited to allow for these mandates to be fully implemented without extensive, costly modifications. Lack of compliance with these mandated initiatives place Nebraska at risk of a reduced Federal Financial Participation (FFP).

Attachments:

MMIS Replacement-MainDoc.docx

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

Project Description:

In replacing the legacy MMIS with a new MMIS offering more features and a more flexible structure DHHS will be able to:

- Reduce manual operations through increase automation opportunities
- Expand electronic processing by fully supporting standardized transactions
- Support new health care delivery models and service plan options
- Improve program management through the use of improved data analytics and information retrieval
- Increase stakeholder efficiency and satisfaction by providing Web portal access to the provider and member community for submitting information such a claims, applications, and demographic updates
- Increase responsiveness to state and federal mandates and initiatives

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

The benefits of a new MMIS are widespread:

- The provider community will see improved claims processing through the ability to submit claims via a Web portal and receive immediate feedback on the adjudication status of their claims. Providers will also be able to view financial information, download remittances advices and other communication. Applications and updates can be submitted online.
- Members will benefit from provider access to improved eligibility and third party liability information. Member service history will be available to improve patient care.
- DHHS staff will be able to eliminate many labor intensive processes and focus their efforts on true exception processing.
- Improved information will assist the division in program management activities.

Measurement/Assessment:

Once the new MMIS is implemented, CMS performs an MMIS Certification to determine the MMIS meets specific operational standards and functionality. CMS has designed an approach that begins with the state's decision to procure an MMIS and culminates with the final certification review. Once certification is awarded, the state can then begin receiving increased federal matching funds.

Relationship to Agency IT Plan:

Replacement of the MMIS supports Nebraska's fiscal management of the Medicaid program and places the Department in a stronger position to address impending budget challenges. This would be accomplished by supporting less costly implementation of Medicaid program alternatives, providing increased financial reporting functionality and reducing overall MMIS maintenance costs through the use of user-configurable updates.

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

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

Benefits:

The legacy MMIS is based on outdated technology that is challenging to maintain and restricts the progress of the Nebraska Medicaid program. Benefits to be realized by procuring a new MMIS include:

- More flexible system structure to support the implementation of federal standards, which will allow Nebraska to continue to receive 75/25 federal match for operations
- Ability to receive 90/10 federal match for enhancements
- Ability to incorporate new payment and delivery models to achieve cost savings
- Increased reporting and analytical capabilities to adequately manage program
- Improved ability to identify fraud, waste, and abuse of services, as well as potential cost saving opportunities and quantify results
- Increased user configuration and control along with reduced system modification turnaround time

Other Solutions / Alternatives:

At this time, DHHS has contracted with Public Consulting Group (PCG) to conduct an Alternative Analysis to compare the legacy MMIS capabilities, as well as maintenance and operations costs to the Medicaid Enterprise System marketplace. The analysis will consider various options and cost benefits. This analysis is due to be completed in October 2012.

State / Federal Mandates?:

There is no single mandate driving the need to replace the legacy MMIS. Each initiative or mandate has presented an increasing challenge to modify the system to simulate the needed processing.

TECHNICAL IMPACT (20 PTS):

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

Technical Description & Enhancements:

As indicated in the response to item #5, the Alternatives Analysis has not been completed. There are many variables to be considered.

Reliability/Security/Scalability/Conformity/Compatibility:

As indicated in response to item #7 the MMIS replacement strategy is still to be determined. This project may or may not enhance the present technology components. The impact of any technology enhancement cannot be comment upon until the approach has been decided.

PRELIMINARY PLAN FOR IMPLEMENTATION (10 PTS):

Preliminary Implementation Plans:

The MMIS Replacement will be sponsored by Vivianne Chaumont, the State Medicaid Director. A project team will be formed under the Governance of the Department of Health and Human Services Steering Committee.

Major Milestones / Deliverables:

These will be developed as part of the project.

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

Training / Staff Development:

These will be developed as part of the project.

On-going Support:

These will be developed as part of the project.

RISK ASSESSMENT (10 PTS):

Possible Barriers / Risk:

The MMIS Replacement project will require a number of resources to be dedicated to the project to provide subject matter expertise throughout the implementation. There will be a need to backfill some of the positions to continue to support the day-to-day operations.

Although DHHS has a number of very skilled resources supporting the daily Medicaid operations, their exposure to current MMIS technology has been limited. In addition to the current resources, DHHS will need to ensure there are available resources with the knowledge to take full advantage of the newly procured technology to support the Nebraska Medicaid program.

Strategies to Minimize Risk:

Outside resources with experience in MMIS procurement, implementation, and operations, as well as large-scale project management have been acquired to assist DHHS in the strategy to the MMIS replacement. These resources will also provide guidance and education to the DHHS staff during this project.

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. The Excel template used to compile information in that tab has also been attached to this page.

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

Attachments:

MMIS Replacement-Financial.xlsx

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	MMIS Replacement
Agency/Entity	Department of Health and Human Services

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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](http://nitc.ne.gov/standards/) “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

**Project Proposal Form
FY2013-2015 Biennial Budget Requests****Section 1: General Information**

Project Title	MMIS Replacement
Agency (or entity)	Department of Health and Human Services

Contact Information for this Project:

Name	Vivianne Chaumont
Address	301 Centennial Mall South
City, State, Zip	Lincoln, NE 68509
Telephone	402-471-2135
E-mail Address	Vivianne.Chaumont@nebraska.gov

Section 2: Executive Summary

Provide a one or two paragraph summary of the proposed project. This summary will be used in other externally distributed documents and should therefore clearly and succinctly describe the project and the information technology required.

The Nebraska legacy Medicaid Management Information System (MMIS) was certified by The Centers for Medicare and Medicaid Services (CMS) in 1978 and has been in operation for over 30 years. The legacy MMIS was designed primarily to process Medicaid claims, which it does with reasonable efficiency for the fee-for-service (FFS) sector of Medicaid operations. However, over the past 33 years, the business of Medicaid has changed significantly. Many new Medicaid business functions have been added expanding services beyond the typical FFS to include waiver services, capitated managed care, accountable case services, and varying benefit categories.

The legacy MMIS does not have the flexibility to take advantage of current technology to reduce manual processing, improve data integrity, support data analysis, and increase quality. Transactions are being processed using several disparate software applications because the MMIS cannot support the electronic data exchange of the various records. The manipulation and transformation of incoming data from a standardized format to a legacy MMIS-acceptable format results in the loss of data for processing and reporting.

CMS has mandated the implementation of several initiatives such as ICD-10, HIPAA, NPI, 5010 and most recently the CMS 7 Standards and Conditions. These implementations have been challenging in a system with restrictive record layouts and hard-coded logic. The legacy MMIS technical staff often has had to design stop-gap type logic to be able to accept new standardized transactions. The MMIS file structure is too limited to allow for these mandates to be fully implemented without extensive, costly modifications. Lack of compliance with these mandated initiatives place Nebraska at risk of a reduced Federal Financial Participation (FFP).

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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

1. Describe the project, including:
 - Specific goals and objectives;
 - Expected beneficiaries of the project; and
 - Expected outcomes.

In replacing the legacy MMIS with a new MMIS offering more features and a more flexible structure DHHS will be able to:

- Reduce manual operations through increase automation opportunities
- Expand electronic processing by fully supporting standardized transactions
- Support new health care delivery models and service plan options
- Improve program management through the use of improved data analytics and information retrieval
- Increase stakeholder efficiency and satisfaction by providing Web portal access to the provider and member community for submitting information such a claims, applications, and demographic updates
- Increase responsiveness to state and federal mandates and initiatives

The benefits of a new MMIS are widespread.

- The provider community will see improved claims processing through the ability to submit claims via a Web portal and receive immediate feedback on the adjudication status of their claims. Providers will also be able to view financial information, download remittances advices and other communication. Applications and updates can be submitted online.
- Members will benefit from provider access to improved eligibility and third party liability information. Member service history will be available to improve patient care.
- DHHS staff will be able to eliminate many labor intensive processes and focus their efforts on true exception processing.
- Improved information will assist the division in program management activities.

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

Once the new MMIS is implemented, CMS performs an MMIS Certification to determine the MMIS meets specific operational standards and functionality. CMS has designed an approach that begins with the state's decision to procure an MMIS and culminates with the final certification review. Once certification is awarded, the state can then begin receiving increased federal matching funds.

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

Project Proposal Form
FY2013-2015 Biennial Budget Requests

Replacement of the MMIS supports Nebraska's fiscal management of the Medicaid program and places the Department in a stronger position to address impending budget challenges. This would be accomplished by supporting less costly implementation of Medicaid program alternatives, providing increased financial reporting functionality and reducing overall MMIS maintenance costs through the use of user-configurable updates.

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

4. Provide the project justification in terms of tangible benefits (i.e. economic return on investment) and/or intangible benefits (e.g. additional services for customers).

The legacy MMIS is based on outdated technology that is challenging to maintain and restricts the progress of the Nebraska Medicaid program. Benefits to be realized by procuring a new MMIS include:

- More flexible system structure to support the implementation of federal standards, which will allow Nebraska to continue to receive 75/25 federal match for operations
- Ability to receive 90/10 federal match for enhancements
- Ability to incorporate new payment and delivery models to achieve cost savings
- Increased reporting and analytical capabilities to adequately manage program
- Improved ability to identify fraud, waste, and abuse of services, as well as potential cost saving opportunities and quantify results
- Increased user configuration and control along with reduced system modification turnaround time

5. Describe other solutions that were evaluated, including their strengths and weaknesses, and why they were rejected. Explain the implications of doing nothing and why this option is not acceptable.

At this time, DHHS has contracted with Public Consulting Group (PCG) to conduct an Alternative Analysis to compare the legacy MMIS capabilities, as well as maintenance and operations costs to the Medicaid Enterprise System marketplace. The analysis will consider various options and cost benefits. This analysis is due to be completed in October 2012.

6. If the project is the result of a state or federal mandate, please specify the mandate being addressed.

There is no single mandate driving the need to replace the legacy MMIS. Each initiative or mandate has presented an increasing challenge to modify the system to simulate the needed processing.

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,

**Project Proposal Form
FY2013-2015 Biennial Budget Requests**

software, and communications requirements. Describe the strengths and weaknesses of the proposed solution.

As indicated in the response to item #5, the Alternatives Analysis has not been completed. There are many variables to be considered.

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.

As indicated in response to item #7 the MMIS replacement strategy is still to be determined. This project may or may not enhance the present technology components. The impact of any technology enhancement cannot be comment upon until the approach has been decided.

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.

The MMIS Replacement will be sponsored by Vivianne Chaumont, the State Medicaid Director. A project team will be formed under the Governance of the Department of Health and Human Services Steering Committee.

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

These will be developed as part of the project.

11. Describe the training and staff development requirements.

These will be developed as part of the project.

12. Describe the ongoing support requirements.

These will be developed as part of the project.

Section 7: Risk Assessment (10 Points)

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

Project Proposal Form
FY2013-2015 Biennial Budget Requests

The MMIS Replacement project will require a number of resources to be dedicated to the project to provide subject matter expertise throughout the implementation. There will be a need to backfill some of the positions to continue to support the day-to-day operations.

Although DHHS has a number of very skilled resources supporting the daily Medicaid operations, their exposure to current MMIS technology has been limited. In addition to the current resources, DHHS will need to ensure there are available resources with the knowledge to take full advantage of the newly procured technology to support the Nebraska Medicaid program.

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

Outside resources with experience in MMIS procurement, implementation, and operations, as well as large-scale project management have been acquired to assist DHHS in the strategy to the MMIS replacement. These resources will also provide guidance and education to the DHHS staff during this project.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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

IT Project Proposal Report - Detail

Agency: 025 - DEPT OF HEALTH & HUMAN SERVICES

Budget Cycle: 2013-2015 Biennium Version: AF - AGENCY FINAL REQUEST

IT Project : Medicaid Managed Care Expansion

General Section

Contact Name : Eric Henrichsen	E-mail : eric.henrichsen@nebraska.gov	Agency Priority :
Address : 1050 N Street, Mezzanine	Telephone : 402-471-8554	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	5,349,903	377,831	1,746,472	2,150,400	1,075,200	0
Subtotal Contractual Services	5,349,903	377,831	1,746,472	2,150,400	1,075,200	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	47,297	47,297	0	0	0	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	47,297	47,297	0	0	0	0
Capital Expenditures						
Hardware	0	0	0	0	0	0
Software	0	0	0	0	0	0
Network	0	0	0	0	0	0
Other	0	0	0	0	0	0
Subtotal Capital Expenditures	0	0	0	0	0	0
TOTAL PROJECT COST	5,397,200	425,128	1,746,472	2,150,400	1,075,200	0

Funding

Fund Type	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
General Fund	1,349,300	106,282	436,618	537,600	268,800	0
Cash Fund	0	0	0	0	0	0
Federal Fund	4,047,900	318,846	1,309,854	1,612,800	806,400	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	5,397,200	425,128	1,746,472	2,150,400	1,075,200	0
VARIANCE	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**

IT Project: Medicaid Managed Care Expansion

EXECUTIVE SUMMARY:

The Medicaid & Long-Term Care (MLTC) division has undertaken a multi-phase project to expand utilization of managed care for delivery of Medicaid services to Nebraska recipients. Expansion requires significant enhancements to the Nebraska MMIS to support integration of new Managed Care Organizations (MCOs), recipient plan assignment functionality, recipient notification/enrollment/disenrollment/reenrollment activities, revised capitation payment functionality, revised encounter data editing/management and expanded management reporting.

Attachments:

ManagedCare-WordDoc.doc

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

1. Project Description:

The first phase in 2012 implements managed care for physical health services statewide, expanding from the ten (10) existing counties to all counties statewide, adding certain physical health services and incorporating additional recipients. The second phase, targeted for 7/1/2013, is planned to implement managed care for behavioral health services statewide. A third phase will convert the encounter data interface between the MMIS and the Managed Care Organizations (MCOs) from a proprietary format to an industry standard, HIPAA-compliant electronic transaction format (837I and 837P).

Subsequent phases being reviewed potentially include a consolidated re-procurement of statewide physical health services targeted for 7/1/2015, pharmacy carve in, and long-term care managed care.

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

DHHS is employing industry-standard project management practices to plan, initiate, monitor and control project activities. Extensive system testing will be utilized to ensure system changes are validated and tested with external business associates, primarily the MCOs.

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

This project is needed to support MLTC business objectives to more fully utilize managed care for delivering Medicaid services to recipients. In order to support this objective, significant MMIS enhancements are necessary.

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

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

4. Provide the project justification in terms of tangible benefits (i.e. economic return on investment) and/or intangible benefits (e.g. additional services for customers).

The managed care delivery systems will benefit the State by reducing costs, managing the rate of expenditure growth, improving quality and access, centralizing administrative functions and providing additional fraud and abuse management. The savings are generated by redirecting services from inpatient or 24-hour levels of care to outpatient settings, where appropriate. In addition, MCOs also employ prior authorization and utilization review of services to ensure all services are medically necessary and of the appropriate scope or duration. The managed care organization (MCO) must provide for reinvestment of any profits in excess of the contracted amount, performance contingencies imposed by the MLTC, and any unearned incentive funds to fund additional services.

5. Describe other solutions that were evaluated, including their strengths and weaknesses, and why they were rejected. Explain the implications of doing nothing and why this option is not acceptable.

Other solution alternatives are not evident. The MMIS enhancements are needed to support this strategic initiative for the Medicaid program within the timeframes required.

6. If the project is the result of a state or federal mandate, please specify the mandate being addressed.

As noted previously, this project is sponsored by the MLTC division within DHHS.

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.

The enhancements required for this project will not require new technology components or architecture for the current MMIS. The enhancement will be incorporated within the

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

existing MMIS architecture.

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.

The enhancements required for this project are compatible with the existing MMIS and state infrastructure.

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.

The project sponsor is Susan Buettner, MLTC Deputy Director for Policy. The project is a collaborative effort between the MLTC and Information Systems & Technology (IS&T) divisions of DHHS. The project team consists of MLTC program managers, subject matter experts, IS&T MMIS development leads, business analysts, application developers, database administrators (part-time) and project managers (part-time). The IS&T resources are responsible for the MMIS system development activities and project management for the system-related activities. The MLTC resources are responsible for program management, requirements and external stakeholder engagement.

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

- Implementation of statewide physical health managed care – 7/1/2012.
- Implementation of the Program for All-Inclusive Care for the Elderly (PACE) – 2/1/2013.
- Implementation of statewide behavioral health managed care – 7/1/2013.
- Implementation of the 837-based encounter interface with the MCOs – 1/1/2014.

11. Describe the training and staff development requirements.

For the implementation of statewide physical health managed care on 7/1/2012, MLTC staff conducted a number of training sessions with DHHS Children & Family Services (CFS) field staff in order to prepare them to assist customers with this transition. In addition, MLTC conducted extensive outreach to the provider and external stakeholder community through provider bulletins and through ongoing stakeholder meetings such as the Medicaid Advisory Committee (MAC). Subsequent phases will be handled similarly.

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

12. Describe the ongoing support requirements.

Ongoing support of the MMIS enhancements will be assumed by the IS&T MMIS team after a post-implementation support period by project resources.

RISK ASSESSMENT (10 PTS):

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

Risks are that the business goals cannot be achieved without the system configurations and that the move to expanded managed care is dependent on the system.

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

As noted above, the requisite system changes are necessary in order to meet the business objectives. The scope of change is beyond the capacity of the existing MMIS systems development staff. Significant MMIS staff augmentation has been utilized to meet the current milestones and additional staff augmentation is planned to step up to subsequent phases.

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. However the Excel template used to assemble the data for the Financial tab has also been attached below.

Attachments:

ManagedCare-Worksheet.xlsx

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	Medicaid Managed Care Expansion
Agency/Entity	Department of Health and Human Services

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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](http://nitc.ne.gov/standards/) “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

Project Proposal Form
FY2013-2015 Biennial Budget Requests

Section 1: General Information

Project Title	Medicaid Managed Care Expansion
Agency (or entity)	Department of Health and Human Services

Contact Information for this Project:

Name	Eric Henrichsen
Address	1033 O Street, Mezzanine
City, State, Zip	Lincoln, NE 68509
Telephone	402 471-8554
E-mail Address	Eric.henrichsen@nebraska.gov

Section 2: Executive Summary

Provide a one or two paragraph summary of the proposed project. This summary will be used in other externally distributed documents and should therefore clearly and succinctly describe the project and the information technology required.

The Medicaid & Long-Term Care (MLTC) division has undertaken a multi-phase project to expand utilization of managed care for delivery of Medicaid services to Nebraska recipients. Expansion requires significant enhancements to the Nebraska MMIS to support integration of new Managed Care Organizations (MCOs), recipient plan assignment functionality, recipient notification/enrollment/disenrollment/reenrollment activities, revised capitation payment functionality, revised encounter data editing/management and expanded management reporting.

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

- Describe the project, including:
 - Specific goals and objectives;
 - Expected beneficiaries of the project; and
 - Expected outcomes.

The first phase in 2012 implements managed care for physical health services statewide, expanding from the ten (10) existing counties to all counties statewide, adding certain physical health services and incorporating additional recipients. The second phase, targeted for 9/1/2013, is planned to implement managed care for behavioral health services statewide. A third phase will convert the encounter data interface between the MMIS and the Managed Care Organizations (MCOs) from a proprietary format to an industry standard, HIPAA-compliant electronic transaction format (837I and 837P). Subsequent phases being reviewed potentially include a consolidated re-procurement of statewide physical health services targeted for 7/1/2015, pharmacy carve in, and long-term care managed care.

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

DHHS is employing industry-standard project management practices to plan, initiate, monitor and control project activities. Extensive system testing will be utilized to ensure system changes are validated and tested with external business associates, primarily the MCOs.

**Project Proposal Form
FY2013-2015 Biennial Budget Requests**

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

This project is needed to support MLTC business objectives to more fully utilize managed care for delivering Medicaid services to recipients. In order to support this objective, significant MMIS enhancements are necessary.

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

4. Provide the project justification in terms of tangible benefits (i.e. economic return on investment) and/or intangible benefits (e.g. additional services for customers).

The managed care delivery systems will benefit the State by reducing costs, managing the rate of expenditure growth, improving quality and access, centralizing administrative functions and providing additional fraud and abuse management. The savings are generated by redirecting services from inpatient or 24-hour levels of care to outpatient settings, where appropriate. In addition, MCOs also employ prior authorization and utilization review of services to ensure all services are medically necessary and of the appropriate scope or duration. The managed care organization (MCO) must provide for reinvestment of any profits in excess of the contracted amount, performance contingencies imposed by the MLTC, and any unearned incentive funds to fund additional services.

5. Describe other solutions that were evaluated, including their strengths and weaknesses, and why they were rejected. Explain the implications of doing nothing and why this option is not acceptable.

Other solution alternatives are not evident. The MMIS enhancements are needed to support this strategic initiative for the Medicaid program within the timeframes required.

6. If the project is the result of a state or federal mandate, please specify the mandate being addressed.

As noted previously, this project is sponsored by the MLTC division within DHHS.

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.

The enhancements required for this project will not require new technology components or architecture for the current MMIS. The enhancement will be incorporated within the existing MMIS architecture.

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.

The enhancements required for this project are compatible with the existing MMIS and state infrastructure.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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.

The project sponsor is Susan Buettner, MLTC Deputy Director for Policy. The project is a collaborative effort between the MLTC and Information Systems & Technology (IS&T) divisions of DHHS. The project team consists of MLTC program managers, subject matter experts, IS&T MMIS development leads, business analysts, application developers, database administrators (part-time) and project managers (part-time). The IS&T resources are responsible for the MMIS system development activities and project management for the system-related activities. The MLTC resources are responsible for program management, requirements and external stakeholder engagement.

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

- Implementation of statewide physical health managed care – 7/1/2012.
- Implementation of the Program for All-Inclusive Care for the Elderly (PACE) – 2/1/2013.
- Implementation of statewide behavioral health managed care – 9/1/2013.
- Implementation of the 837-based encounter interface with the MCOs – 1/1/2014.
- Implementation of the re-procurement of statewide physical health managed care – 7/1/2015.

11. Describe the training and staff development requirements.

For the implementation of statewide physical health managed care on 7/1/2012, MLTC staff conducted a number of training sessions with DHHS Children & Family Services (CFS) field staff in order to prepare them to assist customers with this transition. In addition, MLTC conducted extensive outreach to the provider and external stakeholder community through provider bulletins and through ongoing stakeholder meetings such as the Medicaid Advisory Committee (MAC). Subsequent phases will be handled similarly.

12. Describe the ongoing support requirements.

Ongoing support of the MMIS enhancements will be assumed by the IS&T MMIS team after a post-implementation support period by project resources.

Section 7: Risk Assessment (10 Points)

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

Risks are that the business goals cannot be achieved without the system configurations and that the move to expanded managed care is dependent on the system.

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

As noted above, the requisite system changes are necessary in order to meet the business objectives. The scope of change is beyond the capacity of the existing MMIS systems development staff. Significant MMIS staff augmentation has been utilized to meet the current milestones and additional staff augmentation is planned to step up to subsequent phases.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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

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

IT Project : Behavioral Health Data System**General Section**

Contact Name : Heather Wood	E-mail : heather.wood@nebraska.gov	Agency Priority :
Address : Behavioral Health, NE DHHS, PO Box	Telephone : 402-471-1423	NITC Priority :
City : Lincoln		NITC Score :
State : Nebraska	Zip : 68509	

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	0	0	0	0	0	0
Subtotal Contractual Services	0	0	0	0	0	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	0	0	0	0	0	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	0	0	0	0	0	0
Capital Expenditures						
Hardware	0	0	0	0	0	0
Software	0	0	0	0	0	0
Network	0	0	0	0	0	0
Other	0	0	0	0	0	0
Subtotal Capital Expenditures	0	0	0	0	0	0
TOTAL PROJECT COST	0	0	0	0	0	0

Funding

Fund Type	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
General Fund	0	0	0	0	0	0
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	0	0	0	0	0	0
VARIANCE	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**

IT Project: Behavioral Health Data System

EXECUTIVE SUMMARY:

The Division of Behavioral Health (DBH) faces substantial obstacles in collecting, organizing and accessing data, from behavioral health regions and providers. The data is necessary for DBH to efficiently, accurately and completely fulfill its obligations for reporting, monitoring and managing care in the Nebraska Behavioral Health System. Data is held in multiple different forms, systems and data bases, causing data aggregation to be an ever increasing difficulty for DBH and necessitating multiple verification processes that result in delays discharging its responsibilities.

Personnel at DBH and in the behavioral health regions spend many hours combing data from paper reports, spreadsheets and disparate databases and lack quick, reliable access to information. In addition to its planned reporting, a wide variety of requirements and report breakdowns for various funders and stakeholders are often requested on an ad-hoc basis.

A new centralized data system (CDS) is necessary to overcome these immediate challenges in data access and reporting compliance while also providing DBH, behavioral health regions and providers with data necessary to improve the NE public behavioral health system, especially in an environment of health information exchange and performance monitoring.

The NE DHHS Division of Behavioral Health (DBH) Centralized Data System (CDS) will track outcomes of managed care, measure performance of managed care (in real time), measure funding for managed care, provide for greater fiscal accountability for managed care, meet reporting needs of DBH to Federal and State entities, unify existing databases and technology, fill data gaps for improved management of care and utilize health information exchange efficiencies by interfacing with the State Health Information Exchange (HIE). An example of improvement: data driven, evidence-based, incentives to providers for improved performance.

Attachments:

BehavioralHealth-MainDoc.docx

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

The system will be owned by DBH as a customized application suite, overcoming many inefficiencies and operational challenges in the existing Administrative Service Organizations ownership and operation of the current data limited treatment data system and effectively integration, billing, payment and treatment/prevention information into a unified system.

Primary objectives of the centralized data system are to:

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

1. Improve resource utilization for publically funded DBH stakeholders including regions, providers, tribal providers.
2. Enable timely access to information at all levels of participation
3. Develop nightly batch processes
4. Improve operational efficiencies and processes
5. Reduce or eliminate duplication of consumer services received by ensuring data initiatives of stakeholders and DBH are compatible and can be integrated
6. Identify gaps in consumer services more accurately
7. Enable informed decision making, problem solving and enhanced strategic planning
8. Streamline the dissemination of information and key metrics
9. Reduce the need for outsourcing data analysis
10. Comply with the American Recovery and Reinvestment Act of 2009 (ARRA)
11. Achieve quality improvement through a data driven process that validates expenditures by service category.

Expected beneficiaries of the project include:

1. DBH
2. Behavioral Health Regions
3. Providers
4. Tribal Providers
5. Non-DBH Providers
6. Those receiving care in the DBH system
7. State and Federal funding entities requiring or requesting reporting from DBH

Expected outcomes of the project include:

1. A platform to interface with other system partners by which a broader picture of the behavioral health delivery system is obtained.
2. Access to data at the provider, region and state levels to more efficiently and effectively plan and deliver a public behavioral health system.
3. Data driven decision making.
4. Improved monitoring of state and federal clinical performance data.
5. Identification of trends and outcomes that will improve the service delivery system and prevention efforts, thereby impacting mental illness and substance abuse.
6. Improved state and federal funding accountability by linking expenditures to outcomes.
7. Informed evidence-based treatment practices through use of fidelity and outcome data.

Measurement:

Bench mark performance data for key performance indicators (KPI) will be collected, in those areas of the stated objectives that are quantitative in nature, for a before and after comparison post implementation.

Additionally, stakeholder feedback has been documented in a needs assessment already complete and will be compared with stakeholder feedback post implementation.

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

Current costs to gather, organize, aggregate and disseminate information are known. These will be compared to costs, post-implementation.

Information Technology Plan:

The DHHS Information Systems and Technology department (IS&T) has been consulted at frequent intervals during pre-implementation activities to allow guidance, ensure conformity and produce alignment between technology in this project that is consistent with DHHS IS&T's long term technology direction.

This project will not conflict with any agency division's plan or that of IS&T. Further, this project is supported by DHHS IS&T.

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

Tangible Benefits:

Minimally, a system meeting these objectives will improve the delivery of behavioral health care through quicker access to accurate data for all stakeholders. Replacing the current system of disparate data sources, (i.e. stand-alone applications, reports, databases and paper) will save time and money. A DBH needs analysis conducted and documented in June of 2010 conservatively estimated cost savings with the use of a new CDS at approximately \$360,000.00 per year. That information is available by request.

Other Solutions:

Alternatives include:

1. **Extend the existing Magellan Contract.** Live with current deficiencies including inaccurate reports from invalid entry or data, lack of reports, a time consuming billing and payment authorization process, increased expenditure for data aggregation, inefficiently managed managed-care, an inability to integrate with the NE HIE, incomplete compliance reporting for National Outcomes Measures (NOMS) reported through the State Outcomes Management and Measurement System (SOMMS), incomplete data access for DBH regions and providers, increased expenditures for 3rd party vendor customized data reporting, etc....

This alternative is not considered viable due to the implications to managed care or operational sustainability. Timely and accurate SOMMS/NOMS data reporting of individualized clinical performance measures is essential and required to comply with the Government Performance and Results Act (GPRA) or Federal Block Grant Funds.

2. **Contract with another 3rd Party provider of managed care data.**

DBH believes timely access to ad-hoc, customizable data by all stakeholders at all levels to be compromised when using a 3rd party provider because of the cost and time involved to order and receive reports. Vendor programming changes necessary to comply with DBH related SOMMS and NOMS reporting has been frustratingly slow and likely would continue without specific contract guarantees that would increase the cost of alternative systems.

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

Further, the level of effort to replace the current provider at all levels would likely rival or represent a substantial amount of that for implementing a new, DBH owned and customizable solution.

3. **Do Nothing; let the existing contract terminate.** This alternative is not viable and unacceptable. The managed care data is a vital and necessary part of the provision of DBH services and the required state and federal compliance compelled of DBH.

DBH is compelled to provide tracking of individuals in the DBH emergency system to comply with NE LB1083 reporting requirements. DBH also must provide accurate and timely reports to SAMHSA with regard to performance targets and outcomes tied to Federal Block Grants and the Government Performance Results Act. DBH must also annually report to the State Legislature on other measures / services such as the Gambling Assistance Program (GAP) and for other State or Federal requirements such as Nebraska Prevention Information Reporting System (NPIRS), Criminal Justice Reporting, the NE Uniform Reporting System and many others.

TECHNICAL IMPACT (20 PTS):

Technology Enhancement:

The design for a new system, and therefore the technology enhancements impacting current systems and technology, is not fully known at this time. However, it is clear that a centralized data system available to DBH stakeholders at all levels is a vast improvement over current practice. Benefits, outlined in previous sections of this document, abound. A CDS would eliminate systems and technology duplication, gaps, errors and inefficiencies, while positioning DBH to interface with important and critical distribution channels such as the State HIE. CDS systems, by their nature, are flexible and scalable, thus fitting future needs for growth.

Envisioned is a commercial, off the shelf (COTS) solution, 3rd party licensed but DBH owned and customized. It is expected to make use of a Service Oriented Architecture (SOA), providing support for established standards for Behavioral Health Information Exchange (BHIE). The solution will also enable standard data formats that support interoperability among healthcare applications. The solution will be compliant with HIPAA and all other statutory and regulatory requirements, as well as minimum Certification Commission for Health Information Technology (CCHIT) standards.

The solution will compare and contrast data with other DHHS manage applications, including CHARTS, N-FOCUS and MMIS to avoid duplication of services.

It will offer DBH maximum data access, flexibility and response time. It will provide strong benefit to all stakeholders in the DBH spectrum through universal, secure access and distribution.

PRELIMINARY PLAN FOR IMPLEMENTATION (10 PTS):

IT Project Proposal Report - Detail

Agency: 025 - DEPT OF HEALTH & HUMAN SERVICES
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

Plan for Implementation:

Work has been completed thus far on:

1. A Needs Analysis
2. High Level Business Requirements
3. Solution Discovery (an RFI & evaluated responses).
4. Preliminary budget estimates

Next steps include:

1. A Request For Proposal (RFP)
2. Acquisition of software, hardware and vendor support for a large scale data consolidation and aggregation project to implement the CDS.
3. Interim activity needed to fulfill operational and reporting needs for a period of transition between old systems and new.

A DHHS IS&T Work Breakdown Structure (WBS) with major tasks and milestones has not been developed in advance of solution selection.

Scot Adams, as Director of the Division of Behavioral Health, will serve as the Project's Executive Sponsor. Other project governance, including a panel of affected stake holders, will be developed by the project team after funding is secured. An internal project team (with self-evident roles) is envisioned to minimally include the following positions:

Project Manager / Director
Business Analyst # 1
Business Analyst # 2
Developer # 1
Developer # 2
Database Analyst # 1
Database Analyst # 2
Network Support Resource # 1
Subject Matter Expert # 1
Subject Matter Expert # 2
Subject Matter Expert # 3
Subject Matter Expert # 4
Test Manager

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

Tester # 1
Tester # 2
Tester # 3
Tester # 4
Tester # 5

On-going support:

Once implemented, a DBH CDS will need on-going operational support with positions (roles, self-evident) envisioned as follows:

On Going Support Role

Executive Lead (part time)
Application Manager
Help Desk Support #1
Data Analyst # 1
Data Analyst # 2
Interface Support (part time)
Trainer (part time)
IT Infrastructure FTE # 1 (part time)
Departmental Support # 1 (part time)
Departmental Support # 2 (part time)
Departmental Support # 3 (part time)

RISK ASSESSMENT (10 PTS):

Risks:

Major risks for a project of this type include:

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

1. **Risk – data security:** Because new processes for distributing data will be implemented it is vital to ensure adherence to DHHS/DBH security policies that are currently in place. These policies are rigorous and based on best practices. Best practices in data security include but are not limited to:
 - A. Maintain an understanding of potential environmental risks such as viruses, intruders and disasters.
 - B. Performance of a periodic analysis of the consequences of and countermeasures to security breaches.
 - C. Development of an implementation strategy for integrating security measures into all aspects of an application.

Mitigation: A risk assessment will be undertaken to identify sensitive information for both data in motion (data that is coming into and going out of the CDS) and data at rest (data that is stored in the CDS) as well as vulnerable system components

1. **Risk – data integrity:** For data to be trusted, it cannot have been altered between the data source and the decision maker. Data elements must be able to be uniquely identified and source data must be the same as data in the destination.

Mitigation: Quality Assurance and data integrity will be built into the CDS project implementation plan.

1. **Risk - data normalization:** Critical to data integrity is establishment of a data normalization process. Normalization is the process of efficiently organizing data in a database and involves eliminating redundant data and ensuring data dependencies make sense. Table structures and relationships are the key part of this process. Data normalization for the CDS will be especially challenging given the multiple data sources and formats. For example, many different electronic medical record systems and practice management systems exist within the regions, in addition to the managed care system and scores of paper reports. Data elements are named and interpreted differently among these many systems and the relationships among various pieces of data are handled differently.

Mitigation: An effective data scheme and relationship map is essential before implementation and constitute a significant amount of work in the project.

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. However, the Excel template with the data used to update the financial tab is attached below.

Attachments:

BehavioralHealth-Financial.xlsx

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	Centralized Data System
Agency/Entity	DHHS / Division of Behavioral Health

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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](http://nitc.ne.gov/standards/) “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

Project Proposal Form
FY2013-2015 Biennial Budget Requests

Section 1: General Information

Project Title	Centralized Data System
Agency (or entity)	DHHS / Division of Behavioral Health

Contact Information for this Project:

Name	Heather Wood
Address	Division of Behavioral Health, NE DHHS, P.O. Box 95026
City, State, Zip	Lincoln, NE, 68509-95026
Telephone	402-471-1423
E-mail Address	Heather.Wood@Nebraska.Gov

Section 2: Executive Summary

The Division of Behavioral Health (DBH) faces substantial obstacles in collecting, organizing and accessing data, from behavioral health regions and providers. The data is necessary for DBH to efficiently, accurately and completely fulfill its obligations for reporting, monitoring and managing care in the Nebraska Behavioral Health System. Data is held in multiple different forms, systems and data bases, causing data aggregation to be an ever increasing difficulty for DBH and necessitating multiple verification processes that result in delays discharging its responsibilities. Personnel at DBH and in the behavioral health regions spend many hours combing data from paper reports, spreadsheets and disparate databases and lack quick, reliable access to information. In addition to its planned reporting, a wide variety of requirements and report breakdowns for various funders and stakeholders are often requested on an ad-hoc basis.

A new centralized data system (CDS) is necessary to overcome these immediate challenges in data access and reporting compliance while also providing DBH, behavioral health regions and providers with data necessary to improve the NE public behavioral health system, especially in an environment of health information exchange and performance monitoring.

The NE DHHS Division of Behavioral Health (DBH) Centralized Data System (CDS) will track outcomes of managed care, measure performance of managed care (in real time), measure funding for managed care, provide for greater fiscal accountability for managed care, meet reporting needs of DBH to Federal and State entities, unify existing databases and technology, fill data gaps for improved management of care and utilize health information exchange efficiencies by interfacing with the State Health Information Exchange (HIE). An example of improvement: data driven, evidence-based, incentives to providers for improved performance.

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

The system will be owned by DBH as a customized application suite, overcoming many inefficiencies and operational challenges in the existing Administrative Service Organizations ownership and operation of the current data limited treatment data system and effectively integration, billing, payment and treatment/prevention information into a unified system.

Primary objectives of the CDS are to:

Project Proposal Form
FY2013-2015 Biennial Budget Requests

1. Improve resource utilization for publically funded DBH stakeholders including regions, providers, tribal providers.
2. Enable timely access to information at all levels of participation
3. Develop nightly batch processes
4. Improve operational efficiencies and processes
5. Reduce or eliminate duplication of consumer services received by ensuring data initiatives of stakeholders and DBH are compatible and can be integrated
6. Identify gaps in consumer services more accurately
7. Enable informed decision making, problem solving and enhanced strategic planning
8. Streamline the dissemination of information and key metrics
9. Reduce the need for outsourcing data analysis
10. Comply with the American Recovery and Reinvestment Act of 2009 (ARRA)
11. Achieve quality improvement through a data driven process that validates expenditures by service category.

Expected beneficiaries of the project include:

1. DBH
2. Behavioral Health Regions
3. Providers
4. Tribal Providers
5. Non-DBH Providers
6. Those receiving care in the DBH system
7. State and Federal funding entities requiring or requesting reporting from DBH

Expected outcomes of the project include:

1. A platform to interface with other system partners by which a broader picture of the behavioral health delivery system is obtained.
2. Access to data at the provider, region and state levels to more efficiently and effectively plan and deliver a public behavioral health system.
3. Data driven decision making.
4. Improved monitoring of state and federal clinical performance data.
5. Identification of trends and outcomes that will improve the service delivery system and prevention efforts, thereby impacting mental illness and substance abuse.
6. Improved state and federal funding accountability by linking expenditures to outcomes.
7. Informed evidence-based treatment practices through use of fidelity and outcome data.

Measurement:

Bench mark performance data for key performance indicators (KPI) will be collected, in those areas of the stated objectives that are quantitative in nature, for a before and after comparison post implementation.

Additionally, stakeholder feedback has been documented in a needs assessment already complete and will be compared with stakeholder feedback post implementation.

Current costs to gather, organize, aggregate and disseminate information are known. These will be compared to costs, post-implementation.

Information Technology Plan:

**Project Proposal Form
FY2013-2015 Biennial Budget Requests**

The DHHS Information Systems and Technology department (IS&T) has been consulted at frequent intervals during pre-implementation activities to allow guidance, ensure conformity and produce alignment between technology in this project that is consistent with DHHS IS&T's long term technology direction. This project will not conflict with any agency division's plan or that of IS&T. Further, this project is supported by DHHS IS&T.

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

Tangible Benefits:

Minimally, a system meeting these objectives will improve the delivery of behavioral health care through quicker access to accurate data for all stakeholders. Replacing the current system of disparate data sources, (i.e. stand-alone applications, reports, databases and paper) will save time and money. A DBH needs analysis conducted and documented in June of 2010 conservatively estimated cost savings with the use of a new CDS at approximately \$360,000.00 per year. That information is available by request.

Other Solutions:

Alternatives include:

1. Extend the existing Magellan Contract. Live with current deficiencies including inaccurate reports from invalid entry or data, lack of reports, a time consuming billing and payment authorization process, increased expenditure for data aggregation, inefficiently managed managed-care, an inability to integrate with the NE HIE, incomplete compliance reporting for National Outcomes Measures (NOMS) reported through the State Outcomes Management and Measurement System (SOMMS), incomplete data access for DBH regions and providers, increased expenditures for 3rd party vendor customized data reporting, etc....

This alternative is not considered viable due to the implications to managed care or operational sustainability. Timely and accurate SOMMS/NOMS data reporting of individualized clinical performance measures is essential and required to comply with the Government Performance and Results Act (GPRA) or Federal Block Grant Funds.

2. Contract with another 3rd Party provider of managed care data.

DBH believes timely access to ad-hoc, customizable data by all stakeholders at all levels to be compromised when using a 3rd party provider because of the cost and time involved to order and receive reports. Vendor programming changes necessary to comply with DBH related SOMMS and NOMS reporting has been frustratingly slow and likely would continue without specific contract guarantees that would increase the cost of alternative systems.

Further, the level of effort to replace the current provider at all levels would likely rival or represent a substantial amount of that for implementing a new, DBH owned and customizable solution.

3. Do Nothing; let the existing contract terminate. This alternative is not viable and unacceptable. The managed care data is a vital and necessary part of the provision of DBH services and the required state and federal compliance compelled of DBH.

DBH is compelled to provide tracking of individuals in the DBH emergency system to comply with NE LB1083 reporting requirements. DBH also must provide accurate and timely reports to SAMHSA with regard to performance targets and outcomes tied to Federal Block Grants and the Government Performance Results Act. DBH must also annually report to the State Legislature on other measures / services such as the Gambling Assistance Program (GAP) and for other State or Federal requirements

**Project Proposal Form
FY2013-2015 Biennial Budget Requests**

such as Nebraska Prevention Information Reporting System (NPIRS), Criminal Justice Reporting, the NE Uniform Reporting System and many others.

Section 5: Technical Impact (20 Points)

Technology Enhancement:

The design for a new system, and therefore the technology enhancements impacting current systems and technology, is not fully known at this time. However, it is clear that a centralized data system available to DBH stakeholders at all levels is a vast improvement over current practice. Benefits, outlined in previous sections of this document, abound. A CDS would eliminate systems and technology duplication, gaps, errors and inefficiencies, while positioning DBH to interface with important and critical distribution channels such as the State HIE. CDS systems, by their nature, are flexible and scalable, thus fitting future needs for growth.

Envisioned is a commercial, off the shelf (COTS) solution, 3rd party licensed but DBH owned and customized. It is expected to make use of a Service Oriented Architecture (SOA), providing support for established standards for Behavioral Health Information Exchange (BHIE). The solution will also enable standard data formats that support interoperability among healthcare applications. The solution will be compliant with HIPAA and all other statutory and regulatory requirements, as well as minimum Certification Commission for Health Information Technology (CCHIT) standards.

The solution will compare and contrast data with other DHHS manage applications, including CHARTS, N-FOCUS and MMIS to avoid duplication of services.

It will offer DBH maximum data access, flexibility and response time. It will provide strong benefit to all stakeholders in the DBH spectrum through universal, secure access and distribution.

Section 6: Preliminary Plan for Implementation (10 Points)

Plan for Implementation:

Work has been completed thus far on:

1. A Needs Analysis
2. High Level Business Requirements
3. Solution Discovery (an RFI & evaluated responses).
4. Preliminary budget estimates

Next steps include:

1. A Request For Proposal (RFP)
2. Acquisition of software, hardware and vendor support for a large scale data consolidation and aggregation project to implement the CDS.
3. Interim activity needed to fulfill operational and reporting needs for a period of transition between old systems and new.

A DHHS IS&T Work Breakdown Structure (WBS) with major tasks and milestones has not been developed in advance of solution selection.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

Scot Adams, as Director of the Division of Behavioral Health, will serve as the Project's Executive Sponsor. Other project governance, including a panel of affected stake holders, will be developed by the project team after funding is secured. An internal project team (with self-evident roles) is envisioned to minimally include the following positions:

Project Manager / Director
Business Analyst # 1
Business Analyst # 2
Developer # 1
Developer # 2
Database Analyst # 1
Database Analyst # 2
Network Support Resource # 1
Subject Matter Expert # 1
Subject Matter Expert # 2
Subject Matter Expert # 3
Subject Matter Expert # 4
Test Manager
Tester # 1
Tester # 2
Tester # 3
Tester # 4
Tester # 5

On-going support:

Once implemented, a DBH CDS will need on-going operational support with positions (roles, self-evident) envisioned as follows:

On Going Support Role
Executive Lead (part time)
Application Manager
Help Desk Support #1
Data Analyst # 1
Data Analyst # 2
Interface Support (part time)
Trainer (part time)
IT Infrastructure FTE # 1 (part time)
Departmental Support # 1 (part time)
Departmental Support # 2 (part time)
Departmental Support # 3 (part time)

Project Proposal Form
FY2013-2015 Biennial Budget Requests

Section 7: Risk Assessment (10 Points)

Risks:

Major risks for a project of this type include:

1. Risk – data security: Because new processes for distributing data will be implemented it is vital to ensure adherence to DHHS/DBH security policies that are currently in place. These policies are rigorous and based on best practices. Best practices in data security include but are not limited to:
 - A. Maintain an understanding of potential environmental risks such as viruses, intruders and disasters.
 - B. Performance of a periodic analysis of the consequences of and countermeasures to security breaches.
 - C. Development of an implementation strategy for integrating security measures into all aspects of an application.

Mitigation: A risk assessment will be undertaken to identify sensitive information for both data in motion (data that is coming into and going out of the CDS) and data at rest (data that is stored in the CDS) as well as vulnerable system components

2. Risk – data integrity: For data to be trusted, it cannot have been altered between the data source and the decision maker. Data elements must be able to be uniquely identified and source data must be the same as data in the destination.

Mitigation: Quality Assurance and data integrity will be built into the CDS project implementation plan.

3. Risk - data normalization: Critical to data integrity is establishment of a data normalization process. Normalization is the process of efficiently organizing data in a database and involves eliminating redundant data and ensuring data dependencies make sense. Table structures and relationships are the key part of this process. Data normalization for the CDS will be especially challenging given the multiple data sources and formats. For example, many different electronic medical record systems and practice management systems exist within the regions, in addition to the managed care system and scores of paper reports. Data elements are named and interpreted differently among these many systems and the relationships among various pieces of data are handled differently.

Mitigation: An effective data scheme and relationship map is essential before implementation and constitute a significant amount of work in the project.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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

Nebraska Information Technology Commission
Project Proposal Form
Section 8: Financial Analysis and Budget

(Revise dates as necessary for your request.)

	Estimated Prior Expended	Request for FY2014 (Year 1)	Request for FY2015 (Year 2)	Request for FY2016 (Year 3)	Request for FY2017 (Year 4)	Future	Total
1. Personnel Costs	\$ -	\$ 485,000.00	\$ 485,000.00	\$ -	\$ -	\$ -	\$ 970,000.00
2. Contractual Services							
2.1 Design	\$ -	\$ 102,000.00	\$ 102,000.00	\$ -	\$ -	\$ -	\$ 204,000.00
2.2 Programming	\$ -	\$ 51,000.00	\$ 51,000.00	\$ -	\$ -	\$ -	\$ 102,000.00
2.3 Project Management	\$ -	\$ 180,000.00	\$ 180,000.00	\$ -	\$ -	\$ -	\$ 360,000.00
2.4 Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. Supplies and Materials	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Telecommunications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5. Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6. Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7. Other Operating Costs	\$ -	\$ 102,000.00	\$ 102,000.00	\$ -	\$ -	\$ -	\$ 204,000.00
8. Capital Expenditures							
8.1 Hardware	\$ -	\$ 60,000.00	\$ 60,000.00	\$ -	\$ -	\$ -	\$ 120,000.00
8.2 Software	\$ -	\$ 500,000.00	\$ 490,000.00	\$ -	\$ -	\$ -	\$ 990,000.00
8.3 Network	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8.4 Other	\$ -	\$ 50,000.00	\$ -	\$ -	\$ -	\$ -	\$ 50,000.00
TOTAL COSTS	\$ -	\$ 1,530,000.00	\$ 1,470,000.00	\$ -	\$ -	\$ -	\$ 3,000,000.00
General Funds	\$ -	\$ 1,530,000.00	\$ 1,470,000.00	\$ -	\$ -	\$ -	\$ 3,000,000.00
Cash Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revolving Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL FUNDS	\$ -	\$ 1,530,000.00	\$ 1,470,000.00	\$ -	\$ -	\$ -	\$ 3,000,000.00

IT Project Proposal Report - Detail

Agency: 047 - EDUCATIONAL TELECOMMUNICATIONS COMM
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

IT Project : Radio Transmission Replacement**General Section**

Contact Name : Michael Winkle	E-mail : mwinkle@netad.unl.edu	Agency Priority : 2
Address : 1800 North 33rd St	Telephone : 402-472-3611	NITC Priority :
City : Lincoln		NITC Score :
State : Nebraska	Zip : 68503	

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	75,000	0	0	37,500	37,500	0
Subtotal Contractual Services	75,000	0	0	37,500	37,500	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: 047 - EDUCATIONAL TELECOMMUNICATIONS COMM
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	0	0	0	0	0	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	0	0	0	0	0	0
Capital Expenditures						
Hardware	160,000	0	0	92,500	67,500	0
Software	0	0	0	0	0	0
Network	90,000	0	0	45,000	45,000	0
Other	0	0	0	0	0	0
Subtotal Capital Expenditures	250,000	0	0	137,500	112,500	0
TOTAL PROJECT COST	325,000	0	0	175,000	150,000	0

Funding

Fund Type	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
General Fund	325,000	0	0	175,000	150,000	0
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	325,000	0	0	175,000	150,000	0
VARIANCE	0	0	0	0	0	0

IT Project Proposal Report - Detail
Agency: 047 - EDUCATIONAL TELECOMMUNICATIONS COMM
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

IT Project: Radio Transmission Replacement

EXECUTIVE SUMMARY:

See attached NITC form.

Attachments:

Worksheet in H 14-15 Biennial Budget NITC report Radio Transmission.xls

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

See attached NITC form.

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

See attached NITC form.

TECHNICAL IMPACT (20 PTS):

See attached NITC form.

PRELIMINARY PLAN FOR IMPLEMENTATION (10 PTS):

See attached NITC form.

RISK ASSESSMENT (10 PTS):

See attached NITC form.

FINANCIAL ANALYSIS AND BUDGET (20 PTS):

See attached NITC form.

Attachments:

Radio FM cost estimate .xls

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	Radio Transmission
Agency/Entity	NETC (Nebraska Educational Telecommunications Commission)

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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](http://nitc.ne.gov/standards/) "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	Radio Transmission Replacement Project
Agency (or entity)	NETC (Nebraska Educational Telecommunications Commission)

Contact Information for this Project:

Name	Stacey A. Decker
Address	1800 N 33rd
City, State, Zip	Lincoln, NE
Telephone	402-472-9333
E-mail Address	sdecker@netnebraska.org

Section 2: Executive Summary

Provide a one or two paragraph summary of the proposed project. This summary will be used in other externally distributed documents and should therefore clearly and succinctly describe the project and the information technology required.

The replacement of aging FM translators K227AC (Culbertson 92.7 FM), K224CH (Max 93.3 FM), K208CB (Harrison 89.5 FM), K219CE (Fall City 91.7 FM) and FM Antenna and Feed Lines at KHNE FM (Hastings/Grand Island 89.1 FM) and KXNE FM (Norfolk 89.3 FM). These replacements would be done to reduce rising maintenance costs and to reduce downtime. The NET Radio system is the State Primary and State Relay for the Nebraska Emergency Alert System (EAS).

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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

1. Describe the project, including:
 - Specific goals and objectives;
 - Expected beneficiaries of the project; and
 - Expected outcomes.

The goal is to replace 20+ year old FM Translators, FM Antennas and Feed Lines with more reliable and efficient equipment. The NET Radio listeners, Nebraska commercial broadcasters and Nebraska residents relying on “over the air” Emergency Alerts will benefit from this project. The replacement of the 20+ year old FM translators, FM antennas and feed lines will increase reliability and reduce operating costs.

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

The measurement and assessment methods will be monitoring and feedback from NET Radio listeners, Nebraska commercial broadcasters that use NET Radio as their primary EAS monitoring station. The project should positively impact the NET operating budget which by reducing annual maintenance costs.

3. Describe the project's relationship to your agency comprehensive information technology plan.
This project is being done to maximize the efficiencies of the radio system NET has the obligation of managing on behalf of the State of Nebraska.

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

4. Provide the project justification in terms of tangible benefits (i.e. economic return on investment) and/or intangible benefits (e.g. additional services for customers).

The current FM Translators at K227AC (Culbertson 92.7 FM), K224CH (Max 93.3 FM), K208CB (Harrison 89.5 FM), K219CE (Fall City 91.7 FM) have become unreliable and costly to maintain. The FM antennas and feed lines at KHNE FM and KXNE FM have recently required additional attention and cost. All the equipment requested replaces inventory that is 20+ years old. Purchasing and installing new hardware will greatly increase reliability, efficiency and reduce maintenance cost.

5. Describe other solutions that were evaluated, including their strengths and weaknesses, and why they were rejected. Explain the implications of doing nothing and why this option is not acceptable.
The nature of this project allows few solutions other than replacement of equipment or termination of services in the affected areas. By doing nothing the broadcast areas will have interruptions in service performance for NET Radio and the State Primary and State Relay of the Nebraska (EAS).
6. If the project is the result of a state or federal mandate, please specify the mandate being addressed.
This Project is in compliance with the Nebraska Emergency Management Agency's (NEMA) Nebraska EAS Plan, Section 3 stating “The NE SP/SR Network is comprised of all Nebraska Educational Telecommunications (NET) radio transmitters, plus KVNO radio in Omaha.”

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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.

The project will replace a 20+ year technology with more efficient and reliable equipment. The new equipment has shown to be more efficient and reliable. NET has completed a multi-year project replacing all of the main FM Transmitters, and have documented a substantial reduction in maintenance costs while increasing reliability. The replacement of the FM Antennas and Feed Lines will complete the upgrade to the statewide system, maintain current coverage, reduce power requirements and increase reliability.

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.

The replacement equipment will use the most recent technology and should take these systems into the next decade.

- Address conformity with applicable NITC technical standards and guidelines (available at <http://nitc.ne.gov/standards/>) and generally accepted industry standards.

The replacement equipment is considered Industry Replacement Standard for this type of system.

- Address the compatibility with existing institutional and/or statewide infrastructure.

These systems are completely compatible with existing power and physical construction of NET's towers and buildings.

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.

NET is planning to purchase, install and operate the FM translators, FM antennas and feed lines. NET is the project sponsor. NET Radio listeners, Nebraska commercial broadcasters that use NET Radio as their Primary EAS monitoring station are the stakeholders.

NET will enter into contract with a qualified insured tower maintenance contractor to install the FM Antennas and Feed Lines.

NET will act as the project manager for this project.

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

The major deliverable for this project is the removal of the old system and replacement of the new system. The time frame for this work is eight (8) days per FM Antenna and Feed Line and two (2) days per FM Translator from receipt of system and getting the tower crew on site. Complete installation would be completed in late summer of 2014.

11. Describe the training and staff development requirements.

No additional training or staff development is required. Operations will be seamless to present day workflow.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

12. Describe the ongoing support requirements.

No additional support is required, other than routine operational maintenance.

Section 7: Risk Assessment (10 Points)

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

The FM Translators and FM Feed Lines need to be replaced soon or NET Radio Listeners, Nebraska Commercial Broadcasters and Nebraska residence relaying on “over the air” Emergency Alerts will experience additional downtime and diminished reception.

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

This purchase will be made under the State Purchasing Guidelines to minimize risk. Any assistance with contractual parties will have bonded and insurance requirements to assure protection to the State of Nebraska.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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 H
14-15 Biennial Budget

Nebraska Information Technology Commission
Project Proposal Form
Section 8: Financial Analysis and Budget

(Revise dates as necessary for your request.)

	Estimated Prior Expended	Request for FY2014 (Year 1)	Request for FY2015 (Year 2)	Request for FY2016 (Year 3)	Request for FY2017 (Year 4)	Future	Total
1. Personnel Costs							\$ -
2. Contractual Services							
2.1 Design							\$ -
2.2 Programming							\$ -
2.3 Project Management							\$ -
2.4 Other		\$ 37,500.00	\$ 37,500.00				\$ 75,000.00
3. Supplies and Materials							\$ -
4. Telecommunications							\$ -
5. Training							\$ -
6. Travel							\$ -
7. Other Operating Costs							\$ -
8. Capital Expenditures							
8.1 Hardware		\$ 92,500.00	\$ 67,500.00				\$ 160,000.00
8.2 Software							\$ -
8.3 Network		\$ 45,000.00	\$ 45,000.00				\$ 90,000.00
8.4 Other							\$ -
TOTAL COSTS	\$ -	\$ 175,000.00	\$ 150,000.00	\$ -	\$ -	\$ -	\$ 325,000.00
General Funds							\$ -
Cash Funds							\$ -
Federal Funds							\$ -
Revolving Funds							\$ -
Other Funds							\$ -
TOTAL FUNDS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

FM Radio Transmission Replacement Project

Item	Description	Vendor	Quantity	Estimated Cost	Extended Cost	
Nautel VS 300-N	300 Watt FM Transmitter	RF Specialties	4	\$ 5,000.00	\$ 20,000.00	K227AC, K224CH
BW Broadcast RBRX1 FM	FM Receiver	SCMA	4	\$ 2,500.00	\$ 10,000.00	K208CB, K219CE
				Sub total	\$ 30,000.00	
3 1/8" Hard Line	Feed Line	Dielectric	1	\$ 45,000.00	\$ 45,000.00	KHNE
SPX FM DCR-C10	FM Antenna	Dielectric	1	\$ 65,000.00	\$ 65,000.00	
Labor	Tower Crew	SFT	1	\$ 37,500.00	\$ 37,500.00	
				Sub total	\$ 147,500.00	
FY 2014 Total					\$ 177,500.00	
3 1/8" Hard Line	Feed Line	Dielectric	1	\$ 45,000.00	\$ 45,000.00	KXNE
SPX FM DCR-C10	FM Antenna	Dielectric	1	\$ 65,000.00	\$ 65,000.00	
Labor	Tower Crew	SFT	1	\$ 37,500.00	\$ 37,500.00	
FY 2015 Total					\$ 147,500.00	
Total Project					\$ 325,000.00	

IT Project Proposal Report - Detail

Agency: 047 - EDUCATIONAL TELECOMMUNICATIONS COMM
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

IT Project : Enterprise Uninterrupted Power Supply**General Section**

Contact Name : Michael Winkle	E-mail : mwinkle@netad.unl.edu	Agency Priority : 3
Address : 1800 North 33rd St	Telephone : 402-472-3611	NITC Priority :
City : Lincoln		NITC Score :
State : Nebraska	Zip : 68503	

Expenditures

IT Project Costs	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
Contractual Services						
Design	5,000	0	0	5,000	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	0	0	0	0	0	0
Subtotal Contractual Services	5,000	0	0	5,000	0	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: 047 - EDUCATIONAL TELECOMMUNICATIONS COMM
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	0	0	0	0	0	0
Supplies & Materials	5,000	0	0	5,000	0	0
Travel	0	0	0	0	0	0
Other	0	0	0	0	0	0
Subtotal Other Operating Costs	5,000	0	0	5,000	0	0
Capital Expenditures						
Hardware	80,000	0	0	80,000	0	0
Software	0	0	0	0	0	0
Network	0	0	0	0	0	0
Other	10,000	0	0	10,000	0	0
Subtotal Capital Expenditures	90,000	0	0	90,000	0	0
TOTAL PROJECT COST	100,000	0	0	100,000	0	0

Funding

Fund Type	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
General Fund	100,000	0	0	100,000	0	0
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	100,000	0	0	100,000	0	0
VARIANCE	0	0	0	0	0	0

IT Project Proposal Report - Detail
Agency: 047 - EDUCATIONAL TELECOMMUNICATIONS COMM
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

IT Project: Enterprise Uninterrupted Power Supply

EXECUTIVE SUMMARY:

See attached NITC form.

Attachments:

NITC report UPS.doc

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

See attached NITC form.

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

See attached NITC form.

TECHNICAL IMPACT (20 PTS):

See attached NITC form.

PRELIMINARY PLAN FOR IMPLEMENTATION (10 PTS):

See attached NITC form.

RISK ASSESSMENT (10 PTS):

See attached NITC form.

FINANCIAL ANALYSIS AND BUDGET (20 PTS):

See attached NITC form.

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	Enterprise UPS
Agency/Entity	NET (Nebraska Educational Telecommunications commission)

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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](http://nitc.ne.gov/standards/) “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

Project Proposal Form
FY2013-2015 Biennial Budget Requests

Section 1: General Information

Project Title	Enterprise UPS
Agency (or entity)	NET (Nebraska Educational Telecommunications commission)

Contact Information for this Project:

Name	Stacey A. Decker
Address	1800 N 33rd
City, State, Zip	Lincoln, NE
Telephone	402-472-9333
E-mail Address	sdecker@netnebraska.org

Section 2: Executive Summary

Provide a one or two paragraph summary of the proposed project. This summary will be used in other externally distributed documents and should therefore clearly and succinctly describe the project and the information technology required.

NET is requesting funding to install an Enterprise Uninterrupted Power Supply (UPS) in the central equipment room at the 1800 N. 33rd, Lincoln NE location. With NET being responsible for streaming content, statewide Emergency Alert System (EAS) and distribution of PBS and NET generated content an enterprise solution is being requested. NET feels this is a more effective approach at providing the necessary failure protection for a media management organization.

The central equipment room consists of over 1700 square feet of environmentally controlled technical space. Traditionally this space has housed the necessary equipment to support the NET core content distribution systems. During the past biennium NET has become more active in creating partnerships with agencies and educational institutions. These relationships are being formed to assist to help support their mission to also distribute content. These partners include the University of Nebraska system, Nebraska Department of Education, NE State Legislature and the NE Supreme and Appellate Courts. This requested UPS solution will add stability to an area that is crucial in supporting Nebraska's mission of transparency in State Government.

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

- Describe the project, including:
 - Specific goals and objectives;
 - Expected beneficiaries of the project; and
 - Expected outcomes.

The installation of an enterprise UPS would add a higher level of failure support to the NET central equipment room. The current configuration consists of a Universal Power Supply per rack. This approach does not support equalizing power loading and overall is not as efficient as an enterprise solution.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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

Due to a change in power management, once completed NET projects lower maintenance costs and a more reliable power protection system.

3. Describe the project's relationship to your agency comprehensive information technology plan. It is the intent for NET to become an active member in managing video and audio assets for the State of Nebraska. This project helps assure stability in the system that will be employed to carry out such tasks.

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

5. Provide the project justification in terms of tangible benefits (i.e. economic return on investment) and/or intangible benefits (e.g. additional services for customers).

The replacement of the current system will supply a more effective back up power solution in the NET central equipment room. This system will also reduce a current budget maintenance situation. This will also shift the burden of maintenance to a contractual agreement with a service provider.

6. Describe other solutions that were evaluated, including their strengths and weaknesses, and why they were rejected. Explain the implications of doing nothing and why this option is not acceptable.

The other solutions evaluated were to continue to operate on a rack by rack UPS solutions. This has proven to have a higher financial burden in equipment and maintenance.

6. If the project is the result of a state or federal mandate, please specify the mandate being addressed.

N/A

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.

The current approach applies power back up to individual racks of equipment. This philosophy was applied when battery technology was not as cost effective. The installation of an enterprise UPS will replace individual systems. The maintenance of the existing approach requires NET to budget for battery replacement on an annual basis which is inefficient and costly. This system will also be more easily monitored by staff through the use of remote monitoring software.

8. Address the following issues with respect to the proposed technology:

Project Proposal Form
FY2013-2015 Biennial Budget Requests

- 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.

NET technology staff has a 100KVA UPS specified to cover the current needs of the central equipment room in the facility. This system is scalable in the event of expansion. This approach is specifically supported in section 8-201 of the Business Continuity and Disaster Recovery. Currently NET uses a similar enterprise UPS system to support the relationship with PBS as the national DDMS site. (Diversity, Disaster & Maintenance Site)

Section 6: Preliminary Plan for Implementation (10 Points)

8. 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.

System implementation and integration would accompany the purchase of hardware. The NET technical support team will work with the winning contractor to apply the proper technology to the project.

- NET technology team would serve as project manager
- Vendor (as per bid results)
- Electrical contractor (as per bid results)

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

- Write specifications (FY2014)
- Secure funding (FY2014)
- Release specifications for bid (FY2014)
- Award bid and order hardware (FY2014)
- Install system (FY2014)
- Test and adopt new processes to support the system (FY2014)

10. Describe the training and staff development requirements.

We feel training and development is minimal. Similar systems are currently being used at NET and are widely understood. Furthermore the intent is to enter into a contract for service and maintenance.

11. Describe the ongoing support requirements.

This will be done through a contractual agreement with an authorized service provider of the unit purchased.

Section 7: Risk Assessment (10 Points)

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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

The barriers of this project are financial. Without special appropriations this project will stay remain in NET's future plans. This project is associated with disaster recovery for the organization.

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

This purchase will be made under the State Purchasing Guidelines to minimize risk. Any assistance with contractual parties will have bonding and insurance requirements to assure protection to the State of Nebraska.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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

Nebraska Information Technology Commission
Project Proposal Form
Section 8: Financial Analysis and Budget

(Revise dates as necessary for your request.)

	Estimated Prior Expended	Request for FY2014 (Year 1)	Request for FY2015 (Year 2)	Request for FY2016 (Year 3)	Request for FY2017 (Year 4)	Future	Total
1. Personnel Costs							\$ -
2. Contractual Services							
2.1 Design		\$ 5,000.00					\$ 5,000.00
2.2 Programming							\$ -
2.3 Project Management							\$ -
2.4 Other							\$ -
3. Supplies and Materials		\$ 5,000.00					\$ 5,000.00
4. Telecommunications							\$ -
5. Training							\$ -
6. Travel							\$ -
7. Other Operating Costs							\$ -
8. Capital Expenditures							
8.1 Hardware		\$ 80,000.00					\$ 80,000.00
8.2 Software							\$ -
8.3 Network							\$ -
8.4 Other		\$ 10,000.00					\$ 10,000.00
TOTAL COSTS	\$ -	\$ 100,000.00	\$ -	\$ -	\$ -	\$ -	\$ 100,000.00
General Funds							\$ -
Cash Funds							\$ -
Federal Funds							\$ -
Revolving Funds							\$ -
Other Funds							\$ -
TOTAL FUNDS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

IT Project Proposal Report - Detail

Agency: 047 - EDUCATIONAL TELECOMMUNICATIONS COMM
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

IT Project : Media Services Technology Project**General Section**

Contact Name : Michael Winkle	E-mail : mwinkle@netad.unl.edu	Agency Priority : 4
Address : 1800 North 33rd St	Telephone : 402-472-3611	NITC Priority :
City : Lincoln		NITC Score :
State : Nebraska	Zip : 68503	

Expenditures

IT Project Costs	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
Contractual Services						
Design	20,000	0	0	20,000	0	0
Programming	25,000	0	0	25,000	0	0
Project Management	10,000	0	0	10,000	0	0
Data Conversion	0	0	0	0	0	0
Other	0	0	0	0	0	0
Subtotal Contractual Services	55,000	0	0	55,000	0	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	15,000	0	0	15,000	0	0
End-user Staff	0	0	0	0	0	0
Subtotal Training	15,000	0	0	15,000	0	0

IT Project Proposal Report - Detail

Agency: 047 - EDUCATIONAL TELECOMMUNICATIONS COMM
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	0	0	0	0	0	0
Supplies & Materials	0	0	0	0	0	0
Travel	5,000	0	0	5,000	0	0
Other	0	0	0	0	0	0
Subtotal Other Operating Costs	5,000	0	0	5,000	0	0
Capital Expenditures						
Hardware	145,000	0	0	70,000	50,000	25,000
Software	55,000	0	0	30,000	25,000	0
Network	0	0	0	0	0	0
Other	0	0	0	0	0	0
Subtotal Capital Expenditures	200,000	0	0	100,000	75,000	25,000
TOTAL PROJECT COST	275,000	0	0	175,000	75,000	25,000

Funding

Fund Type	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
General Fund	275,000	0	0	175,000	75,000	25,000
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	275,000	0	0	175,000	75,000	25,000
VARIANCE	0	0	0	0	0	0

IT Project Proposal Report - Detail
Agency: 047 - EDUCATIONAL TELECOMMUNICATIONS COMM
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

IT Project: Media Services Technology Project

EXECUTIVE SUMMARY:

See attached NITC form.

Attachments:

NITC report Media Services Request.doc

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

See attached NITC form.

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

See attached NITC form.

TECHNICAL IMPACT (20 PTS):

See attached NITC form.

PRELIMINARY PLAN FOR IMPLEMENTATION (10 PTS):

See attached NITC form.

RISK ASSESSMENT (10 PTS):

See attached NITC form.

FINANCIAL ANALYSIS AND BUDGET (20 PTS):

See attached NITC form.

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	Media Services Technology and Integration Project
Agency/Entity	NET (Nebraska Educational Telecommunications)

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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](http://nitc.ne.gov/standards/) “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

Project Proposal Form
FY2013-2015 Biennial Budget Requests

Section 1: General Information

Project Title	Media Services Technology and Integration Project
Agency (or entity)	NET (Nebraska Educational Telecommunications)

Contact Information for this Project:

Name	Kate Tempelmeyer
Address	1800 N 33rd
City, State, Zip	Lincoln, NE
Telephone	402-472-9333
E-mail Address	ktempelmeyer@netnebraska.org

Section 2: Executive Summary

Provide a one or two paragraph summary of the proposed project. This summary will be used in other externally distributed documents and should therefore clearly and succinctly describe the project and the information technology required.

Nebraskans are expanding their use of online video to access information important to them as citizens and individuals. The rising demand for streaming content also puts pressure on the systems, networks and personnel who manage and provision these services that the public is using. To effectively manage these resources efficiently and expand services, changes are necessary to grow and extend these services. Integration of scheduling systems to a single interface will reduce entering data in multiple databases and potential mistakes that could result from this practice. The provisioning of additional LTO (Linear Tape Open) storage will decrease the cost of maintaining important video archival collections and content. The integration of existing asset management systems to seamlessly address routine video production and distribution tasks by centralizing and repurposing the metadata for capturing, logging, editing, transcoding, archiving and provisioning content rights will optimize the state's investment to manage these resources.

NET has made strides to distribute video content on the web with the launch of a new web site, NetNebraska.org. In addition, the State of Nebraska's Video Conferencing Network will soon be providing live streaming for video conferences and media management services. In order to viably increase and provision the amount of content that will be streamed on the web, to smart phones and personal media devices , NET needs to expand the capacity of their existing platforms and reduce the complexity of managing these systems to leverage this technology more effectively. The results will enable NET to distribute information and content important to Nebraska's civically and culturally-engaged individuals and organizations.

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

- Describe the project, including:
 - Specific goals and objectives;

Project Proposal Form
FY2013-2015 Biennial Budget Requests

The Streaming/Media Management project will enable NET to expand their repository for video content to provide additional archive space for public entities within the state of Nebraska. In addition by streamlining the scheduling and media management processes, NET can scale and expand these platforms to process and distribute available live and video on demand (VOD) content to the public and other state institutions. The goals of the project are:

- Increase the total amount of streaming video and audio content available to the public and other State of Nebraska entities
 - Increase the use of the Nebraska Video Conferencing Network (NVCN's) existing video conferencing technology by effectively managing resources to provision video streaming and media management services
 - Eliminate redundant data entry across systems to better utilize available personnel resources for scheduling and media management
 - Improve workflows and respond to technology changes more effectively
 - Be compatible with our current CDN (Content Delivery Network) providers
 - Provide affordable archive storage for content
-
- Expected beneficiaries of the project; and
 - Expected outcomes.

The Streaming/Media Management project's intended beneficiaries are Nebraska citizens, State of Nebraska agencies and educational institutions who need access to content produced and shared over the internet. By streamlining existing systems that would enable public entities to viably stream, share and store content, this would promote increased cooperation and better understanding across institutions and for the public while giving access to content that otherwise might not be available.

After a successful implementation the expected outcomes of this project are:

- Increased availability of content in both quantity and audience distribution
- Increased use of the NVCN network to more widely distribute and access content created during video conferences
- Unprecedented access to content by the general public, educational institutions and State of Nebraska agencies

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

The success of the project will be determined by a variety of metrics, including hours of content available, number of NVCN users, number of visitors accessing content made publicly available on web sites, direct feedback from State agencies and departments using the system.

In the first year NET and the State of Nebraska will generate usage reports for live and VOD streaming services. The 1st year goal being to have 75 hours of video content streamed on the NVCN network, with 150 hours being the intended target. Additionally NET would promote the

Project Proposal Form
FY2013-2015 Biennial Budget Requests

services to other entities and encourage them to use NET's and NVCN's systems for streaming and archiving content. Expected growth rate in subsequent years would be heavily dependent upon the number of users and the number of hours of content that is hosted on these systems.

User traffic to NET's website and user traffic accessing the archived and live NVCN streaming files will also be a key metric in measuring the success of the project. A standard of 5000 unique visitors per month accessing Live/VOD files on NET's website and 25 NVCN/Jabber sites a month utilizing streaming would indicate a successful adoption of the service. This information would be determined by analyzing streaming logs, Google Analytics and reports from Limelight.

In addition to the statistics NET would solicit feedback on improving the service and determining its value by identifying key individuals using the system for feedback.

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

A significant item in NET's strategic plan is to increase impact and reach through programs and services, and the Media Management Project is a key initiative designed to fulfill that strategy. This project is listed in NET's agency technology plan for FY 12-13 and under the Nebraska Educational Telecommunications Commission FY 2014 & 2015 Biennial Budget Narrative request item CC-4.

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

4. Provide the project justification in terms of tangible benefits (i.e. economic return on investment) and/or intangible benefits (e.g. additional services for customers).

The proposed Media Management system integration and storage expansion for video streaming and publishing will allow state agencies and "mission-similar" partners to share and manage their content by leveraging technology used in line with the NVCN network. The benefit being that live and VOD content could be captured from their video conferencing system and transfer services to allow for widespread distribution across multicast and broadband services. This distribution has the potential to raise the profiles of the organizations and extend the reach of their efforts and programs, making them more cost-effective to the presenters and broadening their service to the citizens of Nebraska.

The Media Management system coupled with the digital media publishing solution will allow partners throughout the state to provide content to people in a wide range of "channels" without knowledge of sophisticated code to deliver this service.

The specific goals and objectives are to:

- 1) Increase the amount of content which can be delivered to the people of Nebraska. Thousands of hours of content have been created by public agencies and organizations across the state. Most of this content has limited channels of distribution, such as live broadcast or internet streaming, face to face settings or underutilized tape libraries. By

Project Proposal Form
FY2013-2015 Biennial Budget Requests

integrating systems to better manage these resources and budgeting for archives NET can scale this service to deliver the content while insuring the storage costs are sustainable.

- 2) Increase the use of the Nebraska Video Conferencing Network (NVCN's) existing video conferencing technology by effectively managing the resources to provision video streaming and media management services. State agencies and partners who are managing video to meet their missions of training, educating or creating public archives can leverage an existing resource. By promoting the use of this system and helping state agencies understand how the technology could be adopted within their own workflows, usage of the system will increase.
 - 3) A limitation of the existing systems is the need to enter similar data in multiple scheduling platforms used with the NVCN system. By eliminating redundant data entry across systems, personnel resources can be better utilized and able to scale services for scheduling and media management. This will help keep personnel costs down while still meeting the needs of the clients using the service.
 - 4) Improve workflows and respond to technology changes more effectively. In order to provision services and respond to customer support needs, NET will need to be able to seamlessly transcode and move content to the appropriate storage location for the client's needs. This will be a combination of enterprise storage, cloud storage and LTO (Linear Tape Open) archives. By using a tiered approach and leveraging the technology to address workflows, the transcoding and movement of file processes will be easier and more affordable to maintain in the long term. As the video formats change, the technology facilitating the workflows can be used to transform the files.
 - 5) Provide affordable archive storage for content by utilizing a combination of cloud and LTO storage. Maintaining video files on local high performance disk drives makes sense if the file size is extremely large, encoded at a higher bite rate and is being accessed often. Once the file is not being accessed and ready to be archived, it can be stored on lower cost medium like LTO storage. Most video consumed over the internet can also be stored on a CDN (Content Delivery Network). Both of these options help reduce the cost of sustaining an archive.
 - 6) The overarching goal of this project is to foster the cultural and civic engagement of the citizens of Nebraska by agencies utilizing this technology
5. Describe other solutions that were evaluated, including their strengths and weaknesses, and why they were rejected. Explain the implications of doing nothing and why this option is not acceptable.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

NET and the State of Nebraska CIO contracted with SKC, an integrator that has an in-depth knowledge of the NVCN network and NET's streaming infrastructure. This company will be bringing forward options for consideration and make recommendations to consolidate scheduling platforms, integrate streaming across multiple systems and address media management services. The following options were considered to address NET's Media Management Technology Project before consulting with SKC:

1) Identify APIs for existing scheduling platforms for production facilities, video conferencing, live streaming, media management and attempt to integrate these systems using in-house developers

Strengths:

- a) Workflows could be customized that support NET's current environment
- b) Existing code could be extended since it was built on an open standard
- c) NET would own and manage the code
- d) Existing APIs for the current platform could be leveraged

Weaknesses:

- a) High turn-over in the developer community could have a significant impact
- b) Time to develop, maintain and document code could be considerable
- c) Training staff in-house as programmers to code the project would significantly delay the project.
- d) Staffing costs would be higher than purchasing a vendor provided solution
- e) NET does not have internal talent on staff to develop the code
- f) NET would need to devote at least two FTEs to develop the code for this tool.
- e) Ongoing staffing costs would be higher than purchasing a vendor provided solution

2) Continue to use existing technology across multiple platforms utilizing more personnel resources to sustain the operations

Strengths:

- a) Personnel have developed multiple checkpoints across existing platforms to insure schedules and streams will be reliable
- b) Platforms currently exist and are functioning
- c) Streaming solutions are currently functioning

Weaknesses:

Project Proposal Form
FY2013-2015 Biennial Budget Requests

- a) As the volume of users is increasing the workload is not sustainable by the current FTEs.
- b) As data is entered across multiple platforms the chance of errors occurring in the data increases
- c) Files that need to be moved to cloud storage and archives require personnel resources to address
- d) Provisioning live streams requires personnel to do multiple cross checks to insure the stream publish points are correct
- e) Skillsets necessary to create the publish points and codecs are limited
- f) Live streams could potentially fail if manual intervention is required

Implications of doing nothing:

If NET continues to manually schedule across multiple platforms, provision media management for live and VOD (Video on Demand) streams to publish this content to the web and provide archiving/media management services without adequate storage these processes will inhibit NET's ability to scale existing services to meet the increasing demands by other State agencies and entities for this service.

6. If the project is the result of a state or federal mandate, please specify the mandate being addressed.

While not a mandate, this project supports expansion for archiving of the Legislature's content. It also supports NVCN's ability to stream and archive content without adding additional stress to the state's network. This gives State agencies the ability to make the content publicly accessible as well.

Section 5: Technical Impact (20 Points)

6. 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.

The Media Services Technology project enhances NET's current distribution system by enabling additional content streaming services to be scaled to allow NET and other contributors at State agencies to share this content and foster its use by the citizens of the Nebraska. This will be accomplished by integrating existing systems with new technologies to schedule and manage resources effectively. NET and the State of Nebraska (NVCN) will also leverage their existing networks, video conferencing systems, streaming platforms, storage infrastructure, and Content Delivery Network (CDN) providers, which are highly scalable.

Unified Streaming Scheduling/File Management Systems

A unified streaming scheduling platform and file management system is used to initiate a live stream, capture the file, encode it to different formats for later playback as a VOD file and move it to the proper storage location to be retrieved. It is also used to provide essential metadata for

Project Proposal Form
FY2013-2015 Biennial Budget Requests

the file allowing end users to find it. The current scheduling platforms could be better utilized if unified either thru custom integration using the APIs for each scheduling platform or by installing a 3rd party scheduling system that can be used to manage all the schedules and metadata thru calls back to the databases currently in place. This would potentially include the Digital Rapids Broadcast Manager, ScheduALL, Cisco Tandberg TMS, Myers Protrack and NET's Ingest form.

Most systems use a database to schedule streams, store content, metadata, and/or artifacts that might be needed by the system.

Integrating these platforms would meet the following requirements:

- Provide an easy and intuitive single scheduling contribution platform
- Eliminate the need for redundant data entry
- Provision streams and better manage resources from a single platform
- Be compatible with our Digital Media Publishing System and Content Delivery Network providers

Integrated scheduling solution platform software requirements:

- Built with open standards
- Have a backup agent installed for disaster recovery
- Use a VMware ESX license, which will provide a high level of redundancy and scalability
- Utilize open ODBC
- Have the ability to integrate and distribute content utilizing industry leading Content Delivery Network providers such as Amazon and Limelight

Integrated scheduling solution platform hardware requirements:

- Example of server capable of running VMware ESX (Dell Poweredge R710)
- NET will expand our current Xiotech ICE storage infrastructure to meet the needs of this project

Content Delivery Network

A content delivery network or content distribution network (*CDN*) is a system of computers networked together across the Internet that cooperate transparently to deliver content most often for the purpose of improving performance, scalability, and cost efficiency, to end users.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

NET will also be using our existing Content Delivery Network providers Amazon and Limelight. These are both subscription based services.

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.

Reliability:

- All hardware and software provider's offer 24/7 support. Storage is high performance distributed storage with built in redundancy.
- Content Delivery Networks vendors offer a SLA with 99.9% availability
- NET will perform a full backup of scheduling systems weekly, incremental updates nightly and retain for a year, which will allow us to recover the system if needed.

Security:

NET will secure content and systems hosted by NET using industry standard practices (Firewalls, Antivirus, Intrusion Detection, and appropriate routing configurations) NET has met both State and PCI security requirements.

Scalability:

The Unified Streaming Scheduling/File Management System will be built utilizing VMware ESX which is a highly scalable virtual server environment where processors, memory and storage can be dynamically allocated if needed. The CDN services for streaming are all provisioned on as subscription services so as the needs of the streaming clients increase we can purchase additional services on demand.

Storage is an ever increasing need when distributing content especially video. Also, as new larger drives are available for LTO or disk targets can be set up, NET can integrate these solutions into the existing archive infrastructure thus exceeding current limitations.

- Address conformity with applicable NITC technical standards and guidelines (available at <http://nitc.ne.gov/standards/>) and generally accepted industry standards.

Conformity:

All systems meet with the NITC technical standards and guidelines. Proposed solutions were designed and supported used accepted industry standards.

- Address the compatibility with existing institutional and/or statewide infrastructure.

Compatibility:

All scheduling systems will be using open standards and have APIs that can be used to integrate platforms across NET's network and NVCN.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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.

Media Management/Streaming Technology project incorporates four main areas that work in concert to update, upgrade and improve our capacity to deliver our critical digital services. This includes both our internal NET streaming and content management needs along with our partner's needs. The target date for having all necessary hardware, software, custom development and integration completed by July 2014.

Input to this plan has originated from all departments of NET involved with storage, networking and content/media management as represented by the following individuals.

Overall project manager for the Media Management/Streaming Technology project is Kate Tempelmeyer, Director of NET's Media Services Department. Kate Tempelmeyer, served the organization as Information Services Director for eleven years and has extensive experience with hardware and storage installations, network integration, security and managing major software development projects. Ms Tempelmeyer has strong technical and business qualifications with track record of more than 12 years of hands-on experience in strategic technology planning, budgetary development, project management, and system engineering strategies. She currently manages the scheduling of NVCN systems, streaming platforms, Content Delivery Networks, Traffic Operations and Content Management.

Dave Stewart, Chief Engineer, will be the project manager for the LTO storage expansion project. Mr. Stewart currently manages the Isilon Storage, Storagetek LTO library, transcoding/encoding platforms and file based workflows for NET. He has extensive technical and specialized integration experience and has managed the day-to-day operation of NET's technical broadcast services.

Randy Heinzman, Helpdesk Supervisor, will be the assistant to the project manager and be directly responsible for working with the scheduling platform integration aspect of the project. Mr. Heinzman currently manages the NVCN scheduling systems and the personnel supporting this service. He also manages the streaming publishing scheduling platforms for NET. He has extensive database experience and will be integral to the implementation process.

Kevin Melang-Thoren, Media Services Engineer/Supervisor, will be the technical support engineer who will coordinate the software and hardware installations for the scheduling integration platforms. He will also insure the systems have disaster recovery backups setup and running in coordination with the IS Manager. Mr. Melang-Thoren has solid experience with servers, data backup and networking.

Mark Weakly, Chief Engineer, will be assisting with the scheduling integration to the NVCN video conferencing systems. Mr. Weakly has many years of experience with technical design, video conferencing system support and integration skills.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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

In FY '12-'13 SKC will respond to the consulting contract with recommendations and options to integrate scheduling of streaming, asset management and video conferencing on to a single platform. A decision about the specific platform, integration points and project plan will be done.

Fall of 2012 – Identify platform integration points, identify specific platform, finalize costs and develop project plan

In FY '13-'14, the LTO archive capacity of system will be increased to accommodate storage of digital assets.

Fall of 2013 – Identify specific equipment and storage needs to expand the LTO archive capacity

Winter 2013 – Purchase equipment through State Purchasing Bid process

Winter/Spring 2013-2014 – Integrate additional storage capacity into enterprise LTO system

In FY '13-14, The scheduling, streaming, asset management and video conferencing integration project will awarded, purchased and implemented.

Spring of 2013 – Identify vendors to provision integration, platform and implementation.
Spring and Summer of 2013 - Purchase software and hardware required through State Purchasing Bid process

Fall of 2013 – Install software and equipment, provision integration and implement training

Winter/Spring 2013-2014– Bring all systems online

11. Describe the training and staff development requirements.

As new software and hardware elements are deployed, formal training from the respective vendors and integrators will be provided to key staff. Two lead persons will be identified to become product experts and be available to troubleshoot/support systems. They will provide additional wider training to other staff expected to use the scheduling systems.

12. Describe the ongoing support requirements.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

Within NET's budget there are designated line items for maintenance of the hardware and technical infrastructures. These will continue to exist . By expanding on the existing systems with additional equipment and software NET can take advantage of maintenance agreements already in place. Following the expiration of the initial maintenance agreements for additional hardware and software, extended agreements would need to be negotiated and budgeted within NET's budget.

NET commits to supporting the Media Management/Streaming Technology project with the equivalent of two FTE positions. These duties will be distributed among several current NET positions. One position will act as a server administrator, hardware maintainer, and network troubleshooter providing technical support for the system components. The other position will be responsible for insuring the integrated system databases are utilized, managed and maintained properly to insure streaming, content management, transcoding, and provisioning of files is addressed. This position will also directly supervise the personnel using this system.

Section 7: Risk Assessment (10 Points)

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

a) Risk: Thee accepted technology standards for integration change between the project inception date and the project go-live date.

Impact: NET would have to redesign the Scheduling Integration platform, or spend more money to buy new equipment to support the newer standards.

Compensating Controls: Project leaders shall research technology standard trends continually up until project inception date, and also ensure that "Flexibility" is a criterion upon which possible solutions are judged.

b) Risk: NET and NVCN consumers are not aware of or use the streaming and content management systems

Impact: NET and NVCN will not have expanded its true distribution reach to its consumers, however it still will have expanded access to the content.

Compensating Controls: NET/NVCN will make sure its consumers are aware of this service through several different mediums and communicate this over a period of time.

c) Risk: NET suffers a loss of Knowledge Capital by way of project member turnover.

Impact: The planning, implementation, or maintenance phase of the Media Management Streaming Scheduling Integration platform could be impacted adversely or delay it.

Compensating Controls: Project leaders will hold regular meetings with all project members to discuss aspects of the project, and also establish an electronic repository for information.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

d) Risk: NET fails to deliver a functional Media Streaming Scheduling/Management platform due to technical reasons.

Impact: NET will have wasted and abused Nebraska Taxpayer monies.

Compensating Controls: Appropriate hardware/software installation and integration contracts shall be included in the proposal, which come with guarantees from the vendors and integrators.

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

See "Compensating Controls" under item 13 to minimize and mitigate risk.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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 H
14-15 Biennial Budget

Nebraska Information Technology Commission
Project Proposal Form
Section 8: Financial Analysis and Budget

(Revise dates as necessary for your request.)

	Estimated Prior Expended	Request for FY2014 (Year 1)	Request for FY2015 (Year 2)	Request for FY2016 (Year 3)	Request for FY2017 (Year 4)	Future	Total
1. Personnel Costs							\$ -
2. Contractual Services							
2.1 Design		\$ 20,000.00					\$ 20,000.00
2.2 Programming		\$ 25,000.00					\$ 25,000.00
2.3 Project Management		\$ 10,000.00					\$ 10,000.00
2.4 Other							\$ -
3. Supplies and Materials							\$ -
4. Telecommunications							\$ -
5. Training		\$ 15,000.00					\$ 15,000.00
6. Travel		\$ 5,000.00					\$ 5,000.00
7. Other Operating Costs							\$ -
8. Capital Expenditures							
8.1 Hardware		\$ 70,000.00	\$ 50,000.00	\$ 25,000.00			\$ 145,000.00
8.2 Software		\$ 30,000.00	\$ 25,000.00				\$ 55,000.00
8.3 Network							\$ -
8.4 Other							\$ -
TOTAL COSTS	\$ -	\$ 175,000.00	\$ 75,000.00	\$ 25,000.00	\$ -	\$ -	\$ 275,000.00
General Funds							\$ -
Cash Funds							\$ -
Federal Funds							\$ -
Revolving Funds							\$ -
Other Funds							\$ -
TOTAL FUNDS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

IT Project Proposal Report - Detail

Agency: 047 - EDUCATIONAL TELECOMMUNICATIONS COMM
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

IT Project : NETC Facility Technical Corridor Redesign**General Section**

Contact Name : Michael Winkle	E-mail : mwinkle@net.unl.edu	Agency Priority : 5
Address : 1800 North 33rd St	Telephone : 402-472-3611	NITC Priority :
City : Lincoln		NITC Score :
State : Nebraska	Zip : 68503	

Expenditures

IT Project Costs	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
Contractual Services						
Design	10,000	0	0	10,000	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	150,000	0	0	150,000	0	0
Subtotal Contractual Services	160,000	0	0	160,000	0	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: 047 - EDUCATIONAL TELECOMMUNICATIONS COMM
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	0	0	0	0	0	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	0	0	0	0	0	0
Capital Expenditures						
Hardware	231,000	0	0	140,000	91,000	0
Software	30,000	0	0	0	30,000	0
Network	55,000	0	0	0	55,000	0
Other	24,000	0	0	0	24,000	0
Subtotal Capital Expenditures	340,000	0	0	140,000	200,000	0
TOTAL PROJECT COST	500,000	0	0	300,000	200,000	0

Funding

Fund Type	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
General Fund	500,000	0	0	300,000	200,000	0
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	500,000	0	0	300,000	200,000	0
VARIANCE	0	0	0	0	0	0

IT Project Proposal Report - Detail
Agency: 047 - EDUCATIONAL TELECOMMUNICATIONS COMM
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

IT Project: NETC Facility Technical Corridor Redesign

EXECUTIVE SUMMARY:

See attached NITC form.

Attachments:

Worksheet in C NITC report Tech corridor(1).xls

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

See attached NITC form.

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

See attached NITC form.

TECHNICAL IMPACT (20 PTS):

See attached NITC form.

PRELIMINARY PLAN FOR IMPLEMENTATION (10 PTS):

See attached NITC form.

RISK ASSESSMENT (10 PTS):

See attached NITC form.

FINANCIAL ANALYSIS AND BUDGET (20 PTS):

See attached NITC form.

Attachments:

Tech corridor project cost detail.xls

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	NETC Facility Technical Corridor Redesign
Agency/Entity	NETC (Nebraska Educational Telecommunications Communications)

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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](http://nitc.ne.gov/standards/) “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

Project Proposal Form
FY2013-2015 Biennial Budget Requests

Section 1: General Information

Project Title	NETC Facility Technical Corridor Redesign
Agency (or entity)	NETC (Nebraska Educational Telecommunications Communications)

Contact Information for this Project:

Name	Stacey A. Decker
Address	1800 N 33rd
City, State, Zip	Lincoln, NE
Telephone	402-472-9333
E-mail Address	sdecker@netnebraska.org

Section 2: Executive Summary

Provide a one or two paragraph summary of the proposed project. This summary will be used in other externally distributed documents and should therefore clearly and succinctly describe the project and the information technology required.

The project is to modify the NET technical corridor in order to support the new work flow of the network operations center. Through this redesign we would blend the new and existing responsibilities of the facility and personnel. By applying new and repurposing existing technology we are able to expand the use of this area for remote content control spaces.

This project is being proposed to support existing and future partnerships with organizations much like our relationship with the Nebraska Legislature, Nebraska Department of Labor and the Supreme Court.

Through this project we feel we will expand our ability to manage, control and distribute media more efficiently. In the design we plan to use routing technology to manage a video switching environment to control content established through broadband connections. This project includes physical construction modifications to the existing area 1st floor south corridor.

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

- Describe the project, including:
 - Specific goals and objectives;
 - Expected beneficiaries of the project; and
 - Expected outcomes.

The goal of this project is to take full advantage of space, technology and skilled staff. This project allows NET to re-define work flow and bring processes to a more current and efficient standard. As it stands the space divides the staff into specific areas of responsibility. Through the use of technology this project allows NET to consolidate some of those roles and repurpose the space.

This reconfiguration would allow NET to adequately support the existing responsibilities while setting the organization up to be successful at responding to the expanding content distribution needs of its partners.

**Project Proposal Form
FY2013-2015 Biennial Budget Requests**

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

Retaining existing responsibilities and adding in new activities previously supported by other departments would demonstrate success.

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

By properly using and supporting State of Nebraska resources we are adhering to the goal of efficiency.

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

4. Provide the project justification in terms of tangible benefits (i.e. economic return on investment) and/or intangible benefits (e.g. additional services for customers).

This redesign would support NET's ability to create partnerships with content producing entities in the State of Nebraska. This redesign puts Network Operations staff in the work flow of content creation. By doing this NET is able to support the goals established by our partners. One example is "Creating transparency in State of NE Government". By installing technology and streaming information from our State Capitol we were able to assist in that goal.

5. Describe other solutions that were evaluated, including their strengths and weaknesses, and why they were rejected. Explain the implications of doing nothing and why this option is not acceptable.

As NET has taken on alternative and additional roles in supporting State Government, NET management has purposely redefined existing positions to support the new responsibilities. In light of being budget conscious looks for opportunities where capital investment can offset additional operational costs.

Not addressing these needs would undermine the investment in media management and distribution capabilities made by the State of Nebraska.

6. If the project is the result of a state or federal mandate, please specify the mandate being addressed.

N/A

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.

The Capitol video and audio enhancement project is one example of an investment in remote content gathering systems. These systems allow NET to support Legislative, Courts and Executive missions of content creation, distribution and archiving. These systems take advantage of web based or fiber based communications tools to remotely control video and audio systems (A/V). This content is then assembled here at NET using A/V switching systems. Once the content is "produced" it is distributed via the digital broadcast system, streaming or satellite uplink technology. This capacity puts the State of Nebraska in an advantageous position of being connected to the world.

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.

**Project Proposal Form
FY2013-2015 Biennial Budget Requests**

If desired this system is completely scalable to accommodate the expansion of content with the understanding the capacity issue comes in work force at some point.

- Address conformity with applicable NITC technical standards and guidelines (available at <http://nitc.ne.gov/standards/>) and generally accepted industry standards.
This project includes IP systems which comply with industry standards. The technology and philosophy would comply with NITC technical requirements.
- Address the compatibility with existing institutional and/or statewide infrastructure.
This system would tie to the existing the Nebraska State Capitol A/V system.

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.

The design and construction phase would be completed during FY2014 as well as making the core technology changes associated with these space modifications. Then in FY2015, NET would transfer master control and production systems into the modified space. Project Management would be assumed by the NET technology Staff.

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

The construction phase would take place during FY2014 followed by the technical build out to be complete mid-year 2015.

11. Describe the training and staff development requirements.

Training for this new area will begin in house in 2013, as it is NET's intent to make management changes prior to space modifications. The training for the new responsibilities is consistent with current roles that management anticipates any concern for accomplishing set goal.

12. Describe the ongoing support requirements.

Day to day maintenance with existing NET technical staff. There are no long term service contracts needed to support the added capability.

Section 7: Risk Assessment (10 Points)

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

Barriers are funding related.

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

This purchase will be made under the State Purchasing Guidelines to minimize risk. Any assistance with contractual parties will have bonding and insurance requirements to assure protection to the State of Nebraska.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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 C NITC
report Tech corridor(

Nebraska Information Technology Commission
Project Proposal Form
Section 8: Financial Analysis and Budget

(Revise dates as necessary for your request.)

	Estimated Prior Expended	Request for FY2014 (Year 1)	Request for FY2015 (Year 2)	Request for FY2016 (Year 3)	Request for FY2017 (Year 4)	Future	Total
1. Personnel Costs							\$ -
2. Contractual Services							
2.1 Design		\$ 10,000.00					\$ 10,000.00
2.2 Programming							\$ -
2.3 Project Management							\$ -
2.4 Other		\$ 150,000.00					\$ 150,000.00
3. Supplies and Materials							\$ -
4. Telecommunications							\$ -
5. Training							\$ -
6. Travel							\$ -
7. Other Operating Costs							\$ -
8. Capital Expenditures							
8.1 Hardware		\$ 140,000.00	\$ 91,000.00				\$ 231,000.00
8.2 Software			\$ 30,000.00				\$ 30,000.00
8.3 Network			\$ 55,000.00				\$ 55,000.00
8.4 Other			\$ 24,000.00				\$ 24,000.00
TOTAL COSTS	\$ -	\$ 300,000.00	\$ 200,000.00	\$ -	\$ -	\$ -	\$ 500,000.00
General Funds							\$ -
Cash Funds							\$ -
Federal Funds							\$ -
Revolving Funds							\$ -
Other Funds							\$ -
TOTAL FUNDS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

NETC Facility Technical Corridor Redesign

Item	Description	Vendor	Quantity	Estimated Cost	Extended Cost
Design	Draftsman Layout and Tec	open	1	\$ 10,000.00	\$ 10,000.00
General Contractor	Construction	open	1	\$ 150,000.00	\$ 150,000.00
			Sub total		\$ 160,000.00
Switching Gear	Audio and Video producti	open	2	\$ 42,000.00	\$ 84,000.00
Monitors	Video and aduio monitori	open	2	\$ 16,000.00	\$ 32,000.00
Integration	Technical Install	NET/Contractor	1	\$ 24,000.00	\$ 24,000.00
			Sub total		\$ 140,000.00
FY 2014 Total					\$ 300,000.00
Fiber transmission gear	In Feed Line	open	1	\$ 55,000.00	\$ 55,000.00
A/V Routing/ encoding	Content routing and enco	open	1	\$ 85,000.00	\$ 85,000.00
Video Clip Storage	Replay and graphics abilit	open	1	\$ 60,000.00	\$ 60,000.00
FY 2015 Total					\$ 200,000.00
Total Project					\$ 500,000.00

IT Project Proposal Report - Detail

Agency: 047 - EDUCATIONAL TELECOMMUNICATIONS COMM
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

IT Project : Facility Routing Project**General Section**

Contact Name : Michael Winkle	E-mail : mwinkle@netad.unl.edu	Agency Priority : 6
Address : 1800 North 33rd St	Telephone : 402-472-3611	NITC Priority :
City : Lincoln		NITC Score :
State : Nebraska	Zip : 68503	

Expenditures

IT Project Costs	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
Contractual Services						
Design	25,000	0	0	0	25,000	0
Programming	0	0	0	0	0	0
Project Management	25,000	0	0	0	12,500	12,500
Data Conversion	0	0	0	0	0	0
Other	0	0	0	0	0	0
Subtotal Contractual Services	50,000	0	0	0	37,500	12,500
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: 047 - EDUCATIONAL TELECOMMUNICATIONS COMM
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	0	0	0	0	0	0
Supplies & Materials	50,000	0	0	0	50,000	0
Travel	0	0	0	0	0	0
Other	0	0	0	0	0	0
Subtotal Other Operating Costs	50,000	0	0	0	50,000	0
Capital Expenditures						
Hardware	250,000	0	0	0	125,000	125,000
Software	125,000	0	0	0	37,500	87,500
Network	0	0	0	0	0	0
Other	25,000	0	0	0	0	25,000
Subtotal Capital Expenditures	400,000	0	0	0	162,500	237,500
TOTAL PROJECT COST	500,000	0	0	0	250,000	250,000

Funding

Fund Type	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
General Fund	500,000	0	0	0	250,000	250,000
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	500,000	0	0	0	250,000	250,000
VARIANCE	0	0	0	0	0	0

IT Project Proposal Report - Detail
Agency: 047 - EDUCATIONAL TELECOMMUNICATIONS COMM
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

IT Project: Facility Routing Project

EXECUTIVE SUMMARY:

See attached NITC form.

Attachments:

NITC report facility routing.doc

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

See attached NITC form.

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

See attached NITC form.

TECHNICAL IMPACT (20 PTS):

See attached NITC form.

PRELIMINARY PLAN FOR IMPLEMENTATION (10 PTS):

See attached NITC form.

RISK ASSESSMENT (10 PTS):

See attached NITC form.

FINANCIAL ANALYSIS AND BUDGET (20 PTS):

See attached NITC form.

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	Facility Routing
Agency/Entity	NETC (Nebraska Educational Telecommunications Commission)

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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](http://nitc.ne.gov/standards/) "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	Facility Routing
Agency (or entity)	NETC (Nebraska Educational Telecommunications Commission)
Contact Information for this Project:	
Name	Stacey A. Decker
Address	1800 N 33rd
City, State, Zip	Lincoln, NE
Telephone	402-472-9333
E-mail Address	sdecker@netnebraska.org

Section 2: Executive Summary

Provide a one or two paragraph summary of the proposed project. This summary will be used in other externally distributed documents and should therefore clearly and succinctly describe the project and the information technology required.

As the landscape of media changes, NET is serving audiences using content on multiple platforms. This makes routing that content in our facility crucial to be efficient. Proper routing capacity allows content managers, creators and distributors the ability to rout sources from different production areas in the building. For example, if a live show is taking place in our studio we use wide band routing to gain access to a piece of equipment in network operations so that we do not have to purchase a duplicate system in both areas. Or, when content is created outside the NET facility, we use routing to feed content to

Project Proposal Form
FY2013-2015 Biennial Budget Requests

streaming encoders and the broadcast encoders at the same time so that we are not required to have two separate paths.

We currently operate a routing system that is 512x512 which is 512 inputs and 512 outputs. This system is 11 years old, beyond the need for a larger system and we have been informed support for this gear has ended.

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

1. Describe the project, including:

- Specific goals and objectives;
- Expected beneficiaries of the project; and
- Expected outcomes.

The goal is to replace our existing router and router panels with a larger wide band router. This project would benefit content managers, creators and distributors in the organization. This project also assists NET with remote content gathering relationships that have been created with the Nebraska State Legislature and the Nebraska Department of Education. The result of this project would allow NET to continue providing content to multiple platforms and expanding relationships with content creators in the State.

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

The measurement of success in this project would be having a supported current system in the chain to allow NET to continue to expand the distribution of information to the State.

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

This project is being done to maximize the efficiencies of the system NET has the obligation of managing on behalf of the State of Nebraska.

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

4. Provide the project justification in terms of tangible benefits (i.e. economic return on investment) and/or intangible benefits (e.g. additional services for customers).

This project has impact in content management and expands our ability to provide more information to the viewers, listeners and users of NET content in the State. By expanding our routing capacity we create a more diverse efficient facility.

5. Describe other solutions that were evaluated, including their strengths and weaknesses, and why they were rejected. Explain the implications of doing nothing and why this option is not acceptable.

The nature of this project allows few solutions other than replacement of equipment. As the existing system is no longer supported by the manufacturer.

6. If the project is the result of a state or federal mandate, please specify the mandate being addressed.

While this project is not directly related to any State or Federal mandate it is however support the ability to deliver EAS and Amber Alert information to the State.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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.

The project will replace an 11 year old system. As with anything in the technology field over the past 11 years these systems have advanced significantly. A new larger router has new tools that will impact the new service areas we are supporting such as streaming and mobile delivery. These systems have expanded into the IP world giving users the ability to use PC's to control the device from remote locations. All of these new tools give NET the opportunity to not only expand our offerings but do it more efficiently.

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.

The replacement equipment will use the most recent technology and should take these systems into the future.

- Address conformity with applicable NITC technical standards and guidelines (available at <http://nitc.ne.gov/standards/>) and generally accepted industry standards.

The replacement equipment is considered Industry Replacement Standard for this type of system.

- Address the compatibility with existing institutional and/or statewide infrastructure.

These systems are completely compatible with existing equipment and would only strengthen our ability to expand to other state systems.

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.

NET is planning to purchase, install and operate with the assistance of the vendor. As these systems all vary in size and shape it would require NET technicians to work closely with an integrator to assure proper planning and implementation would be accomplished.

NET will enter into contract with a qualified insured integrator to assist in the installation of this system.

NET will act as the project manager for this project.

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

The major deliverable for this project is the removal of the old system and replacement of the new system. A plan would be developed to migrate existing responsibilities from the current router to the new system all while continuing to provide information to all sources NET currently support.

11. Describe the training and staff development requirements.

As all of these systems have operational differences it is practical that training would be required.

12. Describe the ongoing support requirements.

NET would negotiate a service contract with the vendor that fit the needs of the State institution.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

Section 7: Risk Assessment (10 Points)

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

The risk of operating a system that is no longer supported by the manufacturer is obvious. While we depend on skilled technical staff to maintain the existing unit over time parts will become scarce and not available.

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

This purchase will be made under the State Purchasing Guidelines to minimize risk. Any assistance with contractual parties will have bonded and insurance requirement to assure protection to the State of Nebraska.

Project Proposal Form
FY2013-2015 Biennial Budget Requests

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

Nebraska Information Technology Commission
Project Proposal Form
Section 8: Financial Analysis and Budget

(Revise dates as necessary for your request.)

	Estimated Prior Expended	Request for FY2014 (Year 1)	Request for FY2015 (Year 2)	Request for FY2016 (Year 3)	Request for FY2017 (Year 4)	Future	Total
1. Personnel Costs							\$ -
2. Contractual Services							
2.1 Design			\$ 25,000.00				\$ 25,000.00
2.2 Programming							\$ -
2.3 Project Management			\$ 12,500.00	\$ 12,500.00			\$ 25,000.00
2.4 Other							\$ -
3. Supplies and Materials			\$ 50,000.00				\$ 50,000.00
4. Telecommunications							\$ -
5. Training							\$ -
6. Travel							\$ -
7. Other Operating Costs							\$ -
8. Capital Expenditures							
8.1 Hardware			\$ 125,000.00	\$ 125,000.00			\$ 250,000.00
8.2 Software			\$ 37,500.00	\$ 87,500.00			\$ 125,000.00
8.3 Network							\$ -
8.4 Other				\$ 25,000.00			\$ 25,000.00
TOTAL COSTS	\$ -	\$ -	\$ 250,000.00	\$ 250,000.00	\$ -	\$ -	\$ 500,000.00
General Funds							\$ -
Cash Funds							\$ -
Federal Funds							\$ -
Revolving Funds							\$ -
Other Funds							\$ -
TOTAL FUNDS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

IT Project Proposal Report - Detail

Agency: 078 - COMM ON LAW ENFORCEMENT & CRIMINAL JUSTICE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

IT Project : Criminal Justice Information System**General Section**

Contact Name : Michael Overton	E-mail : michael.overton@nebraska.gov	Agency Priority :
Address : PO Box 94946	Telephone : 402-471-3992	NITC Priority :
City : Lincoln		NITC Score :
State : Nebraska	Zip : 68509	

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	0	0	0	0	0	0
Subtotal Contractual Services	0	0	0	0	0	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: 078 - COMM ON LAW ENFORCEMENT & CRIMINAL JUSTICE
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	0	0	0	0	0	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	0	0	0	0	0	0
Capital Expenditures						
Hardware	0	0	0	0	0	0
Software	0	0	0	0	0	0
Network	0	0	0	0	0	0
Other	0	0	0	0	0	0
Subtotal Capital Expenditures	0	0	0	0	0	0
TOTAL PROJECT COST	0	0	0	0	0	0

Funding

Fund Type	Total	Prior Exp	FY12 Appr/Reappr	FY14 Request	FY15 Request	Future Add
General Fund	0	0	0	0	0	0
Cash Fund	0	0	0	0	0	0
Federal Fund	0	0	0	0	0	0
Revolving Fund	0	0	0	0	0	0
Other Fund	0	0	0	0	0	0
TOTAL FUNDING	0	0	0	0	0	0
VARIANCE	0	0	0	0	0	0

IT Project Proposal Report - Detail
Agency: 078 - COMM ON LAW ENFORCEMENT & CRIMINAL JUSTICE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

IT Project: Criminal Justice Information System

EXECUTIVE SUMMARY:

Criminal Justice Information System (CJIS) refers to a cooperative effort hosted by the Crime Commission with the participation of about 27 state and local entities. It is necessary to build ways for agencies to efficiently share criminal justice data. There is a great need for communication and sharing between systems as well as automating several key components of the criminal justice system in Nebraska. This has included the development of a secure data sharing portal called NCJIS which is the most visible project and what people often think of as the primary CJIS initiative. Other efforts include helping local agencies obtain standardized record systems, developing interfaces across stages in the CJ system and doing multi-state data sharing.

The primary purposes of CJIS are (1) to promote the sharing and availability of data among agencies, (2) to implement programs and systems that assist state and local agencies in the performance of their duties, and (3) to provide an inter-agency forum for issues.

NCJIS (the Nebraska Criminal Justice Information System, a secure online data portal providing access to a wide variety of state, local and federal data) has provided the thrust for goal 1 and will continue to be a cornerstone of CJIS operations and a component relating to other projects. It has grown in use since its inception in May, 2000 and is now considered to be one of the premier systems in the nation. NCJIS also acts to route data and serves as a hub for data sharing among agencies.

Goal 2 has largely been targeted through implementation of standard automation for local agencies as well as developing interfaces across systems. We have helped implement automation for jails, law enforcement and prosecutors as well as electronic citation software for locals and NSP.

CJIS efforts are ongoing and continue to evolve based upon need and available funding. Because NCJIS is at the core of the bulk of our efforts (either through a dominant search role or as a hub for data exchange) further comments in this proposal will focus on NCJIS.

GOALS, OBJECTIVES, AND OUTCOMES (15 PTS):

The primary purposes of the CJIS project are to (1) promote the sharing and availability of data among agencies, (2) implement programs and systems that assist state and local agencies in the performance of their duties, and (3) provide an inter-agency forum for issues. NCJIS has provided the thrust for goal 1 since May, 2000. We anticipate adding

IT Project Proposal Report - Detail
Agency: 078 - COMM ON LAW ENFORCEMENT & CRIMINAL JUSTICE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

functionality as well as increasing the user base.

Goal 2 has largely been through implementation of standard automation for local agencies as well as developing interfaces across systems. We must continue to augment and enhance data exchanges across systems to improve efficiencies of staff as well as through data integrity.

The CJIS Advisory Committee and Crime Commission act as a central hub for CJ data integration.

NCJIS has become a mission critical system and now has over 7,000 users. These include state and local Nebraska users as well as users from neighboring states and federal agencies. In 2011 over 5,000,000 searches were conducted. We started with a limited set of criminal justice data and have grown to include extensive criminal data as well as data from related disciplines (DMV, DHHS, etc).

With the expanding functionality we also expanded our user base, creating NDEN (Nebraska Data Exchange Network) as a subset of NCJIS. This is provided to non-CJ users who have limited access to certain datasets, primarily due to statutory restrictions.

Use will continue to be our primary outcome measurement for NCJIS, looking at both the number of users as well as the number of searches and page views.

For our general integration efforts we will monitor the number of applications implemented, interfaces implemented and measures such as timelines of transfer. (For instance, the amount of time to move citations electronically from law enforcement to prosecutors electronically as opposed to by paper.)

CJIS activities are integral to our IT plan as it has become an effort relied upon by criminal justice and related agencies.

The 1997-1999 biennium was the first for which the Crime Commission received general funds for CJIS activities. Since then CJIS has received an appropriation which has been the basis for basic operations and partial staffing.

While limited funds used for CJIS projects have come from the legislative appropriation to the Crime Commission the majority have come from federal funds. These federal funds are not necessarily ongoing sources for CJIS. While the Byrne funds and some NCHIP monies have been available on a year to year basis, there have been significant federal funds relating to domestic violence that the CJIS Advisory Committee made application for and has applied to specific projects, namely victim notification and the statewide protection order registry. The Byrne funds and NCHIP (usually granted to the Nebraska State Patrol) may not continue as possible funding sources. In fact, no NCHIP funds were available for CJIS initiatives the past few years. The cooperative approach to integration has meant cooperative approaches to funding as CJIS has also worked with DMV and others on projects.

IT Project Proposal Report - Detail
Agency: 078 - COMM ON LAW ENFORCEMENT & CRIMINAL JUSTICE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

NCJIS (the Nebraska Criminal Justice Information System, a secure online data portal providing access to a wide variety of state, local and federal data) will continue to be a cornerstone of CJIS operations and a component relating to other projects. It has grown in use since its inception in May, 2000 and is now considered to be one of the premier systems in the nation. NCJIS also acts to route data and serves as a hub for data sharing among agencies.

The implementation of various commercial software packages for local agencies (jail, law enforcement, prosecutors) has improved the data available to local and state agencies. One ongoing priority is the integration of those programs across offices and functions so that data is transmitted efficiently and electronically. NCJIS will serve as an integration hub for these efforts across systems. One example is the collection of citation data at NCJIS, issued electronically at the roadside, and then being sent to the prosecutors and courts to eliminate duplicate entry and improve efficiency and accuracy.

Another example of the efficiency of NCJIS and cooperative nature of data sharing involves the fusion center effort of the State Patrol called the Nebraska Information Analysis Center (NIAC). Some NCJIS data is now being made available through the NIAC searching software to better facilitate one-stop searches for officers.

PROJECT JUSTIFICATION / BUSINESS CASE (25 PTS):

Although many state and local agencies have implemented automated systems, there is still a great need for communication and sharing between systems as well as automating several key components of criminal justice. As stated, the primary purposes of CJIS are (1) to promote the sharing and availability of data among agencies, (2) to implement programs and systems to assist state and local agencies in the performance of their duties, and (3) to provide a forum for issues.

These goals translate into two primary project goals: better access to data and implementation of integrated justice. Better access to data is primarily achieved through NCJIS (Nebraska Criminal Justice Information System - a secure browser based data portal that allows access to various databases for authorized agencies). Integrated justice captures data as an event occurs and moves it through the criminal justice cycle, decreasing repeated data entry and allowing for greater efficiencies. Cornerstones for this have included improving automation systems of state and local agencies as well as implementing data transfers across systems. NCJIS is now also being used as a hub for these data transfers.

With over 7,000 users and over 5,000,000 searches conducted in 2011, an ongoing priority is the maintenance and enhancement of NCJIS (the criminal justice data portal that currently provides access to a broad range of criminal and related data). There continues to be enhancements to functionality as well as additional available datasets. Data recently added includes citations from the State Patrol, accident report data and images (maintained by the Department of Roads) and enhancements to child abuse reports made available by the Department of Health and Human Services. These last two reflect ongoing efforts resulting from changes to their systems but, perhaps more significantly, partnership with non-criminal justice entities. We also now provide an access point for systems for juvenile diversion case management systems as well as NSP's CODIS (DNA tracking).

NCJIS continues to provide a wide variety of criminal justice and related data to a disparate set of users. The data is restricted based upon statutory or policy mandates. We are also working with the Nebraska State Patrol on the Nebraska Information Analysis Center (NIAC) and provide data in this fusion center role. A limited view of NCJIS, called NDEN,

IT Project Proposal Report - Detail
Agency: 078 - COMM ON LAW ENFORCEMENT & CRIMINAL JUSTICE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

provides limited access to non-criminal justice users such as the Department of Health and Human Services and the Child Advocacy Centers.

We will also continue to explore data sharing with other states. Nebraska has participated in an effort called CONNECT with Wyoming, Kansas and Alabama to develop and implement portal level data sharing. This projects has established the possibility to securely access data with surrounding states. We will continue to pursue this objective and expand on the daata being shared.

It can be difficult for local agencies to identify, acquire and implement software that meets both local operational needs as well as state reporting and integration requirements. To assist agencies CJIS has sponsored the deployment of systems for jails, prosecutors and law enforcement. These have been primarily targeted at small and medium sized agencies. However, they have provided platforms that we could use and contract with to develop and implement standard interfaces across disciplines (such as police to county attorneys). These efforts have also followed national standards.

Another substantial effort continues with the implementation of electronic citations for state and local law enforcement agencies. By providing hardware and software this enhances the process for both the driver and the officer while also laying the basis for enhanced electronic data sharing. This project continues to demonstrate the need for standardization and assistance across levels of government. While agencies have their own automation and needs the exchange of information must be coordinated across agencies. Additionally, local agencies often lack the technical expertise to acquire, implement and integrate automation across disciplines. Leadership from the state and assistance in acquisition provides for common exchanges and minimizing costs.

In the 2013-2015 biennium, we will continue to build on the electronic citation groundwork. This will allow for the automated transfer of data from law enforcement to other criminal justice partners including prosecutors and the courts. NCJIS will be a key component of these enhancements in moving the data securely and in a timely manner. The maintenance and enhancement of NCJIS will, of course, continue as a priority. New datasets will be explored as allowable by policy and funding.

A key transaction that we anticipate working with the Supreme Court on will be the implementation of electronic filing of criminal and traffic cases by the County Attorneys. This can have a significant impact on the processes, automation and workflow for law enforcement, prosecutors adn the courts. By reducing or eliminating paper filing we should see decreases in processing time, data errors and isolated processes.

There hs been an evolving effort through the federal and local level on the implementation of standards for data sharing. We will continue to incorporate these into our efforts. These provide technical guidelines (e.g. SOA, GRA, NIEM/xml) as well as better interaction with vendors.

IT Project Proposal Report - Detail
Agency: 078 - COMM ON LAW ENFORCEMENT & CRIMINAL JUSTICE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

TECHNICAL IMPACT (20 PTS):

NCJIS has recently upgraded to the OCIO's virtual environment, incorporating SAN use with a dedicated SQL server. If workload increases we anticipate being able to scale our environment easily. We also upgraded our database software to a more recent version of SQL. We do not anticipate major changes in the next biennium. We will remain as a web-based portal and continue to incorporate NITC as well as federal requirements and guidelines. This has allowed us great flexibility in our development while maintaining a secure environment across users and systems.

Efforts to improve local automation have included upgrading their systems (as grant funding allows), either with software or updated hardware. By helping with initial acquisition of hardware and software we have been able to drive standards as well as implement standardized interfaces across systems.

Overall we have adopted Microsoft technologies for development and implementation. This has provided a way for us to have some technical interaction with local agencies, many of whom do not have technical support. We also will continue to examine web-based applications that can be implemented and supported within the state infrastructure to provide stable and cost efficient alternatives for smaller agencies. Establishing cost systems for smaller agencies must be a consideration.

PRELIMINARY PLAN FOR IMPLEMENTATION (10 PTS):

As stated, this effort and projects that have been mentioned are ongoing. We will continue with the current and discussed projects as well as react to needs as they are identified.

Additionally, new tasks (whether they be NCJIS enhancements or new interfaces across systems) can be set by statutes or operational priorities but are often driven by the availability of grant funds and the priorities of those funding sources. As such, we cannot identify milestones at this time.

Our primary goal is the continued operation of NSJIS, though.

The Crime Commission will continue as the project sponsor and pursue external funding but the true integration of criminal justice requires a cooperative approach of all of the main entities. The Chief of Information Services (Overton) is dedicated half time to CJIS and we have one full time staff person. We contract for development of NCJIS and will continue to that via a competitive award for services.

RISK ASSESSMENT (10 PTS):

As with many projects, funding is an ongoing concern for project continuance and enhancement. The bulk of efforts in the CJIS umbrella are done with grant funds. Even our full time staff person within the Crime Commission is paid for with grant funds. We have always tried to do development with an eye toward having to use the appropriation as a baseline and minimal sustaining fund if other funding sources went away. This could cripple the overall use or timeliness of efforts, however.

Significant development and enhancements are often driven by grant funds. While ancillary initiatives such as CONNECT might have to be suspended if funding were cut, basic search functions and enhancements for needed functionality must be sustained.

IT Project Proposal Report - Detail
Agency: 078 - COMM ON LAW ENFORCEMENT & CRIMINAL JUSTICE
Budget Cycle: 2013-2015 Biennium **Version: AF - AGENCY FINAL REQUEST**

It must be noted that federal grant funds have shrunk considerably in recent years. We anticipate the availability of funds to diminish over the next few years.

Aside from funding for projects and operations an ongoing general concern is consistent staffing. Training, support and everyday monitoring require ongoing staffing. Development work has been done under contract since 1999. This has allowed for acquiring programming resources as funding increases and funding is available. Staffing ongoing operations has been absorbed through the existing limited staff of the Crime Commission, mainly funded by grants. This will continue to be an issue and concern.

FINANCIAL ANALYSIS AND BUDGET (20 PTS):

The budget is approximated, projected on available funding and the possibility of consistent project approach and grant project areas.

We anticipate federal grant funds to be decreasing over the next few years.

Nebraska Information Technology Commission
Project Proposal Form
Section 8: Financial Analysis and Budget

(Revise dates as necessary for your request.)

	Estimated Prior Expended	Request for FY2014 (Year 1)	Request for FY2015 (Year 2)	Request for FY2016 (Year 3)	Request for FY2017 (Year 4)	Future	Total
1. Personnel Costs	\$ 127,314.00	\$ 127,314.00	\$ 127,314.00				\$ 381,942.00
2. Contractual Services							
2.1 Design	\$ 50,000.00	\$ 25,000.00	\$ 25,000.00				\$ 100,000.00
2.2 Programming	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00				\$ 900,000.00
2.3 Project Management	\$ 50,000.00	\$ 25,000.00	\$ 25,000.00				\$ 100,000.00
2.4 Other	\$ 355,289.00	\$ 105,289.00	\$ 105,289.00				\$ 565,867.00
3. Supplies and Materials	\$ 600.00	\$ 600.00	\$ 600.00				\$ 1,800.00
4. Telecommunications	\$ 4,484.00	\$ 4,484.00	\$ 4,484.00				\$ 13,452.00
5. Training							\$ -
6. Travel	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00				\$ 9,000.00
7. Other Operating Costs	\$ 59,800.00	\$ 59,800.00	\$ 59,800.00				\$ 179,400.00
8. Capital Expenditures							
8.1 Hardware							\$ -
8.2 Software	\$ 2,600.00	\$ 2,600.00	\$ 2,600.00				\$ 7,800.00
8.3 Network							\$ -
8.4 Other							\$ -
TOTAL COSTS	\$ 953,087.00	\$ 653,087.00	\$ 653,087.00	\$ -	\$ -	\$ -	\$ 2,259,261.00
General Funds	\$ 142,453.00	\$ 142,453.00	\$ 142,453.00				\$ 427,359.00
Cash Funds							\$ -
Federal Funds	\$ 810,634.00	\$ 510,634.00	\$ 510,634.00				\$ 1,831,902.00
Revolving Funds							\$ -
Other Funds							\$ -
TOTAL FUNDS	\$ 953,087.00	\$ 653,087.00	\$ 653,087.00	\$ -	\$ -	\$ -	\$ 2,259,261.00