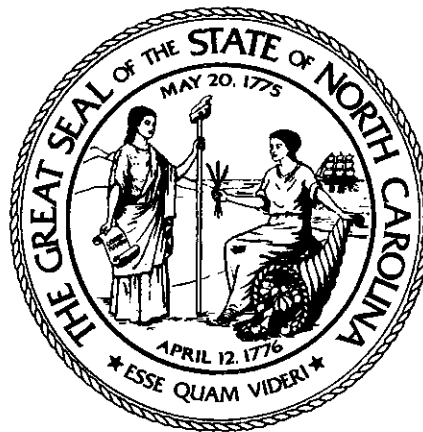


NC MEDICAID MANAGEMENT INFORMATION SYSTEM+ (NCMMIS+) PROGRAM

Quarterly Report to the North Carolina General Assembly



**State of North Carolina
Department of Health and Human Services**

April 1, 2010



**DEPARTMENT OF HEALTH AND HUMAN SERVICES
NCMMIS+ Program Quarterly Report**

This Page Was Intentionally Left Blank



Table of Contents

INTRODUCTION	5
BACKGROUND.....	5
STATUS	5
REPLACEMENT MMIS PROJECT.....	5
REPORTING & ANALYTICS (R&A) PROJECT.....	7
RECENT UPDATES	7
CHANGE REQUESTS.....	7
FINANCIAL UPDATE	8
SCHEDULE	9
APPENDIX A – FINANCIAL UPDATE.....	10
APPENDIX B – REPLACEMENT MMIS SCHEDULE.....	13
APPENDIX C – BACKGROUND	15



**DEPARTMENT OF HEALTH AND HUMAN SERVICES
NCMMIS+ Program Quarterly Report**

This Page Was Intentionally Left Blank



DEPARTMENT OF HEALTH AND HUMAN SERVICES NCMMIS+ Program Quarterly Report

INTRODUCTION

In June 2008, the NC General Assembly passed Session Law 2008-107, House Bill 2436, of which Sections 10.9.(c), (d) and (e) required quarterly reporting in regard to the Replacement Medicaid Management Information System (MMIS). In accordance with this law, the Department of Health and Human Services began submitting quarterly reports on March 1, 2009. Session Law 2009-451, Section 10.41 continued the quarterly reporting requirements beginning July 1, 2009.

Appendix B—Replacement MMIS Schedule of this report reflects the high-level design, development and installation (DDI) schedule with the major milestones for the 32-month schedule. Details about the schedule are noted in this report's "Schedule" section.

BACKGROUND

For background information on the MMIS Replacement Project, please see *Appendix C—Background*.

STATUS

Replacement MMIS PROJECT

DDI activities for the Requirements Traceability Matrix (RTM) and Business System Design (BSD) are complete for 70% of the functional builds to include Provider, Recipient, Eligibility Verification/Transaction Services, Non-Electronic Submissions, Pharmacy & Medical Claim Adjudication, Financial Management & Accounting, Pending Resolution/Reference and Automated Voice Response System. The Technical Design phase is well underway for all of these builds. The Technical Design Documentation (TDD) deliverable for this phase will provide the framework for the construction phase.

The prototype for the TDD was revised to better align with the build integration strategy defined for construction. These revisions prompted the expansion of TDD activities for builds that support global functionality across all functional areas. Technical design schedules for some builds have been adjusted in concert with the changes approved for the TDD.

RTM and BSD deliverable review cycles continue for Prior Approval, Managed Care/Third Party Liability, Fiscal Transactions/MAR Reporting, Health Check/Drug Rebate and Call Center Services.

CSC and OMMISS met to clarify the process and schedule for Operations RTM development. CSC will analyze the BSDs for all functional builds to determine which business processes and solution artifacts are associated with operational requirements. CSC will also perform internal peer review of the "How Satisfied" column of RTM. Pega Use Case development has begun to support workflows for Provider, Recipient, Non-Electronic Submissions, (Eligibility Verification System (EVS) and Call Center.



DEPARTMENT OF HEALTH AND HUMAN SERVICES NCMMIS+ Program Quarterly Report

CSC developed a revised strategy for review and verification of legacy Edit/Audits and Coverage Rules. The revised strategy includes an adjusted schedule, a new deliverable format and Acceptance Criteria for these deliverables. Workgroup meetings were held with OMMISS and divisional Subject Matter Experts (SMEs) to resolve outstanding questions on legacy Edits/Audits. CSC submitted the inventory of NC MMIS Integrated Edits and Audits for State review. A Coverage Rules Strategy document was submitted to the State for review that includes a schedule, a deliverable format and Acceptance Criteria. Work continues on producing an updated version of the Multi-Payer Conceptual Design document to be in concert with the decisions reflected in the TDD session.

CSC completed the rules for the transformation of legacy fields to their mapped NCTracks fields for the Provider and Recipient builds. Field analysis to relate legacy fields to their corresponding NCTracks fields for Pharmacy/Medical Adjudication and Pend Resolution/Reference is complete. CSC work continues to generate rules for the transformation of legacy fields to their mapped NCTracks fields for these builds. The Data Conversion Design Document (CDD) and Logical and Physical Data Models were delivered for the Recipient build. The Data Conversion Design Document (CDD) was delivered for the Provider build.

Discussions continue on the options for implementation of National Provider Identifier (NPI)-Taxonomy. CSC has conducted a Global Assessment of the functional area impact of each of the NPI-Taxonomy options. One assessment has begun to analyze the impact to the provider community of implementing NPI and Taxonomy as a driver for claims processing. A mapping of legacy Provider Type and Specialty to the most appropriate taxonomy based on Medicaid published policy has been developed. An overview of the mapping process and the resulting Provider Crosswalk documentation has been provided to divisional staff for their review. This mapping is required to link legacy provider identifiers to a matching NPI-Taxonomy for all options.

For Early Implementation Operations, CSC reports improvements in the Provider Enrollment, Verification and Credentialing (EVC) unit. EVC System response time has greatly improved and audits continue to demonstrate that quality and timeliness standards are maintained.

The turnaround time for most enrollment applications is now three weeks versus the previous four to six weeks. Re-verification submissions ramped up over the last month. Of the 55,629 packets mailed, 28,544 have been returned, and 39% of the re-verifications received to date have been processed.

Recommendations were made to OMMISS and DMA for process improvements in the areas of re-verification and credentialing. CSC and DMA have established that the W-9 will be excluded from consideration in the provider re-verification process. A Provider Agreement is still required for re-verification and a draft completed application will be posted to NCTracks with the associated instructions.

Provider Outreach continues with meetings held with medical group managers, the four schools and the North Carolina Provider Council. CSC and DMA met to conduct a Medicaid Planning Session.

RetroDUR continues with excellent progress. Efforts that identified changes in prescribing patterns enabled savings for the State. Work began on the Supplemental Rebate Program and Preferred Drug List (PDL), and this effort is on target to meet DMA's implementation goals.



DEPARTMENT OF HEALTH AND HUMAN SERVICES NCMMIS+ Program Quarterly Report

CSC delivered a Testing Tools Plan to OMMISS for review. CSC will use Borland testing tools and will purchase 25 Borland licenses for the State. The State Testing Manager will be included in the Borland Central training; and training will also be provided to the State testing staff.

Reporting & Analytics (R&A) Project

To receive system certification from CMS, the State must also concurrently replace the existing Decision Support System (DSS), aka Data Retrieval and Information Validation Engine (DRIVE), and the Surveillance Utilization Review System (SURS), aka NC Fraud and Abuse Detection System (FADS). The Reporting & Analytics (R&A) Project was established to address this requirement. This project will satisfy the mandated CMS requirements to replace the Legacy MMIS—along with the data warehouse used for reporting—with new technology that will maximize efficiencies, improve flexibility and provide a centralized repository for the Replacement MMIS claims.

The R&A Project received final approval from ITS and CMS to publish the R&A Request for Proposals (RFP) on Monday, November 23, 2009, to the State's IT procurement website. The Question and Answer (Q&A) period for R&A took place from November 24, 2009 through January 4, 2010, with two rounds of questions and responses. The responses for each round were published to the State's IT procurement website. The last set of Q&A responses was published to the State's procurement website on Monday, January 11, 2010.

On February 1, 2010, the State received four proposals from vendors in response to the R&A RFP. The R&A RFP Evaluation Committee members began reviewing the proposals on February 2, 2010. The Evaluation Committee will follow the State's One-Step Evaluation process with the first competitive range voting scheduled for February 26, 2010. The Oral Presentations and System Demonstrations are planned to occur March 8, 2010 through March 30, 2010 for those vendors who passed the first competitive range voting. The R&A contract award is targeted for June 2010.

RECENT UPDATES

The Division of Health Service Regulation (DHSR) Request for Proposal (RFP) was published to the State's IT procurement website on February 15, 2010. The DHSR project status will be included in future quarterly reports.

CHANGE REQUESTS

The Replacement MMIS has developed a Change Management Plan (CMP) to ensure changes in the size, scope, complexity and length of the Project are appropriately planned and managed. The CMP documents the multiple levels of reviews and approvals that are required before a change is enacted. The final review within DHHS is the multi-divisional Change Control Body (CCB); then, if the change has an associated cost, the Statewide IT Procurement Chief also approves the change. During the procurement process, Offerors were required to propose the cost anticipated to be needed for changes during the DDI phase. CSC proposed \$22 million



DEPARTMENT OF HEALTH AND HUMAN SERVICES NCMMIS+ Program Quarterly Report

which was approved by CMS and subsequently budgeted by the Agency. The following table summarizes change requests approval during this reporting period.

	Prior to Nov 2009	Nov 2009 - Jan 2010	Total
No Cost CSRs	62	22	84
Cost CSRs	5	9	14
Number of Approved CSRs	67	31	98
Cost of Approved CSRs	\$27,622	\$84,619	\$112,241

Most of the Customer Service Requests (CSRs) to date have been business rule changes related to the early implementation of the provider Enrollment, Verification and Credentialing functionality which are typically no-cost CSRs.

FINANCIAL UPDATE

The current estimated cost of MMIS Design, Development and Installation (DDI) is \$114,704,822 of which \$13,717,683 is the necessary State matching funds. CMS funds most DDI activities at a 90/10 federal match. Some exceptions to the 90/10 match include funding for training, furniture, indirect costs (overhead), and travel for non-project specific purposes; these activities receive 50/50 federal match. It should also be noted that non-Medicaid functionality, such as Public Health and Mental Health are not funded by CMS. In consideration of these factors, the "effective" federal funding rate for the MMIS DDI effort is approximately 88%. The \$114,704,822 total Replacement MMIS DDI cost includes \$22,000,000 in optional change orders approved by CMS (which will require contract amendments should DHHS decide to spend any part of the \$22 million and approval by the Statewide IT Procurement Office).

Program expenditures for SFY 09-10 are estimated to be \$42,058,702, which includes \$7,091,867 of State matching funds. With a carry forward of \$3,775,615 from SFY 08-09, \$3,316,252 in new State funds are required in SFY 09-10.

The above figures represent a decrease of \$22,182,287 in total expenditures and \$3,673,286 in State appropriations from the original budget for SFY 09-10. Due to longer-than-expected procurement timelines for the R&A and DHSR projects, vendor costs have been removed from this year's budget. Additionally, billings for change requests on the Replacement MMIS project are slower than anticipated. As a result of these changes, \$3,673,286 of State appropriations have been moved from the current fiscal year to SFY 10-11. This movement maintains the \$18,829,281 biennium amount included in Section 10.41.(a) of the Session Law 2009-451 Senate Bill 202.

The Reporting and Analytics (R&A) and the Division of Health Service Regulations (DHSR) projects are currently conducting procurement activities; therefore, cost projections from these projects have been redacted from the attached financial tables.

The financial details are provided in *Appendix A—Financial Update*.



**DEPARTMENT OF HEALTH AND HUMAN SERVICES
NCMMIS+ Program Quarterly Report**

SCHEDULE

This report includes the most recent high-level DDI schedule which reflects all major milestones during the 32-month schedule. The Replacement MMIS is scheduled to be operational on August 22, 2011. It should be noted that this schedule may be affected by federally mandated changes referred to as 5010 and ICD-10, described in the June 1, 2009 report.

End of Report



DEPARTMENT OF HEALTH AND HUMAN SERVICES
NCMMIS+ Program Quarterly Report

APPENDIX A –

FINANCIAL UPDATE

Table 1 below represents total costs incurred since the inception of the NCMMIS+ Program in September 2006, through the month ending January 31, 2010. It also includes estimated costs through the implementation of the Replacement MMIS, plus one year of CMS certification activities, ending on August 31, 2012. Post-implementation maintenance and operational costs are not included in these costs.

The Program's overall estimated costs are running .01% below the ITS-approved budget.

Table 1: Program Costs from September 2006 - January 2010 & Estimates through CMS Certification (August 2012)

Project	Start Date	End Date	Expenditures to Date	ITS Approved Budget	Required State Funds	Current Estimated Costs	Variance
⁴ MMIS DDI	11/01/08	11/30/11	16,703,516	92,704,823	10,661,055	92,704,823	0
¹ MMIS DDI Changes	01/05/09	08/23/11	0	N/A	2,695,000	22,000,000	N/A
MMIS Early Operations	04/20/09	08/23/11	1,828,994	N/A	5,181,955	10,363,909	N/A
² R&A	11/01/08	08/31/11	713,636	REDACTED: SEE FOOTNOTE 2			
² DHSR	07/01/08	06/30/11	1,115,963				
Program-Level	02/01/07	08/31/12	6,663,424	11,151,565	2,007,282	11,191,275	39,710
Business Initiatives							
Health Choice	12/01/08	06/30/10	709,609	787,638	78,764	767,696	-19,942
Completed Projects			9,384,802	9,436,139	1,029,109	9,384,720	-51,419
Total Current Projects				REDACTED: SEE FOOTNOTE 2			
³ Total ITS-Approved	09/16/06	08/31/12	37,119,944				
Variance							-0.01%

Footnotes:

¹- This amount has been designated as a place holder for legislative and/or Federal changes that may be required during the next fiscal year. Federal match is already approved.

²- **Source Selection Sensitive.** The Reporting and Analytics (R&A) and the Division of Health Service Regulations (DHSR) projects are currently in the Procurement Phase. Since the State is conducting procurement activities, **these cost projections have been redacted.** Also, since a contract has not been executed, these projected costs are more speculative than the other estimates.

³- Total estimated cost of ITS-Approved Projects; i.e., the place-holder *MMIS DDI Changes* and the *MMIS Early Operations* costs are not included in this total.

⁴- Includes \$90,204 in expenditures for the SAS Budget & Finance project.



**DEPARTMENT OF HEALTH AND HUMAN SERVICES
NCMMIS+ Program Quarterly Report**

Table 2 below represents State funds required for the current State Fiscal Year (SFY) 2009-2010. Due to longer-than-expected procurement timelines for the R&A and DHSR projects, vendor costs have been removed from this year's budget. Additionally, billings for change requests on the Replacement MMIS project are slower than anticipated. As a result of these changes \$22,182,287 in total expenditures and \$3,673,286 of State appropriations have been moved from the current fiscal year to SFY 10-11.

Table 2: State Funds Required for SFY 2009-2010

Project	Estimated Expenditures	Estimated State Funds
³ MMIS DDI	30,395,518	3,633,904
¹ MMIS DDI Changes	1,200,000	120,000
MMIS Early Operations	5,337,185	2,668,593
² R&A	REDACTED: SEE FOOTNOTE 2	
² DHSR		
Program-Level	2,201,847	244,048
Business Initiatives		
Health Choice	520,615	52,062
HIT Planning	905,120	94,272
MITA SS-A	213,000	21,700
Program Total	REDACTED: SEE FOOTNOTE 2	
State Appropriation Balance 7/1/09		3,775,615
Appropriations Needed SFY 09-10		3,316,252
Estimated Carry Forward Appropriations 6/30/10		0

Footnotes:

¹- This amount has been designated as a place holder for legislative and/or Federal changes that may be required during the next fiscal year. Federal match is already approved.

²- **Source Selection Sensitive**. The Reporting and Analytics (R&A) and the Division of Health Service Regulations (DHSR) projects are currently in the Procurement Phase. Since the State is conducting procurement activities, **these cost projections have been redacted**. Also, since a contract has not been executed, these projected costs are more speculative than the other estimates.

³- Inclusive of estimated expenditures for the SAS Budget & Finance project.



**DEPARTMENT OF HEALTH AND HUMAN SERVICES
NCMMIS+ Program Quarterly Report**

Table 3 below represents State funds required for the next fiscal year (SFY 10-11).

Please refer to the narrative for Table 2 above. State appropriations of \$3,673,286 need to be moved from SFY 09-10 to SFY 10-11. This movement maintains the \$18,829,281 biennium amount included in Section 10.41.(a) of the Session Law 2009-451 Senate Bill 202.

Table 3: State Funds Required for SFY 20010-2011

Project	Estimated Expenditures	Estimated State Funds
³ MMIS DDI	43,818,888	5,275,293
¹ MMIS DDI Changes	8,500,000	850,000
MMIS Early Operations	3,125,199	1,562,599
² R&A	REDACTED: SEE FOOTNOTE 2	
² DHSR		
Program-Level	1,994,325	221,850
Business Initiatives		
Health Choice	355,361	35,536
HIT Planning	1,650,000	172,500
MITA SS-A	REDACTED: SEE FOOTNOTE 2	
Program Total	72,927,843	11,737,414
State Appropriation Balance 7/1/10		0
Appropriations Needed SFY 10-11		11,737,414
Estimated Carry Forward Appropriations 6/30/11		0

Footnotes:

¹- This amount has been designated as a place holder for legislative and/or Federal changes that may be required during the next fiscal year. Federal match is already approved.

²- **Source Selection Sensitive**. The Reporting and Analytics (R&A) and the Division of Health Service Regulations (DHSR) projects are currently in the Procurement Phase. Since the State is conducting procurement activities, **these cost projections have been redacted**. Also, since a contract has not been executed, these projected costs are more speculative than the other estimates.

³- Inclusive of estimated expenditures for the SAS Budget & Finance project.

End of Appendix A



APPENDIX B – REPLACEMENT MMIS SCHEDULE

This April 1, 2010, Quarterly Report includes the most recent high-level design, development and installation schedule which reflects all major milestones during the 32-month schedule. Although several intermediate tasks schedules have changed, the *Replacement MMIS* is still scheduled to be operational on August 22, 2011.

The prototype for the Technical Design Documentation (TDD) was revised to better align with the build integration strategy defined for construction. These revisions prompted the expansion of TDD activities for builds that support global functionality across all functional areas. Technical design schedules for some builds have been adjusted in concert with the changes approved for the TDD.

CSC developed a revised strategy for review and verification of legacy Edit/Audits and Coverage Rules. The revised strategy includes an adjusted schedule, a new deliverable format and Acceptance Criteria for these deliverables.

It should be noted that this schedule may be affected by federally mandated changes. On January 16, 2009, US DHHS published two final rules to adopt updated HIPAA standards to the Electronic Transaction Standards, and adoption of the ICD-10 code set. These legislative changes are commonly referred to as 5010 and ICD-10. A summary of these changes is contained in the June 1, 2009 Quarterly Report document.



**DEPARTMENT OF HEALTH AND HUMAN SERVICES
NCMMIS+ Program Quarterly Report**

Design, Development and Implementation (DDI) Replacement MMIS Schedule

Buld Number	Key Milestone	Planned Date	Revised Planned Date	Actual Date
	Award Announcement /Contract Signed	December 22, 2008		December 22, 2008
	Project Kickoff Meeting	January 5, 2009		January 5, 2009
2	Setup Baseline System Replica Environment Complete	March 3, 2009		March 3, 2009
	CSC Permanent Facility Ready for Early Occupancy	March 5, 2009		March 5, 2009
1	Project Management Portal (NCTracks) Complete	March 26, 2009		March 26, 2009
4.3	RetroDUR Early Implementation	April 6, 2009		April 6, 2009
	Final Baseline Integrated Master Schedule Submitted to the State	April 9, 2009		April 9, 2009
4.1	Provider Early Implementation Operational for Enrollment, Verification and Credentialing	April 20, 2009		April 20, 2009
	NCID Framework Complete	April 24, 2009		April 24, 2009
	Final Baseline Integrated Master Schedule Accepted by the State	April 27, 2009		April 24, 2009
	Management Plans Complete	May 7, 2009		May 7, 2009
3	Install Imaging/ Retrieval/ Printing Equipment	June 12, 2009		May 22, 2009
	Configuration Management Plan Complete	June 25, 2009		June 8, 2009
	Master Test and Quality Assurance Plan Complete	October 2, 2009		October 2, 2009
	Business Continuity/Disaster Recovery Plan Complete	October 7, 2009		October 7, 2009
0	Multi-payer Foundation Complete	March 22, 2010		
6	Recipient SIT Complete	July 21, 2010	August 13, 2010	
5	Provider SIT Complete	August 18, 2010	October 8, 2010	
7	Eligibility Verification SIT Complete	August 20, 2010		
6	Recipient UBAT Complete	September 13, 2010	October 6, 2010	
5	Provider UBAT Complete	October 20, 2010	December 14, 2010	
	OMMISS Completes Development of UAT Scenarios	September 30, 2010		
7	Eligibility Verification UBAT Complete	October 29, 2010		
8	Non-Electronic Submissions SIT Complete	October 25, 2010		
11	Financial Claims Processing SIT Complete	January 13, 2011		
14	Pend Resolution/Batch Interfaces/Reference SIT Complete	January 5, 2011		
17	Call Center SIT Complete	December 9, 2010		
18	Automated Voice Response System/Subsystem Reporting SIT Complete	January 28, 2011		
12	Prior Authorization SIT Complete	February 8, 2011		
8	Non-Electronic Submissions UBAT Complete	November 22, 2010	January 12, 2011	
9/10	Medical/Pharmacy Claim Adjudication SIT Complete	December 14, 2010		
15	Financial Transactions/MAR SIT Complete	February 2, 2011		
	Final SIT Completed	January 25, 2011		
16	Health Check/Drug Rebate (EPSDT) SIT Complete	February 1, 2011		
13	Managed Care/TPL SIT Complete	February 23, 2011		
9/10	Medical/Pharmacy Claim Adjudication UBAT Complete	March 14, 2011		
	User Acceptance Test (UAT) Completed	June 7, 2011		
	Training and Documentation Complete	March 11, 2011	May 12, 2011	
	Final Data Conversion Complete	July 20, 2011		
	Production Simulation Test (PST) Complete	August 11, 2011		
	Replacement MMIS Operational	August 22, 2011		

End of Appendix B



APPENDIX C –

BACKGROUND

Medicaid is a health insurance program for certain low income and needy people. It serves over one million people in the State, including children, the aged, blind and/or disabled, and people who are eligible to receive federally assisted income maintenance payments. For approximately 31 years, North Carolina has had the same vendor supporting the Medicaid claims processing system and associated outsourced business functions. In 1999, the same vendor was contracted to develop the Division of Mental Health, Developmental Disabilities and Substance Abuse Services' (DMH/DD/SAS) Integrated Payment and Reporting System (IPRS) using the Medicaid claims payment system as a prototype. In addition, the Department operates another claims processing solution to facilitate claims payment for the Division of Public Health (DPH).

DHHS recognized the need to improve business processes and services provided by merging several of its claims payment systems into a *multi-payer* solution. This DHHS plan was modeled from CMS' Medicaid Information Technology Architecture (MITA) and Statewide Enterprise Architecture concepts. The processing of Medicaid and other healthcare claims directly supports DHHS' mission to serve the people of North Carolina by enabling individuals, families and communities to be healthy and secure and to achieve social and economic well being.

The NCMMIS+ Program was initiated in September 2006, to manage the activities related to the re-procurement and implementation of systems and services for a Replacement Medicaid Management Information System (MMIS) as well as systems and services for Reporting and Analytics (R&A) and an information technology (IT) system for the Division of Health Service Regulation (DHSR). The Replacement MMIS will expand claims payment functionality beyond Medicaid to include the Division of Public Health (DPH), the Migrant Health Program in the Office of Rural Health and Community Care (ORHCC), the Division of Medical Assistance (DMA), and the Division of Mental Health, Developmental Disabilities and Substance Abuse (DMH).

In July 2007, the Department of Health and Human Services (DHHS) posted a Request for Proposal (RFP) to fulfill the Centers for Medicare and Medicaid Services' (CMS') mandate that the State conduct an open procurement for a replacement of the Medicaid Management Information System (MMIS) and Fiscal Agent operations contract. Then, in June 2008, pursuant to the requirements of Section 10.40D.(a) (2) of Session Law 2008-107, DHHS amended the RFP to include the following payers: NC Health Choice, NC Kid's Care, Ticket to Work, Families Pay Part of the Cost of Services under the CAP-MR/DD, CAP Children's Program, and all relevant Medicaid waivers and Medicare 646 waiver, a five-year demonstration project that places the state's high-risk Medicare patients and dual eligibles (i.e., patients qualifying for both Medicaid and Medicare) into the primary care program known as Community Care of North Carolina (CCNC).

The NCMMIS+ Program consists of three major functional groups that are to be procured and contracted separately, which will provide the State with flexibility in contracting, and provides for access to the knowledge and skills of multiple vendors, and will broaden the industry experience base in NC DHHS systems by providing opportunities for specialization that might attract new vendors or partnerships not seen in a monolithic acquisition. The three major functional groups are: 1) Core MMIS Replacement, 2) Reporting & Analytics and 3) DHSR.



DEPARTMENT OF HEALTH AND HUMAN SERVICES NCMMIS+ Program Quarterly Report

There are two other major procurements in addition to the three mentioned above: 1) Test Management Services and 2) Independent Verification and Validation (IV&V). Test management of all three NCMMIS+ Program functional groups is outsourced to a single vendor that specializes in testing. The Test Management Vendor is responsible for managing the testing activities while primarily DHHS staff will perform the tests. Because of the close relationship among the Program's three functional groups, having one testing vendor is more efficient than procuring three different vendors. The Test Management Services contract was awarded to *SysTest Labs* on July 29, 2009.

CMS mandated that the State acquire IV&V services for the Replacement MMIS. The lead IV&V staff members have the responsibility to oversee the Project and report directly to the Project Sponsor and to CMS. The IV&V vendor provides the Lead with supporting staff as needed for specific activities; for example, a DBA (Data Base Administrator) may be called in to review data base layouts, etc. DHHS will also use the IV&V services for the R&A, and DHSP projects. The IV&V contract was awarded to MAXIMUS, Consulting Services, Inc. on September 17, 2009.

End of Appendix C