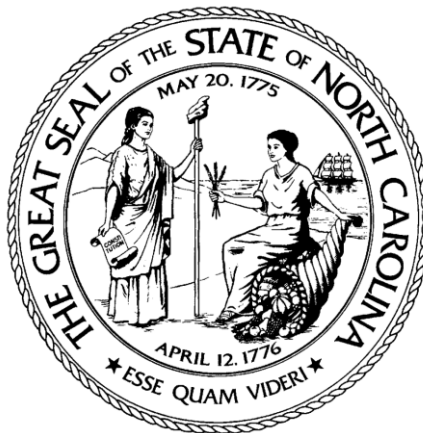


NC MEDICAID MANAGEMENT INFORMATION SYSTEM+ (NCMMIS+) PROGRAM

Quarterly Report to the North Carolina General Assembly February – April 2013



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

July 1, 2013



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

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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 North Carolina Department of Health and Human Services (NC DHHS) began submitting quarterly reports on March 1, 2009. Session Law 2009-451 and Session Law 2011-145, Section 10.29.(h) continued the quarterly reporting requirements as follows:

SECTION 10.29.(h) *Beginning July 1, 2011, the Department shall make quarterly reports on the progress of the development and implementation of the replacement MMIS. This report shall include any changes, or anticipated changes, in the scope, functionality, or projected costs. This report shall include any changes to any replacement MMIS vendor contracts and shall provide a detailed explanation of those changes and the associated cost increases. Each report shall be made to the Chairs of the House of Representatives Committee on Appropriations and the House of Representatives Subcommittee on Health and Human Services, the Chairs of the Senate Committee on Appropriations and the Senate Appropriations Committee on Health and Human Services, the Joint Legislative Oversight Committee on Health and Human Services, the Joint Legislative Oversight Committee on Information Technology, the Fiscal Research Division, and the Office of State Budget and Management. A copy of the final report on each contract or amendment award shall also be submitted to the Joint Legislative Oversight Commission on Governmental Operations.*

EXECUTIVE SUMMARY

The Replacement MMIS Project's (aka NCTracks) mini-Final Integration Test (Mini-FIT), which began on April 1, 2013, is presenting better-than-expected results. A check-write schedule and key cutoff dates have been agreed upon for the tasks required to transition from the Legacy MMIS to NCTracks. The User Acceptance Testing (UAT) environment concluded on March 1, 2013. CSC and the State have completed resolution plans for the known Provider Data Quality issues identified. A solution has also been reached to address the longer-than-expected Legacy eligibility case number issue.

Planning activities have begun for the NCTracks UAT scheduled to take place May 6 through May 31, 2013. The State developed a top-down view of the testing plans and provided this to CSC for review. The NCTracks application will be available by May 2, 2013 to support user provisioning. As part of the Organizational Change Management Initiative, CSC completed the four planned NCTracks overview sessions, along with a corresponding demonstration for the Provider and Claims functional areas of NCTracks. In April, two instructor-led provider training sessions were delivered—one in Asheville and one in Raleigh. Additional outreach is planned to improve provider participation.

The Reporting and Analytics (R&A) Project's monitoring metrics are on target following the Centers for Medicare and Medicaid Services (CMS) approval of the R&A Contract Amendment 3. Truven assigned new account and project managers to the Project. Truven acquired data center hosting space in Dallas, Texas, to implement the R&A production



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system at no additional cost to DHHS. CSC, OMMISS, and Truven, continue discussions on the exchange of data, reconciliation and change control processes needed between R&A and NCTracks. Truven continues development of the DHHS Dashboard Reports using the SAS software platform. OMMISS submitted the documentation to execute a Final Security Assessment for R&A prior to the July 1, 2013 implementation date. Truven completed the R&A System Integration Test 3 (SIT3) on March 15, 2013. OMMISS continues the R&A UAT planning effort with DHHS Division SMEs. Truven has delivered the functionality that allows the R&A System to interface with the North Carolina Teachers' and State Employees' Health Plan.

The DHSR BPAS Project completed the implementation of Stage 1, the Unified Data Source, Stage 2, Certificate of Need, and Stage 3, Construction, and all are in full production status. Stage 4, Licensure and Certification, and Stage 5, Health Care Personnel Registry (HCPR) and Center for Aide Registration & Education (CARE) have transitioned to Go-Live status. Since January 31, 2013, the DHSR BPAS Project has been running significantly behind schedule and a contract amendment was contemplated to divert development resources to fix a key database structure issue. Remaining contract funds were diverted, without a contract amendment, to the database issue as well as to the development of Online License Renewal requirements. As a result, development funds were exhausted and there is a plan to move into operations using operations funding. This plan must be approved for the Project to move forward. This approval is expected in May 2013.

Estimated NCMMIS+ Program expenditures have changed from 0.51% under the ITS-approved budget in the April 1, 2013 quarterly report to 0.39% under the ITS-approved budget in the July 1, 2013 quarterly report.

STATUS

Replacement MMIS Project

Project Overview

The purpose of the Replacement MMIS Project is to design, develop, and install a componentized, integrated, multi-payer Replacement MMIS claims processing system (to include Fiscal Agent operations) with business and technical processes that will satisfy all DHHS requirements, and to provide training for all users prior to implementation of the system. Replacement of the Legacy MMIS with a multi-payer claims processing system will support the Division of Medical Assistance (DMA), the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMH), the Division of Public Health (DPH), and the Office of Rural Health and Community Care (ORHCC).

Project Phase: Execution and Build

Accomplishments:

The mini-Final Integration Test (Mini-FIT), which began on April 1, 2013, is presenting better-than-expected results. The purpose of this test is to verify that the system continues to operate as designed following system changes made through Change Service Requests



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(CSRs) and updates to the Provider Portal. Through April 11, 2013, 70 test cases have been executed with an 82% pass rate.

A check-write schedule and key cutoff dates have been agreed upon for the tasks required to transition from the Legacy MMIS to NCTracks. A worksheet outlining the various transition tasks and due dates was developed for each of the following: MMIS, Integrated Payment and Reporting System, Purchase of Medical Care Services (POMCS), and Enrollment, Verification and Credentialing (EVC). This information will be used to create an *NC DHHS Provider Special Bulletin* alerting providers of the cut-off dates for Hewlett Packard Enterprise Services (HPES), EVC, and POMCS during the transition to NCTracks.

The User Acceptance Testing (UAT) environment concluded on March 1, 2013. At the close of UAT, there were 78 Severity 2 defects in an unresolved state as compared to the mutually agreed target of 83.9 defects. There are currently 31 Severity 2 defects that need to be confirmed by the State and 47 defects in the process of being corrected by CSC. State defect validation continues after UAT, as CSC submits defect fixes.

CSC and the State have completed resolution plans for the known Provider Data Quality issues identified. The State has approved the business rule definitions needed for the next data conversion. DPH continues to update recipient data with valid Common Name Data Service (CNDS) identifiers.

A solution has been reached to address the longer-than-expected Legacy eligibility case number issue. The Legacy Eligibility Information System (EIS), the basis for the Replacement MMIS design in 2010, uses an eight digit case number. In the State's new eligibility system, NC FAST, the case identification numbers will be consumed faster, requiring a number larger than eight digits. A workaround has been identified by the DHHS Division of Information Resources (DIRM) wherein the available pool of Legacy EIS case numbers in NCTracks will be used and cross-walked to the corresponding case identification number from the new eligibility solution.

Work In Progress

Planning activities have begun for the UAT scheduled to take place May 6 through May 31, 2013. A consolidated master list of items proposed for the May testing was developed based on input from the Gap Discovery sessions held with OMMISS, DHHS divisions, and the Test Management Services vendor, SLI. The master list includes functionality labeled as not tested, functionality not available for testing during the original UAT, and defects unresolved from the prior testing. The core planning group, consisting of representatives from OMMISS, SLI, and the Independent Verification and Validation vendor, Maximus, ranked each item on the list in order of business importance. The master list, with the associated ranking, was reviewed and approved by the Division Program Executives (DPEs). This master list, along with the critical CSRs and the list of testing concerns from the recent divisions' session will be considered in determining what will be addressed in the May testing.

The State developed a top-down view of the testing plans and provided this to CSC for review. The State met with CSC to review these plans and to clarify the areas in which CSC support is needed, including running batch HIPAA X12 transactions, timing of the runs required to support the cycles, and additional claims volume from the Production Simulation Test (PST) or Provider Operational Preparedness (POP) environments. State test case development is underway for the Gap items, and refinements are being identified for existing



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test cases for CSRs and defects. The Security test case scenarios have been added to the master list for May testing.

The environment used to support the May UAT was available for State data mining activities on Monday, April 22, 2013, after the completion of CSC smoke testing. The NCTracks application will be available by May 2, 2013 to support user provisioning, and UAT will begin on May 6, 2013. The State has determined that two years of history will be required for the May UAT environment. Resource assignments for core team testing support have been completed for six testing paths: CSRs, Defects, Gaps, HIPAA 5010, batch provider transaction data testing, and Security. Initial contact has been made with providers to request volunteers to provide test data for the May UAT.

As part of the Organizational Change Management Initiative, CSC completed the four planned NCTracks overview sessions, along with a corresponding demonstration for the Provider and Claims functional areas of NCTracks. The related Lessons Learned documentation from the division staff who participated is currently being developed. Future plans include workshops that will provide a deeper understanding of the NCTracks functionality, which will identify necessary changes to the system desk procedures. Subject Matter Experts (SMEs) within the State are the target audience.

Instructor led training for providers occurred on April 8, 2013, in Asheville, North Carolina. The number of providers participating was much lower than anticipated. Additional outreach is planned to improve future participation. Instructor led training was also conducted in Raleigh, North Carolina on April 15, 2013.

CSC reported on the first comparative claims run of the PST on April 16, 2013. The results highlighted challenges with the data which were effectively addressed.

Trading Partner Certification is progressing slowly with only 20% of the 975 total Trading Partners having successfully completed the TP certification testing. Of the total TP, 73% responded with contact Information and 42% have signed the Trading Partner Agreement. The State anticipates that TPs will ramp up more quickly as the Go-Live date nears.

The State and CSC held several meetings to develop alternative approaches for the method by which NCTracks uses the taxonomic levels for provider enrollment and claims processing. The Legacy MMIS used a North Carolina-specific provider type and specialty approach to validate and process claims. Providers with a certain type and specialty, for example, are only allowed to perform certain procedures and will be compensated at a prescribed rate. NCTracks uses a nationally standardized set of taxonomies to process claims. Providers enroll with the taxonomies that represent their certifications. Claims submitted by a provider must include a taxonomy code(s) that matches its enrollment record and qualifies it to be paid for the claimed procedure. A crosswalk or conversion table was used to move a provider from the Legacy solution to NCTracks. NCTracks and the conversion were designed to operate at level three taxonomies in most cases. It has been discovered, through testing, that in many cases, this is not appropriate. For example, nurse practitioners can be licensed at taxonomy Level II without additional specialization. CSC has submitted a draft solution for the taxonomy Level II and Level III issue for State review and approval.

The Synchronization Workgroup continued its work on the Sync List developed from the list of CSRs and State Business Rules list of edit changes since May 2011. There are 296 items on the Sync List. Sync List items will not be implemented by the July 1, 2013 operational



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start date. The Sync List was validated against the State Integrated Change Control (ICC) spreadsheet of CSRs not planned for implementation prior to operational start, and the DMA spreadsheets used for tracking HPES work items. Seventeen workgroup sessions were held in February 2013 to discuss a total of 163 Sync List items.

A number of communications were published to the OMMISS Website and communicated to providers through the Provider Listserv. The communications included information on the Currently Enrolled Provider NCTracks Registration process, an update on provider training, a tool kit on “How to Obtain an NCID for Providers,” and an updated version of the “Provider Checklist for Go-Live”.

A communication was sent to the provider associations extending an offer to conduct presentations to raise awareness about NCTracks and to seek their help in communicating information about key pre-Go-Live activities via their newsletters and websites. The response to the communication has been positive and several NCTracks presentations are currently planned.

Meetings to discuss Deployment and Rollout Plans (DRPs) continue with CSC and the State. Discussions centered on the approach for handling claims processing during the period between the June 20, 2013 HPES check-write and the cutover to NCTracks. Analysis is underway to review the potential solution options regarding the makeup of the claims (e.g. system generated, provider submitted, and Point of Sale), the anticipated volume, and the potential blackout period that may be required to support cutover activities.

Reporting & Analytics (R&A) Project

Project Overview

The purpose of the R&A project is to design, develop, and launch a centralized integrated claims payment data repository for improved decision support analytics capability by a broader spectrum of DHHS staff. The R&A solution will satisfy all DHHS requirements for monitoring and assessing trends in the delivery of health care, expenditures, and outcomes for improved policy decisions for DHHS-administered programs.

Accomplishments

The Project’s monitoring metrics are on target following the Centers for Medicare and Medicaid Services (CMS) approval of the R&A Contract Amendment 3. This amendment addressed all changes to scope and aligned the R&A Integrated Master Schedule (IMS) with the Replacement MMIS Project schedule.

Truven assigned new account and project managers to the Project. Truven acquired data center hosting space to implement the R&A production system at no additional cost to DHHS. The current development and test environments will be relocated to the new Dallas, Texas location on July 2, 2013.

Design and Configuration Tasks

CSC, OMMISS, and Truven, continue discussions on the exchange of data, reconciliation and change control processes needed between R&A and NCTracks. CSC has developed a method to provide incremental data updates from NCTracks to the R&A System. Testing of



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this critical process continues for UAT and for the production updates from NCTracks post July 1, 2013. Truven and OMMISS continue to meet weekly regarding specific tasks, action items, and to coordinate “touch point” meetings with CSC to ensure information is communicated in a timely and efficient manner.

Truven continues to perfect the design of the R&A System. Project CSRs have been approved to supply extracted data to DMA Managed Care Organizations and other contracted vendors. The targeted implementation date for implementation of these CSRs is October 1, 2013.

Truven continues development of the DHHS Dashboard Reports using the SAS software platform. Dashboards are used by program managers and administrators to monitor Key Performance Indicators (KPIs) specific to programs that DHHS administers in an automated manner, and will provide improved guidance capabilities for the prevention and intervention activities within DMA and potentially other areas within the DMH and DPH.

OMMISS submitted the documentation to execute a Final Security Assessment for R&A prior to the July 1, 2013 implementation date. Truven and OMMISS are working jointly to ensure that State and federal requirements are met for authorization and authentication of R&A users.

Testing Activity

Truven completed the R&A System Integration Test 3 (SIT3) on March 15, 2013. Delayed data deliveries from NCTracks have progressively pushed the R&A UAT window closer to the implementation date of July 1, 2013. OMMISS is working with Truven and CSC to address challenges with the delivery of test data from NCTracks to the R&A System, and to ensure that the delivery of ten years of claims history is received and processed into the R&A System when NCTracks moves into production.

OMMISS continues the R&A UAT planning effort with DHHS Division SMEs. Entrance and exit criteria were developed and discussed with Truven. The criteria took into consideration open defect resolution levels and passed test cases in determining UAT readiness. Work continues on the development of test scenarios to be used to create the UAT cases. The team has reviewed the processes with sections of each DHHS division to determine the functionality to be tested. The R&A Team and select Division SMEs have been trained and granted access to the R&A System data warehouse as well as the Advantage Suite Decision Support System (DSS) to assist in test result review and planning.

North Carolina State Health Plan (SHP)

Truven has delivered the functionality that allows the R&A System to comply with Session Law 2009-451 Section 10.41.(f), which requires DHHS to ensure that the solution developed in the R&A Project supports the capability, in its initial implementation, to interface with the North Carolina Teachers' and State Employees' Health Plan. As previously reported, the UAT of this initial implementation was completed August 14, 2012, and the solution was delivered for formal evaluation by the SHP staff on September 7, 2012. The evaluated system was accepted by the SHP Board on January 25, 2013, and OMMISS and Truven will continue to provide operations support to SHP management.



DHSR Business Process Automation System (BPAS) Project

PROJECT OVERVIEW

The Division of Health Service Regulation (DHSR) is responsible for the allocation, approval, licensing and inspection of regulated facilities, services and medical equipment in the State of North Carolina. DHSR decisions are essential to managing North Carolina's Medicaid Program. The DHSR BPAS Project will provide the means for integrating essential business processes and data among DMA, DMH, and DHSR.

Accomplishments:

The DHSR BPAS Project has completed implementation of Stage 1, the Unified Data Source, Stage 2, Certificate of Need, and Stage 3, Construction, and all are in full production status.

The DHSR BPAS is currently the system of record for Certificate of Need.

The DHSR BPAS is being used in all critical areas of Construction, but, as a safe guard, will require some double data entry until all BPAS component enhancements are complete.

Stage 4, Licensure and Certification, has transitioned to a Go-Live status, with all previous UAT issues and structural concerns addressed. During the Go-Live period, the operations support agreement is in effect, and the business users have been conducting functional testing and enhancements of the BPAS System to bring it to a ready-for-production cutover status. Stage 4 Interface Testing is underway and a testing environment was made available to the NC DHHS DIRM in early February 2013.

Stage 5, Health Care Personnel Registry (HCPR) and Center for Aide Registration & Education (CARE), has transitioned to Go-Live status, having addressed all previous UAT issues. During the Go-Live period, the operations support agreement is in effect, and the business users have been conducting functional testing and enhancements of the BPAS system to bring it to a ready-for-production cutover status. Stage 4 Interface Testing is underway and a testing environment has been made available to the NC DHHS DIRM in early February 2013.

Due to the expansion of the Online License Renewal (OLR) requirements, a newly revised plan for moving forward will be presented to the Secretary in May 2013. Once approved, the database restructuring can be completed and the highest priority OLR public-facing Web pages can be developed, and implemented.

DHSR and the Vendor have come to an agreement that the BPAS database is structured improperly and that long-term use of the current structure may compromise the usefulness of the system and the way data is reported. A correction to this structure is underway and, if Operations Phase funding is directed toward a solution, the restructured database will be available at the end of July 2013. Several Stage 5 and Stage 6 activities, such as full interface testing and output creation, have been postponed until this restructuring is in place. The plan to move forward has not yet been approved.



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RECENT UPDATES

Secretary Wos recently requested members of the North Carolina General Assembly to inform their constituents who provide services to Medicaid and other DHHS clients to sign up for NCTracks prior to the July 1 Go-Live date.

All testing, including User Acceptance Testing, was completed by May 31, 2013. The final month prior to the July 1, 2013 Go-Live date will be spent preparing for the deployment of the Replacement MMIS and the remediation of defects uncovered during testing.

The R&A Project began User Acceptance Testing, as planned, on May 31, 2013. The project is on schedule to be completed by June 30, 2013.

The DHSR BPAS project is currently on hold. DHSR had originally specified that it licenses facilities, which led to the development of a database structured for facilities' licenses. After review of the system, DHSR revised its business statement to say it licenses individuals and businesses to provide services at a facility; therefore, the database should be structured around an individual's or business's license rather than a facility's license.

Accordingly, DHSR and its vendor have come to an agreement that the DHSR BPAS database is structured improperly and that long-term use of the current structure would compromise the usefulness of the system and the way data is reported. Contract funds intended for the completion of the original requirements were reallocated to fund this database restructuring effort. DHHS executives are currently determining the best approach for the completion of the project. Once this decision is made, DHHS will seek the necessary ITS and OSBM approvals to move forward.

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 executed. The final review within DHHS is the multi-divisional Change Control Body (CCB).

After execution of the initial CSC Contract, Congress passed the American Recovery and Reinvestment Act (ARRA), which included funds for Health Information Technology (HIT). Incentive payments to Medicaid providers for investing in HIT infrastructure are a component of ARRA. DHHS is leveraging its existing contract with CSC to implement the incentive payments. For that reason, changes are separated in tables below to distinguish changes to the Replacement MMIS versus HIT.

Contract amendment #2 with CSC identified several pools for changes:

- 1) Changes approved at the time of contract negotiations equaled \$6,720,749
- 2) Modification pool for future DDI changes equaled \$20,100,000
- 3) Health Information Technology (HIT) modifications, non-MMIS, modification pool equaled \$15,277,760



Amendment 2 approved CSR statistics are reported below. These statistics reflect CSRs reported against the \$20,100,000 CSR Capacity Pool. Pre-Amendment 2 CSR statistics are no longer being reported.

	Prior to February 2013	February thru April 2013	Total
No Cost CSRs	91	5	96
Cost CSRs	305	23	328
Number of Approved CSRs	396	28	424
Cost of Approved CSRs	\$14,697,055	\$4,724,837	\$19,421,892

HIT

CSR Statistics for HIT (Non-MMIS)

	Prior to February 2013	February – April 2013	Total
No Cost CSRs	2	0	2
Cost CSRs	21	1	22
Number of Approved CSRs	23	1	24
Cost of Approved CSRs	\$7,173,264	\$34,183	\$7,207,448

FINANCIAL UPDATE

Most development, design and implementation activities for the Replacement MMIS and R&A Projects are funded by CMS at a 90/10 federal match. Exceptions to the 90/10 match



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include funding for training, furniture, indirect costs (overhead) and travel for non-project specific purposes; these activities receive 50/50 federal match. Additionally, 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 financial details are provided in *Appendix A—Financial Update*.

SCHEDULE

There have been changes in the Replacement MMIS schedule to reflect the completion of User Acceptance Test (UAT) and Production Simulation Test (PST), as reflected in *Appendix B—NCMMIS+ Program Project Schedules*. None of these schedule changes will negatively impact the planned system functionality at Go-Live on July 1, 2013.

As noted in the Recent Update section of this report, the DHSR BPAS project is currently on hold until a final decision is made regarding an approach for the completion of the project. A new project schedule is expected for the next quarterly report.

The R&A Project schedule has been changed to reflect the completion of the Catalyst Quality Spectrum Insight (QSI) Development (related to Healthcare Effectiveness Data and Information Set, or HEDIS), the QSI Extract Development, the Business Continuity/Disaster Recovery Plan, and the System Integration Test 3, as well as date revisions for the completion of the SIT3 Results Document and UAT, as indicated in *Appendix B*. None of these schedule changes will negatively impact the ability of the R&A system to begin accepting and using data from NCTracks at Go-Live on July 1, 2013.

End of Report



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APPENDIX A – FINANCIAL UPDATE

Table 1 below represents total costs incurred since the inception of the NCMMIS+ Program in September 2006, through the month of April 2013. It also includes estimated costs through the implementation of the Replacement MMIS, plus one year of CMS-certification activities ending on June 30, 2014. Post-implementation maintenance and operational costs are not included in these costs.

The Program's overall estimated costs are running 0.39% under the ITS-approved budget.

**Table 1: Program Costs from September 2006 – April 2013 &
Estimates through CMS Certification (June 2014)**

Project	Start Date	End Date	Expenditures to Date	ITS Approved Budget	Required State Funds	Current Estimated Costs	Variance
MMIS DDI	11/01/08	10/31/13	\$180,442,267	\$229,847,418	\$28,730,927	\$229,847,418	0
MMIS Early Operations	04/20/09	06/30/13	22,302,131				N/A
R&A	11/01/08	06/30/13	10,906,494	15,549,664	1,788,211	14,862,566	-687,098
DHSR	07/01/08	05/31/12	8,419,809	8,565,102	3,426,041	8,565,102	0
DHSR - O&M	09/01/12	12/31/16	1,418,345	N/A	709,173	4,846,779	N/A
Program-Level	02/01/07	06/30/14	15,488,326	18,244,536	2,280,567	18,119,924	-124,612
Business Initiatives							
HIT Incentive Payments	01/01/11	09/30/13	9,657,748	N/A	1,023,797	10,237,969	N/A
Medicaid Forecast.	11/01/09	01/31/11	1,523,010	1,739,914	173,991	1,543,010	-196,904
Completed Projects			11,133,002	11,535,538	1,239,049	11,440,782	-94,756
Total Projects			\$261,291,132		\$39,371,756	\$299,463,550	
Total ITS-Approved	09/16/06	06/30/14	\$227,912,908	\$285,482,172	\$37,638,787	\$284,378,802	-1,103,370
Variance							-0.39%

Footnotes:

¹- Total estimated cost of ITS-Approved Projects; i.e., the place-holder *MMIS DDI Changes*, *MMIS Early Operations* and *HIT* costs are not included in this total.



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Table 2 below represents State funds required for SFY 2012-13.

Since MMIS resides in a special fund within a 2-type budget code, it maintains a fund balance. Pursuant to G.S. 143C-1-2(b)(iii), the unexpended, unencumbered balance of an appropriation for the implementation of information technology projects shall not revert until the project is implemented. The fund balance on the 2011-12 fiscal year-end budget report was \$5,306,911, i.e. \$4,352,989 for MMIS and \$953,922 for HIT/HIE. In addition to Federal funds, receipts include transfers from other DHHS divisions. Specifically, a portion of the receipts in each year of the biennium is a prior-year earned revenue transferred as outlined in House Bill 200–Appropriations Act of 2011. The Department may use \$12,000,000 in prior-year earned revenue in SFY 2012-13 for the procurement, design, development, and implementation of the replacement MMIS.

This table addresses only the Replacement MMIS requirements. HIT/HIE requirements are noted in Table 4.

Table 2: State Funds Required for SFY 2012-2013

Project	Estimated Total Expenditures	Estimated State Funds
MMIS DDI	\$57,048,108	\$7,268,048
¹ MMIS DDI Changes	10,000,000	1,217,581
MMIS Early Operations	7,586,566	2,640,125
R&A	6,098,233	879,823
DHSR	3,881,531	1,640,467
Program-Level	2,493,853	493,167
MMIS Total	\$87,108,291	\$14,139,210
State Appropriation Balance 7/1/12		\$4,352,989
Appropriations SFY 12-13		\$12,000,000
² Estimated Cash Balance on 6/30/13		\$2,213,779

Footnotes:

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



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Table 3 below represents State funds required for SFY 2013-14.

Since MMIS resides in a special fund within a 2-type budget code, it maintains a fund balance. Pursuant to G.S. 143C-1-2(b)(iii), the unexpended, unencumbered balance of an appropriation for the implementation of information technology projects shall not revert until the project is implemented. The fund balance at the end of SFY 2012-13 is estimated to be \$2,213,779 for MMIS.

This table addresses only the Replacement MMIS requirements. HIT/HIE requirements are noted in Table 4.

Table 3: State MMIS Funds Required for SFY 2013-2014

Project	Estimated Total Expenditures	Estimated State Funds
MMIS DDI	\$31,054,505	\$3,881,813
Operations & Maintenance Support	2,974,700	1,487,350
Year 1 Changes	15,000,000	5,500,000
R&A DDI	767,858	76,786
DHSR DDI	650,000	325,000
Program-Level	3,140,260	600,982
MMIS Total	\$53,587,323	\$11,871,931
State Appropriation Balance 7/1/13		\$2,213,779
Appropriations SFY 13-14		\$9,658,152
Estimated Cash Balance on 6/30/14		\$0

Footnotes:

The estimated State Funds includes only funds required for OMMISS, budget code 24410, fund 2413; it excludes \$20,409,053 in funds transferred from other DHHS divisions to support the state's share of operation and maintenance costs.



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Table 4 below represents State expenditures for HIT/HIE during SFY 11 and SFY 12 and estimated requirements for SFY 13.

This table addresses only the HIT/HIE requirements. Funding for these needs is expected through internal DHHS transfers.

Table 4: Funds Required for HIT/HIE for the Biennium

Project	Estimated Expenditures	Estimated State Funds
SFY 10-11: HIT/HIE Expenditures	\$5,113,682	\$511,368
SFY 11-12: HIT/HIE Expenditures	\$3,896,675	\$389,668
SFY 12-13: HIT/HIE Requirements	\$984,577	\$98,458

End of Appendix A

APPENDIX B – NCMMIS+ PROGRAM PROJECT SCHEDULES

Design, Development and Implementation (DDI) Replacement MMIS Schedule

Build Number	UID	Key Milestone	Planned Date	Planned Dates Revised this Report Period	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		March 22, 2010
6		Recipient SIT Complete	August 13, 2010		August 17, 2010
7		Eligibility Verification SIT Complete	August 20, 2010		August 17, 2010
7		Eligibility Verification UBAT Complete	September 9, 2010		September 21, 2010
8		Non-Electronic Submissions SIT Complete	October 25, 2010		November 11, 2010
6	106	Recipient UBAT Complete	January 17, 2011		January 17, 2011
8	86	Non-Electronic Submissions UBAT Complete	February 11, 2011		February 11, 2011
16.1	2703	Health Check (EPSDT) SIT Complete	April 8, 2011		April 5, 2011
17	1221	Call Center SIT Complete	May 24, 2011		May 24, 2011
12	2059	Prior Authorization SIT Complete	June 15, 2011		June 15, 2011
5	1115	Provider SIT Complete	June 7, 2011		July 7, 2011
13.1	1661	Managed Care SIT Complete	July 1, 2011		July 1, 2011
9	2275	Pharmacy Claim Adjudication SIT Complete	July 6, 2011		July 6, 2011
5	1126	Provider UBAT Complete*	October 7, 2011		October 7, 2011
16.2	1389	Drug Rebate SIT Complete**	October 31, 2011		October 31, 2011
18	1468	Automated Voice Response System/Subsystem Reporting SIT Complete	October 4, 2011		October 4, 2011
9	2299	Pharmacy Claim Adjudication UBAT Complete	June 25, 2012		June 25, 2012



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14.1	2577	Reference SIT Complete	December 8, 2011		December 8, 2011
FIT/SIT	1223	Data Conversion for FIT/SIT Complete	April 12, 2012		April 12, 2012
EA	1102	Cycle 1 Final Security Roles Deliverable Complete	March 27, 2012		March 27, 2012
15.2	1832	MAR SIT Complete	May 24, 2012		May 25, 2012
13.2	2055	TPL SIT Complete	May 30, 2012		May 25, 2012
19	5234	5010 Phase 1 SIT Complete	June 8, 2012		May 29, 2012
11/15.1	2631	Financial Claims Processing SIT Complete	June 1, 2012		June 1, 2012
10/14.2	1464	Medical/Pend Reso Claims SIT Complete	May 25, 2012		June 4, 2012
Final UAT	1159	OMMISS Completes Development of UAT Scenarios	August 7, 2012		October 1, 2012
FIT/SIT	1195	Final Integration Test Complete	July 27, 2012		July 27, 2012
Ops Manuals	1084	Operations Manual Complete	February 19, 2013		February 28, 2013
FIT/SIT	1187	Final Performance Engineering Complete	September 4, 2012		August 31, 2012
10	1454	Medical Claims UBAT Complete	September 25, 2012		September 21, 2012
19	5351	5010 Phase 2 SIT Complete	October 11, 2012		October 11, 2012
FIT/SIT	1189	Final SIT Complete	November 16, 2012		November 21, 2013
Final UAT	1224	User Acceptance Test (UAT) Completed	March 26, 2013		April 8, 2013
19	5123	5010 Phase 1 Complete	January 14, 2013		November 21, 2013
PST	1425	Production Simulation Test (PST) Complete	April 17, 2013		April 26, 2013
Deployment	1177	Final Data Conversion for Cutover Complete	June 25, 2013		
Deployment	1133	Site Cutover Go/No Go Decision	June 30, 2013		
Training	4036	Training Complete	July 9, 2013		
Deployment	1144	Replacement MMIS Operational	July 1, 2013		

Reporting and Analytics Schedule

UID	Key Milestone	Planned Date Per Amendment 2	Planned Dates Revised this Report Period	Actual Date
	Award Announcement /Contract Signed			June 29, 2010
30	Project Kickoff Meeting	July 7, 2010		July 15, 2010
288	Data Summit Complete	July 20, 2010		July 26, 2010
226	Gather and Document Business Requirements	October 13, 2010		October 25, 2010
1214	Initial Test Data Submission Complete	November 2, 2010		November 19, 2010
281	Business Requirements Document Complete	September 24, 2010		March 9, 2011
366	Extract Specification Document Complete	September 23, 2010		March 17, 2011
1781	Software Development and System Engineering Plan Complete	April 6, 2011		April 6, 2011
173	Change Management Plan Complete	May 20, 2011		May 20, 2011
222	Hardware and Software Installation Complete	November 18, 2010		June 1, 2011
204	Joint Security Plan Completed	July 27, 2011		July 27, 2011
4900	DW Design Group 2 Completed	August 31, 2011		August 31, 2011
4903	DSS Design Group 1 Completed	September 30, 2011		September 30, 2011
4912	DW Load Scripts Development Group 1 Completed	October 14, 2011		October 14, 2011
1836	Acceptance Criteria for Analytic Test Plan Complete	November 9, 2011		November 9, 2011
1791	Acceptance Criteria for R&A Data Dictionary Complete	December 8, 2011		December 8, 2011
4902	DW Design Group 4 Completed	January 20, 2012		January 20, 2012
442	Data Warehouse Design Complete	February 9, 2012		February 9, 2012
523	Detailed System Design Complete	March 14, 2012		March 14, 2012
732	System Integration Test 1 Complete	April 23, 2012		April 23, 2012
6154	SHP SIT Complete	May 16, 2012		May 16, 2012
1021	Training Plan Accepted and Complete	June 12, 2012		June 12, 2012
6171	SHP SIT Results documentation	June 22, 2012		July 2, 2012
7204	E J-SURS Viewer/OLAP Training Complete	July 27, 2012		July 27, 2012
1614	Turnover Plan Complete	August 22, 2012		August 22, 2012
6211	SHP Production Build Release	August 17, 2012		September 10, 2012
7278	E J-SURS UAT Test Results Complete	October 5, 2012		September 10, 2012
7282	E J-SURS Design Model ready for Production	September 13, 2012		September 24, 2012
787	System Integration Test 2 Complete	October 29, 2012		October 29, 2012
7307	SHP Go/No Go Decision	November 29, 2012		January 25, 2013
652	QSI Development Complete	February 15, 2013		January 25, 2013
1035	Data Management Plan Complete	December 21, 2012		December 21, 2012
589	QSI Extract Development Complete	February 15, 2013		January 25, 2013
1007	Business Continuity/Disaster Recovery Plan Complete	February 15, 2013		February 14, 2013
833	System Integration Test 3 Complete	March 13, 2013		April 30, 2013
1473	SIT3 Results Document Complete	May 6, 2013	May 20, 2013	
1721	UAT Complete	July 5, 2013	July 23, 2013	
1476	Submit CDRL-39 UAT Results Document for State Review	July 12, 2013		
891	Execution Phase Close Out Deliverables Complete	August 20, 2013		
919	System Release for Production	September 2, 2013		

For a summary of the above schedule changes, please see the Schedule section on page 13.

End of Appendix B



APPENDIX C – BACKGROUND

Appendices C can be found in previous versions of the NCGA MMIS Quarterly Report or accessed by clicking the following link: [NCGA MMIS Quarterly Report Appendix C for July 1 2013](#).

APPENDIX D – REPLACEMENT MMIS BENEFITS SUMMARY

Appendices D can be found in previous versions of the NCGA MMIS Quarterly Report or accessed by clicking the following link: [NCGA MMIS Quarterly Report Appendix D for July 1 2013](#).

APPENDIX E – STATE LEGISLATIVE MANDATES

Appendices E can be found in previous versions of the NCGA MMIS Quarterly Report or accessed by clicking the following link: [NCGA MMIS Quarterly Report Appendix E for July 1 2013](#).

APPENDIX F – REPLACEMENT MMIS BUILDS

Appendices F can be found in previous versions of the NCGA MMIS Quarterly Report or accessed by clicking the following link: [NCGA MMIS Quarterly Report Appendix F for July 1 2013](#).