

Track 1 | Executive Interview

Medicaid Enterprise System (MES) Modularity Checkpoint

– What have we learned about procuring, implementing, and maintaining a modernized MES?

Over 80% of states have embarked on a modular MES modernization journey by at least publishing modular strategies. Many have procured a system integrator and are working on integrating MES modules. With contracts in 25 states and territories, NTT DATA has a front row seat to these MES modernizations and is in a great position to 'connect the dots' across state programs.

Rob Waters, with State Healthcare IT Connect sat down with Mark Veness, Technical Advisory Portfolio Manager for NTT DATA, Monty Fleenor, MS, Information Technology Lead Managing Consultant for NTT DATA, and Eva Taylor, PMP, Senior Business Consulting Director for NTT DATA Services, to discuss some of the lessons learned from helping states and territories with their modular MES modernization journeys.

What advice do you have for states just starting out on their Medicaid Enterprise System (MES) modernization journey?

Veness: The focus today is on improving business outcomes through technology. Therefore, it is critical that states start with identifying and understanding the desired business improvements. These improvements must be used to drive the overall program goals as well as each of the project goals. In the past, it was enough to have technology goals. While modernizing technology is still important, it is not enough. There must be an improved business outcome to justify the time, expense and change that these large multi-year journeys will demand. Defining the project goals in terms of business improvements puts business stakeholders in the center of the project. States should plan for key business stakeholders to be part of the modernization projects for some percentage of their time through the project life cycle. States should have solid backup or succession plans in place to allow for these key operational staff to be involved in the project activities.

Taylor: For states just starting out, it is important to "Begin with the end in Mind". States should work with the business stakeholders to understand the desired business improvements. It is equally important to understand any needed changes to the existing Operating (Delivery) Model for these business improvements.

Some areas to examine for changes are listed below

- New roles for existing staff which would require training
- Organizational structure
- Level of interaction and collaboration with other state agencies
- Number of vendor contracts to manage
- Level of ongoing CMS communication including Funding Requests and certifications
- Enhancement to Back-Office systems to automate manual processes
- Changes to technology platform
- Changes to existing Governance processes

An assessment of the current Operating (Delivery) Model is needed so that the gaps between today's model and the desired model are identified.

Addressing these gaps can then be incorporated into the overall MMIS modernization plan. It is important to assess the organization's capacity for change so that addressing these gaps too quickly does not cause change fatigue for the organization.

Fleenor: In addition to establishing business improve goals, it is critical to have a solid overall technical strategy which supports the business goals. Some states have used a technology roadmap to document their strategy. The roadmap would set the standard for the type of platform expected for example a cloud-based platform. It could also document a standard set of system Key Performance Indicators (KPI) which would be measured for each module. In addition, the roadmap could document any standard technical tools which are used to measure these KPI's. These technology standards would be used to drive common requirements in each module procurement.

RW: As MES projects have progressed, what are some fundamental assumptions made by states that may need to change?

Fleenor: In the past, the assumption was that a single vendor would deliver the system. In today's modular environment, the assumption is the MES will be delivered by multiple vendors. The complexity of managing in this multi-vendor environment points out the importance of ensuring the boundaries between modules are clear. For instance, the implications associated with any overlap or duplication of functional requirements between modules, should be clearly understood. In addition, responsibilities for data exchanges, and integrations points between modules should be clearly defined for each vendor. Also, the responsibility for managing the implementation of these data exchanges and integration points should be defined. For example, if you have an Integrated Services Layer (ISL), you want to clearly define who is responsible for managing the integration of each module to the ISL. Is it the ISL vendor, the module vendor, which is being integrated, or is it a separate Program Management Office (PMO)? Having clearly defined roles and responsibilities for each module will greatly reduce the risk of modernizing your MES in this multi-vendor environment.

Taylor: Today many states are changing the way they interact with their vendors. For instance, Tennessee and New Hampshire have elected to create a collaborative culture between the state and the MES module vendors. In this culture the vendors, who may be business competitors, are treated as partners and expected to 'leave their logos at the door' while working together on the state's modernization goals. Each partner's contract has clear responsibilities which do not overlap with any other partner's contract. The interaction between all parties is more relational rather than transactional and the partners are encouraged to collaborate, with the state holding the ultimate decision authority.

Veness: In this modular environment, the assumption that one vendor would implement all the business functionality had to change. Today, states will likely have multiple vendors responsible for only their part of the end-to-end business functionality. For instance, there isn't one vendor who is responsible for enrolling providers and members, processing and paying claims submitted by providers for member services, and then appropriately reporting this activity on federal reports. Because of this new reality, activities which used to be done once such as end-to-end testing are now broken up by module. For example, the provider module will test that the provider can get enrolled, and the claims module would verify that claims can be paid. In this modular world, no vendor is responsible for the overall end-to-end testing. Also, this type of end-to-end testing will likely have to be repeated as each of these modules is implemented. In this modular environment, there are some functions which will occur continuously like testing, procurements, and Advanced Planning Documents. Some states have chosen to employ centers of expertise for these functions to accomplish the work in the most effective manner.

RW: What types of oversight should states provide or contract for in MES projects, and what are recommendations for separating any of these activities, if any, for the Governance vendors?

Taylor: Many states are realizing that it is not enough to have clearly defined business outcomes supported by a solid technology roadmap. These must be supported by a strong governance model. It will be important for each state to do an honest assessment of their culture and the maturity of the current governance processes and ability to provide the appropriate staff needed for their MES modernization. Even though CMS no longer requires Independent Verification and Validation (IV&V) services, a state may elect to have IV&V services based on their limited or dated experience with large modular multi-vendor projects. Typically, states have divided the governance into three main areas – Program/Project, Business and Technical. States will contract out these services based on their assessment of their current state. States have elected to combine these services into one or more contracts. One model that has worked well for Tennessee is to use the expertise of vendors to establish and facilitate the Governance structure and supplement the state staff with project management, business, and technical expertise.

However, the state maintains ultimate decision authority and control of all standards. In other words, the vendors help with defining and executing but the state maintains ultimate decision authority. When choosing a governance vendor, it is important to choose vendors who have experience not just in theory but also in practice. In other words, there are many vendors who are project management specialist or technology experts. States will get the most value out of choosing a vendor who can demonstrate their success in large Healthcare multi-vendor implementations.

Fleenor: In the modular MES environment, it will be critical to establish Program level governance. States must have MES level oversight allowing for tools such as an integrated master schedule, communication plan, and program level risks, assumptions, opportunities, issues, dependencies, and action items registers. Governance bodies must be established at the program level as well as the module level so the inter module dependencies and potential conflicts are known and addressed. Without this program level governance, states will struggle to understand the impact of the individual module implementation on the overall program.

Veness: Even though IV&V services are no longer required by CMS, with projects of this complexity periodic objective assessment is critical. The state's governance processes should include a method of objectively measuring the performance of each module implementation as well as the overall program. Schedule, scope, and quality should be measured at a minimum. These metrics should be tracked at the program level as well. The Governance process should be measured for effectiveness based on adherence to standards, and timeliness of decisions. Having insight into these measures will allow for risks and issues to be known and addressed early in the process.

RW: In a world of modularity, multiple implementations and procurements, how do you recommend engaging and staying focused on business needs?

Taylor: The process for engaging and maintaining business partners involvement which some states call Business Relationship Management (BRM) must be defined at the beginning of the MES Modernization. Business partners should be engaged in defining the overall MES Modernization roadmap. In addition, the Governance processes at the program and project should include business partner involvement. There should be change champions or advocates within the business or within technology who are responsible for interfacing between business and technology partners to facilitate appropriate project engagement. These change champions or advocates could facilitate a collaborative process to capture high level business unit requirements and technology capabilities to accomplish those needs maintaining this throughout maintenance and operations. Both Alabama and Tennessee have implemented similar models which are successfully engaging their business partners.

Fleenor: Many states are challenged with having enough staff to create a dedicated role for BRM. When I worked within a state Health and Human Service CIO organization, we created the role of Business/Technical Relationship Manager, whose main responsibility was to be the primary liaison between the different business divisions and Information Technology (IT). These BRM efforts proved invaluable in assuring the business needs were met, and that projects stayed on schedule and within budget. Today, I support the Tennessee BRM Team. Tennessee leverages the Technical Advisory Services and the Business Support Services from their vendor partners to provide support to the Business Relationship Managers. While the BRM team members aren't necessarily subject matter experts themselves, they bring together the appropriate technical and business subject matter experts from these partners to ensure the business is effectively engaged in the projects' business needs. The facilitation by the BRM team allows the state to successfully support the large number of module vendors within their MES Modernization.

RW: Looking ahead to M&O, how do states prepare for maintenance and operations in the modular modernized environment?

Taylor: The modular world introduces new challenges to Maintenance and Operations (M&O). States should plan for M&O desired outcomes from the beginning of their Modernization journey. Security should be a key focus with the added complexity of multiple modules and vendors. Standard processes, tools, reporting, and KPIs should be defined for the modules and the enterprise. Business Continuity and Disaster Recovery for each module and at the enterprise level standards should be established. The M&O expectations should be clearly articulated in the procurements. States should plan to support both the old and the new M&O processes while the MES is being modernized.

Veness: Before modularity, the states could plan for the procurement period, an implementation period, and then a period of M&O. Typically when the system moved into M&O there was a drop off in the level of staff needed for M&O. Today with modularity, the states should plan on some part of their MES being in procurement or implementation 85% to 90% of the time. This has resulted in a constant elevated staffing level for both state staff and vendor staff. For instance, in the past states may have staffed or contracted for a PMO for the implementation then dissolved it for M&O. Today those same states are needing an ongoing PMO to support the constant state of procurements and implementations. In addition, this PMO is needed to coordinate initiatives that involve work across modules and vendors.

Fleenor: Ongoing BRM is critical in a modular environment. States should implement processes to engage and sustain business partner relationship into M&O. Alabama and Tennessee implemented operating models as part of their MES journeys that maintain business partner engagement. The models established new roles within the organization which are responsible for the relationship between the technical and business unit.

The responsibilities of these roles include communication of ongoing business needs as well as helping the business understand technology capabilities. The result is a productive partnership to effectively support monitoring of Service Level Agreements, and awareness of potential changes on the horizon from both a business and a technology perspective.

Eva Taylor, PMP

Eva Taylor is a Senior Business Consulting Director with NTT DATA Government Consulting and Advisory (GCA). She currently supports the State of Tennessee, Division of TennCare client. Eva is a certified Project Management Professional (PMP) with over 38 years of experience providing solutions to business problems in the Information Technology industry. Throughout her career, she has provided strategic direction, implementation, and operations leadership for many large complex projects. In addition, she has provided program management of solutions for healthcare, state government, and local government clients.

Monty Fleenor, M.S.

Monty Fleenor is an experienced architectural advisor in the information technology (IT) industry providing state agencies with support and review of large-scale, complex implementations. Monty has more than 30 years in information technology, architecture, and system integration, including over 16 years in Health and Human Services and Medicaid. He brings in-depth knowledge of technical, enterprise, and data architecture, regulatory compliance, business analytics, data ecosystems and organizational performance. Monty holds a master's degree in Instructional and Performance Technology.

Mark Veness

Mark Veness is a healthcare solution architect with over 20 years of experience supporting solutioning, procurement, implementation, and operations of Medicaid Management Information Systems (MMIS) across eighteen states. Mark founded the NTT DATA Government Consulting and Advisory (GCA) System Integration (SI) practice in 2016 and now leads GCA's Technology Advantage portfolio of services. GCA's System Integration Practice currently provides SI strategy, procurement support, implementation, or operations oversight to nine state Medicaid modernization programs.