



State of Utah

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*Governor*

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*Lieutenant Governor*

## Utah Department of Health

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### Division of Medicaid and Health Financing

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October 5, 2018

Jonathan Ball, Director  
Office of Legislative Fiscal Analyst  
State Capitol Complex  
House Building, Suite W310  
Salt Lake City, UT 84114

Reference: Medicaid Management Information System Quarterly Report

Dear Mr. Ball:

Legislative intent language from the 2014 Legislative General Session directs the Utah Department of Health to report quarterly on the status of replacing the Medicaid Management Information System (MMIS). This letter and its contents constitute the Department's report for the quarter ending September 30, 2018.

### **MMIS Replacement Project Status by Component**

#### *Pre-Payment Editing System*

The editing software has been in production since December 20, 2010. The total avoided claim payments for the third calendar quarter of 2018 was \$998,085. The total amount avoided since the implementation of the system is \$22,377,354.

#### *Fraud and Abuse Detection System (FADS)*

The requirements for a FADS tool will be incorporated with the development of the new MMIS replacement. In the interim, the Department is providing the necessary data extracts and clarification of the data to the Medi-Medi contractor. The vendor is utilizing the State's data to analyze Medicare-to-Medicaid claims.

#### *Point of Sale (POS) and Drug Rebate Management System (DRMS)*

The POS/DRMS contract was awarded to Goold Health Systems (GHS). The Point of Sale System was implemented on February 19, 2012. The DRMS went into production April 16, 2012. The 2012 first quarter rebates were invoiced in May utilizing the new DRMS. A Pharmacy Provider Portal is the last functionality implemented as part of this project. The

Portal allows a registered provider to submit prescriptions and prior authorization requests, verify eligibility and view preferred drug list information. During February 2013, CMS completed the on-site certification review of the system. There were no initial findings at the conclusion of the on-site certification review. The Department received the CMS certification report on April 4, 2013.

#### *Data Warehouse Upgrade*

The Data Warehouse upgrade was completed in February 2011 and is in production.

#### *Core MMIS replacement*

On February 2, 2012, the Department received approval from CMS for both the Implementation Advanced Planning Document (IAPD) securing enhanced federal funding and the Request for Proposal (RFP) for the core system replacement. The RFP was posted on the State Purchasing Bid Notification System, BidSync on February 2, 2012. The Department received four letters of intent from potential bidders. Two Vendors completed and submitted proposals on the closing date of the RFP—May 2, 2012.

In August 2012, the Department named CNSI as the successful bidder because it received more technical points and was priced lower than the other bidder, Xerox. There was no protest of the award. In October 2012, the Department began active contract negotiations with CNSI and the State procured suitable facilities for the project work.

In August 2012, the State received a total of six responses to the Independent Verification and Validation (IV&V) RFP. The Department reviewed these responses, held oral presentations and completed the evaluation process in October 2012. The State awarded the IV&V contract to Cognosante. The contract negotiations were finalized December 20, 2012 and sent to CMS for final review.

In October 2012, the program governance, communications and risk / issues / work plan management structures were ratified and put in place. Internal weekly program meetings were started and three coordinating committees were created. They are the Sub-Cabinet Committee, a Program Committee to work through technical issues and a Multi-Agency Project Committee.

On January 2, 2013, State staff moved into the project facilities. On January 16, 2013, the State received CMS authorization to proceed on the IV&V contract with Cognosante. Once authorization was received the State moved forward with the contract signature process and the IV&V contract was completed January 30, 2013.

In February 2013, CNSI and Cognosante were both onsite to begin working through the project governance model, issue and risk management, change management, and other management plans that the project would be implementing once the vendors came on board. The CNSI contract negotiations were finalized and sent to CMS for final review on February 12, 2013. The updated IAPD was also sent to CMS in February.

On March 6, 2013, both the CNSI contract and IAPD were approved by CMS. The Project Kick-off was held on March 18, 2013 and the project orientation was completed March 29, 2013. During the project orientation, CNSI conducted job shadowing, eCAMS demos, and question answer sessions.

Early in April 2013, CNSI brought up the eCAMS demonstration system. CNSI and State staff conducted training and demonstration sessions surrounding the requirement validation process. On April 8, 2013 requirement validation sessions started with CNSI and State Staff. On April 25, 2013, the CNSI contract was signed by the State and contractor with an effective date of March 18, 2013.

In May 2013, project management activities were implemented using SharePoint. Requirement validation sessions continued throughout the month. State staff and Cognosante worked on the review and approval of projects deliverable. The State reviewed and submitted comments on eight CNSI deliverables. Two of the CNSI deliverables were approved during May.

In June 2013, the State reviewed and submitted comments on three additional CNSI deliverables. Five CNSI deliverables were approved during June. Three deliverables are still working through the review process and are expected to be approved during July. Planning for the design phase of the project started and a mock design session was held. The scheduled requirement validation sessions were completed June 28, 2013.

In December 2013, CMS conducted an onsite review during the first week of December. During the visit, CMS reviewed the project management processes and status of the project. CMS gave the State a positive review of the project status and management processes during the visit. The first Stakeholder Interface Meeting was held with the agencies and groups that will interface with the new MMIS.

In January 2014, all Startup-Phase deliverables were completed. User-acceptance testing started on January 31, 2014 for Release 1. Six CNSI deliverables were approved during February 2014. The decision was made to call the new system "PRISM" (Provider Reimbursement Information System for Medicaid). Seventeen CNSI deliverables were approved during March 2014. Hardware performance tests were successful and the content management platform tuned. Backup and restore tests were performed on database servers. Release 1 user-acceptance testing was completed successfully on March 21, 2014. Web-based training modules were completed and training and knowledge transfer activities were scheduled and held. Release 1, which contains the new Medicaid Website and Eligibility Lookup Tool went live on March 30, 2014. Very few post implementation issues arose and they were resolved quickly. The PRISM Operations Group was created to address any issues discovered with the operation of PRISM. Release 1.2 completed user acceptance testing and was released May 27, 2014.

In July 2014, the new Medicaid eligibility card was successfully implemented. This new Medicaid card is estimated to save over \$500,000 per year in the DWS budget in printing and mailing costs. Providers are able to use these cards with the Eligibility Lookup Tool (from Release 1) to verify eligibility.

In August 2014, Release 2 was successfully implemented. It was released ahead of schedule on August 1, 2014. The annual update of the Implementation Advance Planning Document (IAPD-U) was submitted to the Centers for Medicare and Medicaid Services (CMS). The IAPD-U was approved by CMS in September 2014. Release 1.6 and 2.1 were implemented on September 14, 2014.

Two CNSI deliverables were approved during October 2014. User acceptance testing for Release 1.7 and 2.2 was completed. Release 1.7 and 2.2 were implemented on October 14, 2014. The State validated 7 of the 15 design volumes for Release 3.

One CNSI deliverable was approved during November 2014. Release 1.8 and 2.3 were implemented on November 20, 2014. The State validated 11 of the 15 design volumes for Release 3. The State approved an automated solution for the screening and monitoring of providers participating in the State of Utah Medicaid program. The service is named Provider Credentialing Service (PCS). PCS will assist the State in meeting current provider screening requirements and complies with the new ACA federal rule CMS 6028-FC.

Two CNSI deliverables were approved during December 2014. Release 1.9 and 2.4 were implemented on December 14, 2014. The State has validated 13 of the 15 design volumes for Release 3.

Design for Release 3 was completed in January 2015. The State validated 15 of the 15 design volumes for Release 3. The first development demonstrations for Release 3 occurred January 13, 2015. These demonstrations give the State a chance to preview the CNSI development of Release 3 prior to the testing cycles. These demonstration will continue through February 2015 for Release 3.

One CNSI deliverable was approved during February. Release 1.10 and 2.5 were implemented in February 2015. The design sessions for Release 4 continued through the month. The Release 3 design documentation was completed and approved. Development demonstrations for Release 3 were completed.

Four CNSI deliverables were approved during March. Release 1.11 and 2.6 were implemented in March. The design sessions for Release 4 continued through the month. After completing a schedule evaluation for the Release 3 Provider Credentialing Service (PCS) change request, the go live date for Release 3 has been moved from October 2015 to December 2015. The quarterly PRISM Sub-Cabinet meeting was held on March 26, 2015. The annual update of the Implementation Advance Planning Document (IAPD-U) was submitted to the Centers for Medicare and Medicaid Services (CMS).

One CNSI deliverable was approved during April. Unit testing for Release 3 was completed and the unit test results were reviewed. The design sessions for Release 4 continued through the month. Provider outreach continued and the PRISM Project status was reported at the MCAC.

Three CNSI deliverables were approved during May. The design sessions for Release 4 continued through the month. System integration testing for Release 3 started. The annual update of the Implementation Advance Planning Document (IAPD-U) was approved by the Centers for Medicare and Medicaid Services (CMS).

Three CNSI deliverables were approved during June. The design sessions for Release 4 continued through the month. System integration testing for Release 3 continued. The quarterly PRISM Sub-Cabinet meeting was held on June 23, 2015. Provider outreach continued and project staff met with provider associations to discuss project status and Release 3.

One CNSI deliverable was approved during July. System Integration Testing (SIT) for Release 3 continued. The rebaseline of the Release 4 schedule was completed. The design sessions for Release 4 continued through the month. Provider outreach continued and the PRISM Project status was reported at the July MCAC.

Four CNSI deliverables were approved during August. System integration testing for Release 3 was completed and the results reviewed. Demonstrations of the system integration environment were conducted. The design sessions for Release 4 continued through the month. The Release 3 User Acceptance Testing (UAT) environment was brought online.

Five CNSI deliverables were approved during September. The design sessions for Release 4 continued through the month. User acceptance testing training was held for Release 3 testers. User acceptance testing started for Release 3 on September 14, 2015. The quarterly PRISM Sub-Cabinet meeting was held on September 24, 2015. Provider outreach continued and currently has 170 Medicaid providers signed up to test Release 3.

Three CNSI deliverables were approved during October. User acceptance testing for Release 3 continued. The design sessions for Release 4 continued through the month. Provider outreach continued and the PRISM Project status was reported at the October MCAC.

One CNSI deliverable was approved during November. User acceptance testing for Release 3 continued. The design sessions for Release 4 continued through the month. Provider outreach continued and approximately 200 Medicaid providers are signed up to test Release 3.

Two CNSI deliverables were approved during December. The design sessions for Release 4 continued through the month. The first pass of Release 3 user acceptance testing was completed December 4, 2015 and regression testing was started. Due to the high number of defects that were identified during the first pass of UAT, the go-live date for Release 3 has been moved to July 1, 2016. The PRISM Project status and new go-live date were reported at the December MCAC and will be included in additional provider outreach.

One CNSI deliverable was approved during January. User acceptance regression testing for Release 3 started. The design sessions for Release 4 continued through the month. Provider outreach for Release 3 continued. The PRISM status was presented to the Utah Indian Health Advisory Board.

No CNSI deliverables were approved during February. The design sessions for Release 4 continued through the month. User acceptance regression testing for Release 3 continued and system testing for external providers began in February. Development of Release 3 training materials continued to progress.

Two CNSI deliverables were approved during March. The design sessions for Release 4 continued. System testing for external providers completed March 22, 2016 and 72 providers participated. User acceptance regression testing for Release 3 completed in March. Development of Release 3 training and outreach materials continued to progress. The go-live date for Release 3 continues to be July 1, 2016.

Five CNSI deliverables were approved during April. The design sessions for Release 4 continued and 99% of use cases had been reviewed. Development of Release 3 training and outreach materials continued. The June 1 freeze date for new provider enrollment

applications was finalized and outreach meetings with DOH staff were scheduled. The April Medicaid Information Bulletin included information about the July 1, 2016 go-live date. CNSI and DOH continued to close out the remaining R3 defects.

One CNSI deliverable was approved during May. The design sessions for Release 4 continued and the review of use cases was completed. Release 3 training materials moved towards completion and staff started working through dry runs of the trainings. A summary document about the June provider enrollment freeze was created and presented at the MCAC meeting on 5/19/2016. An Interim Medicaid Information Bulletin was sent to providers to announce the June 1 freeze date for new provider enrollment applications. The quarterly PRISM Sub-Cabinet meeting was held on May 3, 2016.

Two CNSI deliverables were approved during June. The design sessions for Release 4 continued and final system design documents are in review. Configuration and testing of the Release 3 production environment was completed. The training materials were finalized and the training sessions conducted for Release 3. Provider and staff training resources were published to the website. PRISM slides were finalized for the 2016 Annual State-wide Provider Training. Release 3 is on track to go live on July 1, 2016.

Three CNSI deliverables were approved during July. Release 3 was successfully implemented on July 1, 2016. Release 3 included the new Provider Enrollment, Imaging, Customer Relation Management, and Provider Credentialing systems. Additional training was provided to State staff and providers and additional training resources were published to the PRISM website. A cost benefit analysis and gap analysis project was initiated to analyze if the new CNSI Cloud solution could be an option for Release 4. This is anticipated to be completed in October 2016.

The design sessions for Release 4 continued during August and final system design documents are in review. PRISM staff completed on-site support for the Provider Enrollment Team. Testing and training for the first R3 minor release (R3.1.0.1) was completed. R3.1.0.1 was successfully implemented on August 12, 2016. PRISM staff attended the 2016 Annual State-wide Provider Training and provided information on PRISM and answered questions. The Cloud solution cost benefit analysis and gap analysis continued.

Two CNSI deliverables were approved during September. The design sessions for Release 4 continued and several final system design documents have been approved. Testing and training for minor release R3.1.0.2 for R3 was completed. R3.1.0.2 was successfully implemented on September 16, 2016. The 2016 Annual State-wide Provider Training was completed. Since July 1, 2016, 608 provider applications have been approved using PRISM. 1508 provider application modifications have been submitted and completed. The Cloud solution cost benefit analysis and gap analysis is reaching completion and will be completed in October.

Two CNSI deliverables were approved during October. A cost benefit analysis and gap analysis report was completed for the CNSI Cloud solution. Members of the State Medicaid staff visited Michigan to see the implementation of their system and business processes. Analysis of the cost benefit analysis and gap analysis report started. Testing and training for minor release R3.1.0.3 for R3 was completed. R3.1.0.3 was successfully implemented on October 28, 2016.

One CNSI deliverables was approved during November. The design sessions for Release 4 continued and final system design documents are in final review. Analysis of the cost benefit analysis and gap analysis report continued. User Acceptance Testing for R3-1.0.4 started. The quarterly PRISM Sub-Cabinet meeting was held on November 30, 2016.

Three CNSI deliverables were approved during December. State staff have been working with stakeholders to discuss the cost benefit analysis and gap analysis findings and determine the next steps. The majority of the final system design documents have been approved. Testing and training for minor release R3-1.0.4 for R3 was completed. R3-1.0.4 was successfully implemented on December 9, 2016.

The content was finalized for the March 3, 2017 major release. End to end process documentation was completed and sent to the business areas for review. All of the detailed system design documents were approved. Analysis of the CNSI Cloud solution continued between stakeholders. Representatives from the DOH and DTS completed an onsite visit to Michigan to discuss the CNSI Cloud solution and see their data center.

One CNSI deliverable was approved during February 2017. Provider enrollment and eMIPP training was held for new staff members. CNSI completed systems integration testing for major release R3-1.1. User Acceptance Testing for R3-1.1 started. Analysis of the CNSI Cloud solution continued between the DOH, DTS, and staff from the Governor's Office of Planning and Budget.

One CNSI deliverable was approved during March 2017. User Acceptance Testing for major release R3-1.1 was completed and the release went live on March 3, 2017. System training on the new release was completed. The State is working with CMS to start the certification process for Release 3. Analysis of the CNSI Cloud solution continued including a site visit of the State data centers in Salt Lake and Richfield. User Acceptance Testing for Release R2-1.7.1 was completed and the release went live on March 30, 2017.

The quarterly PRISM Sub-Cabinet meeting was held on April 4, 2017. The analysis of the CNSI Cloud solution was presented to stakeholders. The decision was made to move PRISM to the Cloud. User Acceptance Testing for Release R3-1.1.1 was completed and the release went live on April 4, 2017.

In May 2017, CNSI was notified of the State's decision to move to the Cloud. Kick off meetings were held with DOH and DTS to discuss the Cloud approach and solutioning sessions. Cloud solutioning sessions started on May 15, 2017. The Cloud decision and costs were presented to the Executive Appropriations Committee on May 16, 2017. The Cloud decision and costs were presented to the Health and Human Services Interim Committee on May 17, 2017.

Cloud Solutioning sessions continued to be held during June 2017. User Acceptance Testing for release R3-1.2 started on June 28, 2017. The State is determining the approach to take for the CMS certification of Release 3. CNSI was notified of the State's decision to host the Cloud in Michigan on June 28, 2017.

Cloud Solutioning sessions continued to be held during July 2017. User Acceptance Testing for release R3-1.2 continued through the month. The State met with the State Division of Purchasing to discuss contracting options. The best and final pricing for the Cloud solution and proposed deliverables was submitted by CNSI.

User Acceptance Testing for Release R3-1.2 was completed and the release went live on August 4, 2017. Cloud Solutioning sessions continued to be held during the month of August. The State reviewed the proposed CNSI training and testing approaches and provided feedback. The State negotiated and approved the CNSI Cloud pricing. User acceptance testing for R1-1.13 started. The State attended the Medicaid Enterprise Systems Conference and met with CMS to review the Cloud migration progress. An executive summary of the project and a request to amend the existing CNSI contract was submitted to the State Division of Purchasing.

Cloud Solutioning sessions continued during September 2017. The annual update of the Implementation Advance Planning Document was submitted to and approved by the Centers for Medicare and Medicaid Services. The State Division of Purchasing approved moving forward with a contract amendment instead of a new CNSI contract. The State and CNSI are negotiating deliverables and a revised project schedule.

Cloud Solutioning sessions continued to be held during October 2017. CMS agreed to allow the State to amend the current IAPD instead of creating a new IAPD for the Cloud. Testing the integration of OpenAM and PRISM started. OpenAM is the State's new access management platform. User acceptance testing for release R3-1.2.1 continued through the month. The State worked with CNSI to define the contract amendment requirements and the areas that CNSI needed to modify.

User acceptance testing for release R3-1.2.1 was completed and the release went live on November 5, 2017. Cloud Solutioning sessions continued to be held during the month of November. The State continued to review and provide comments on the CNSI contract strategies and schedule. User acceptance testing for release R3-1.2.2 started. The Department of Health, Department of Technology Services, and Governor's Office of Management and Budget started holding monthly meeting to discuss the status of the PRISM project.

Cloud Solutioning sessions continued during December 2017. CNSI senior management was onsite during the first two weeks of December to work through contract discussions. A plan to finalize the contract deliverables was completed. CNSI is still finalizing the testing, training, organizational change management, and schedule strategies. User Acceptance Testing for Release R3-1.2.2 was completed and the release went live on December 21, 2017.

Cloud Solutioning sessions continued to be held during January 2018. The State worked with CNSI to define the contract amendment requirements. CNSI executive management were onsite to discuss cloud governance, cloud training, and organizational change management processes and those processes and strategies were approved. CNSI delivered a new draft project schedule on January 26, 2018 and the State is working with CNSI to complete and approve the schedule. On January 31, 2018, CNSI met with the State and indicated it did not believe the system that had been designed through the solutioning sessions could be developed using shared code in a multi-state system. CNSI also requested increased funding to complete the project.

User acceptance testing for release R1-1.14 started February 2, 2018 and was completed February 14, 2018. Release R1-1.14 went live on February 22, 2018. Cloud Solutioning sessions continued to be held during the month of February. In February, CNSI notified the State that Alvarez and Marsal had acquired a majority ownership of CNSI. On February 11,



2018, CNSI presented a proposal that included a request for significant additional funding and extended the project duration. On February 28, 2018, the State met with senior leaders from Alvarez and Marsal and CNSI to discuss project scope, potential solutions to development problems, and project costs.

On March 26, 2018, a 120-day contract extension with CNSI was executed to provide time to complete the negotiation of a CNSI contract amendment. On March 29, 2018, the State met with senior leaders from Alvarez and Marsal and CNSI to continue discussions on project scope, schedule, and pricing. Cloud Solutioning sessions continued during March 2018. User acceptance testing for release R1-1.15 started March 14, 2018 and was completed March 16, 2018. User acceptance testing for release R3-1.13 started March 19, 2018 and is anticipated to end on April 5, 2018.

User acceptance testing for release R3-1.13 started March 19, 2018 and was completed on April 5, 2018. Release R3-1.13 went live on April 6, 2018. Cloud Solutioning sessions continued to be held during April 2018. The State worked with CNSI to define the contract amendment requirements and deliverables. CNSI executive management were onsite to discuss costs and implementation options. The State decided to move forward with the option to host the environment in the State of Utah data center using the evoBrix platform.

Cloud Solutioning sessions continued to be held during May 2018, including a focus on interfaces. Alvarez and Marsal brought additional leadership to the project which is making a positive impact. The State was able to successfully negotiate a significant reduction in the increase that CNSI requested in January. Work continued on the scoping change requests. DOH met with GOMB and DTS to review the impact of the change requests. Additional work was completed on the schedule.

Cloud Solutioning sessions continued to be held during June 2018. The draft of the contract amendment was completed and reviewed by DTS and the Attorney General's Office. Revisions were made and it is anticipated that the amendment will be sent to CNSI for review during the first week of July. An additional contract extension request was also prepared and submitted to ensure that CMS is able to complete their review of the contract which could take up to 60 days. The finalization of the schedule and final costs should be done during the first two weeks of July. The scope of R3-1.4 was finalized and UAT preparation started for a July UAT start date.

### **July 2018**

User acceptance testing for release R3-1.4 started July 9, 2018 and was completed on August 8, 2018. Release R3-1.4 went live on August 9, 2018. Cloud Solutioning sessions continued to be held during August. The State and CNSI finalized the contract amendment requirements and deliverables in July. The draft of the contract was submitted to CMS on July 31, 2018 and State Purchasing reviewed the sole source request. The draft contract adds five years of post-implementation operations and maintenance, funds the use of existing software and hardware that support the State's Medicaid provider enrollment system and the development of the PRISM project, and addresses change requests needed to configure the system to meet the State's business needs.

### **August 2018**

Cloud Solutioning sessions continued to be held during August. Several areas of design have been completed and CNSI is working toward submitting the system design documentation for State review and approval. The Initial Advanced Planning Document Update (IADP-U) was created and reviewed at the State level. The CNSI contract amendment was still under CMS

review. Several discussions were held with CMS to discuss the CNSI contract amendment. On August 31, 2018 the revised project schedule was completed and approved. During August CNSI submitted four deliverables and one was approved. The remaining three deliverables were planned to be approved in September.

### **September 2018**

Cloud Solutioning sessions continued to be held during September. Training on the system documentation review was held for Business Analysts on September 28, 2018. Both a process overview and hands-on training will be provided in October for staff that are involved with the review and approval. The Initial Advanced Planning Document Update (IADP-U) was finalized and submitted to CMS on September 6, 2018. The CNSI contract amendment is still under CMS review. CMS submitted a request for additional information for the IADP-U and the contract amendment on September 20, 2018. The State is working on a response and will respond by October 5, 2018. During September, CNSI submitted seven deliverables. The remaining three deliverables that were submitted in August were approved and three additional deliverables were also approved. There are currently five deliverables under review.

### **Appropriations, Project Cost and Expenditures**

Most of the project's expenditures can be matched at a 90/10 federal-to-state matching rate. However, computer hardware and software expenditures are matched at a 75/25 federal-to-state matching rate. The Department has estimated \$15.5 million in state funds would be required to complete the project.

The Utah State Legislature appropriated \$3 million in general fund to the MMIS project in the 2010 General Session (FY 2011) and another \$3 million in general fund in the 2011 General Session (FY 2012). No new appropriations were made to the project in the 2012 General Session or the 2013 General Session.

The Department presented the project status and funding needs to the Executive Appropriations Committee on June 18, 2013. To help the Department meet project cash flow demands, the 2013 Legislature collapsed the MMIS Line Item into the Medicaid Mandatory Services Line Item starting in FY 2014.

During the 2014 General Session, the Legislature appropriated \$2 million in one-time general fund and an additional \$1.5 million in contingent general fund for FY 2015. The contingency was met during FY 2014 closeout. So the Department received the full \$3.5 million anticipated in FY 2015. The Department did lapse approximately \$1 million in general fund at the conclusion of FY 2014 because it did not receive carry forward authority during the 2014 Legislative General Session.

During the 2015 General Session, the Legislature appropriated just over \$5 million in one-time general fund. In the 2015 General Session, the Legislature also approved non-lapsing authority for the MMIS replacement project of all unexpended appropriated balances and additional amounts of unexpected Medicaid program appropriations. At the closeout of FY 2015, the Department was able to direct \$1.7 million of the unexpected claims appropriations to the MMIS replacement project.

During the 2016 General Session, the Legislature approved intent language that allowed the Department to carry-forward up to \$8,800,000 for the replacement project from the Department's Medicaid Mandatory Services line item, which represented the FY16 beginning

funding balance plus an additional \$300,000. Intent language was also approved for the Department's Medicaid Optional Services line item to carry-forward up to \$300,000 to be used for replacement project, if there were insufficient funds available from the mandatory line. During its FY 2016 closeout, the Department was able to carry-forward the full \$8,800,000 from the Department's Medicaid Mandatory Services line item. Since the full amount was carried forward from the mandatory line, the Department did not carry forward any funds from the optional line for the replacement project.

During FY 2017 and FY 2018 closeout, the Department carried forward the maximum amount allowed under legislative nonlapsing authority. These funds will be sufficient to continue to support the state share of project costs in the near future. The Department will work with the Governor's Office of Management and Budget and the Office of the Legislative Fiscal Analyst to determine appropriate nonlapsing authorities to ensure sufficient funds for the project in future years.

The Department is currently estimating a net cost increase to the State for the PRISM system. The increase is estimated to be \$1,161,000 total funds, or \$290,250 annually. The draft contract amendment being reviewed by CMS delineates CNSI's costs post implementation. The Department is still reviewing how current DTS charges will change post implementation.

#### **Specific Accomplishments of the MMIS Project**

- State Self-Assessment completed
- Assessment of state capabilities completed
- Gap analysis completed
- Cost/Benefit analysis completed
- Request for Information (RFI) completed
- Requirement analysis and documentation drafted
- FADS I-APD submitted to CMS and approved
- FADS Request for Proposal (RFP) submitted to CMS Regional Office and approved
- FADS canceled – 5-year functionality provided free of charge by CMS Medi-Medi project
- Pre-Pay RFP posted and contract awarded
- Pre-Pay project implemented
- Point of Sale (POS) I-APD approved
- Point of Sale responses evaluated and contract awarded to Goold Health Systems (GHS)
- Data Warehouse contract awarded without protest
- Data Warehouse upgrade completed
- DDI contract awarded without protest
- IV&V contract awarded without protest
- Cognosante contract approved by CMS and completed
- CNSI contract approved by CMS and completed
- Scheduled requirement validation sessions completed
- CNSI reached an agreement with IBM to provide organizational change management services
- The first hardware was received and installed in the State Data Center
- CMS gave the State a positive review of the project status and management processes during the December 2013 onsite visit
- Release 1, which contains the new Medicaid Website and Eligibility Lookup Tool successfully went live March 30, 2014 on schedule
- Implementation of Release 1 was successful.
- Successful UAT and implementation of Release 1.2 and 1.3

- Implementation of the new Medicaid Card was successful
- Successful UAT and implementation of Release 1.4 and 1.5
- Release 2 was successfully implemented and released ahead of schedule on August 1, 2014
- The annual update of the Implementation Advance Planning Document (IAPD-U) was submitted to the Centers for Medicare and Medicaid Services (CMS) and approved
- Successful UAT and implementation of Release 1.6 and 2.1 on September 14, 2014
- Successful UAT and implementation of Release 1.7 and 2.2 on October 14, 2014
- Successful UAT and implementation of Release 1.8 and 2.3 on November 20, 2014
- Successful UAT and implementation of Release 1.9 and 2.4 on December 14, 2014
- Design for Release 3 was completed in January 2015.
- The first development demonstrations for Release 3 occurred January 13, 2015
- Release 1.10 and 2.5 were implemented in February 2015
- The Release 3 design documentation was approved February 2015
- Release 1.11 and 2.6 were implemented in March 2015
- The annual update of the Implementation Advance Planning Document (IAPD-U) was submitted to the Centers for Medicare and Medicaid Services (CMS)
- Unit testing for Release 3 was completed in April 2015
- System integration testing for Release 3 started in May 2015
- The annual update of the Implementation Advance Planning Document (IAPD-U) was approved by the Centers for Medicare and Medicaid Services (CMS)
- The Release 4 schedule was rebaselined in July 2015
- System integration testing for Release 3 was completed in August 2015
- The Release 3 user acceptance testing environment was brought online.
- User acceptance testing training was held for Release 3 in September 2015
- User acceptance testing for Release 3 started in September 2015
- Approximately 200 Medicaid providers are signed up to test Release 3
- The first pass of user acceptance testing for Release 3 was completed in December 2015
- A new go-live for Release 3 has been set for July 1, 2016
- User acceptance regression testing for Release 3 started in January 2016
- The PRISM status was presented to the Utah Indian Health Advisory Board in January 2016
- Release 3 system testing for external providers began in February 2016
- User acceptance regression testing for Release 3 completed in March 2016.
- Release 3 system testing for external providers completed in March 2016
- The April 2016 Medicaid Information Bulletin included information about the July 1, 2016 go-live date
- The review of Release 4 use cases was completed in May 2016
- An Interim Medicaid Information Bulletin was sent to providers to announce the June 1 freeze date for new provider enrollment applications in May 2016
- Configuration and testing of the Release 3 production environment was completed in June 2016
- The training materials were finalized and the training sessions conducted for Release 3 in June 2016
- Provider and staff training resources were published to the website in June 2016
- PRISM slides were finalized for the 2016 Annual State-wide Provider Training
- Release 3 was successfully implemented on July 1, 2016
- Minor Release R3.1.0.1 was successfully implemented on August 12, 2016
- Minor Release R3.1.0.2 was successfully implemented on September 16, 2016
- The 2016 Annual State-wide Provider Training was completed in September 2016
- Minor Release R3.1.0.3 was successfully implemented on October 28, 2016

- Minor Release R3.1.0.4 was successfully implemented on December 9, 2016
- Representatives from the DOH and DTS completed an onsite visit to Michigan to discuss the CNSI Cloud solution and see their data center during January 2017
- Major release R3-1.1 was successfully implemented on March 3, 2017
- The decision was made to move PRISM to the Cloud in April 2017
- Release R3-1.1.1 went live on April 4, 2017
- CNSI was notified of the State's decision to move to the Cloud in May 2017
- Cloud solutioning sessions started on May 15, 2017.
- The Cloud decision and costs were presented to the Executive Appropriations Committee on May 16, 2017
- The Cloud decision and costs were presented to the Health and Human Services Interim Committee on May 17, 2017
- CNSI was notified of the State's decision to host the Cloud in Michigan on June 28, 2017
- User Acceptance Testing for Release R3-1.2 was completed and the release went live on August 4, 2017
- The State negotiated and approved the CNSI Cloud pricing during August 2017
- An executive summary of the project and a request to amend the existing CNSI contract was submitted to State Purchasing
- The annual update of the Implementation Advance Planning Document was submitted to and approved by the Centers for Medicare and Medicaid Services
- State Purchasing approved moving forward with a contract amendment instead of a new CNSI contract on September 11, 2017
- CMS agreed to allow the State to amend the current IAPD instead of creating a new IAPD for the Cloud.
- Release R3-1.2.1 was completed and the release went live on November 5, 2017
- Release R3-1.2.2 was completed and the release went live on December 21, 2017
- User acceptance testing for release R1-1.14 started February 2, 2018 and was completed February 14, 2018
- Release R1-1.14 went live on February 22, 2018
- User acceptance testing for release R1-1.15 started March 14, 2018 and was completed March 16, 2018
- User acceptance testing for release R3-1.13 started March 19, 2018 and in anticipated to end on April 5, 2018
- A 120 day contract extension was executed to complete the negotiation of the CNSI contract amendment on March 26, 2018
- User acceptance testing for release R3-1.13 completed on April 5, 2018.
- Release R3-1.13 went live on April 6, 2018.
- User acceptance testing for release R3-1.4 started July 9, 2018 and was completed on August 8, 2018.
- The final draft contract was submitted to CMS on July 31, 2018
- Release R3-1.4 went live on August 9, 2018.
- On August 31, 2018 the revised project schedule was completed and approved
- The Initial Advanced Planning Document Update (IADP-U) was finalized and submitted to CMS on September 6, 2018.
- CMS submitted a request for additional information for the IADP-U and the contract amendment on September 20, 2018.

Please let me know if you have any questions related to this report. You can reach me at (801) 538-6689.

Sincerely,

Nate Checketts  
Deputy Director, Utah Department of Health  
Director, Division of Medicaid and Health Financing