



**District of Columbia  
Department of Health**

**Medical Assistance Administration**

**Advanced Planning Document**

**State Self Assessment**

**February 6, 2008**

*(revised March 12, 2008)*

**Submitted By:**

**Medical Assistance Administration**



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## **1. Purpose**

The District of Columbia is submitting this advance planning document (APD) to the Center for Medicare & Medicaid Services (CMS) to request enhanced federal financial participation (FFP) for the Medical Assistance Administration's State Self Assessment

It is the intent of the District to procure a vendor to assist with the State Self Assessment. As a result, an updated version of this document will be provided to CMS for review following the vendor selection process and prior to contract award. The estimated amounts in the budget table (Section 6) are based on feedback the District has received from other States who have completed State Self Assessments of similar size and scope. This APD is requesting enhanced 90% matching funds for the State Self Assessment project which is expected to cost approximately \$772,000 in aggregate.



## **2. Statement of Need**

### **2.1 Context**

#### **2.1.1 Background**

The District of Columbia has a high proportion of Medicaid enrollees and other impoverished citizens. In certain areas of the city, 50% of the population has one of the top 3 chronic conditions: diabetes, high-blood pressure, and heart disease. Healthcare costs are high, coordination is limited, duplicate and unnecessary procedures are common, and outcomes are not optimal.

The provision of care is not well-coordinated among the physicians, health clinics, hospitals, and other providers that serve the DC area. The District departments and agencies that serve this population are not well integrated into the operations of the overall healthcare delivery system. The DC Department of Health operates numerous programs that serve citizens who are also served by the health care providers in the area, or which pay for those services. These services are often provided with less than optimal coordination of effort between the programs, or based on only partial information about the patient/client of the family of the patient. Coordination and greater information would improve services and reduce costs.

Because of categorical funding, narrow organizational missions, and other factors, each program and agency treats the patient and other family members, usually without coordinating with other agencies and programs serving that family and enrollee. Because programs are unable to identify patients that they share data about, these enrollees are infrequently shared. Providers are unaware of family members receiving services elsewhere for conditions that can affect the patient they are treating.

The results of these stovepipe approaches are substantially higher costs, higher eligibility error rates, billing for inappropriate services, missed opportunities for efficiencies, less than optimal outcomes, unsatisfactory care delivery, conflicts between care strategies of the programs and agencies involved with a client/family, and overlooked or ignored needs and care requirements.

#### **2.1.2 Vision**

The District of Columbia is aware of these shortcomings and has begun efforts to address these inefficiencies. First, in recognition of the increasing importance of healthcare delivery and healthcare outcomes in the District, the City Council and the Mayor's Office have established the authority and mandate for the Medical Assistance Administration (MAA) to pursue a strategic plan for a single Health Care Financing Agency. This



mandate calls for MAA to become a separate Mayoral department with reporting responsibilities direct to the Mayor effective October 1, 2008. Currently, MAA is a sub-organization within the Department of Health. The creation of the single Health Care Financing Agency is a commitment from the Mayor's Office, City Council and across agencies to better health outcomes for publicly funded enrollees.

Secondly, the District has applied for and received a Medicaid Transformation Grant. The recently awarded grant will enable the District to establish an initial, scalable central, shared Patient Data Hub service (as described in the MITA Framework 2.0 as a MITA Hub) with Master Patient Index (MPI), data repository, data and analytical capabilities and a record locator service (RLS). As envisioned by MITA, the same process will be used for non-Medicaid as Medicaid. The goal is that any infrastructure that will need to be purchased or designed will be built and used for Medicaid, addressing Medicaid needs and expectations, but also used beyond Medicaid.

## **2.2 Need**

The District's MITA initiative, which begins with the Self-Assessment of its current "state," will provide the framework and mechanisms to document its current Medicaid business processes, operationalize its strategic vision, and ensure continuous improvement in the future. The MITA Self-Assessment Initiative provides the opportunity to design the District's Medicaid future business direction, meet that direction with improved business functions, create open and interoperable systems, modular technologies, data security and information access, and develop improved performance accountability. The District's overall goal is to provide optimal care to its Medicaid and other publicly funded enrollees, augment its HIT capabilities, and improve its business operations and processes by using the MITA framework. The intent of the State Self Assessment will be to identify the maturity of the District's Medicaid processes, capture this information in a matrix, develop a five to ten year strategic plan for improving the maturity of those processes, and identify initiatives that will assist in bringing the plan to fruition.

Relative to the Medicaid Maturity Model, the "As Is" for the District of Columbia is there is no District-wide documented business approaches, policies and procedures or standards that all agencies and providers that relate to health care delivery for DC publicly funded enrollees must use. There is no consistent business approach and/or tool for managed care organizations (MCO) or District authorization of services. The "To Be" is an efficient District operation that has the capability and capacity to make real-time determinations and authorizations of appropriate services while providing providers with access to real-time data that will improve their clinical decision making. The "To Be" also includes an efficiently operated District that will include a separate Health Care Purchasing Agency. The "To Be" is dependent on and requires the use of Health Information Technology (HIT) to provide for an effective, standardized, District wide-capability.



## **2.2.1 Visioning While Maintaining and Changing**

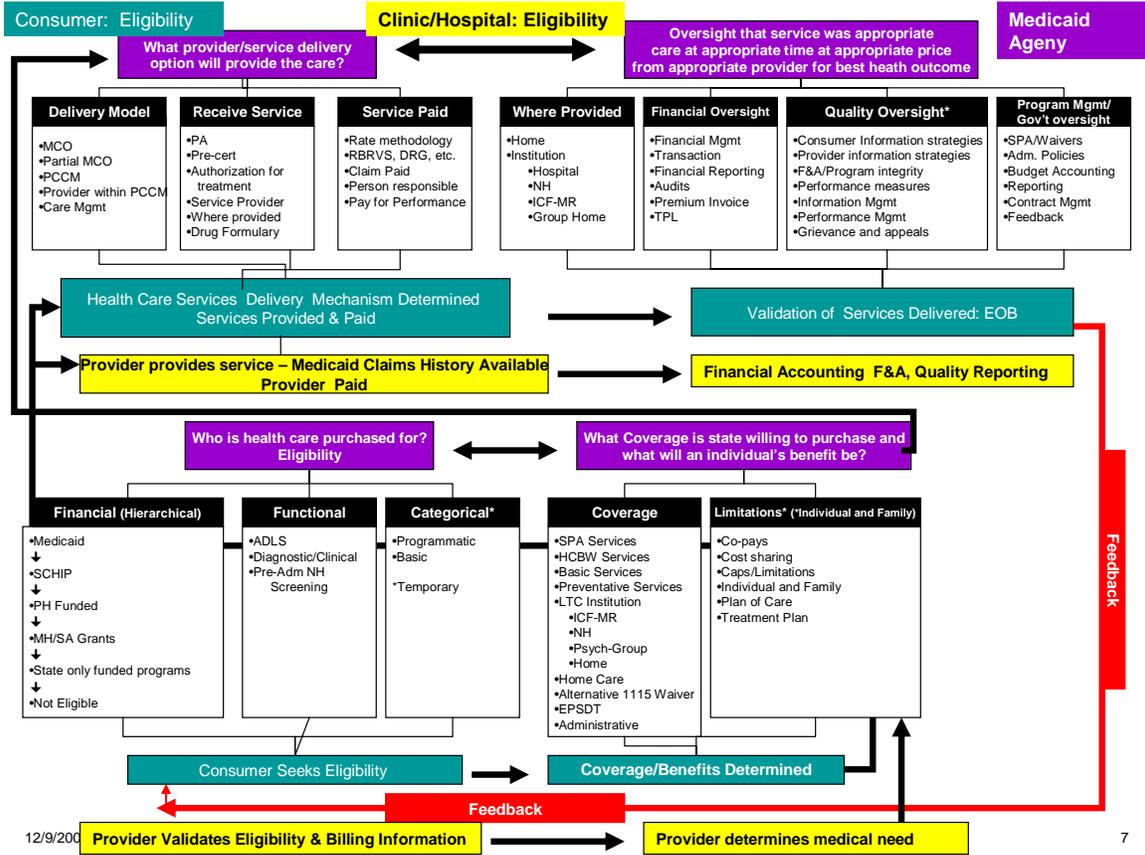
The MITA Self-Assessment will be a part of the broad and comprehensive analysis. This effort cannot be understated and it has significant impact on the current Medicaid Agency and the various other city agencies. The MITA Self-Assessment approach will be the framework and mechanism for the multiple components included in this massive effort – including the initial review of other states.

This planning and process will be intense and comprehensive. It will proceed simultaneously with managing ongoing current operations; the design phase of a new MMIS system, the procuring a contractor for a Patient Hub for e-health information exchange with Medicaid, as well as the implementation of NDC/J-Codes and NPI initiatives.

During the MITA Self-Assessment, the “As Is” business processes will be based on the current Medicaid Agency infrastructure, which is not well documented, as well as that of appropriate other District government agencies and stakeholders. See chart below for view of the entire process from initiation of contact with a potential enrollee through delivery of care and financial/quality oversight. The components of the workflow will be retained, but how and who does what to enhance the process and efficiencies while improving accountability will potentially change.



*District of Columbia Medical Assistance Administration  
State Self Assessment Advance Planning Document (SS-A APD)*





### **3. Nature and Scope**

Once this APD has been approved by CMS, the District will issue a Request for Proposal (RFP) to secure a qualified contractor to facilitate identifying current MMIS business processes and technical capabilities (“As Is”), clarifying and validating the vision “To Be” as well as facilitating a gap analysis and mapping for those processes against the MITA Maturity level, stakeholder expectations and business, political and practical realities.

The scope of the MITA SS-A will address all business processes to help shape the District’s strategic plan but may drill down further on processes affected by the envisioned enhancement(s). The process will include current information needs for financial, program integrity and quality oversight, and information technology tools and infrastructure identified through a gap analysis. The goal will be to allow the District to move up the maturity ladder to the “To Be” vision of an efficient and effective Health Care Financing Agency using performance based purchasing techniques. A complete MITA Business Process Impact Analysis and the Technical Assessment will be conducted to determine the maturity level of the current processes for the Medicaid program. As a part of the process, operational policies and procedures will be written and implemented.

The District is in the process of implementing a newly procured MMIS and therefore has no immediate plan to replace it in the short-term; however, the District is also cognizant that significant enhancements of that MMIS system will be necessary as major areas, such as a data warehouse, predictive modeling, e-Health Information Exchange, etc. were outside the scope of that procurement. This MITA assessment will be used as a baseline for purposes of evaluating and identifying the value of future MMIS enhancements as well as enhance RFP development, vendor bid evaluation, vendor selection and system design for any data/information health information technology that is identified through the gap analysis.

The contractor will be required to utilize the MITA Capability Matrix, assist the District in prioritizing its capabilities and develop the District’s MITA implementation plan with the initial step one focus on “data/information.” To ensure that documentation is captured properly during the MITA Assessment, the contractor will be required to document each of the business processes in detail and create a written policy and procedure document for each business process to be used by the District for ongoing operations upon completion. The contractor will also develop written policy and procedure documents for “To Be,” which will be utilized when the “To Be” is implemented.



There are 3 major components to this APD and initiative:

- Contracted staff augmentation to DC MAA for management/oversight of the project, contractors, and ongoing operations.
- Contracted staff augmentation through amendment to the GWU contract for documentation and implementation of written operational policies and procedures for the business processes established through the MITA Self-Assessment Framework/Initiative.
- A separate competitively bid RFP for the MITA Self-Assessment that will require the qualified contractor to complete the following tasks:
  - Validate the “As Is” business process descriptions with internal and external stakeholder groups
  - Document the “As-Is” business
  - Validate mapping of DC MAA and, as appropriate. DC DOH and other DC government agency processes to MITA
  - Assign MITA maturity level to “As Is” business processes, provide associated analysis and findings and create this deliverable document
  - Coordinate with separate “policy and procedure” contractor in the documentation of the “As Is” and “To Be” business processes
  - Finalize and validate system and technical capability assessment and create this deliverable document
  - Review/present “As Is” business processes and system and technical capability deliverable documents to DC MAA
  - Facilitate and document “vision” discussion of “To Be” capabilities
  - Select maturity level goals for each business area
  - Prepare final DC MITA Self-Assessment Report
  - Facilitate project close out activities including exit interviews, feedback, lessons learned and next steps



## 4. Activity Schedule

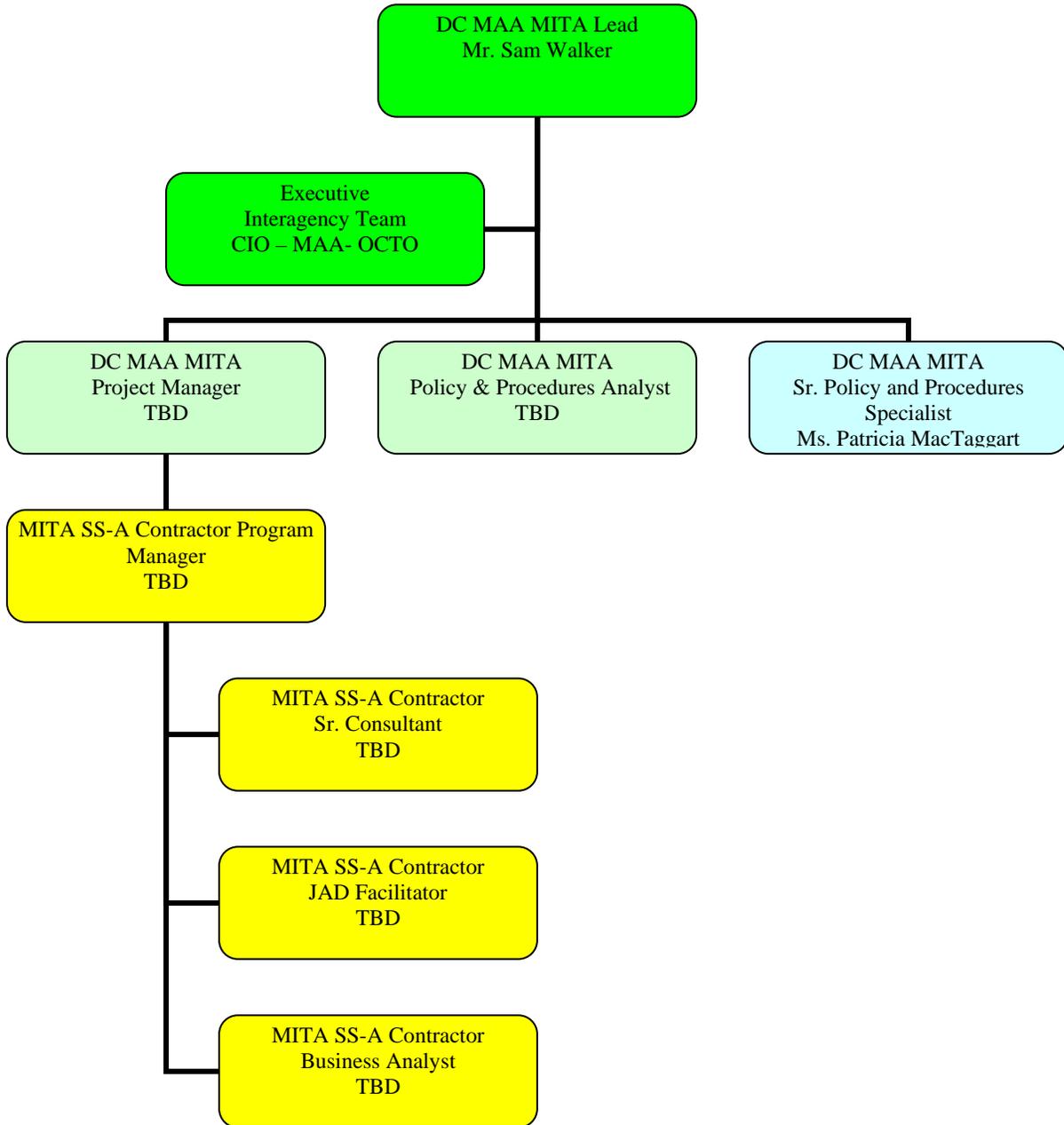
### 4.1 Deliverable Schedule

<b>Activity/Deliverable</b>	<b>Date</b>
Submit APD to CMS	2/10/07
Publish RFP for MITA Self-Assessment Contractor	4/1/08
Amend Contract with GWU University for “Policies & Procedures” Activities	4/1/08
Contract for Project Manager	4/1/08
Review Proposals	6/1/08
Award Contract	6/15/08
MITA Self-Assessment Project Work Plan Submitted	7/1/08
MITA Self-Assessment Begins	7/1/08
MITA Maturity Level Document	10/1/08
MITA System/Technical Capability Document	10/1/08
MITA Self-Assessment Ends	1/15/09
Initial Draft of “Policies and Procedures”	3/1/09
MITA Self-Assessment Report	3/8/09
Project Close-Out	3/31/09



## 4.2 Staffing

Staffing for the efforts will be a blend of District employees, contracted individuals and contractors. The District will utilize personnel from the George Washington University and by procuring a private sector vendor. All personnel listed, excluding DC MAA MITA lead, Sam Walker, will be contracted for with funding through this APD.





The staffing plan (above) includes a DC MAA MITA Lead, one contracted DC MAA project manager, one DC MAA documentation analysts, one contracted DC MAA senior policy and procedures specialists and one DC MAA policy and procedures specialist. This team will provide logistical support as well as take over the activity after the contractor has rolled out the effort. Roles and responsibilities include:

- DC MAA MITA Lead – Allocate business resources for sessions, project manager, analysts and contract resources. Review output deliverables and monitor results.
- DC MAA MITA Project Manager – Assure that CMS MITA requirements are being met. Assure subject matter experts information is captured. Report results, risks, scope changes or issues to DC MAA MITA Lead.
- DC MAA MITA Sr. Policy and Procedures Specialist – Support Contractor when policy and procedure matters arise during assessment. Ensure information is accurately captured. Draft written policies and procedures based on MITA Self-Assessment process.
- DC MAA MITA Policy and Procedures Analyst – Assist Sr. Policy and Procedures Specialist by providing insight into those MAA’s policies evaluated as part of the State Self Assessment. This resource will be a member of MAA’s Policy team. .
- MITA SS-A Contractor Program Manager – Create project plan, execute the plan, manage risks, communicate results and issues.
- MITA SS-A Contractor Sr. Consultant – Focus on the planning aspects, the methodology, deliverables and timely knowledge transfer.
- MITA SS-A JAD Facilitator – Facilitate JAD sessions with the DC MAA MITA Project Manager and MAA staff.
- MITA SS-A Business Analyst – Provide general and administrative support to all members of the team; Document, in detail, the output of the JAD sessions relative to written policies and procedures based on MITA Self-Assessment.



## **5. Alternatives Considered**

In preparation for this APD as well as the following anticipated Health Information Technology APDs, the District will combine a feasibility study with an alternatives analysis. In order to determine if there is a state with similar objectives which had instituted a program that the District could emulate or learn from, the District studied the following five states: Minnesota, Maryland, New York, Michigan and Ohio. While some similarities were found that will be incorporated into the MITA Self-Assessment analysis, the District has unique characteristics, such as being a city that requires adaptation and additional considerations.

As part of all MMIS procurements, the District's Office of Procurement requires a cost estimate analysis. This District required process assures the financial alternative analysis envisioned through the MITA process is completed.



## **6. Proposed Budget and Cost Distribution**

### **6.1 Budget Narrative**

The District will contract with a private sector vendor to accomplish the MITA Self-Assessment and chart its course to improve its Medicaid enterprise operations and program outcomes. As such, the District is requesting ninety percent Federal Financial Participation (FFP) for the personnel hours and costs associated with completing the MITA Self-Assessment. DC MAA has provided the estimated amount needed to complete this project in the attached budget. The District anticipates a seven month period of performance for the Self-Assessment project upon award of contract. The project timeline and budget will be adjusted in the updated advance planning document based on responses to the SS-A request for proposal.



## 6.2 Budget

Description	Units	Monthly Rate or Unit Cost	Months	Program Total (7 Months)	Cost-Share Breakout for 7 Months	
					CMS	DC
<b>DIRECT COSTS</b>						
<b>A. Personnel Salaries</b>						
<b><u>DC MAA STAFF</u></b>						
Project Manager	1.00	14,400	7	100,800	90,720	10,080
Policy & Procedures Analyst	1.00	6,400	7	44,800	40,320	4,480
Sr. Policy and Procedures Specialist ( MacTaggart)	0.25	7,660	7	13,405	12,065	1,341
<b>DC MAA Staff Subtotal</b>				159,005	143,105	15,901
<b><u>CONTRACTOR (TBD) STAFF</u></b>						
Program Manager	1.00	24,000	7	168,000	151,200	16,800
Sr Consultant	1.00	20,000	7	140,000	126,000	14,000
JAD Facilitator	1.00	22,400	7	156,800	141,120	15,680
Business Analyst	1.00	21,120	7	147,840	133,056	14,784
<b>Contractor Staff Subtotal</b>				612,640	551,376	61,264
<b>A. Personnel Salaries Subtotal</b>				771,645	694,481	77,165
<b>TOTAL DIRECT COSTS</b>				771,645	694,481	77,165
<b>GRAND TOTAL COSTS</b>				771,645	694,481	77,165



## **7. Assurances**

The District of Columbia assures that it will comply with the Procurement Standards found in 45 CFR 95.613, 45 CFR 96.615 and SMM Section 11267.

The District of Columbia assures that it will comply with Access to Records regulations in 42 CFR 433.112(b) (5)-(9), 45 CFR 95.615 and SMM Section 11267.

The District of Columbia assures that it will comply with Software Ownership, Federal Licenses and Information Safeguards regulations in 42 CFR 433.112(b)(5)-(9).

The District of Columbia assures that it will provide Progress Reports as required in SMM Section 11267.