

**TESTIMONY BEFORE BUDGET SECTION  
MEDICAID SYSTEMS PROJECT AND MEDICAL CARE ADVISORY COMMITTEE  
OCTOBER 4, 2006**

**Chairman Svedjan, members of Budget Section, I am Maggie Anderson, Director of Medical Services for the Department of Human Services. I appear before you to provide information on the status of the Medicaid Systems Project and on the activities of the Medicaid Medical Advisory Committee.**

**MEDICAID SYSTEMS PROJECT UPDATE**

**A motion relating to the Medicaid Systems Project passed during the March 8, 2006 meeting of the Budget Section. This motion directed the Department to begin work on Phase I of the project. Current efforts are focused on the Requirement Document Meetings and completing the visioning process for future business capabilities (MITA – Medicaid IT Architecture – A business-driven enterprise transformation). The State Information Technology Department (ITD) has also begun Phase I work, which includes data conversion analysis, design of system edits and audits, and design work for the recipient hub.**

**The March 2006 motion also recommended that the Department hire a consultant to provide an independent analysis of five options to consider during the 2007 Legislative Session. Those five options are: (1) Accept the current ACS Bid, (2) Rebid the MMIS, (3) Partner with another state, (4) Fiscal Agent, and (5) Outsourcing the billing and payment activities. The motion recommended that the information from the analysis be available by January 8, 2007. The Department has hired MTG Management Consultants, L.L.C to complete the analysis. The Department anticipates no problems meeting the January 8, 2007 deadline.**

**The Department has established a Medicaid Systems Project Stakeholder Committee. The purposes of the Committee are to secure input from various stakeholders regarding the vision, design and implementation of a new MMIS, and to create a communication process with the stakeholders regarding the design and operations of the eventual system. This group will meet again on October 5, 2006 and will continue to meet regularly throughout the project.**

#### **MEDICAID MEDICAL ADVISORY COMMITTEE**

**The Federal Medicaid Regulations require each State Medicaid program to have a Medical Care Advisory Committee. The committee is to advise the Medicaid agency director about health and medical care services.**

**In September, the Department held a meeting of the Medical Advisory Committee. Department staff provided an update on services and initiatives, and provided an overview of activities from the past year.**

**The Department also asked the group to participate in a discussion about the future of Medicaid and envision a Medicaid program that encompasses sustainability, consumer responsibility and fiscal accountability. At the conclusion of the meeting, it was agreed that the group would meet quarterly to continue the “Modernizing Medicaid” conversations.**

**I would be happy to address any questions you may have.**