Department of Human Services
Information Technology Committee
Representative Mark Owens, Chairman
August 31, 2016

Chairman Owens, members of the Information Technology Committee, I am Jenny Witham, Director of Information Technology Services for the Department of Human Services (DHS). I appear before you to provide the status of the eligibility systems modernization project and an update on the progress to resolve system issues related to the Medicaid Management Information System (MMIS).

Eligibility Systems Modernization Project Status

DHS is executing the second phase of the project which includes requirements verification and the detailed system design for Medicaid Aged, Blind and Disabled clients, Supplemental Nutrition Assistance Program, Temporary Assistance for Needy Families, Child Care Assistance Program, and the Low Income Home Energy Assistance Program. This phase is currently baselined to be completed by October 31, 2016.

The joint application design sessions are progressing more slowly than originally anticipated, and the project team is working on mitigation plans to keep the overall project on schedule. One of the options is to approve interim design components and allow for iterative construction of the system.

During this phase, planning is also taking place for data conversion, user acceptance testing, and Operation Change Management (OCM). OCM includes activities related to change preparation, organizational alignment, communications, knowledge transfer, and end-user training.

Medicaid Management Information System

The ND Health Enterprise Medicaid Management Information System (MMIS) was implemented on October 5, 2015. Forty-eight provider payment cycles have been completed, and over 3.7 million claims have been received and processed.

DHS is continuing to work with Xerox on outstanding issues that are affecting provider payment.

Primary Care Case Management defects have been resolved, and member assignments have been corrected. DHS received approval from the Centers for Medicare and Medicaid Services (CMS) to waive the Primary Care Provider referral edit which will allow providers to resubmit denied claims. As of August 26, 2016, approximately 24 percent of the 35,993 affected claims had been resubmitted. Of the claims resubmitted, 77 percent were paid for a total payment amount of $4,220,288, 12 percent were denied, and 11 percent were suspended for other processing edits.

There are several issues affecting Recipient Liability (RL). The first is related to the transfer of RL amounts from the eligibility system. These defects have been corrected, and going forward, the MMIS is reflecting the correct RL amounts. The process to reconcile the historical RL amounts, as well as the reprocessing of the affected claims, is still in review. The second issue is related to the processing of claims when RL is present. DHS, together with CMS and Xerox, has finalized the redesign, and the required system changes are in development. At this time, testing of the system modifications is scheduled for the end of September with a planned deployment to production in November, 2016.

The issue related to RL letters has been resolved and letters were mailed to recipients on July 25, 2016.

DHS began mailing Medicaid identification cards the week of August 1, 2016, and 11,913 were sent.

During the ICD-10 implementation, there was a claim processing defect related to 130 inpatient stays in a Prospective Payment System hospitals when the patient was admitted to the hospital prior to October 1, 2015 and discharged after October 1, 2015. The affected claims have now been processed for a total reimbursement of $2,977,000.

On October 3, 2016, DHS will be transferring tier 1 provider call center support from Xerox's Mississippi call center to DHS operations in Bismarck.

If you have any questions, I would be happy to address them at this time.