Testimony before Budget Section
Medicaid Systems Project
June 22, 2010

Chairman Holmberg, members of the Budget Section, we are here to provide an update on the status of the new Medicaid Management Information System (MMIS) ACS is developing for the State of North Dakota. As in the past, we want to thank DHS for their support and your interest in our progress.

My name is Tom Burlin and I am COO for the entire public sector portfolio of ACS, a Xerox Company – this includes our project in North Dakota. I hope my presence here today conveys how important the success of our efforts in North Dakota are and shows that our progress is being monitored at the highest levels.

Also with me today are people that you are familiar with from past presentations, Tasos Tsolakis, Chief Information Officer, who oversees all Medicaid Systems Development for our company and Greg Bryant, the Executive who directly
oversees the implementation of the North Dakota MMIS system.

When we last spoke, we expressed regret for past delays but also outlined the steps we were taking to improve our progress and talked about the risks associated with a project of this size and complexity.

System testing for the Base Enterprise System, which is the core platform for building the North Dakota MMIS, is taking longer than previously anticipated. While this does have an impact to the North Dakota project, it was not unexpected by ACS given the complexity of the program. Our objective during this phase of the project is to test all aspects of the system and correct any issue we find. After a careful review of testing time already expended and the amount of testing that remained, ACS felt the “go live” should move.

With any large project, there are many things to consider when adjusting the timeline of a large scale implementation. This included approaching deadlines to meet new federal
mandates. For example, the Federal deadline for implementing “5010”, the next generation of healthcare data exchange, is January 2012. It makes more sense to include these new, federally-required changes as part of the ND Enterprise implementation at “go live” to avoid duplication of development activities, training and other associated costs of compliance.

ACS and the Department took a hard look at internal milestones and made a number of adjustments. It was agreed by all to accommodate a more rigorous level of testing and this resulted in the schedule for user acceptance testing increasing from 3 months to 5 months.

Obviously, these and other adjustments require a new project timeline. We are going to implement the first part of the new system, Provider Enrollment on December 1, 2011. The remainder of the new MMIS will go live 6 months later in June 1, 2012.
As part of the revised timeline, ACS had two fast approaching internal milestones for completing the Base Enterprise system.

The first revised milestone was for ACS to complete functional and system testing for specific Base Enterprise functions by June 1, 2010. This commitment was limited to certain areas of the system including Member, Claims Adjudication and Pricing, Benefit Plan, and Provider Enrollment and Maintenance among others and involved completing over 40,000 test cases. I am happy to say that the ACS team met this commitment and the testing for these components was completed by June 1st.

For the second revised milestone, the revised plan has the ACS team completing functional and system testing for the remaining Base Enterprise system by July 15, 2010. This commitment includes areas such as Claims Payment, Third Party Liability, Early Periodic Screening, Diagnosis and Treatment (EPSDT), and Service Authorization. We are on schedule to meet this July 15th commitment -- this means that
the core MMIS, Base Enterprise, will be completed in the next 23 days, at which point customization of the base system for North Dakota will begin.

To aid DHS in maintaining proper visibility into this project, we now provide daily test metrics demonstrating ACS’ progress against these internal milestones. On a weekly basis, we provide a more detailed project report and report any issues with the project and our action steps to resolve them.

In conclusion, we continue to show strong progress towards completing your implementation and feel we’ve taken the necessary steps to ensure the citizens of North Dakota receive a fully functional system for which North Dakota contracted. Tough decisions forced us to adjust dates but in the end, ACS believes this was for the greater good of the project and in the end will be less of an impact to the State. The most important objective is that this system works at “go live”. We remain committed to bring it to a successful completion and you have ACS’ commitment to do whatever is needed to meet the goal we all share.