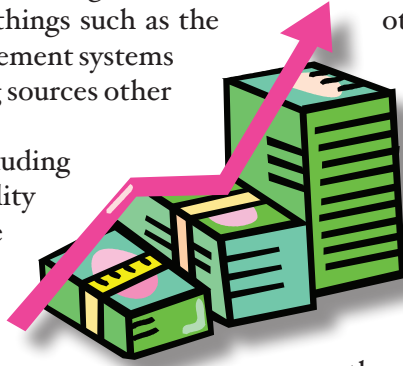


- Costs and Benefits – the APD enumerates where a new system will improve the efficacy of your program and its administration. Be aware that this APD only deals with claims processing and related information systems and that things such as the eligibility system or case management systems typically come through funding sources other than CMS.
- If your State is planning on including other systems such as eligibility or case management, be sure to involve the appropriate programs or funding stream administrators as CMS will expect to see a breakdown of benefits for each funding program. We recommend consulting an expert for this area – especially if your State is planning a significant change in more than one entitlement or administrative information system at once.
- Personnel Resource Statement – the APD describes the workgroup that was created to deal with the MMIS problems. What roles do the participants currently play in your organization? What roles do they play in the MMIS team? What roles might they play in DDI activities? What tasks will be assigned to State staff?
- Description of Activities – the APD outlines the milestones in an IAPD and an RFP for a new MMIS.
- Proposed Schedule – the APD identifies the milestones for releasing an IAPD and an RFP for a new MMIS.
- Proposed Budget – the APD outlines a budget for a new MMIS. Some line items in the budget include State staff costs, computer time, space, travel, equipment, supplies, and Technical Assistance



Contracts. The budget can be split 90 percent/10 percent generally; however, some costs may be less than 90%, depending on the line item. OMB Circular A-87 lists types of costs allowed and other restrictions. Remember FourThought when you begin to read OMB Circular A-87, we already read it so you don't have to...

- Prospective Cost Distribution – the APD discusses this statement of apportionment of funds. For example, if the entire planning and TAC is for the MMIS, the distribution would be solely Medicaid funds. If the replacement of other systems, such as the eligibility system, are in the works through the same committee, then this distribution should show what portion of the funds are coming from the eligibility system funding mechanisms. In some cases, systems may still qualify for 50 percent match. Again, checking with your regional office for specifics is the best way to the exact answer.
- Security and Interface Requirements – the APD identifies Security and Interface Requirements. For planning, these requirements can be a description of current levels of compliance with security requirements and a statement of what interfaces touch the MMIS. Some of these details will reference the Needs and Objectives section for system descriptions.
- State Certification – the APD describes various State certifications for the planning phase, including Statements of Commitment, a cover letter, monies appropriated for the State share, plans to budget for DDI, and commitment to the schedule in the planning RFP.

The activities in this planning APD are the activities that lead to a concise and well-written IAPD.

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### *Adding Local Flavor Variations*

Every APD is basically the same with respect to what CMS expects to see, but as every Medicaid program is unique, the vision and processes for describing and budgeting the end result should maintain that uniqueness. Some States like to have a system vendor do everything, from building and maintaining the system to operating the Medicaid program in a Fiscal Agent arrangement. Others want to operate their program and let a vendor keep the system up and running. Others want to build a system, run their own program, and, in some cases, process claims for other States. FourThought Group has helped a variety of MMIS visions unfold into concise, CMS approved Planning APDs.

*From Vision to Implementation and Certification, we're with you every step of the way.*



## DDI—Some Assembly Required

At this point, you have spent anywhere from three months to a year planning the new MMIS. Now it's time to take the original Planning APD, update the old information, and document the new information for a new MMIS. At this point, you will have at least compared your system options and chosen the new MMIS path that is best for you. Some of you will have gone so far as to collect actual technical and functional requirements. Here's how to update your planning APD to make it your IAPD:

- Update your needs and objectives – in many cases, you've learned a significant amount of information about what you have now and what you could get your hands on for tomorrow. It doesn't hurt to summarize the path you have walked and what you've learned relative to your own situation.
- Describe considered alternatives – this process helps you determine what alternatives you looked at during planning. Did the process reveal new alternatives? What processes did you go through to arrive at your final alternatives? If functional or technical requirements are available, you may want to provide a list of the highest outline level of your requirements in this section. Don't include the detailed requirements, just the requirement headings and a brief definition.
- Costs and Benefits – this process helps you summarize what was done and learned during the cost/benefit analysis. Many of these activities are described in "Comparing System Options." Explain why you chose the final option or strategy you ultimately will use to obtain a new MMIS.
- Personnel Resource Statement – this process identifies the roles the original planning team will play during DDI. It also includes a summary description of what role vendors should play.
- Description of Activities – this description identifies what phases and activities are necessary to get the new system implemented. We like to use Design,

Development, System Integration/Performance Testing, User Acceptance Testing, Operational Readiness and Training, Implementation, Stabilization, and finally Certification.

- Proposed Schedule – the schedule explains what milestones and dates occur in each phase.
- Proposed Budget – the budget identifies what resources are necessary to complete a new MMIS. These resources should be broken down by FFP contribution (typically 90%/10%, 75%/25%, 50%/50%, or 0%/100%). We also like to show line item and total funds by funding source, such as State Title XIX & XXI, State Other, or Federal funding contributions. If you have unique partnerships with other States or entities, you should also list their contributions to the project.
- Prospective Cost Distribution – this is somewhat redundant with the budget, but it recaps only the total funding by source.
- MITA Assessment – CMS is now asking States to provide a MITA assessment with their IAPDs. We recommend having a MITA expert assist you with this task as the MITA model is different than the MMIS subsystems to which many of us are accustomed. FourThought has a full suite of products to help you assess how close your organization resembles MITA and what steps are necessary to attain MITA readiness as well.
- Security and Interface Requirements – any new information about security and interfaces learned in the process should be included here, as well as updates to previous information.
- State Agencies' & Partners' Certifications – the same certifications apply here as they did in the planning phase; however, funding certified should be for the DDI phase. If there are other partners contributing resources material to the project, they should include certifications as well. This would include the appropriate matching funds from an agency benefiting from the new MMIS project, such as a new eligibility system.

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### Shaun Meeks

Shaun Meeks started as an IT consultant when he began processing payroll taxes for the family business. He has a Master's of Science in Economics and Experimental Statistics. After instituting the IT and policies necessary to keep a rural hospital and clinic in solvency, he helped the State of New Mexico understand the economics of access to health care, the prescription drug market and economic trends in the health care market. Shaun provides policy compliance analysis, advance planning documentation, alternatives analysis, and MMIS market trend modeling.

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