

Project Investment Justification

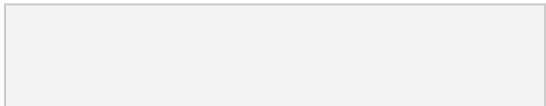
HEAplus SR1005 ALTCS Transfers

HC22012

Arizona Health Care Cost Containment System

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1. GENERAL INFORMATION

PIJ ID: HC22012
PIJ Name: HEAplus SR1005 ALTCS Transfers
Account: Arizona Health Care Cost Containment System
Business Unit Requesting: DMPS
Sponsor: Joni Shipman
Sponsor Title: Assistant Director, DMPS
Sponsor Email: joni.shipman@azahcccs.gov
Sponsor Phone: (602) 417-7631

2. MEETING PRE-WORK

2.1 What is the operational issue or business need that the Agency is trying to solve? (i.e....current process is manual, which increases resource time/costs to the State/Agency, and leads to errors...):

The AHCCCS Long Term Care System (ALTCS) Transfer data collection screens in HEAplus need to be revised to effectively collect the transfer information, request the appropriate verification, allow correct decisions to be made based on the new information collected, prevent transfer records associated with a transfer penalty period (TPP) from being deleted and update the request for information (RFI) and decision letters.

The State currently uses manual work arounds and data fixes required to apply the correct TPP. This creates extra work for State staff and delays timely Medicaid decisions as required by federal law. State workers elevate transfer-related questions, exclusion, compensation, and rebuttal reasons to the policy unit for review and communicates with the customer multiple times to collect the correct information and notify them of changes in their TPP and/or eligibility as related to changes in their transfer records.

2.2 How will solving this issue or addressing this need benefit the State or the Agency?

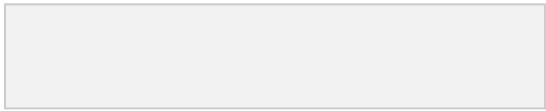
The requested changes will streamline the process of determining eligibility for ALTCS applications, changes and renewals that include a transfer and allow the system to recalculate the TPP correctly. It is estimated that this will reduce manual tasks for State workers by 50%.

Sending RFI with specific information during the initial contact with a customer or their representative will ensure we are in compliance with federal regulation (42 CFR § 435.907(e) 1)).

Sending the right information on the RFI from the start would lead to fewer rebuttals and/or appeals. Appeals staff found 61 appeals related to transfers in a 24-month period from 2/24/2020-2/24/22. Our goal would be to reduce future appeals by 90% by requesting specific information up front.

Enhancing the transfer penalty period verification process ensures AHCCCS is making accurate eligibility decisions for our customers. Entry in HEAplus will identify Asset Verification System (AVS) information and request proof needed for the AVS flagged account balance decreases (42 CFR § 435.955(b)2). This makes it clearer to the customer what is needed without asking for more information than necessary (42 CFR § 435.907(e) 1) and getting enough information to ensure timeliness of eligibility processing (42 CFR § 435.912).

During a review period of six months, 45 service desk tickets were open for the HEAplus vendor to address transfer-related issues. After reviewing the tickets, it was determined that 90% of transfer related tickets would be eliminated by the purposed changes in this SR.



2.3 Describe the proposed solution to this business need.

The Agency will revise the transfer page, transfer detail pop-ups, verification factors, RFI letters, decision reasons, decision letters and rules by doing the following:

- Remove the ability to delete transfer records that are associated with an established transfer penalty period.
- Create the ability for the system to identify transferred assets that were co-owned by both applying spouses and determine the correct division of the TPP based on the eligibility rules in effect for each spouse.
- Create the ability for the system to recalculate the TPP when a successful rebuttal is processed, a spouse is approved for the program, or a spouse on the program is determined to be no longer eligible during the transfer penalty period.
- Revise the Add/Edit Transfer popup windows.
 - o Revise the layout of the page.
 - o Develop new questions and available responses.
 - o Allow multiple transfers to be entered for each cash related transfer record.
 - o Add question level help and hover over messages.
 - o Add page level validations.
 - o Revise the Exclude Reason and Compensation dropdown lists.
- Update the verification factors.
- Revise and create new requests for information (RFI) blocks.
- Develop new decision reasons and decision letter blocks.

See attached file SR 1005 (638) ALTCS Transfers.docx for more details.

2.4 Has the existing technology environment, into which the proposed solution will be implemented, been documented?

Yes

2.4a Please describe the existing technology environment into which the proposed solution will be implemented.

2.5 Have the business requirements been gathered, along with any technology requirements that have been identified?

Yes

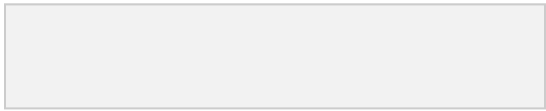
2.5a Please explain below why the requirements are not available.

3. PRE-PIJ/ASSESSMENT

3.1 Are you submitting this as a Pre-PIJ in order to issue a Request for Proposal (RFP) to evaluate options and select a solution that meets the project requirements?

No

3.1a Is the final Statement of Work (SOW) for the RFP available for review?



3.2 Will you be completing an assessment/Pilot/RFP phase, i.e. an evaluation by a vendor, 3rd party or your agency, of the current state, needs, & desired future state, in order to determine the cost, effort, approach and/or feasibility of a project?

No

3.2a Describe the reason for completing the assessment/pilot/RFP and the expected deliverables.

3.2b Provide the estimated cost, if any, to conduct the assessment phase and/or Pilot and/or RFP/solicitation process.

3.2e Based on research to date, provide a high-level cost estimate to implement the final solution.

4. PROJECT

4.1 Does your agency have a formal project methodology in place?

Yes

4.2 Describe the high level makeup and roles/responsibilities of the Agency, Vendor(s) and other third parties (i.e. agency will do...vendor will do...third party will do).

Action Responsible

Design Sessions- HEAplus vendor internal design meetings HEAplus Vendor

Development/QA- HEAplus vendor internal QA testing in DEV/QA environments HEAplus Vendor

SR UAT- User acceptance testing in the SR UAT environment AHCCCS testing team

M&O UAT- User acceptance regression testing in the M&O environment AHCCCS testing team

M&O Pre prod- HEAplus vendor internal regression testing in the pre prod environment HEAplus Vendor

4.3 Will a PM be assigned to manage the project, regardless of whether internal or vendor provided?

Yes

4.3a If the PM is credentialed, e.g., PMP, CPM, State certification etc., please provide certification information.

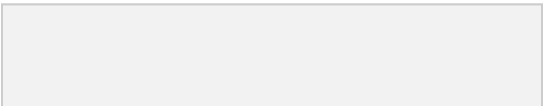
4.4 Is the proposed procurement the result of an RFP solicitation process?

No

4.5 Is this project referenced in your agency's Strategic IT Plan?

Yes

5. SCHEDULE



5.1 Is a project plan available that reflects the estimated Start Date and End Date of the project, and the supporting Milestones of the project?

Yes

5.2 Provide an estimated start and finish date for implementing the proposed solution.

Est. Implementation Start Date	Est. Implementation End Date
5/7/2022 12:00:00 AM	12/31/2023 12:00:00 AM

5.3 How were the start and end dates determined?

Based on project plan

5.3a List the expected high level project tasks/milestones of the project, e.g., acquire new web server, develop software interfaces, deploy new application, production go live, and estimate start/finish dates for each, if known.

Milestone / Task	Estimated Start Date	Estimated Finish Date
PIJ (and ITAC) approval	02/28/22	05/06/22
Development/QA	05/09/22	03/20/23
Payment #1 for SR1005 (25%)	05/15/22	05/15/22
Training Development and Delivery	12/01/22	08/05/23
SR UAT	03/20/23	07/25/23
Payment #2 for SR1005 (50%)	04/15/23	04/15/23
M& O UAT	08/07/23	08/18/23
Deploy to Production	08/18/23	08/24/23
Payment #3 for SR1005 (25%)	09/15/23	09/15/23
Close Project	12/31/23	12/31/23

5.4 Have steps needed to roll-out to all impacted parties been incorporated, e.g. communications, planned outages, deployment plan?

Yes

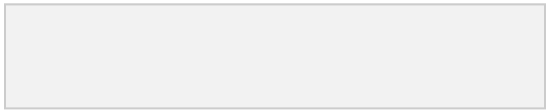
5.5 Will any physical infrastructure improvements be required prior to the implementation of the proposed solution. e.g., building reconstruction, cabling, etc.?

No

5.5a Does the PIJ include the facilities costs associated with construction?

5.5b Does the project plan reflect the timeline associated with completing the construction?

6. IMPACT



6.1 Are there any known resource availability conflicts that could impact the project?

No

6.1a Have the identified conflicts been taken into account in the project plan?

6.2 Does your schedule have dependencies on any other projects or procurements?

No

6.2a Please identify the projects or procurements.

6.3 Will the implementation involve major end user view or functionality changes?

Yes

6.4 Will the proposed solution result in a change to a public-facing application or system?

No

7. BUDGET

7.1 Is a detailed project budget reflecting all of the up-front/startup costs to implement the project available, e.g, hardware, initial software licenses, training, taxes, P&OS, etc.?

Yes

7.2 Have the ongoing support costs for sustaining the proposed solution over a 5-year lifecycle, once the project is complete, been determined, e.g., ongoing vendor hosting costs, annual maintenance and support not acquired upfront, etc.?

Yes

7.3 Have all required funding sources for the project and ongoing support costs been identified?

Yes

7.4 Will the funding for this project expire on a specific date, regardless of project timelines?

No

7.5 Will the funding allocated for this project include any contingency, in the event of cost over-runs or potential changes in scope?

No

8. TECHNOLOGY

8.1 Please indicate whether a statewide enterprise solution will be used or select the primary reason for not choosing an enterprise solution.

The project is using a statewide enterprise solution



8.2 Will the technology and all required services be acquired off existing State contract(s)?

Yes

8.3 Will any software be acquired through the current State value-added reseller contract?

No

8.3a Describe how the software was selected below:

8.4 Does the project involve technology that is new and/or unfamiliar to your agency, e.g., software tool never used before, virtualized server environment?

No

8.5 Does your agency have experience with the vendor (if known)?

Yes

8.6 Does the vendor (if known) have professional experience with similar projects?

Yes

8.7 Does the project involve any coordination across multiple vendors?

No

8.8 Does this project require multiple system interfaces, e.g., APIs, data exchange with other external application systems/agencies or other internal systems/divisions?

No

8.9 Have any compatibility issues been identified between the proposed solution and the existing environment, e.g., upgrade to server needed before new COTS solution can be installed?

No

8.9a Describe below the issues that were identified and how they have been/will be resolved, or whether an ADOA-ASET representative should contact you.

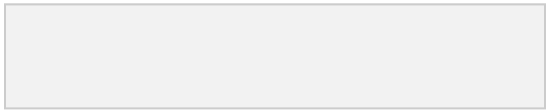
8.10 Will a migration/conversion step be required, i.e., data extract, transformation and load?

No

8.11 Is this replacing an existing solution?

No

8.11a Indicate below when the solution being replaced was originally acquired.



8.11b Describe the planned disposition of the existing technology below, e.g., surplus, retired, used as backup, used for another purpose:

8.12 Describe how the agency determined the quantities reflected in the PIJ, e.g., number of hours of P&OS, disk capacity required, number of licenses, etc. for the proposed solution?

No quantities are involved.

8.13 Does the proposed solution and associated costs reflect any assumptions regarding projected growth, e.g., more users over time, increases in the amount of data to be stored over 5 years?

No

8.14 Does the proposed solution and associated costs include failover and disaster recovery contingencies?

Yes

8.14a Please select why failover and disaster recovery is not included in the proposed solution.

8.15 Will the vendor need to configure the proposed solution for use by your agency?

No

8.15a Are the costs associated with that configuration included in the PIJ financials?

8.16 Will any app dev or customization of the proposed solution be required for the agency to use the project in the current/planned tech environment, e.g. a COTS app that will req custom programming, an agency app that will be entirely custom developed?

No

8.16a Will the customizations inhibit the ability to implement regular product updates, or to move to future versions?

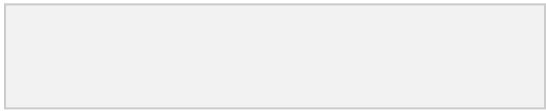
8.16b Describe who will be customizing the solution below:

8.16c Do the resources that will be customizing the application have experience with the technology platform being used, e.g., .NET, Java, Drupal?

8.16d Please select the application development methodology that will be used:

8.16e Provide an estimate of the amount of customized development required, e.g., 25% for a COTS application, 100% for pure custom development, and describe how that estimate was determined below:

8.16f Are any/all Professional & Outside Services costs associated with the customized development included in the PIJ financials?



8.17 Have you determined that this project is in compliance with all applicable statutes, regulations, policies, standards & procedures, incl. those for network, security, platform, software/application &/or data/info found at aset.az.gov/resources/psp?

Yes

8.17a Describe below the compliance issues that were identified and how they have been/will be resolved, or whether an ADOA-ASET representative should contact you:

8.18 Are there other high risk project issues that have not been identified as part of this PIJ?

No

8.18a Please explain all unidentified high risk project issues below:

9. SECURITY

9.1 Will the proposed solution be vendor-hosted?

No

9.1a Please select from the following vendor-hosted options:

9.1b Describe the rationale for selecting the vendor-hosted option below:

9.1c Has the agency been able to confirm the long-term viability of the vendor hosted environment?

9.1d Has the agency addressed contract termination contingencies, e.g., solution ownership, data ownership, application portability, migration plans upon contract/support termination?

9.1e Has a Conceptual Design/Network Diagram been provided and reviewed by ASET-SPR?

9.1f Has the spreadsheet located at <https://aset.az.gov/arizona-baseline-security-controls-excel> already been completed by the vendor and approved by ASET-SPR?

9.2 Will the proposed solution be hosted on-premise in a state agency?

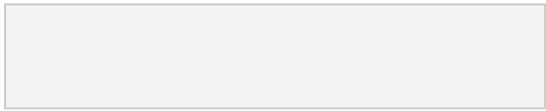
No

9.2a Where will the on-premise solution be located:

9.2b Were vendor-hosted options available and reviewed?

9.2c Describe the rationale for selecting an on-premise option below:

9.2d Will any data be transmitted into or out of the agency's on-premise environment or the State Data Center?



9.3 Will any PII, PHI, CGIS, or other Protected Information as defined in the 8110 Statewide Data Classification Policy be transmitted, stored, or processed with this project?

No

9.3a Describe below what security infrastructure/controls are/will be put in place to safeguard this data:

10. AREAS OF IMPACT

Application Systems

Database Systems

Software

Hardware

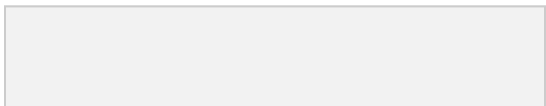
Hosted Solution (Cloud Implementation)

Security

Telecommunications

Enterprise Solutions

Contract Services/Procurements



11. FINANCIALS

Description	PIJ Category	Cost Type	Fiscal Year Spend	Quantity	Unit Cost	Extended Cost	Tax Rate	Tax	Total Cost
SR 1005 Development	Professional & Outside Services	Development	1	1	\$1,600,096	\$1,600,096	0.00 %	\$0	\$1,600,096

Base Budget (Available)	Base Budget (To Be Req)	Base Budget % of Project
\$160,010	\$160,010	10%
APF (Available)	APF (To Be Req)	APF % of Project
\$0	\$0	0%
Other Appropriated (Available)	Other Appropriated (To Be Req)	Other Appropriated % of Project
\$0	\$0	0%
Federal (Available)	Federal (To Be Req)	Federal % of Project
\$1,440,086	\$1,440,086	90%
Other Non-Appropriated (Available)	Other Non-Appropriated (To Be Req)	Other Non-Appropriated % of Project
\$0	\$0	0%

Total Budget Available	Total Development Cost
\$1,600,096	\$1,600,096
Total Budget To Be Req	Total Operational Cost
\$1,600,096	\$0
Total Budget	Total Cost
\$3,200,191	\$1,600,096

12. PROJECT SUCCESS

Please specify what performance indicator(s) will be referenced in determining the success of the proposed project (e.g. increased productivity, improved customer service, etc.)? (A minimum of one performance indicator must be specified)

Please provide the performance objective as a quantifiable metric for each performance indicator specified.

Note: The performance objective should provide the current performance level, the performance goal, and the time period within which that performance goal is intended to be achieved. You should have an auditable means to measure and take corrective action to address any deviations.

Example: Within 6 months of project completion, the agency would hope to increase "Neighborhood Beautification" program registration by 20% (3,986 registrants) from the current registration count of 19,930 active participants.

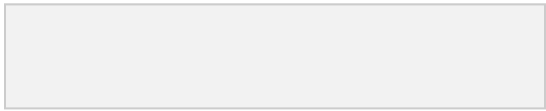
Performance Indicators

Manual tasks for State workers will be reduced by 50% upon implementation of this system change.

The State has estimated 90% of transfer related tickets would be eliminated by the changes in this SR.

Upon implementation of this system change our goal is to reduce future appeals related to transfer penalty periods by 90% by requesting specific information during the initial application processing.

13. CONDITIONS



Conditions for Approval

Should development costs exceed the approved estimates by 10% or more, or should there be significant changes to the proposed technology scope of work or implementation schedule, the Agency must amend the PIJ to reflect the changes and submit it to ADOA-ASET, and ITAC if required, for review and approval prior to further expenditure of funds.

Quarterly reporting on the project status is due to ADOA-ASET no later than the 15th of the month following the start of the project. Failure to comply with timely project status reporting will affect the overall project health. The first status report for this project is due on July 15, 2022.

14. OVERSIGHT SUMMARY

Project Background

The Arizona Health Care Cost Containment System (AHCCCS) is Arizona's Medicaid program, a federal health care program jointly funded by the federal and state governments for individuals and families who qualify based on income level. The Division of Member and Provider Services (DMPS) is responsible for accurately determining Medicaid eligibility, enrolling members into health plans, overseeing Medicaid eligibility completed by the Department of Economic Security (DES) and maintaining member data integrity. DMPS has primary responsibility for communicating with AHCCCS members and enrolling providers in the AHCCCS network.

This project is a part of AHCCCS's ongoing HEAplus (Health-e-Arizona Plus) program, which offers the most accurate, credible, real-time eligibility determinations for public assistance programs such as Medicaid, Cash Assistance and Food Stamps. With a series of enhancements, AHCCCS will streamline the eligibility process, resulting in better, faster services to members and the organizations that serve them. This project lies within the existing five year maintenance and operations contract with the vendor, Accenture, entered into June 26, 2020.

Manual efforts are currently made by AHCCCS to complete data fixes in relation to Transfer Penalty Period (TPP) which creates extra work for staff causes delays in Medicaid determination. AHCCCS employees elevate transfer-related questions for the policy unit to review, then communicate on multiple occasions to gather required information in order to make an accurate eligibility determination as related to changes in their transfer records.

Business Justification

With the completion of this project, AHCCCS will reduce the number of manual workarounds and data fixes required currently in place. Update the transfer related questions, exclusion, compensation, and rebuttal reasons in HEAplus to match policy requirements. Correct communication with the customer to collect the correct information and notify them of changes in their TPP and/or eligibility as related to changes in their transfer records.

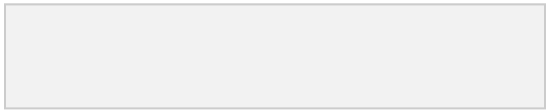
Implementation Plan

The vendor will be responsible for design sessions, development/QA, QA testing in DEV/QA environments. The agency will be responsible for SR UAT - User acceptance testing in the SR UAT environment, M&O UAT- User acceptance regression testing in the M&O environment.

It is determined by the Arizona Department of Administration (ADOA) and the Arizona Department of Homeland Security (ADOHS) that this PIJ does not involve the exchange of state data and no AZRamp is required.

Vendor Selection

The RFP was published January 17, 2020 and by March 24, 2020, AHCCCS received offers from Accenture, Deloitte Consulting LLP, OptumInsight Inc., and The Center to Promote Healthcare Access dba Alluma. Accenture was awarded the contract June 26, 2020. The initial contract period is three (3) years, from October 1, 2020 through September 30, 2023 with two one (1)-year options to extend, not to exceed a total contracting period of five (5) years. The total 5 year contract award was \$121,341,615 which includes the Best and Final Offer (BAFO) proposed



price as well as additional funding for development Service Requests (SRs) and infrastructure costs that are included in the RFP but were carved out of the cost proposal pursuant to instructions. While these additional fees are used on an as needed basis, these caps represent the expected expenditures in these categories based on averages over the past fiscal years.

Budget or Funding Considerations

Funding for this project will consist of 90% Federal Budget and 10% Base budget.

No ongoing support costs are associated. Per the contract YH21-0001 with Accenture, the agency pays 25% at the start of work, 50% at completion of the development phase, and 25% at implementation. Funding for this effort is 90% Federal funds and 10% base budget funds. There is no expiration date on the funding.

On all PIJs associated with the HEAplus system, only design, development, and implementation (DDI) modification costs are included. These system enhancements will not come with maintenance and operations (M&O) costs and the standard five years tracking requirement of the PIJ is waived. The agency is entering into any new contracts, and the existing M&O contract covers all current and future M&O costs.

15. PIJ REVIEW CHECKLIST

Agency Project Sponsor

Joni Shipman

Agency CIO (or Designee)

Dan Lippert

Agency ISO (or designee)

Anthony Flot

OSPB Representative

ASET Engagement Manager

ASET SPR Representative

Agency SPO Representative

Agency CFO

Jeff Tegen