CHANGE REQUEST / AMENDMENT
PIJ HC19005 - Electronic Visit Verification System
Arizona Health Care Cost Containment System

Amended 5-Year Lifecycle Budget Estimate: **Areas Affected:**

Total Development Budget	$3,087,291	End Date	Yes
Total Operational Budget	$29,971,999	Development Costs	Yes
Total Overall Budget	$33,059,290	Scope	Yes

Original End Date: 9/30/2020   Revised End Date: 12/31/2021

Change Description:

CURRENT AMENDMENT 01: 05/20/2020

The Electronic Visit Verification (EVV) project experienced several unexpected delays during the Planning and Requirements & Design phases. The Planning Phase of the project was extended to allow the team to complete planning documents, requirements gathering, and also designing both Arizona AHCCCS' and Hawaii Med-QUEST's EVV databases. In addition to the planning required to ensure that the EVV system is 21st Century Cures Act compliant, the states added customizations required to track, monitor, and report on access to care. Although the customizations were originally included in the scope of the contract, the EVV Vendor (Sandata) needed to gather business requirements and create technical approaches that would allow them to begin configuration.

During the Requirements & Design Phases, the states collaborated internally through cross-agency workgroups, externally with Managed Care Organizations (MCOs), and with the provider community through working sessions. The objective of the additional stakeholder outreach was to make sure that EVV system requirements, as well as the additional customizations, closely resembled what currently happens today and would be implemented in a manner that was minimally burdensome. Due to the states' methodical approach to planning, requirements gathering, system design, and customizations, the Arizona and Hawaii EVV systems deployment has been postponed. In December 2019, AHCCCS did receive approval from the Centers for Medicare and Medicaid Services to extend the timeline for compliance through December 31, 2020.

Furthermore, in light of the integral role AHCCCS, our health plans and providers play in responding to the COVID-19 response, resources have been redeployed to focus on matters that are directly related to mitigating the exposure of the virus to our members as well as the testing and treatment of members infected with the virus. At this time we are seeking guidance from the Centers for Medicare and Medicaid Services on whether or not the state will have an extension for compliance due to the aforementioned reasons. In addition to impacts on the compliance timeline, there may be residual impacts to both personnel and financial resources to get the project successfully completed. AHCCCS is planning to present to ITAC in May to provide updates on timelines and resources when we are in a better position to inform the ITAC Board of actual impacts to the EVV project. As a result, the system deployment has been rescheduled for August 2020 and the program's go live has also been rescheduled for December 31, 2020.

Scope of new activities:
SLI Government Services is the IV & V vendor the states of Arizona (Arizona Health Care Cost Containment Center) and Hawaii (Med-Quest Division) have procured for CMS oversight. The IV & V vendor's original contract was for services from 1/29/2019 – 4/30/2020. Due to prolonged Planning & Requirements Phases, the EVV project's timeline has been extended, and as a consequence the Program's Go Live and Certification were postponed as well. Certification activities have been postponed to dates beyond the end of the IV & V vendor's original contract end date of 4/30/2020. EVV certification activities are projected to occur through the end of September 2021. Therefore, the scope of IV & V work would end at that time as well since the states are required to retain IV & V services for the remainder of the project through certification. This additional work will require an increase the project budget for IV & V services from $342,326 to $541,280.

System Vendor Implementation Changes
The state of Hawaii is implementing Single Sign On as part of the EVV implementation with Sandata. Single Sign On will allow MedQuest members to gain access to multiple state systems using the same unique User ID and Password. SSO is a mandate from the state of Hawaii. Since Sandata offers this SSO, the state has decided to procure their services for implementation at a cost of $35,000, which will be funded solely by MedQuest.

Due to the extension of the Planning & Requirements and Design phases of the EVV project, the state has agreed to pay Sandata a flat fee of $10,395 per month for eleven (11) additional months of project management services. The fee is consistent with the costs originally quoted in the BAFO to cover project management services. This extension will add $114,345 to the project's implementation costs. The total implementation costs from the solution vendor, Sandata, are increased by $149,345. The original contract amount was $547, 540. The additional fees will increase the contract amount to $696,865.

Resource Plan Changes
At the start of the project, it was estimated that most of the MMIS-related project work would be done by state staff. With the schedule change, ISD management will need to supplement this staff with more contracted staff than was originally anticipated. The new contracted staffing plan adds 2 additional QA members. The extended schedule is also adding to the costs for the project management contracted staff. The total budget for staff augmentation will increase by $613,746 from $1,235,400 to $1,849,146.

Proposed Milestone Schedule
The table below is a revised project schedule through module certification by CMS and project close.

Procurement Planning:	6/17/2017 - 5/16/2019
Planning Phase:	6/14/2019 - 4/1/2020
Requirements & Design Phase:	6/14/2019 - 4/30/2020
R1 CMS Project Initiation Report:	7/8/2019 - 7/8/2019
Configuration & Deployment:	9/1/2019 - 8/24/2020
Testing:	4/24/2020 - 11/10/2020
CMS Operational Readiness Review Meeting:	10/15/2020 - 10/15/2020
Provider Training:	11/10/2020 - 12/23/2020
Program Go Live:	1/1/2021 - 12/31/2020
CMS Certification Review and Approval:	7/16/2021 - 9/30/2021
Project Close:	12/30/2021 - 12/31/2021

AMENDED FINANCIAL DETAIL:

Original PIJ Financials: 5/15/2019 ITAC

Five Year Life-Cycle Summary						
Cost Description	Year 1	Year 2	Year 3	Year 4	Year 5	*Total*
Development Costs	$62,160	$1,627,106	$436,000	$0	$0	$2,125,266
Operational Costs	$0	$4,219,961	$8,487,383	$8,581,999	$8,682,656	$29,972,000
Total Project Costs	$62,160	$5,847,067	$8,923,383	$8,581,999	$8,682,656	$32,097,266

Amended PIJ Financials: *5/20/2020 ITAC*

Five Year Life-Cycle Summary						
Cost Description	Year 1	Year 2	Year 3	Year 4	Year 5	*Total*
Development Costs	$1,442,035	$1,364,756	$280,500	$0	$0	$3,087,291
Operational Costs	$0	$4,219,961	$8,487,383	$8,581,999	$8,682,656	$29,971,999
Total Project Costs	$1,442,035	$5,584,717	$8,767,883	$8,581,999	$8,682,656	$33,059,290