

Medicaid Management Information System Completion**FY2007 Request: \$17,911,600****Reference No: 41501****AP/AL:** Appropriation**Project Type:** Information Systems**Category:** Health/Human Services**Location:** Statewide**Contact:** Larry J. Streuber**House District:** Statewide (HD 1-40)**Contact Phone:** (907)465-1870**Estimated Project Dates:** 07/01/2006 - 06/30/2011**Brief Summary and Statement of Need:**

Replacement of current computerized Medicaid Management Information System

Funding:	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	Total
Fed Rcpts	\$16,120,400						\$16,120,400
G/F Match	\$1,791,200						\$1,791,200
Total:	\$17,911,600	\$0	\$0	\$0	\$0	\$0	\$17,911,600

<input checked="" type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
10% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
Totals:	0	0

Additional Information / Prior Funding History:

CH135/SLA00/P14/L25 - \$2,032.8 AHFC Dividends/\$477.2 GF/\$22,590.0 Federal

CH103/SLA95/P37/L29 - \$483.5 GF/\$7,262.6 Federal

Project Description/Justification:

The Department of Health and Social Services initiated a computerized Medicaid Management Information System replacement project in FY2003. The project was designed to replace the current system that processes health care provider claims for the Medicaid eligible population. The new system was being developed by the incumbent fiscal agent, First Health Services Corporation and was scheduled to be implemented in September, 2005. First Health Services Corporation experienced significant difficulties in delivering the project in a timely manner within the contract specified amount. In September 2005, First Health Services Corporation ceased work on the project, and after negotiations between the Department and First Health Services Corporation failed to achieve an acceptable settlement, the development contract was terminated by the Department in December 2005.

The current legacy system is antiquated and still requires replacement in accordance with industry standards and the Federal Centers for Medicaid and Medicare Services. In order to reinitiate and complete the project originally started in FY2003, the department is requesting \$17,911.6 capital funding. The Federal Centers for Medicaid and Medicare Services provides 90% federal participation in computer systems development funding with a 10% state general fund match requirement. The project is anticipated to be completed and fully implemented 18 to 24 months after contract is awarded.