MONTANA
DPHHS
Healthy People. Healthy Communities.
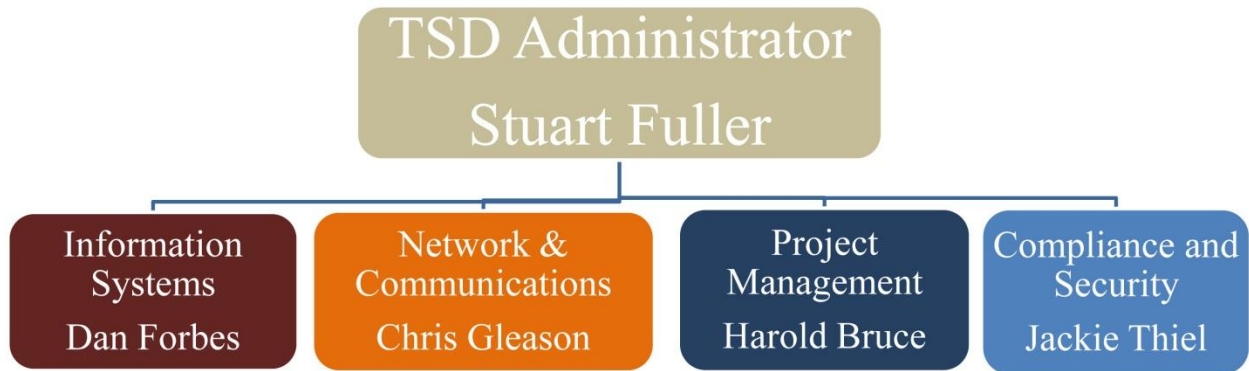**Department of Public Health & Human Services**

Presentation to the 2015 Health and Human Services Joint Appropriation Subcommittee

TECHNOLOGY SERVICES DIVISION

Department of Public Health and Human Services
Legislative Fiscal Division Budget Analysis, Volume 4, Page B-46 – B-49

Organizational Chart

TSD Administrator
Stuart Fuller

Information Systems Dan Forbes	Network & Communications Chris Gleason	Project Management Harold Bruce	Compliance and Security Jackie Thiel

CONTACT INFORMATION

Title	Name	Phone Number	E-mail address
Administrator & CIO	Stuart Fuller	406-444-2794	sfuller@mt.gov
Bureau Chief, ISB	Dan Forbes	406-444-1794	dforbes@mt.gov
Bureau Chief, NCB	Chris Gleason	406-444-1922	CGleason@mt.gov
Bureau Chief, PMB	Harold Bruce	406-444-0639	hbruce@mt.gov
Compliance & Security	Jackie Thiel	406-444-6983	jthiel@mt.gov
Financial Manager	Sheri Vukasin	406-444-9664	svukasin@mt.gov

OVERVIEW

The Technology Services Division (TSD) provides information technology services and systems to the Department. These computer systems enable the Department to manage programs for Montanans that protect children, improve community health, and provide health care, food, and other forms of assistance that contribute to healthy people and healthy communities.

TSD faces challenges in meeting the Department IT needs in terms of staff resources and keeping up with technology changes. TSD continues to work to improve operational excellence and response time to Department customers. In the absence of new resources, TSD is addressing these issues by focusing on process improvements, workforce development, and staff recruitment and retention. A major initiative is underway to move the hosting of internal systems to the enterprise (Dept. of Admin - SITSD) and cloud solutions. TSD is focusing on system improvements and network bandwidth enhancements to enhance worker productivity and customer satisfaction.

On a larger scale, TSD is moving toward the next generation of health and human services IT systems. The Department is moving away from monolithic and outdated legacy Mainframe based systems toward a vision of web-based, people-friendly, interoperable systems that are capable of meeting and exceeding program needs. Enterprise system architecture is the centerpiece of this shift from the present to the future. The architecture will allow separate, standalone systems to communicate using exposed, shared services through a common system called an Enterprise Services Bus. Users will be able to access data from multiple systems seamlessly reducing errors associated with redundant data entry. Enterprise system architecture will reshape the way the Department serves Montanans and does business in the future. The next generation of systems will help to create a seamless experience for Montanans accessing more than one of the Department's programs. These systems will improve the quality, integrity, security, and reliability of data used to administer the Department's programs.

SUMMARY OF MAJOR FUNCTIONS

TSD provides the following major functions:

- Computer Administration and Support – the maintenance and administration of desktop, laptop, and mobile devices and associated software.
- Network and Communication - the maintenance and administration of computer network and other communication services.
- System Development and Operations– the development, implementation, and operations of new and existing systems.
- IT Project Management – the planning, organizing, managing, leading and controlling of tasks and resources to achieve success in an IT project.
- Helpdesk Services – department-wide services to support employees in the use of their computers and systems.
- Security and Compliance – the implementation and enforcement of policies and procedures that ensure the security and privacy of data and systems maintained by the Department.
- IT contract management – the management of contracts for the department in support of various IT services including development, operations, and applications support services.
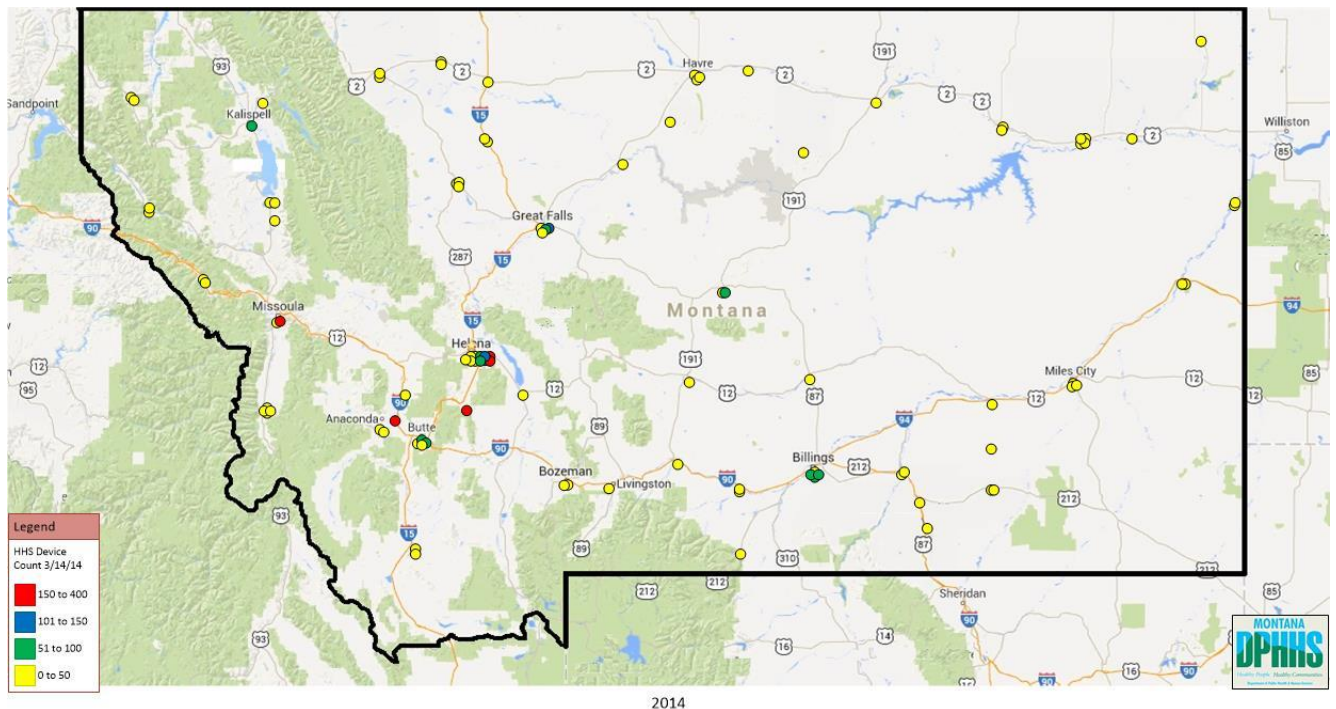

DPHHS office and facility locations.

HIGHLIGHTS AND ACCOMPLISHMENTS DURING THE 2015 BIENNIUM:

Department Website Re-Design

The Department initiated a project to update the Department's website to new technology and to move the hosting of the website to the enterprise (DOA/SITSD). Taking advantage of the new "DNN" content management tool from DOA/SITSD, the department updated the design and layout of the website to be more service-oriented for the website's users. After considerable planning and coordination with all department programs, the transition occurred seamlessly in November 2014. The new content management tool allows program staff to update the department web site quickly and easily. The web site automatically changes layout for easy access on mobile devices such as smartphones and tablets (e.g. "Responsive Design").
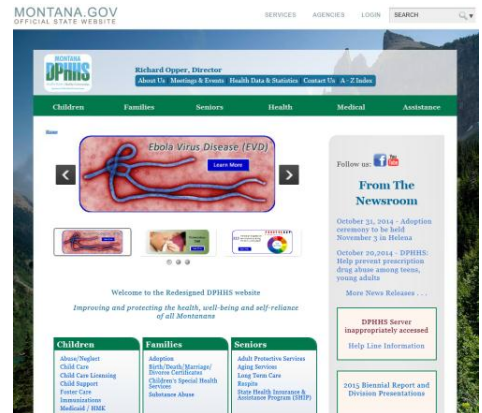
Enhancements of Self-Service Web Portal

The Department continues to improve the self-service web portal that allows citizens to apply for public assistance online (apply.mt.gov). The portal now allows the public to apply for multiple programs in the same combined application. It also allows clients to check on benefit statements, eligibility determinations, upload required documents, and receive electronic notices.

Network Bandwidth Enhancement

In support of a cloud based call-center phone system, a large number of the Office of Public Assistance locations (HCSD) have had additional network bandwidth increases. These increases allow the offices to share phone calls between locations across the state in a seamless manner. TSD is also working with DOA/SITSD on significantly increasing the network bandwidth to the five major facility locations (Warm Springs, Columbia Falls, Lewistown, Butte, and Boulder). Increasing bandwidth allows the department to serve staff with centralized services such as training videos, better network response times, and other shared services. Sufficient network bandwidth to the facilities is a key building block in allowing the use of electronic health record systems.

Move to Enterprise Hosting

The Department has initiated a project to move all department servers from Department owned equipment to the DOA/SITSD enterprise hosting services. This move will all but eliminate the need for server hardware for internally developed department applications. The exceptions to this move are file servers in remote offices. The Department will continue to remove and consolidate servers to Helena as network bandwidth for remote offices is upgraded.

Enable a Mobile Workforce

The Department successfully deployed 200 tablet computers to child welfare staff with the Child and Family Services Division. These tablets and the new "MSAMS" system allow staff to complete family assessments and other reports while in the field working with clients. TSD also implemented a

department-wide training portal (Moodle) that allows DPHHS employees to train on applications they use for their jobs without leaving their office, saving the department thousands of travel dollars.

Business Intelligence
As part of the CHIMES-EA project, the Department implemented a Business Intelligence tool called Pentaho. The tool connects to the Enterprise Service Bus so that data could be seamlessly moved to it as necessary. Implementing Pentaho for CHIMES-EA allowed the creation of reports and dashboards reflecting statistics for eligibility application processing and caseload management. This type of reporting has greatly assisted HCSD in managing caseload between offices, looking for trends in applications intake, and trends in application processing. Now that Pentaho is installed, the department is using it for other reporting needs such as customized federal reports required for Vocational Rehabilitation. The reporting tools help the Department use real time data to respond to changing client needs.

Mental Health Medicaid Waiver System (MHSP/Elenor)
The Department has many programs and functions where a software vendor or contractor cannot provide a cost-effective solution. The Elenor system was built for the Mental Health Services Bureau and is an example of the custom development efforts by the Information System Bureau. It captures data from various Mental Health providers who service the communities under Medicaid Waivers. The resulting system drastically reduces duplication of data entry and the quality of data. The system also provides much more accurate, and automated federal reporting. A second phase of the system is planned where Pentaho will be used to provide additional analytical reports for the program.

Combined Healthcare Information and Montana Eligibility System – Enterprise Architecture (CHIMES-EA)
After 22 months of design, development and testing, CHIMES-EA systems went into production November 1, 2012. Integrating SNAP, TANF, and Medicaid/HMK eligibility systems using enterprise architecture techniques, CHIMES-EA supports intuitive and rapid eligibility determination across multiple programs. With the implementation of CHIMES-EA, the Department realized its first enterprise architecture initiative, which includes an enterprise service bus (ESB) and web services that set the stage for the sharing of functions and data in future systems.

Because of the major systems change from a Mainframe reporting system to a new web based eligibility system, there were significant challenges that the department faced regarding workforce training, functionality, and system performance after the rollout of CHIMES-EA. Issues were discovered once the system was in full production that slowed down system performance. There were also issues with worker training and getting use to the new system where the system determined eligibility for benefits based on what was keyed in. In the old Mainframe system, eligibility was generally reported by the case worker instead of the system actually calculating eligibility. Throughout the biennium, the department and its prime contractor made worker experience and systems improvements a top priority. A large amount of progress has been made on both subjects and the system has seen significant improvements.

The department also continued to make various enhancements to CHIMES-EA to support HCSD's Service First customer service initiative. Significant work has been done to enhance CHIMES-EA to support new Federal data exchange requirements and other requirements dictated to State as part of the Affordable Care Act. Because of the investment in CHIMES-EA, the state was one of the few states in the nation that was ready to exchange data with the Federal insurance marketplace on October 1, 2013.

With CHIMES-EA we were also able to auto-process 82% of the incoming cases that were determined to be eligible for Medicaid by the Federal Marketplace.

Medicaid Management Information System (MMIS)

On December 3, 2010, DPHHS released an RFP, for the design, development and implementation of a new Medicaid Management Information System (MMIS) and future fiscal agent operations services. The winning bidder was ACS (now Xerox) and a contract was signed February 10, 2012. A 35-month project to design, develop and implement a new MMIS for Montana was kicked-off on April 1, 2012. In June of 2013, the department reported to the State CIO and Legislature that the project was in a "red" status. At the same time, Xerox announced that they would not be able to deliver the project per the approved project work plan and that they were initiating a significant re-planning effort for the project. On January 31, 2014, Xerox submitted the first draft of their re-planning work plan for DPHHS review. The department continued to work with Xerox over the next 4.5 months to revise the re-planning project work plan to meet contract requirements and to ensure that Xerox was fulfilling their contract obligations. June 18, 2014 the department notified Xerox that they were in material breach of their contract and gave Xerox an opportunity to cure the breach. Xerox responded with a new work plan and agreement to a new contract amendment and the breach was cured on July 18, 2014.

Xerox has continued to struggle with project execution and the department repeatedly stressed that Xerox needs to successfully execute the approved re-planned work plan. In late November of 2014, the department once again reported a Red project status to the State CIO and Legislature due to Xerox not being able to make significant progress on the project and not resolving outstanding issues. The department issued a notice of a required corrective action plan to Xerox on November 26, 2014 in accordance with the contract. Xerox submitted their initial corrective action plan on December 12, 2014 as required. DPHHS responded with 92 comments on December 19, 2014. Xerox submitted a revised corrective action plan in response to DPHHS comments on December 29, 2014. On January 8, 2015, DPHHS responded with a notice that the corrective action plan was not acceptable and invoked the dispute resolution process in accordance with the contract. DPHHS met with Xerox the week of January 12th, to discuss issues with the Xerox corrective action plan. Dispute Resolution has resulted in productive discussions regarding the Corrective Action Plan. On January 16, 2015, Xerox submitted a revised draft corrective action plan. DPHHS responded with comments on January 17th, 18th, and 19th. DPHHS and Xerox have resolved the remaining issues and comments regarding the Corrective Action Plan. Xerox resubmitted the CAP on 01/22/2015. Based on that last submission, DPHHS and Xerox are in material agreement on the details of the Corrective Action Plan. The approval of the Corrective Action Plan is dependent on DPHHS and Xerox reaching agreement on a Change Request (CR) for Montana to adopt the Health Enterprise Platform solution for the DDI project. Xerox has identified that migration to the HE Platform is a key component of the overall Corrective Action Plan. DPHHS and Xerox are still in the dispute resolution process regarding the CR. The process is now focused on addressing items related to Health Enterprise Platform code releases and resolving issues regarding undefined financial obligations for Platform releases during future fiscal agent operation years.

The department's goal is to implement a new MMIS that will improve provider services and payment processing with the flexibility to add new health plans, accommodate new federal and state changes, enhance quality of care analysis, and improve fraud detection. The current legacy Mainframe based MMIS system processed 9.1M Claims processed (14% Denied) resulting in the reimbursement to providers $962M to approximately 12,000 health care providers in 2014.

Goals and Objectives

Department of Public Health and Human Services Technology Services Division

Goals and Objectives (2014 IT Plan)

Goal:
- Use information technology to support and enhance DPHHS program service delivery and increase efficiencies.

Objective	Measures
• Replace the legacy State Automated Child Welfare Information System which has reached end-of-life. • Begin planning activities to replace the legacy System for Enforcement and Recovery of Child Support (SEARCHS), which has reached end-of-life. • Begin internal planning activities to actively migrate, replace, or discontinue all other secondary Mainframe systems • Begin planning activities to implement electronic health records systems and replace legacy EHR systems for the department's facilities • Begin planning activities to replace and redesign the Child Care Under the Big Sky (CCUBS) system • Implement the Document Management System (DMS) for more systems and support the efforts by SITSD for Enterprise Content Management • Expand the use of eGovernment services for client interactions including reporting of benefits • Extend and enhance the framework of the self-service client portal for the department • Participate in and provide leadership for the implementation of Health Information Technology statewide • Redevelop and move the department external website hosting to SITSD and the DNN platform • Implement and manage secondary IT systems and programs as required by the department	Objectives will be measured by monitoring and reporting (Biennial Report to the IT Plan) progress and accomplishments against the goals and objectives outlined in DPHHS' Agency IT Plan. This plan is filed on a biennial basis with the State CIO and is a statutory requirement.

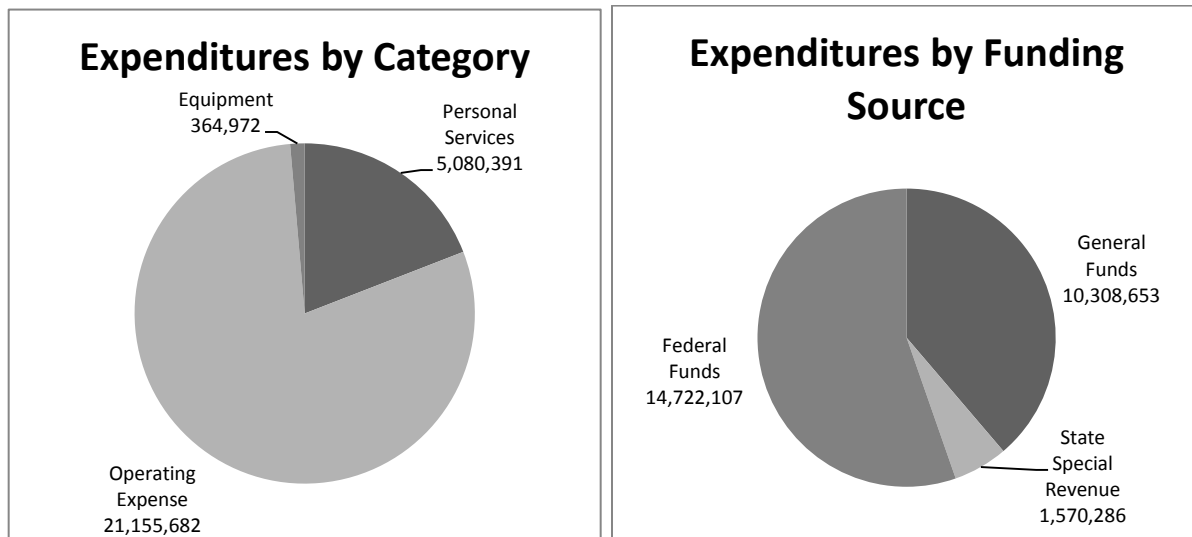| **Goal:** Ensure that information technology resources are efficient, responsive, cost-effective and available when needed.	
Objective	**Measures**
• Implement an enterprise ITSM governance structure based on the ITIL 2011 framework • Implement IT project portfolio management based on PMBOK framework	Objectives will be measured by monitoring and reporting (Biennial Report to the IT Plan) progress and accomplishments against the goals and

- Create an Information System Inventory of all department systems that includes information necessary for system life cycle planning and management - Develop division wide workforce training plan for TSD to ensure skills and knowledge remain current and staff are ready for new technologies - Implement increased network bandwidth in various locations across the state - Implement a centralized notification process for major system events	objectives outlined in DPHHS' Agency IT Plan. This plan is filed on a biennial basis with the State CIO and is a statutory requirement.

Goal: Implement a modern enterprise architecture that supports interoperability and sharing of data and functionality.

Objective	Measures
- Integrate the Enterprise Service Bus and web services into more Department systems - Enhance the capabilities and system coverage of the Department's business intelligence tool, Pentaho - Implement additional functionality and components of the Enterprise Service Bus including address verification, business process management and orchestration, and geo-location services.	Objectives will be measured by monitoring and reporting (Biennial Report to the IT Plan) progress and accomplishments against the goals and objectives outlined in DPHHS' Agency IT Plan. This plan is filed on a biennial basis with the State CIO and is a statutory requirement.

Goal: Maintain and operate a National Institutes of Standards and Technology (NIST) Based Security Program.

Objective	Measures
- Continue to implement NIST based security controls to ensure the security, privacy, availability, and integrity of data and systems - Continue to develop Information Security Policies for all NIST security control families - Implement multi-factor authentication on systems that contain protected, sensitive, private information - Implement encryption at rest for those systems that contain protected sensitive private information - Implement enterprise security information and event management tools on systems as appropriate - Implement a NIST based system authorization and certification process	Objectives will be measured by monitoring and reporting (Biennial Report to the IT Plan) progress and accomplishments against the goals and objectives outlined in DPHHS' Agency IT Plan. This plan is filed on a biennial basis with the State CIO and is a statutory requirement.

FUNDING AND FTE INFORMATION

Technology Services Division	2014 Actual Expenditures	FY 2016 Request	FY 2017 Request
FTE	63.60	60.60	60.60
Personal Services	5,080,391	5,079,495	5,078,188
Operating	21,155,682	23,801,653	23,598,274
Equipment	364,972	357,930	357,930
Grants	0	0	0
Benefits & Claims	0	0	0
Debt Services	0	0	0
Total Request	**26,601,045**	**29,239,078**	**29,034,392**
General Fund	10,308,653	11,582,711	11,614,360
State Special Fund	1,570,286	1,699,654	1,764,499
Federal Fund	14,722,106	15,956,713	15,655,533
Total Request	**26,601,045**	**29,239,078**	**29,034,392**

THE FOLLOWING FIGURES PROVIDE FUNDING AND EXPENDITURE INFORMATION FOR FY 2014 FOR THE TECHNOLOGY SERVICES DIVISION

Expenditures by Category

Equipment 364,972

Personal Services 5,080,391

Operating Expense 21,155,682

Expenditures by Funding Source

General Funds 10,308,653

Federal Funds 14,722,107

State Special Revenue 1,570,286

CHANGE PACKAGES

PL 900444 – Four percent FTE reduction
The 2015 biennium budget included a 4% vacancy savings reduction. Language included in the boilerplate of HB 2 passed by the 2013 legislature, indicated legislative intent that the 4% vacancy savings be made permanent as an FTE reduction for the 2017 biennium. Change package 900444 includes a reduction of 3.00 FTE each year and $421,617 total funds for the biennium to accomplish the FTE reduction.

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2016	-$88,187	-$13,827	-$109,060	-$211,074
FY 2017	-$88,035	-$13,803	-$108,705	-$210,543
Biennium Total	-$176,222	-$27,630	-$217,765	-$421,617

PL 909004 – Contractual Adjustments
This present law adjustment requests $885,079 total funds over the biennium, including general fund of $111,852 in FY 2016 and $208,634 in FY 2017 to maintain existing services for the Project Management bureau in the Technology Services Division. The increase is necessary to provide ongoing maintenance and operations support of the agency's large eligibility determination, case management, and data systems.

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2016	$111,852	$8,248	$188,799	$308,899
FY 2017	$208,634	$15,385	$352,161	$576,180
Biennium Total	$320,486	$23,633	$540,960	$885,079

PL 909005 – CHIMES Systems OTO made Base
This present law adjustment requests $329,952 in general fund in each year of the biennium to maintain existing services for the Project Management Bureau in the Technology Services Division. The increase restores one-time-only funding that is necessary to provide ongoing maintenance and operations support of the agency's eligibility determination systems.

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2016	$329,952	$0	$0	$329,952
FY 2017	$329,952	$0	$0	$329,952
Biennium Total	$659,904	$0	$0	$659,904

PL 909010 – NCB Operations
This present law adjustment requests $129,880 in total funds over the biennium, including general fund of $38,000 in FY 2016 and $16,875 in FY 2017 to maintain existing services for the Network & Communication Services bureau. The increase is necessary to meet the DPHHS strategic disaster and recovery plan and to provide for mobile device management, monitoring of security threats on mobile devices, and for enhanced software licensing monitoring.

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2016	$38,000	$7,555	$44,385	$89,940
FY 2017	$16,875	$3,355	$19,710	$39,940
Biennium Total	$54,875	$10,910	$64,095	$129,880

DP 909011 – Federal IT Security Audit Compliance
This present law adjustment requests $459,000 in total funds over the biennium, including general fund of $38,250 in FY 2016 and $35,932 in FY 2017 to maintain existing services for the Agency wide Services program. This request is for the purchase and ongoing maintenance of security software to meet the federal security IT audit compliance for data systems encryption, multi-factor authentication, and review of security incident and event management data.

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2016	$38,250	$0	$344,250	$382,500
FY 2017	$35,932	$5,967	$34,601	$76,500
Biennium Total	$74,182	$5,967	$378,851	$459,000

PL 909012 – EBT Outsourcing
This present law adjustment requests a reduction of $858,200 in total funds in FY 2017, including a general fund reduction of $390,052 to reduce base funding for the Montana Access EBT program in the Technology Services Division. This request was made during the 2013 legislative session; however, the vendor to whom the outsourcing was awarded terminated its EBT services prior to transfer of the process, resulting in the need to maintain the current Montana Access system for an additional two years.

Fiscal Year	General Fund	State Special	Federal Funds	Total Request
FY 2016	$0	$0	$0	$0
FY 2017	-$390,052	$0	-$468,148	-$858,200
Biennium Total	-$390,052	$0	-$468,148	-$858,200

LEGISLATION
The Division has no pending or requested legislation.