Presentation to the 2025 Health and Human Services Joint Appropriations Subcommittee

Technology Services Division

DEPARTMENT OF PUBLIC HEALTH & HUMAN SERVICES

Greg Gianforte, Governor | **Charlie Brereton, Director**

Overview

Carrie Albro, Chief Information Officer

Strategic Intent

1. **Drive information technology and data transformation** by modernizing legacy systems, fostering innovation, enhancing process efficiency, and accelerating data transformation to support departmental goals and objectives.

2. **Rationalize our IT portfolio**. Evaluate the status and performance of the department's infrastructure, equipment, software, and solutions to identify opportunities for improvement, consolidation, and modernization.

3. **Foster a culture of support and collaboration** by providing opportunities for teams to work together, share ideas, and voice their opinions.

4. Integrate **collaborative practices and cross-team engagement** into daily workflows to boost productivity, enhance employee retention, and improve outcomes.

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Strategic Focus – Modernization

- **Modernize systems, enhance service delivery, and strengthen security**.

- These modernization efforts will improve the department's ability to deliver responsive and reliable citizen services, to reduce technical debt, bolster security, and increase operational efficiency.

- Prioritized replacing outdated systems that transitioned off the State's mainframe in 2021.

- Modernization projects include:
  1. Implementing a Comprehensive Child Welfare Information System (CCWIS)
  2. Replacing the legacy Montana Systems for the Enforcement and Recovery of Child Support (SEARCHS)
  3. Deploying an Electronic Health Records (EHR) System for the state-run health care facilities
  4. Replacing the Child Care Under the Big Sky System (CCUBS)
  5. Upgrading the Electronic Benefits Transfer (EBT) System
  6. Implementing a Pharmacy Benefit Management System (PBMS) for the State Medicaid program

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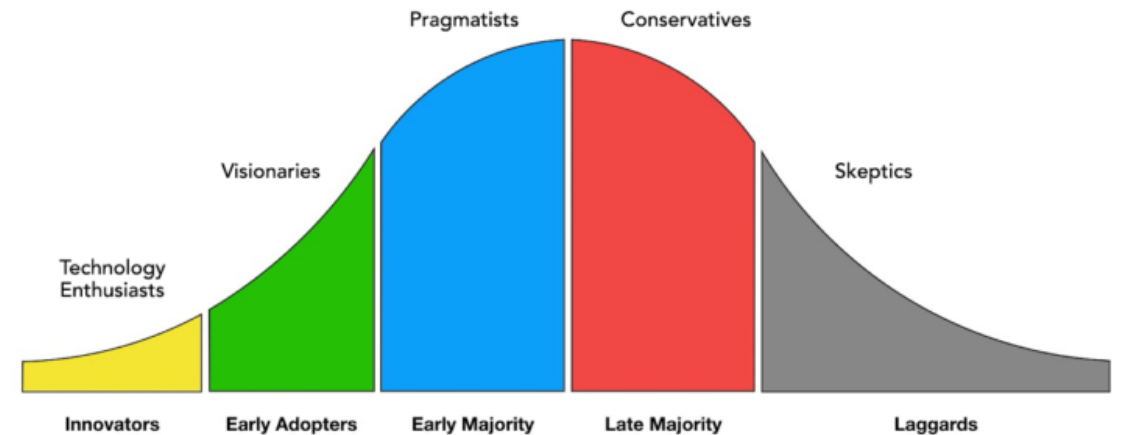PUBLIC HEALTH &
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Strategic Focus – Data Management

- Enhancing data governance, quality, accessibility, and integration across the department's diverse programs and systems.

- The DMO plays a pivotal role in our modernization pursuits, including managing legacy data migration, and establishing robust governance frameworks.

- Established new leadership and offices:

  - Chief Data Officer: Leads the Data Management Office (DMO)
  - Chief Analytics Officer: Oversees the Office of Research and Data Analytics (ORDA)
  - Strategy and Transformation Officer: Heads the Strategy and Transformation Office (STO)

- Provide support to ORDA and STO to service Research Agendas and promote data-driven insights and strategic decision-making.

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Strategic Focus – Early to Engage or Adopt

- TSD championed several state enterprise initiatives in collaboration with SITSD:

  - DPHHS was the first agency to implement the ServiceNow Application Portfolio Management (APM) module through a software proof of concept.

  - The first agency to fully deploy the Tanium suite of products, enhancing cybersecurity, and improving operational efficiency.

  - Among the first state agencies to onboard and adopt Archer, the state's comprehensive Governance, Risk, and Compliance (GRC) platform.

Technology Adoption Life Cycle

Pragmatists

Conservatives

Visionaries

Skeptics

Technology Enthusiasts

Innovators   Early Adopters   Early Majority   Late Majority   Laggards

Source: Diffusion Research Institute

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MONTANA DPHHS

Summary of Major Functions

Technology Services Division

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                          │ Chief Information│
                          │     Officer      │
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Medicaid Systems Team (MPATH)	Program Management Office (PMO)	Data Management Office (DMO)	Application Development & Hosting Bureau (ADHB)	Support & Security Bureau (SSB)	Compliance and Security Office (CSO)
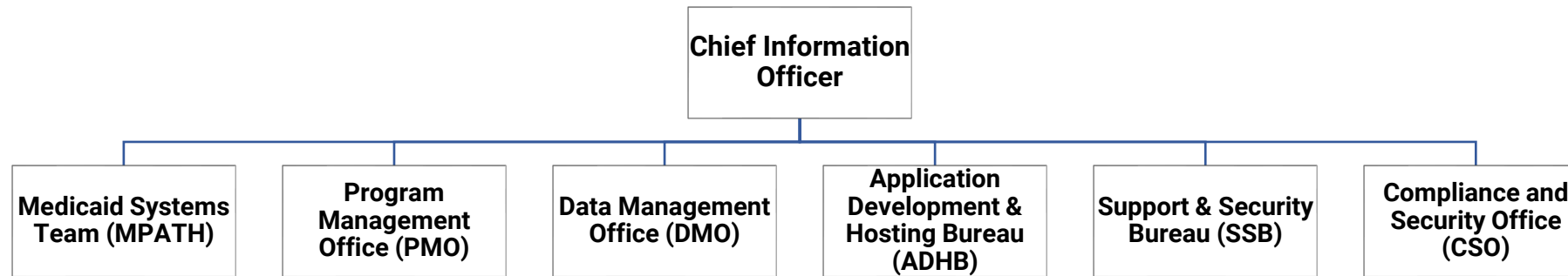
- IT services are managed by six teams comprising 66 budgeted positions (PBs).

- Support the department's four core practice areas and the Director's Office.

- Operate 24/7/365 and maintain over 185 systems and applications supporting critical business functions.

- Collaborate with divisions to optimize business processes, digitize workflows, and enhance citizen services.

- Manage more than 3,200 personal computers, 900 mobile devices, 9 medical dispensing carts, and over 500 cameras used by staff or deployed in DPHHS offices statewide.

- Oversee the department's systems as a unified technology portfolio to promote interoperability, reduce costs, and minimize technical debt by leveraging existing operational systems where possible.

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TSD Functions and Activities

Scope of Services

- Functions, roles, and activities are modeled for successful outcomes and aligned to our IT strategic plans and objectives.

- Provides clarity of roles, responsibilities, and scope of services for each team.

Scope of Services - Project Management Bureau (PMB)

Project Evaluation, Assessment, and Onboarding	Resource & Capacity Planning *People and Technologies* *DPHHS, Cross-Agency, Vendors, SITSD*	Divisional DDI Project Management	TSD and SITSD Technical Project Management
WBS, Schedule, and Release Management	Delivery Assurance & Quality Management	Project Management Best Practices and Tools Development	Project Dashboards and Reporting
Project Risk and Escalation Management	Stakeholder Communications	Vendor Relationships & Performance Management for Implementations	M&O Management *Go Live + 90 Days*
Vendor Contract, Amendment, and ITPR Management	Vendor Invoice Management and Approval for Implementations	Divisional Satisfaction & Success *CSAT – Division*	

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Scope of Services by Team

- Medicaid Systems Team (MPATH): Implements and supports modular, cloud-based Medicaid systems, replacing legacy MMIS with a modern and comprehensive replacement (MES).

- Program Management Office (PMO): Oversees IT governance, planning, performance monitoring, stakeholder communications, and customer success.

- Project Management Bureau (PMB): Provides project implementation services and quality management for IT solutions from concept through implementation.

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Scope of Services by Team

- **Data Management Office (DMO)**: Manages data governance, security, and access, supporting data-driven decision-making.

- **Application Development and Hosting Bureau (ADHB)**: Develops and supports applications, integrates systems, and manages data hosting.

- **Support and Security Bureau (SSB)**: Provides technical support, device management, network security, and service desk operations.

- ***Compliance and Security Office (CSO)***: Ensures information security compliance and risk management, aligned with NIST standards.

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Highlights and Accomplishments During the 2025 Biennium

Carrie Albro, Chief Information Officer

Best Practices for Successful Outcomes

- Prepare divisions to effectively plan, implement, and deliver large-scale IT systems, ensuring alignment, efficiency, and success.

    i. Developed a cross-functional training program, branded LRIT-GO!, to prepare divisions for the planning, procurement, and implementation of IT systems funded through HB10.

    ii. Created the state's first end-to-end business process map to support LRIT project planning and execution, establishing a framework with standardized processes, stage gates, and approval points for the pre-planning, planning, and initiation stages of each project.

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2025B LRIT HB10 Status Update
Overview of Projects in Motion

Electronic Visit Verification (EVV) System Implementation (MES)

- The project is complete. The system is in Maintenance & Operations (M&O).
- Estimated CMS certification date is late 2025
- DPHHS is no longer reporting this project on LFC quarterly reports given its M&O status.

Electronic Health Records and Billing System Replacement (EHR)

- DPHHS is pursuing a NASPO contract with Netsmart, a specialized behavioral health EHR solution.
- The Scope of Work (SOW) has been completed.
- The cost proposal and contract discussions are currently under review.
- Design, Development, and Implementation (DDI) services are planned for a 36-month timeline.
- The Montana State Hospital (MSH) and the Montana Chemical Dependency Center (MCDC) will be the first two facilities to implement the new system, enabling the decommissioning of the legacy TIER system.

Comprehensive Child Welfare Information System (CCWIS)

- Procured pre-DDI and Business Process Design services from BerryDunn via competitive procurement in 2024.
- The CCWIS DDI RFP closed on August 26, 2024.
- Accenture, LLP was awarded the contract, contract negotiations are underway.
- The CCWIS contract (with vendor information) was submitted to the Children's Bureau on December 9, 2024, for approval. There is a 60-business-day approval period.
- The anticipated contract execution date is early March 2025.
- Accenture proposed DDI start of March 2025.

Medicaid Enterprise Systems Integration Platform Project (MES)

- The platform transition from the IBM Cloud environment to Amazon Web Services (AWS) is complete.
- The transition to high availability project is complete.

Montana Systems for the Enforcement and Recovery of Child Support Replacement (SEARCHS)

- At the advisement of the Office of Child Support Services (OCSS), CSSD is procuring contracted services for planning and pre-DDI activities via RFP.
- Pre-DDI activities refer to the foundational tasks and processes that occur before the formal stages of designing, developing, and implementing an IT system or solution. Some of these activities have started to prepare for the pre-DDI RFP procurement.
- Pre-DDI procurement anticipated contract start date is March 2025.
- DDI RFP anticipated posting in Fall 2025.

Electronic Benefits Transfer System (EBTS) System Replacement

- The RFP closed on August 23, 2024.
- The Notice of Intent to Award was posted on October 9, 2024.
- The selected vendor is Conduent.
- Contract negotiations are underway and expected to be sent to Food and Nutrition Service (FNS)
- Target send date to FNS for approval in February 2025.

Pharmacy Benefit Management System (PBMS) Replacement (MES)

- The MES team is participating in a multi-state NASPO ValuePoint procurement with Georgia, Missouri, and Alaska.
- Montana is waiting for Georgia to finalize awards, after which, Montana can begin the vendor down-select process.
- Estimated vendor selection Spring 2025

HB10 Projects In Planning Stage

- Medicaid Enterprise System (MES)
    - Interoperability and Patient Access – Integration and Mobile

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Medicaid Enterprise System (MES)

- A **Medicaid Enterprise System (MES)** refers to a collection of modular, interoperable systems and services that support the business functions of Medicaid programs.

- CMS acknowledges and references the Medicaid Enterprise System (MES) as a more modern and comprehensive replacement for the traditional Medicaid Management Information System (MMIS).

Key Differences Between MMIS and MES

Aspect	MMIS	MES
Architecture	Monolithic system	Modular and interoperable
Flexibility	Limited adaptability	High flexibility and scalability
Technology	Legacy, on-premises systems	Modern, often cloud-based solutions
Focus	Operational efficiency	Broader program management and outcomes
Customization	Heavily customized, state-specific	Standardized modules with state-specific configurations
Interoperability	Limited	Designed for interoperability
CMS Funding Alignment	Pre-dated modular MITA requirements	Complies with CMS modularity guidance

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Designed Service Delivery Frameworks

Service Design & Workflow

- Outlines how DMO services are planned to meet departmental needs.

- Ex: Managing the lifecycle of an ORDA Research Agenda from planning through execution.

Data Management Office Service Delivery Workflow for the Office of Research and Data Analytics (ORDA)
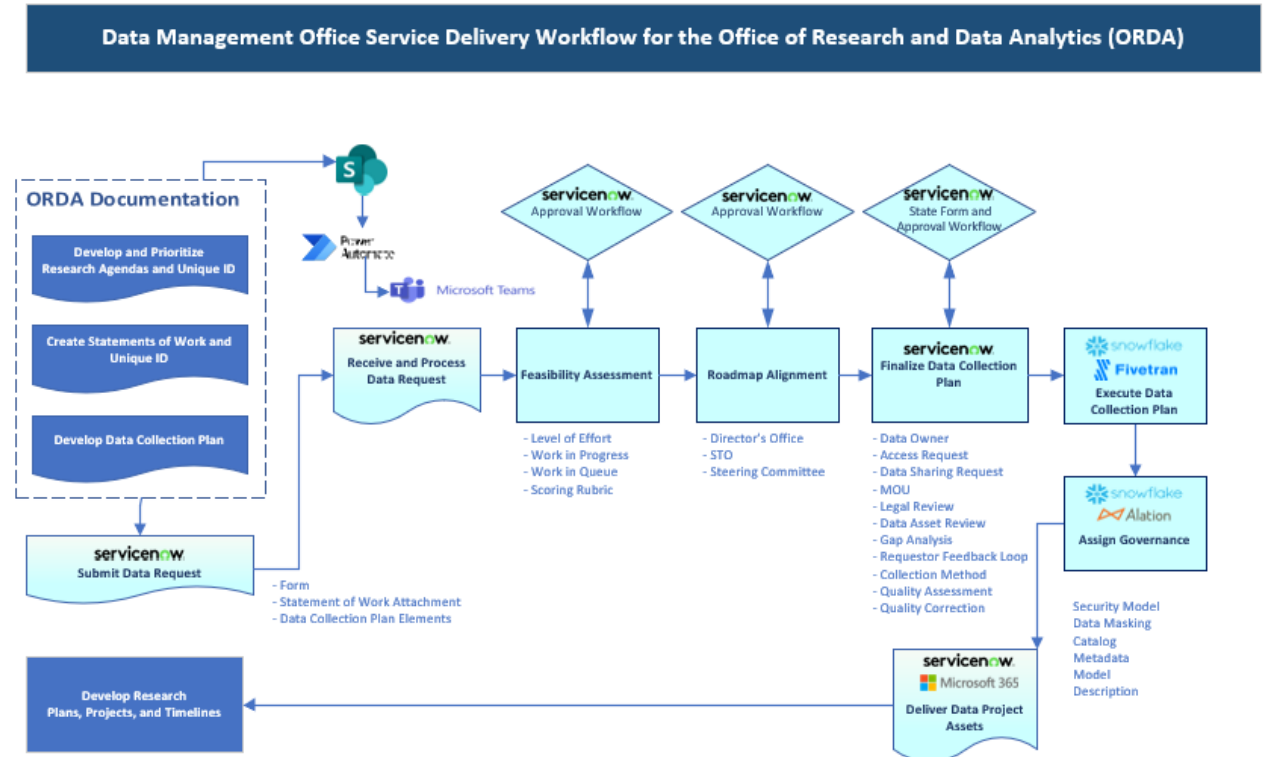
Modernizing Medication Management at MSH

- Deployed secure, automated medication carts to enhance pharmacy operations and patient care.

- The medication dispensers are directly connected to the in-house pharmacy, ensuring seamless integration and real-time information updates.

- By automating the dispensing process, the Med Carts have:
  - Improved staff efficiency by reducing the time spent manually handling prescriptions.
  - Reduced the likelihood of medication errors, improving patient safety and ensuring accurate administration of prescribed treatments.
  - Streamlined inventory management by providing real-time tracking of medication usage, enabling the pharmacy to maintain optimal stock levels and reduce waste.

- Represents a critical step toward modernizing healthcare delivery at MSH, ensuring secure, efficient, and accurate medication management while supporting staff and enhancing patient outcomes.

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Upgraded Infrastructure at Galen and MSH

- TSD, in collaboration with SITSD, implemented significant infrastructure enhancements at Galen and MSH.

- Upgrades included transitioning to fiber optic networks and updating switches, resulting in substantial improvements in the reliability and bandwidth of services at both facilities.

- The improved network is an essential prerequisite for implementing the Electronic Health Records (EHR) system, enabling the seamless management and accessibility of patient information and an additional step forward in modernizing healthcare delivery.

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TANIUM Implementation and Adoption

- Implemented Tanium for cybersecurity and endpoint management, enabling efficient monitoring and protection of end-user devices.
  - Strengthened our security posture by enabling rapid detection and resolution of patching issues, reducing risks to sensitive data and systems.
  - Improved operational efficiency, doubling the speed of computer imaging and providing real-time tracking of vulnerabilities through intuitive dashboards.
- As the first state agency to fully deploy Tanium, DPHHS demonstrated a commitment to leveraging enterprise solutions to improve productivity, drive efficiency, and protect critical IT assets.

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Strategic Cloud Initiatives

- Migrated four significant departmental business tools/applications to the cloud:
  1. Jira is used by 500 employees and contractors to manage our large applications Maintenance and Operations as well as all our internal development projects.
  2. SharePoint is used throughout DPHHS for document management, collaboration, and workflow automation.
  3. IRMS is a cloud-based inventory system which supports the commodity warehouse and the State Hospital.
  4. Control-M is the enterprise scheduling tool for the three largest DPHHS systems: CHIMES, SEARCHS and CAPS.

- Transitioned from the IBM Cloud to Amazon Web Services (AWS) for the MES integration platform, improving performance and saving $400,000 annually.

- Transformed the Home and Community Based Services (HCBS) process from a manual system to a cloud-based solution, enabling the next phase of service management.

  o ADHB guided this initiative from procurement to production, modernizing service delivery and improving accessibility and efficiency.
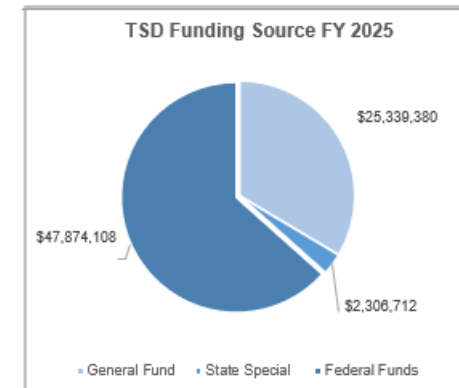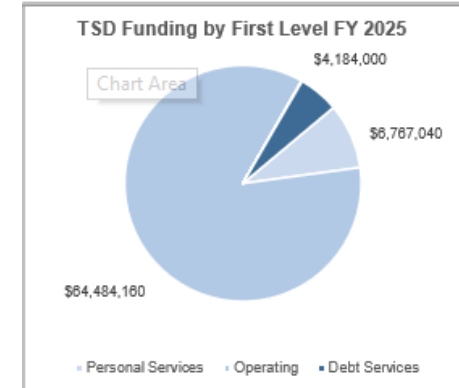
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Funding and PB Information

Kim Aiken, Chief Finance and Operating Officer

Funding and PB Information

TECHNOLOGY SERVICES	FY 2025 BUDGET	FY 2026 REQUEST	FY 2027 REQUEST
PB	66	63	63
Personal Services	$6,767,040	$6,666,355	$6,682,400
Operating	$64,484,160	$73,275,139	$94,105,617
Equipment	$85,000	$85,000	$85,000
Local Assistance	$0	$0	$0
Grants	$0	$0	$0
Benefits and Claims	$0	$0	$0
Transfers	$0	$0	$0
Debt Services	$4,184,000	$4,184,000	$4,184,000
TOTAL COSTS	**$75,520,200**	**$84,210,494**	**$105,057,017**
	FY 2025 BUDGET	FY 2026 REQUEST	FY 2027 REQUEST
General Fund	$25,339,380	$30,208,189	$40,144,651
State Special Fund	$2,306,712	$2,373,007	$2,517,984
Federal Fund	$47,874,108	$51,629,298	$62,394,382
TOTAL FUNDS	**$75,520,200**	**$84,210,494**	**$105,057,017**

TSD Funding by First Level FY 2025

$4,184,000
$6,767,040
$64,484,160

Personal Services   Operating   Debt Services

TSD Funding Source FY 2025

$25,339,380
$47,874,108
$2,306,712

General Fund   State Special   Federal Funds

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Change Packages

Change Packages – Present Law (PL) Adjustments

SWPL 1 – PERSONAL SERVICES

The budget includes $203,024 in FY 2026 and $219,070 in FY 2027 to annualize various personal services costs including FY 2025 statewide pay plan, benefit rate adjustments, longevity adjustments related to incumbents in each position at the time of the snapshot, and vacancy savings.

	General Fund	State Special	Federal Funds	Total Request
FY 2026	$64,985	$7,834	$130,205	$203,024
FY 2027	$71,608	$9,194	$138,268	$219,070
Biennium Total	$136,593	$17,028	$268,473	$422,094

SWPL 2 – FIXED COSTS

The request includes $4,935,299 in FY 2026 and $5,054,716 in FY 2027 to provide the funding required in the budget to pay fixed costs assessed by other agencies within state government for the services they provide. Examples of fixed costs include liability and property insurance, legislative audit, warrant writer, payroll processing, and others. The rates charged for these services are approved in a separate portion of the budget.

	General Fund	State Special	Federal Funds	Total Request
FY 2026	$3,065,733	($92,627)	$1,962,193	$4,935,299
FY 2027	$3,108,253	($90,734)	$2,037,197	$5,054,716
Biennium Total	$6,173,986	($183,361)	$3,999,390	$9,990,015

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Change Packages – PL Continued

SWPL 3 – INFLATION DEFLATION

This change package includes reductions of $543 in FY 2026 and $367 in FY 2027 to reflect budgetary changes generated from the application of deflation to state motor pool accounts.

	General Fund	State Special	Federal Funds	Total Request
FY 2026	($543)	$0	$0	($543)
FY 2027	($367)	$0	$0	($367)
Biennium Total	($910)	$0	$0	($910)

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Change Packages – New Proposals (NP) Adjustments

NP 9000 - TSD COMBINED MAINTENANCE & OPERATIONAL REQUESTS

This new proposal reflects needed appropriations for increases related to maintenance and operations of existing systems as well as appropriations needed for new system implementations within the Technology Services Division (TSD). This is necessary to fund anticipated increases in existing vendor contracts for Combined Healthcare Information and Montana Eligibility System (CHIMES), Child and Adult Protective System (CAPS), Systems for the Enforcement and Recovery of Child Support (SEARCHS) and Electronic Benefit Transfer (EBT) as well as systems implementations / replacements for the Comprehensive Child Welfare Information System (CCWIS), SEARCHS, Health Information Exchange (HIE), Electronic Health Records System (EHR), and Montana's Program for Automating and Transforming Healthcare (MPATH) modules. This service is funded with 47.92% of general fund, 1.29% of state special revenue, and 50.79% of federal funds. This package requests $28,449,079 in total funds for the biennium, including $13,669,397 in general fund, $492,267 in state special revenue, and $14,287,415 of federal funds.

	General Fund	State Special	Federal Funds	Total Request
FY 2026	$1,893,077	$175,581	$1,804,489	$3,873,147
FY 2027	$11,776,320	$316,686	$12,482,926	$24,575,932
Biennium Total	$13,669,397	$492,267	$14,287,415	$28,449,079

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Change Packages – NP Continued

NP 9001 - SITSD SECURITY CONSOLIDATION

This new proposal reduces 3.00 PB from Technology Services Division (TSD) as part of security consolidation efforts across the Executive Branch. Page R-5 of HB 2 from the 68th Legislature directed the State Information Technology Services Division work with the Office of Budget and Program Planning to identify and reduce 8.00 PB across state agencies as part of the information technology security consolidation project. Three PB from TSD were identified and are being removed with this change package. The package requests a reduction of $633,167 in total funds for the biennium, including $304,986 in general fund, $48,367 in state special revenue, and $279,814 of federal funds.

	General Fund	State Special	Federal Funds	Total Request
FY 2026	($154,443)	($24,493)	($141,697)	($320,633)
FY 2027	($150,543)	($23,874)	($138,117)	($312,534)
Biennium Total	($304,986)	($48,367)	($279,814)	($633,167)

Conclusion