



**Presentation to the  
Indian Affairs Committee  
Sidonie Squier, Secretary HSD**

**Presenters:**

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# HSD Information Technology

- ▶ ISD2 Replacement Project  
ISD2R
- ▶ Office of Health Care Reform  
IT Gap Analysis



# Information Items

## ISD2 Replacement Project

- What the eligibility system does
- Why it needs to be replaced
- Benefits of replacing the system
- Replacement system relationship to PPACA
- Project schedule

## Office of Health Care Reform (OHCR)

- IT Gap Analysis
- Deliverables



# ISD2 Overview

## ▶ What the ISD2 system does:

- Determines eligibility for the following programs:
  - Medicaid
  - Temporary Assistance to Needy Families (TANF),
  - New Mexico Works (NMW),
  - Supplemental Nutrition Assistance Program (SNAP)
  - State Funded Cash Assistance
  - Low Income Home Energy Assistance Program (LIHEAP)
  - Refugee Cash Assistance Program (RCA).
- Determines eligibility for benefits valued at over \$3.3 billion per year
- Deliver's benefits to over 800,000 eligible New Mexican's

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# ISD2 Overview

- ▶ Why the current system must be replaced
  - Developed with 1970's technology
  - Implemented in 1986– 25 years old
  - The system is extremely difficult and costly to configure
  - Continuing to rely on ISD2 risks catastrophic system failure
  - Only supports manual paper based work processes
  - Does not integrate with other applications – Health Insurance Exchange (HIX) / CSES / MMIS
  - Cannot provide any efficiencies through automated workflows
  - Cannot meet requirements for PPACA
    - *Additional Medicaid volume created by PPACA*
    - *Additional complexity of Medicaid rules*
    - *Real time Interface with IRS*
    - *Interface with state or federal HIX*

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# ISD2 Replacement

- ▶ Benefits of ISD2R (replacement system)
  - Modern, flexible, reliable system
  - Will remove most manual and paper based processes
  - Will provide significant efficiencies through automated work flows.
  - Will integrate with other applications – HIX / CSES / MMIS
  - Will comply with PPACA requirements
    - Ability to handle the additional Medicaid volume created by PPACA.
    - Ability to handle the complexity of new Medicaid eligibility rules
    - Ability to interface with a State or Federal HIX
    - Ability to handle real time interfaces with IRS, SSA, etc



# ISD2R Overview

## ▶ ISD2R Relationship to PPACA

- ISD2R contract is complete and submitted to State and Federal processes for review
- All PPACA requirements related to Medicaid eligibility and interfaces with State or Federal HIX and IRS are mandatory and included in the contract
- Medicaid eligibility determination for PPACA
  - Medicaid eligibility will be determined through ISD2R
  - Supports new Medicaid rules as well as the requirement to grandfather in existing rules
  - Supports Medicaid eligibility screening
  - Supports or tie into HIX portal for eligibility determination/screening
- Contract requires the ISD2R to be in place by the PPACA deadline (1/2014)

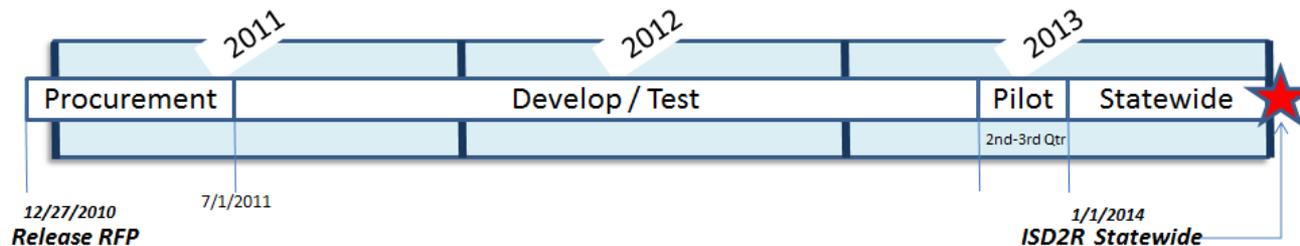
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# ISD2R Schedule

ISD2R Project Schedule 12.8.10.pptx

## ISD2R Project Schedule



- Procurement**
- 50 Days on Street
  - 60 Days to Review
  - 1 Week Demo
  - 30 Days Contracting

- Release RFP 12/27/2010
- Implementation Vendor Start 7/1/2011
- Develop and Test (18-24 mths) 7/1/2011 – 7/1/2013
- Pilot ISD2R Application 2<sup>nd</sup> – 3<sup>rd</sup> Qtr 2013
- Roll Out ISD2R 3<sup>rd</sup> – 4<sup>th</sup> Qtr 2013
- ISD2R Statewide 1/1/2014

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## ◆ IT Systems Gap Analysis

### ➤ What is a gap analysis?

- An assessment tool to help identify differences between information systems or applications

### ➤ How does it relate to health care reform?

- Next step in assessing NM's readiness to implement key PPACA provisions including the establishment of a Health Insurance Exchange (HIX)
- Requirement to qualify for Level 1 and Level 2 Establishment Grants



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- ◆ What deliverables will the gap analysis contractor produce?
  - August 1, 2011: Assessment of PPACA, Federal Rules and Funding Opportunities
  - August 5, 2011: Assessment of Other States' efforts to Comply with PPACA
  - September 2, 2011: Assessment of Current NM Information Systems and Customer Support Capacity
  - October 21, 2011: Development of an RFI for a HIX



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- ◆ Deliverable 1: Assessment of PPACA, Federal Rules and Funding Opportunities to Insure NM's Compliance
  - Identify PPACA provisions and federal rules that specifically apply to a HIX and IT systems that support or connect to the HIX
  - Identify current and future funding opportunities from both federal and non-profit organizations that could support an HIX
  - Document all federal rules, codes and guidelines that pertain to IT privacy and security in relation to an HIX



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- ◆ Deliverable 2: Assessment of Other States' efforts to Comply with PPACA to Learn from Best Practices
  - Current progress and status of each state's efforts to comply with PPACA
  - List of states that are partnering or sharing IT resources in HIX development
  - Types of HIXs being created nationwide
  - If available, names of HIX vendors, web services architecture, and HIX planned funding model
  - Standards adopted for the exchange of eligibility and enrollment information between information systems



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- ◆ Deliverable 3: Assessment of Current NM Information Systems and Customer Support Capacity
  - Assessment of existing call center and customer support infrastructure provided to Medicaid and CHIP recipients
  - Identify existing NM and federal information systems that will need to connect to an HIX in order to support PPACA requirements for eligibility, enrollment and participation in an HIX
  - Assess identified information systems capabilities for information exchange



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- ◆ Deliverable 4: Development of an RFI for a HIX
  - Working with stakeholders, will identify components and information that will be contained within the RFI
  - The RFI will solicit information from potential vendors on their proposed solutions and cost estimates of implementation and support of various HIX scenarios that may be adopted by the State of NM



# Contracts

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