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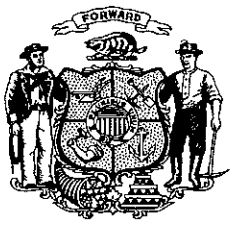

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JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Howard Marklein
Representative Mark Born

Date: July 7, 2021

Re: DHS Report to JFC

Attached is a report on information system projects under development, including the implementation schedule, a cost estimate, and the method of determining charges for services, where applicable from the Department of Health Services, pursuant to s. 46.03(26), Stats.

This report is being provided for your information only. No action by the Committee is required. Please feel free to contact us if you have any questions.

Attachments

HM:MB:jm

State of Wisconsin
Department of Health Services
Tony Evers, Governor
Karen E. Timberlake, Secretary

June 28, 2021

JUL 07 2021
J. Finance

The Honorable Howard Marklein
State Senator
Joint Committee on Finance
317 East Capitol
Madison, WI 53702

The Honorable Mark Born
State Representative
Joint Committee on Finance
309 East Capitol
Madison, WI 53702

Dear Senator Marklein and Representative Born:

Wisconsin Stat. § 46.03(26) requires the Department of Health Services to report annually on information system projects under development, including the implementation schedule, a cost estimate, and the methods of determining charges for service, where applicable.

We have the following projects under development: 1) Facilities' Electronic Health Records (EHR) System; 2) Program Participation System (PPS) Replacement; 3) e-Licensure for Bureau of Assisted Living (eBAL II); 4) State Vital Record Information System Part 2; 5) CAREWare Options Analysis and Implementation; 6) Wisconsin Comprehensive Lead Exposure and Abatement Registry (WI CLEAR); 7) Grants Enrollment and Application Reporting System (GEARS); 8) Electronic Visit Verification (EVV) System; 9) Enterprise Data Warehouse/Data Analytics and Reporting MES Modules; 10) Program Integrity (PI) Module Services; and 11) Medicaid Management Information System (MMIS) Takeover and Enhancement Project.

Information regarding these initiatives is included in the enclosed report.

Sincerely,

Karen E. Timberlake
Secretary-designee

Enclosure

WISCONSIN DEPARTMENT
of HEALTH SERVICES

Report to the Legislature on Data Processing Projects - 2020

P-00988-2020

Table of Contents

1. Facilities' Electronic Health Records (EHR) System 3
2. Program Participation System (PPS) Replacement 4
3. e-Licensure for Bureau of Assisted Living (eBAL II) 4
4. State Vital Record Information System Part 2 4
5. CAREWare Options Analysis and Implementation 5
6. Wisconsin Comprehensive Lead Exposure and Abatement Registry (WI CLEAR) 6
7. Grants Enrollment and Application Reporting System (GEARS) 6
8. Electronic Visit Verification (EVV) System 7
9. Enterprise Data Warehouse/Data Analytics and Reporting MES Modules 7
10. Program Integrity (PI) Module Services 8
11. MMIS Takeover and Enhancement Project 8
12. Projects Completed/Closed Since 2019 Report 8

1. Facilities' Electronic Health Records (EHR) System

Historically, the seven facilities under the Division of Care and Treatment Services have relied on a combination of paper records created in Word and Excel, legacy software, and information stored largely in stand-alone MS Access databases to document and manage patient care. This antiquated approach to managing patient information creates significant inefficiencies, potential data security concerns, lost opportunities to enhance the quality of patient care, and could begin to create potential accreditation and compliance issues for facilities that are licensed and/or receive federal funding. The effort to improve the primary means of communicating with health care providers in the modern environment in regard to emergency admissions to an ER, admissions to DHS facilities, coordination of health care while the person is in a DHS facility and at time of discharge, is with the interconnectivity of electronic health records.

Since none of the facilities had the capacity to create an exchangeable electronic health record, which is a foundational expectation of all health care facilities, the 2013-15 biennial budget appropriated annually $3.5 million (all funds), starting in FY 2014-15, to support implementation of an EHR.

Consequently, DHS and the seven facilities completed an intensive planning, procurement, and implementation project to significantly modernize the DHS facilities' health information technology. The purpose of implementing an EHR is to collectively capture critical patient care data across all seven facilities, increase efficiencies among staff, standardize common processes, and create an electronic health record for each patient. This will allow DHS to improve the quality of patient care, easily share patient data securely with internal and external providers, and offer better opportunities for measuring patient care outcomes.

Cerner was awarded the contract as the EHR system vendor in Q1 2017. Contract negotiations were completed and the project kicked off in Q3 2017. An EHR system implementation consulting services contract was awarded to PCG in Q2 2017.

The EHR was successfully implemented at Winnebago Mental Health Institute in November 2018, followed by successful implementations at Mendota Mental Health Institute in March 2019 and Central Wisconsin Center in June 2019. Due to a CMS regulation change, the other facility implementations were postponed while DHS was required to upgrade the Cerner code level to accommodate this change. The EHR system was effectively upgraded in December of 2019, and following some delays due to the COVID-19 virus and subsequent shutdown, Northern Wisconsin Center went live with the system in July 2020, and Southern Wisconsin Center followed in November 2020. We plan to implement the system at the Wisconsin Resource Center in April 2021, with Sand Ridge Secure Treatment Center following in August 2021.

Total cost of the project was estimated to be $33 million for system procurement and implementation over 10 years. The target time frame for project completion (with the implementation of the EHR at all seven facilities and transition to production support) is Q3 CY2021. The amount to be provided through Master Lease is $12 million. Due to the need for master leasing-specific implementation costs, the approved funding will continue to cover project costs for at least 10 years.

2. Program Participation System (PPS) Replacement

The Wisconsin Department of Health Services (DHS), Division of Care and Treatment Services (DCTS), is preparing to replace the Program Participation System (PPS) that county human service agencies use to submit data describing mental health clients served, substance use clients served, and human service agency expenditures.

The data collected through the PPS Replacement system will be submitted annually to meet the federal Substance Abuse, Mental Health, and Social Services Block Grant requirements, which combined total $67 million. DCTS also uses the data to meet state statutory reporting requirements and administrative rule reporting requirements as well as to inform policy decisions made by the Governor, Legislature, and DHS.

The replacement system is a modernization project that will allow local agencies to more easily submit data and DCTS to more easily access the data for analysis. The new system will also provide local agencies increased access to their data for local quality improvement efforts. The requirements in the system will also be updated to better match the federal Block Grant requirements. In addition, the mental health and substance use data will be integrated into one system to reflect the shift in the field of practice to provide integrated co-occurring services.

The estimated project cost is $1,100,000, with federal funding providing $900,000 and state funding providing $200,000. The project is expected to be completed by July 2022. Annual operating costs after implementation are estimated at $200,000.

3. e-Licensure for Bureau of Assisted Living (eBAL II)

The e-Licensure for the Bureau of Assisted Living (eBAL II) project is under development for the Wisconsin Department of Health Services (DHS), Division of Quality Assurance (DQA). The eBAL II project will add new functionality to a web-based application called e-Licensure. This new functionality will allow applicants applying for a new license to access the eBAL License online application and complete the application process electronically. The initiative expands existing functionality of the current eBAL Licensure system to all community-based residential facility providers to submit an application for a new license online.

The project does not yet have an official confirmed project completion date due to project dependencies outside the scope and control of the eBAL II project. The system will undergo user acceptance testing in December 2020 and will be implemented in the first half of calendar year 2021. Total development costs for the project are expected to be approximately $150,000. Ongoing operating costs after the project is implemented will be approximately $3,600 per year.

4. State Vital Record Information System Part 2

The State Vital Record Information System (SVRIS) project provides an integrated database of vital records with web-based access to various levels of stakeholders. Part 1 of the project, completed in 2016, has provided online processing and certification for birth, fetal death, and accounting records in phase 1; death records in phase 2; and marriage, divorce, and abortion records in phase 3. Part 2 of the project will image and provide partial data capture for about 25 million historical records that

currently reside on paper or microfilm, with the image creating a backup copy of the original and the partial keying enabling issuance from the central SVRIS database. Vital Records has historical records that date back as far as 1814, with a more complete set of records from 1907 forward when state law first required submission of county records to the state for central registration.

In 2019, the project completed the imaging task, producing a backup image copy for all vital records. About 8.5 million of the images have been keyed, and about 1.5 million have been loaded into the production SVRIS database. The team will continue capturing data from the historical records and loading the records into the SVRIS database.

The project also implemented statewide issuance of marriage certificates in 2020, similar to the statewide issuance of birth certificates in 2016.

The total cost of the project is currently estimated to be $10 million. The funding source is program revenue. The updated, estimated project completion date is December 2024.

5. CAREWare Options Analysis and Implementation

The Ryan White HIV/AIDS Program provides health services for approximately 4,900 individuals in the State of Wisconsin. As a Health Resources and Services Administration (HRSA) grant recipient, Wisconsin has received funds for 30 years, with a current funding level of $10 million annually.

Currently, Ryan White service providers manage HIV/AIDS treatment information in a variety of ways, ranging from electronic health record systems, including Epic, to manually tracking on an Excel spreadsheet. The technical and business processes involved in getting required data to DHS, and subsequently on to HRSA, varies much between programs, is done annually, and is prone to errors. Consequently, DHS has embarked on a project to implement CAREWare, an electronic health and support services information system specifically developed for Ryan White program recipients and providers.

As an outcome of this project, DHS public health staff, as well as staff from the nine service provider entities in Wisconsin, will manage services and encounter data through CAREWare. Benefits of the implementation include streamlining/unification of business processes, increased efficiencies for agencies and DHS in terms of eliminating duplication of effort, and improvements in data quality.

The project is being executed in two general phases. The first phase, underway now through the end of calendar year 2020, focuses on an examination of options for deploying the CAREWare implementation, in order to satisfy diverse provider business needs while maintaining appropriate security. The second phase, anticipated to begin in the first quarter of 2021, will be the actual implementation and onboarding of Ryan White service providers.

The total cost of the project is estimated to be $84,000, funded by program revenue. The target time frame for project completion is April 2021.

6. Wisconsin Comprehensive Lead Exposure and Abatement Registry (WI CLEAR)

The Wisconsin Comprehensive Lead Exposure and Abatement Registry (WI CLEAR) is a priority project for preventing and eliminating childhood lead exposure and poisoning that is funded through a Health Services Initiative through the Children's Health Insurance Program (CHIP). A system for tracking lead-exposed properties has been developed by the Michigan Public Health Institute (MPHI) for use by Michigan's state health department. MPHI will update the system to meet Wisconsin-specific needs and deliver it to run within the Wisconsin DHS technology environment. The Lead-Safe Homes Program will leverage the WI CLEAR system to work cross-departmentally and with local municipalities to increase lead exposure prevention, removal, abatement, and surveillance within the State of Wisconsin.

The project is in the planning stage, thus the implementation schedule is still being determined. The current target timeframe for project completion is July 2021, with a functional system implemented by June 30, 2021.

The total cost of the project is estimated at roughly $300,000 inclusive of the MPHI costs subject to adjustment and refinement in the planning phase of the project. Funding for this project is provided through CHIP funding.

7. Grants Enrollment and Application Reporting System (GEARS)

The Community Aids Reporting System (CARS) is a DHS critical core financial system used to process grant contracts and reimburse expenses for Wisconsin counties, local organizations, and not-for-profit and for-profit agencies. The system calculates about 600 noncounty aid checks and grant-in-aid payments for over 280 state/county contracts each month. The system includes human services (HS), county departments of social services (DSS) and 51 Board contracts, state agencies, municipalities, nonmunicipalities and Income Maintenance (IM) contracts. The system records all expenditures from the county and noncounty providers. It calculates amounts due and adjustments back to the state. It also generates reports for providers and counties under contract with the state. Over $800 million in financial transactions are executed through CARS annually.

DHS is currently in a difficult position; CARS is basically unsupported. If a problem occurs, we need to find a resource skilled in COBOL programming to fix the problem. The system is not well documented; if a problem occurs, many hours (days) need to be spent for the resource to understand the part of the system impacted by the problem. Also, many hours need to be spent by business resources to help facilitate an understanding of the business processes impacted by the application. In addition, the system does not meet current business requirements and enhancing the tool to meet new and expanding business needs is not an option due to the lack of support resources.

This project, Grants Enrollment and Application Reporting System (GEARS), will replace the existing CARS functionality with a Microsoft .Net application that can be supported in-house.

The total development costs are being assessed and the operational costs will be determined once the project is rolled out. The current anticipated target implementation date is the first quarter of 2021.

8. Electronic Visit Verification (EVV) System

The 21st Century Cures Act requires an Electronic Visit Verification (EVV) system for Medicaid reimbursed personal care services and home health care services.

CMS has cited the following benefits of implementing EVV:

- Ensure the health and welfare of individuals choosing to receive long-term services and supports where they live or otherwise receive services in the community (for example, by ensuring timely service delivery and notification of missed visits).
- Improve payment accuracy by using technology to match data on claims with data in-service documentation (for example, time and duration of visit).
- Reduce fraud and abuse by requiring verification of service delivery before claims are adjudicated and paid.

The Wisconsin DHS EVV system will meet the requirements of the 21st Century Cures Act. DHS will contract with EVV vendor Sandata, using the existing DXC Medicaid Management Information System (MMIS) contract and scope of work. The EVV solution provided by Sandata has several components including:

- Electronic Visit Collection: Systems collect visit information as required by the Cures Act.
- Visit Information Management, Monitoring, and Reporting: Visit information is reviewed, edited, and validated. Monitoring and reporting ensures compliance with business, system, and solution requirements.
- Claims Verification: Valid visit information is matched to rendered/payable services by payers.

The total cost of the project is estimated to be $11.588 million with 90% federal matching funds. The funding sources are $1.159 million general purpose revenue and $10.429 million federal matching funds. The target time frame for project completion is March 2021, which was extended from January 2021 to include a three-month stabilization period. Operating costs are estimated to be $12.3 million per year with 75% federal matching funds.

9. Enterprise Data Warehouse/Data Analytics and Reporting MES Modules

The Wisconsin Department of Health Services, Division of Medicaid Services (DMS), is preparing the MMIS for federally required modularization and integration.

DMS is strategically and incrementally modernizing and modularizing the MMIS (Medicaid Management Information System). DMS has identified targeted functionality that will be carved out of the current MMIS and modernized as stand-alone modules. This project includes developing and maintaining an Enterprise Data Warehouse (EDW) and providing Data Analytics Reporting (DAR) Module that supports the Medicaid Information Technology Architecture (MITA) framework guidelines and advancement of MITA 3.0 Information Architecture capabilities. The project also requires federal certification of the modernized Medicaid Enterprise Systems (MES) modules using the most current CMS Medicaid Enterprise Certification Toolkit (MECT) criteria as a mandate to maximize federal funding for system operations under Chapter 11 of the CMS State Medicaid Manual (SMM).

The estimated project cost is $23,572,102 with federal funding providing $21,214,892 and state funding providing $2,357,210. The implementation and federal certification of the EDW and DAR is anticipated by November 2023.

10. Program Integrity (PI) Module Services

The Program Integrity (PI) Module Services project will provide the functionality to support identification and reduction of fraud, waste, and abuse. The PI Module is to be the primary collection point of program integrity information and will support the communication and sharing of program integrity data/utilization review data across the Wisconsin Medicaid Enterprise.

The total cost of the PI Module is estimated to be $5.69 million with 90% federal matching funds. The funding sources are $569,000 general purpose revenue and $5.12 million federal matching funds. This does not include maintenance and operation costs. Design and development implementation for this project will run through March 2022.

11. Medicaid Management Information System (MMIS) Takeover and Enhancement Project

The project will execute development and support takeover and enhancement of the Medicaid Management Information System (MMIS). DXC was awarded the contract to continue to provide development and support services for MMIS. Also in scope are major enhancements to MMIS.

The total cost of the project is estimated to be $72.2 million with 90% federal matching funds. The funding sources are $7.2 million general purpose revenue and $65 million federal matching funds. The target time frame for project completion is June 2022.

12. Projects Completed/Closed Since 2019 Report

2019 Rpt Ref Num	Project Name	Completion Date
2	Children's Program Intake Platform (CPIP)	Completed June 2020