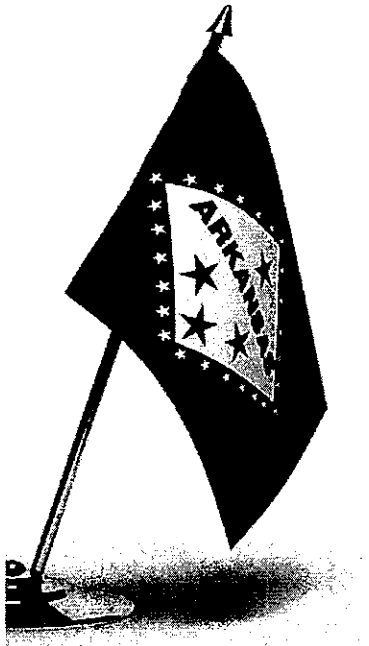




Eligibility and Enrollment Framework

Legislative Briefing

June 17, 2015



- Vendor Selection and Initial Procurement

- Released systems integrator (general contractor) RFP in early 2012, receiving four bids
- Evaluation committee from DHS, DIS and OSP selected Noridian Systems
- Could not reach agreement with Noridian Systems after months of negotiations
- Time constraints did not allow for new RFP, and state rules precluded moving to the second scoring vendor
- DHS directly engaged subcontractors directly through state staff augmentation contract

EEF Challenges

- Federal System Challenges
 - Data errors, system flaws, and other shortcomings in federal data systems have required extensive time, resources, and dollars to overcome
 - Federal requirements for state eligibility systems have frequently changed
- IBM Cúram Product Limitations
 - Significant amount of time, resources, and dollars have been spent customizing the IBM Cúram solution for items that should have been part of the base software solution
- Project Management
 - Managing multiple subcontractor vendors through separate statements of work
 - No single point of authority and responsibility for the project
 - Limited options for holding vendors accountable for performance

- Corrective Actions (Continued)

- In January 2015, DHS removed the lead vendor, EngagePoint, for failure to perform
- DHS is withholding payment of \$1.2M until IBM can demonstrate improved Curam functionality and performance
- In April 2015, DHS established an IT Project Management Office with primary oversight of the Enrollment and Eligibility project.

- Project Funding

- DHS expects to request an increase from CMS in the federally-approved total project cost this fall, due to:
 - Frequently shifting federal requirements
 - Challenges with federal Healthcare.gov system
 - The uniqueness of Arkansas Medicaid solutions
 - IBM Cúram product shortcomings
- Total project cost is projected to be \$180 – \$220M, which should include integrated functionality for:
 - MAGI Medicaid
 - Traditional Medicaid (disabled adults and adults over 65)
 - SNAP