



Office of Chief Counsel

P.O. Box 1437, Slot S260 · Little Rock, AR 72203-1437
501-320-6355 · Fax: 501-682-8009 · TDD: 501-682-8933



September 9, 2015

Rep. Kim Hammer
1411 Edgehill
Benton, AR 72015-3128

VIA EMAIL & HAND-DELIVERY

Re: Request for Public Records under the Freedom of Information Act

Dear Rep. Hammer,

This is in response to your August 11, 2015, request for information pursuant to the Freedom of Information Act (FOIA). Thank you for allowing additional time to respond to your request.

The first part of your request asked for any correspondence or documents reflecting responses made to any entity, including CMS, concerning the answers to any of questions in your FOIA request. In response, the Department of Human Services has an e-mail archive which came on-line in May 2007. The Department of Human Services does not have any e-mail archive data prior to May 2007. The data for May and June 2007 is incomplete; however the archive data from July 2007 to date is complete. We are unable to locate documents responsive to your specific questions, but we have endeavored to provide substantive responses to each of the questions as follows:

Questions & Answers:

1A. By what criteria was a new vendor brought in to take over the MAGI project?

Answer to Questions 1A: DHS did not select a new vendor. Rather, the department transitioned out EngagePoint, who was the lead vendor and gave eSystems the responsibility for completing MAGI development. eSystems has been onsite since the project begun and DHS just expanded their scope of work on the EEF project.

1B. Why did EngagePoint leave?

Answer to Question 1B: DHS removed EngagePoint for failure to perform and for lack of progress in advancing the project schedule.

1C. What is the transition strategy (knowledge/transfer/transition plan etc.) and how will this impact the current backlog of applications and lack of outbound account transfer

processing functionality? (and why is the IV&V not raising concerns or making any recommendations about this significant event?)

Answer to Question 1C: The knowledge transfer was completed as of January 2015 as EngagePoint was retained for an additional month to finalize the transition and there was a transition plan which included mapping of roles and duties from EngagePoint to eSystems. IV&V observations in the January report was that transition activities occurred which, "included verification of knowledge transfer". DHS does not believe that the transition to a new vendor impacted account transfer functionality. Also, there were no IVV findings that stated a negative impact of the transition on progress of the EEF. In fact inbound account transfer functionality was completed in December and outbound shortly thereafter.

1D. How are stuck applications/pending applications being handled? Does the state have visibility over all of the MAGI applications in the system and what is the plan of action to process them?

Answer to Question 1D: The stuck applications are handled by case workers as part of their normal duties. The majority of previously stuck applications have been processed by caseworkers as of 2nd quarter of the calendar year with the help of IBM and eSystems. The state does have visibility over all the MAGI applications in the system.

1E. Why has the state not leveraged the account transfer functionality that EngagePoint successfully deployed in Missouri? Per the 7 standards and conditions, reuse is the expectation. Any use of FFP to code an alternative to either Curam or the MO solution will require CMS approval as it deviates from that principle.

Answer to Question 1E: Arkansas actually provided Missouri the code for account transfer. It should be noted that account transfer is functional in AR as well.

1F. Who is the system Integrator over the MAGI, non-MAGI and SNAP projects?

Answer to Question 1F: Non-MAGI (Traditional Medicaid) is currently on hold per the Governors priority list. MAGI Design, Development and Implementation is managed by eSystems. SNAP is managed by RedMane. The Department is in the process of creating an RFP for one single systems integrator to implement non-MAGI starting 7/1/2016.

1G. What is the resource allocation between the completion of the MAGI, non-MAGI and SNAP projects? Per our guidance, CMS expects MAGI to be prioritized and yet MAGI is the only project the IV&V report notes as being at risk.

Answer to Question 1G: MAGI has a dedicated development team (eSystems) and continues to be the top priority for CMS, DHS and the Governor. SNAP development is being completed by RedMane in a completely separate fashion. The development

streams are separate and parallel and not carried out in a serial fashion. The development of SNAP and MAGI overlapped because MAGI functionality was delivered late. The Department started development of SNAP because at the time we would have lost enhanced Federal funding for SNAP. The original project schedule when EngagePoint was the lead vendor was for MAGI, non-MAGI and SNAP to all be completed by December 31, 2013.

1I. Are these builds happening in a single architecture (again, per the 7 standards and conditions, only a modular and integrated system will be eligible for the 75/25 enhanced M&O)?

Answer to Question 1I: Yes, the builds are happening in a single architecture which is eligible for 75/25 Federal match.

1J. When we met with Cúram recently, they indicated that the non-MAGI functionality is already part of HCR. If that's the case, why is it a separate project, with a separate vendor in AR? How will that work, in terms of architectural integration?

Answer to Question 1J: IBM Curam has a mature module called CGISS where non-MAGI and SNAP reside. When the ACA was established, IBM chose to develop MAGI functionality in a new module called HCR. Thus, non-MAGI functionality is not part of the HCR module of Cúram.

1K. How will the state verify lawful presence if the timeline to deploy v33 slips past March which appears likely?

Answer to Question 1K: CMS extended the deadline to June 15th, 2015 for VLP for all states. The EEF project successfully met this due date.

1L. How is the state going to proceed with the IV&V recommendation to have the capacity to run automated test scripts? EngagePoint automated test scripts in MN and MO-why was this not leveraged in Arkansas?

Answer to Question 1L: The EEF project currently employs automated test scripts for MAGI integration and is pursuing resources to automate the SNAP integration as well.

1M. What is Arkansas' process related to vendor management? Has the state submitted change requests to CMS and FNS for prior approval?

Answer to Question 1M: DHS has established a fully functional project management office (PMO) to manage the development vendor performance. The PMO, which began July 6th, 2015 is establishing an integrated schedule and will be reporting on schedule variances to indicate vendor performance. The PMO also staffs the writing of contracts to support the EEF development work. DHS has notified CMS of all vendor changes and recently submitted an updated Advanced Planning document that depicts the Vendor structure for EEF.

1N. What is the current governance structure in terms of the single state agency's role in the MAGI and non-MAGI builds? While the system is being built by DSS, it is the state Medicaid agency that is accountable for its performance, implementation and the state's use of federal Medicaid funding;

Answer to Question 1N: Medicaid is located within the DHS Agency. The EEF project has a full governance structure that includes representatives from the Directors Office, DIS, Division of Medical Services and Division of County Operations.

The second part of your FOIA request was for "correspondence including e-mails sent to or received by John Selig, Pam Lambert, Dick Wyatt, Jessica Kahn, or Regina Jefferson which concern CMS, IV & V, or the MAGI project." An initial search of e-mails which included these terms caused the system to crash at 23,000 e-mails. A subsequent search produced 32,000 e-mails. The Freedom of Information Act requires that a FOIA request "must be sufficiently specific to enable the custodian to locate the records with reasonable effort." Ark. Code Ann. § 25-19-105(a)(2)(C). We located a large universe of records that might be responsive to your FOIA request, but because you didn't have any restrictions on your search parameters (such as a time period), the records couldn't be located with reasonable effort. A DHS employee would be required to review the 32,000 e-mails to determine if the documents are responsive, and some of the documents would likely need redaction of HIPAA protected information or personally identifiable information.

We contacted you about these problems and, on September 8, 2015, you kindly narrowed the scope of your request as follows: "Emails between: Jessica Kahn, Regina Jefferson, Delia Anderson, Dick Wyatt, Susan Burton, (Sandy Barton) David Pittman, Dawn Stehle, John Selig, Pam Lambert, Kate Luck, and Amy Webb [o]n the Following Dates: Feb. 19, 2015, Feb. 24, 2015, March 2, 2015, and April 9, 2015."

We are enclosing a disc containing emails responsive to your first modified request.

You later asked for additional documents as follows:

- a. any written letters and emails between DHS and Northrop Grumman notifying Northrop Grumman that DHS was not able to award the EEF contract to Northrop Grumman, plus NG's response back.
- b. any emails DHS received from Jessica Kahn (CMS) advising DHS that the EEF project was/is in jeopardy of losing financial funding.
- c. all emails between Jessica Kahn (CMS) an DHS regarding Arkansas not meeting the 7 Critical Success Factors for the October 1, 2013 deadline.

It appears that items a-c above should be included in the emails contained on the above-mentioned disc, but we will conduct and additional searches to see if there are any additional responsive communications. Due to time constraints, we are producing the above-mentioned disc and will notify you via email if our searches produce anything more.

Sincerely,

A handwritten signature in blue ink, appearing to read "David W. Sterling". The signature is fluid and cursive, with a large initial "D" and "S".

David Sterling
Chief Counsel

Enclosure (VIA HAND-DELIVERY)