



Florida Agency for Health Care Administration

Medicaid Enterprise Florida Health Care Connections (FX) Procurement Strategy

Version 5

May 2019



Florida Medicaid Procurement Strategy Change Log

Version #	Date	Page #	Primary Changes
2	6/6/16	4	Provides clarification that the release of the SEAS ITN has been moved from July 2016 to August 2016.
3	11/17/16	3	Provides clarification of the phases of the procurement strategy and the revised date for the release of the SEAS ITN.
4	9/8/17	3, 6, 13	<i>Provides clarification regarding Phase IV activities, and adds IV&V to Phase II.</i>
4.1	2/23/18	2, 4, 6, 11, 15	<i>Deletes the FMMIS/DSS/FA Re-procurement section, renames SI/ESB to ISIP, replaces figure 4 graphic, and revises dates for solicitation releases.</i>
4.2	6/8/18	All	<i>Updates all sections with current information and includes a high-level timeline for Phases III and IV.</i>
5	5/2019	All	Versions 4 through Version 4.2 were not published. The changes made in these versions are contained in Version 5 as appropriate, in addition to updates needed for 2019. Identifies the name change of the project. Provides progress made in the procurement strategy. Provides an update timeline.



Florida Health Care Connections (FX) Procurement Strategy

Executive Summary

In July 2018, the Agency for Health Care Administration (Agency) rebranded the Florida Medicaid Enterprise System (MES) to Florida Health Care Connections (FX). The decision was made to reflect this project as a broader project leveraging the Medicaid infrastructure to improve overall Agency functionality and to build better connections to other data sources and programs. Moving forward, the Agency intends to use the term FX when referencing the Florida Medicaid enterprise as described later in this document. This document may retain the MES name when referring to the federal initiative.

The purpose of the FX Procurement Strategy is to articulate the high-level plans the Agency continues to develop in order to advance the Information Technology maturity of FX. This strategy document communicates Florida's approach with the Centers for Medicare and Medicaid Services (CMS) and other stakeholders, including the State of Florida Legislature, healthcare information technology (IT) vendors, and other entities that interact with the Agency and are part of the Medicaid enterprise. This strategy is subject to revision as future research and planning is completed and additional guidance is released by CMS.

Current Florida Medicaid Enterprise

The current Florida Medicaid enterprise includes services, business processes, data management and processes, technical processes within the Agency, and those interconnections with systems that reside outside the Agency necessary for administration of the Florida Medicaid program. The Florida Medicaid enterprise includes the Florida Medicaid Management Information System (FMMIS), a Decision Support System (DSS), and other systems that function to support Florida Medicaid and the Agency. Such Agency systems include, but are not limited to, the enrollment broker systems, third party liability, pharmacy benefits management, fraud and abuse case tracking, prior authorization, home health electronic visit verification, provider data management system, and the Agency's health care facility licensure systems. The Florida Medicaid enterprise also includes systems that reside outside the Agency such as systems hosted by the Department of Children and Families, Department of Health (including Vital Statistics), Department of Elder Affairs, the Agency for Persons with Disabilities, Florida Healthy Kids Corporation, Department of Financial Services, Florida Department of Law Enforcement, and Department of Juvenile Justice. The systems that make up the Florida Medicaid enterprise interface primarily through the exchange of data files, using Secured File Transfer Protocol (SFTP). These point-to-point interfaces become more complex and costly as the number of systems and applications increase.

Future Florida Medicaid Enterprise

In the future, components of FX will integrate seamlessly through an integration platform solution. The Agency is procuring the services of a System Integrator and development of an Integration Platform to establish the infrastructure needed to integrate existing systems and introduce new modules into FX. The Agency will connect and integrate essential Medicaid enterprise services and infrastructures regardless of the underlying platforms, software architectures, and network protocols. Integration offers greater functionality and capability over the current data exchange



process. Through increased flexibility and interoperability, the Florida Medicaid enterprise will advance as it moves beyond simple data interfaces between two points. An Enterprise Data Warehouse (EDW) is the companion piece of the infrastructure to advance the Agency’s efforts to transform FX from current state to future state and is further described through this procurement strategy.

The FX Procurement Strategy

The FX Procurement Strategy is organized into several phases:

Phase I	Professional Services Procurements: <ul style="list-style-type: none">• Strategic Enterprise Advisory Services (SEAS)• Independent Verification and Validation (IV&V)
Phase II	FX Infrastructure Procurements: <ul style="list-style-type: none">• Integration Services and Integration Platform (IS/IP)• Enterprise Data Warehouse (EDW)
Phases III and IV	Enterprise Services Integration and Module Acquisition

Phase I—Professional Services Procurements

Strategic Enterprise Advisory Services

During 2015 and 2016, the Agency performed planning and research, including issuing two Request for Information documents for strategic advisory and systems integrator services, conferred with other states, sought input from vendors, and participated in discussions with CMS. The Agency gathered diverse opinions regarding the definition, purpose, and functionality of a systems integrator and suggestions on strategic advisory services. As a result, the Agency determined that additional strategic and technical expertise was needed to facilitate implementation of the FX Program.

In September of 2017, the Agency executed a 5-year contract for Strategic Enterprise Advisory Services (SEAS). The SEAS vendor is an advisor to the Agency that is precluded from competing for contract award for any other FX-related procurements. The SEAS vendor provides the expertise needed to develop data and technology standards, propose solutions for the FX Program in accordance with the CMS Standards and Conditions, including Medicaid Information Technology Architecture (MITA 3.0), and provides strategic, programmatic, and technical advisory services for the Agency.



Scope of work requirements for the SEAS vendor include the following enterprise-level activities:

Strategic	Enterprise Governance Management Strategic Planning and Training Strategic Project Portfolio Management
Programmatic	MITA State Self-Assessment Updates and Tracking Program and Project Management Services Programmatic Support Medicaid Enterprise Certification Management
Technical	Information and Technical Architecture Data and Technical Management Strategies Data and Technology Standards FX Projects Design and Implementation Management Standards Enterprise Data Security

One of the critical early deliverables for the SEAS vendor was to develop an enterprise governance and reporting structure for FX. Strategic plans, prioritization of projects, and enterprise decisions are documented and approved through FX Governance. The strategic planning laid the foundation for the design and development of a comprehensive, end-to-end solution for business processes within FX.

The SEAS vendor provides technical expertise for the development of data and technology standards and strategies for subsequent FX procurements. In addition, the SEAS vendor conducts alternatives and cost-benefit analyses, conducts healthcare IT industry scans for emerging technologies, and assists the Agency with procurement development for subsequent phases of FX by identifying business and technical requirements.

The SEAS vendor established the FX Enterprise Project Management Office (EPMO). This work includes comprehensive project management services for oversight in the planning and execution of FX projects. The SEAS vendor also provides program and portfolio management, communications management, and certification management for the Medicaid Enterprise Certification Life Cycle, required by CMS.

Independent Verification and Validation (IV&V) Services

In November 2017, the Agency executed a contract for FX IV&V Services. The IV&V vendor provides independent evaluation and review processes that evaluate the adherence to the standards, correctness, and quality of the FX projects' solutions and ensures that FX projects are developed and managed in accordance with Agency and federal requirements. The IV&V vendor will also participate in the CMS-required reviews for the Medicaid Enterprise Certification of FX projects. The FX IV&V Services include:

- Prepares assessment reports directly submitted to CMS and state legislative staff;
- Reviews and assesses the SEAS vendor's initial deliverables, updates, and other selected project deliverables;
- Assesses and reports on each FX project's organization and planning, procurement, management, technical solution development, and implementation; and
- Produces MMIS IV&V Progress Reports as required by the Medicaid Enterprise Certification Lifecycle.



Phase II—FX Infrastructure

The Agency issued the Integration Services and Integration Platform (IS/IP) Invitation to Negotiate (ITN) in early 2019, and will issue the Enterprise Data Warehouse (EDW) ITN in the summer of 2019. This foundational infrastructure is critical to building an architecture framework aligned with the core principle that business processes inform and drive the implementation of business, information, and technical services.

Integration Services and Integration Platform

The Agency's IS/IP vendor will provide integration services to establish and maintain interoperability using an integration platform that enables secure real-time, or near real-time, data exchange and integration of data and services across systems. The IS/IP vendor will also provide the integration platform software and architecture to perform connectivity, security, communication, and processing to translate protocols, platforms, and data formats facilitating data sharing and the reuse of processing services. The scope of work includes implementation and maintenance of the foundational integration platform in order to provide a central point of integration by coordinating data exchange and interoperability between the components of the FX. The IS/IP vendor will manage validation and testing of the integration points, as well as conduct end-to-end testing, as needed.

An integration platform typically combines messaging, Web services, data transformation, and intelligent routing to reliably connect and coordinate the interaction of significant numbers of diverse applications across extended enterprises with transactional integrity. The integration platform will enable a common information exchange process to eliminate point-to-point communication between individual systems. If a new module needs to be added or replaced to meet business needs, the architectural model will promote sharing information and services across the enterprise using common semantics, syntax and mechanisms to communicate through the integration platform and fundamental infrastructure components. All business logic associated with interacting across the enterprise will be routed and managed by the integration platform to integrate services across disparate systems and allow services and technology to remain independent.

The integration platform proposed by the IS/IP vendor will include such features as an enterprise service bus, master data management, including entity resolution for recipients, providers, and organizations, managed file transfer, business rules engine, publish subscribe alerting, service registry and repository, and single sign-on solutions. The IS/IP vendor will develop architecture and integration capabilities to support FX projects, including the data coming in through the enterprise service bus into the operational data store and then transformed into the Enterprise Data Warehouse and other modules.

Enterprise Data Warehouse

It is critically important to have a data warehouse solution that allows the Agency to conduct complex analysis of program data for many aspects of Medicaid, from health outcome measurements to managed care rate setting. The Agency intends to leverage the flexibility of the ITN procurement method to secure a best in class data repository and data analytic tools. The Agency will procure an Enterprise Data Warehouse (EDW), operational services, and analytical tools to meet the Agency data requirements.



The EDW will provide data warehousing and data integration capabilities for data to be shared across system boundaries. Data integration tools will also enable many types of data services through data integration capabilities within a Service Oriented Architecture. In addition to integrated data structures optimized to perform fast retrievals of relatively large volumes of data for analytic processing, the EDW will support transaction processing across operational systems involving relatively small volumes of data routed as transactions through the Integration Platform between operational FX applications. The Agency is particularly interested in solutions that provide near real-time operational data store and hybrid transactional/analytical processing capabilities to perform both online transaction processing and online analytical processing through the EDW information management infrastructure. All of these structures and tools must function with role-based security that complies with the Health Insurance Portability and Accountability Act, federal and state Medicaid law, and other industry and government standards.

The Agency will procure a comprehensive EDW solution that is designed to provide greater information sharing, faster, broader and easier access, enhanced data integration, increased security and privacy, and strengthened query and analytic capability by building a unified data repository, data marts, and dynamic data marts for reporting and analytics. An EDW solution capable of storing all data required for the administration and operation of the Medicaid program is necessary for the successful implementation of the Florida Medicaid goal of a modular MMIS, achieving advanced technical maturity, while supporting the Agency's business needs. The EDW solution must scale to meet the progressive data, reporting and analysis needs of FX, preserving an ever-growing history of information from disparate data sources while allowing and accommodating for the growth and development of the FX. The EDW will enable a storage architecture designed to hold and combine data extracted from FX systems and external sources into a coherent, organized data model. The Agency has been aggressively working on implementing Commercial off-the-shelf business intelligence and data analytics tools, such as Tableau Software™ and 3M™ solutions for population health and payment reform, to enhance the Agency's organizational decision-making activities and fraud, waste, and abuse detection and prevention. The Agency will continue its current efforts with the goal that the EDW vendor will provide additional high quality reporting and analytic capabilities that leverage an industry-leading suite of reporting and business intelligence tools.

Fiscal Agent Contract Renewal

The Agency's FX procurement planning requires the Agency to consider the parameters of its current Fiscal Agent contract. Because Florida must ensure a fully functional FMMIS, Fiscal Agent, DSS, and services to support operations at all times, this procurement strategy must also clearly account for the continual operation of the FMMIS/Fiscal Agent/DSS during the transition period. On April 25, 2018, CMS approved the Agency's request to renew the DXC Technology contract for two years through July 31, 2020. The contract renewal includes improvements for the operation of the Fiscal Agent in the remaining term of the contract, and turnover phase requirements for each component of the legacy FMMIS as new modules are implemented. In State Fiscal Year 2019/2020, the Agency will evaluate options to support the Fiscal Agent operations that remain active until the complete transition to FX is complete.



Phase III—Enterprise Services Integration

Integrating existing and newly procured functionality and technology infrastructure in the Medicaid enterprise is Phase III of the FX Procurement Strategy. The purpose of this phase will be to integrate business and technical services and data from various functions in the Medicaid enterprise. New services and new infrastructure completed in the previous phase facilitates capabilities that will drive improved services to stakeholders and support for further modular development.

The Agency has identified the systems and services described below as candidates for initial integration, although the Medicaid enterprise has additional services and systems that will require integration with FX or with FX modules over the course of the FX transition.

FMMIS

With the implementation of the EDW, the Agency will replicate data bi-directionally between the FMMIS and the Operational Data Store (ODS), thereby reducing the need for modifications to the FMMIS during modular implementations. As the Agency implements new modules, the EDW will provide data from the ODS to the FMMIS that is necessary for dependent FMMIS functions, not yet replaced by new FX modules. Data replication will be a continuous process that will be used to keep the ODS and FMMIS data in-sync. After all FMMIS functions are transitioned to FX modules, the FMMIS will be retired.

Enrollment Broker

The Agency's enrollment broker vendor is responsible for enrolling eligible Medicaid recipients into Statewide Medicaid Managed Care health plans and for carrying out policies, procedures, and business rules for health plan assignment. The enrollment broker system, operated by Automated Health Systems, interfaces with FMMIS through the transfer of data files in order to exchange recipient and case information, update recipient eligibility and demographics, third-party liability information, and health plan enrollment spans. The transition of enrollment broker information to the FX solution leveraging the integration platform and EDW will result in improved transactional processing for recipient eligibility and enrollment.

Third-Party Liability

Medicaid Third-Party Liability (TPL) recovery services are performed by a contracted vendor, Health Management Systems. The TPL vendor is responsible for identifying, managing and recovering funds for claims paid by Florida Medicaid for which third party insurance was responsible, such as Medicare and other insurance companies, casualty settlements, recipient estates, and trust and annuity recovery. The TPL vendor's system interfaces with the FMMIS through the transfer of data files in order to submit recipient TPL information needed to determine the appropriate SMMC health plan enrollment. Integration of TPL information into the FX solution through the integration platform and the EDW will provide timely transaction processing, thereby advancing the Financial Management MITA business area maturity.



Utilization Management

The Agency contracts with multiple vendors to perform prior authorization, utilization review, and quality improvement services for Medicaid recipients receiving fee-for-service covered services. These vendors' systems interface with the current FMMIS through the transfer of data files. The Agency will explore integration improvements of the prior authorization, utilization review, and quality improvement data through the integration platform and the EDW as needed for timely transaction processing relative to the Medicaid Utilization and Quality Management business functions.

Phase IV—Module Acquisition

This phase includes the acquisition of the modular FX components needed to support the Agency's Strategic Plan for Modularity and improved data analytics. This phase is planned to occur concurrently with the establishment of the EDW and the Phase III integration of legacy systems.

The modules procured by the Agency will connect through the integration platform and the EDW to ensure interoperability and data integration. These modules represent services that will be transitioned individually or in logical groups at lower risk, cost, and duration. The prioritization and selection of modules are determined by the Agency's strategic plan, portfolio management plan, and the governance process.

It is anticipated that the functions currently performed in the Fiscal Agent contract, FMMIS, or DSS will be replaced with a robust, modern group of health care modules, incorporating other Agency business processes and related processes from the entire Medicaid enterprise. The resulting modular FX will provide greater value and flexibility of choice of solutions that will enhance the operations of the Medicaid enterprise.

Described below are potential module acquisition projects. These potential modules are not listed in a priority order.

Administrative Services

The current Fiscal Agent contract and other Medicaid enterprise vendor contracts provide many administrative services that are required to support the business requirements of the Medicaid program. These services include, at a minimum, call centers, mail room services, document imaging/management, and training. Future procurements may be necessary to support Medicaid system functionality and administrative services, while including similar business needs of the Agency. The specific business processes for procurements are dependent upon the extent of modular implementation.

Claims, Financial, and Reference Management

The Agency is evaluating the current core FMMIS functions that include claims transaction processing, banking and financial processing including capitation payments for SMMC health plans, claims payments, and pharmacy claims payment. Core FMMIS functions also include reference file management for edits and audits, benefit plans, coverage rules, reimbursement rules, diagnosis codes, procedure codes, modifiers, diagnosis related group, revenue codes and error codes. These functions are interconnected and have the potential to be transitioned from



the current FMMIS into a single module for integration with FX. The enterprise financial solution will provide financial functions within FX as real-time as appropriate, which will improve the administrative processes and responses. The new FX enterprise financial solution will automate manual processes and process data from all parts of the Agency to reduce duplicate financial systems, as well as establish advanced analytical capabilities.

FX Case Tracking System

The Agency plans to procure a solution for case management tracking and integrate the solution into the FX. There are a number of disparate case management systems within the Agency, as well as other state agencies, which maintain information on the same entities, providers, and recipients. Streamlining this information into a single system will facilitate the availability of complete and comprehensive information for state agencies, entities, providers and recipients. Existing case tracking systems will be retired as the information and business processes are migrated to the enterprise solution, thereby reducing costs and promoting sharing, leveraging, and the reuse of technologies and systems, in accordance with CMS Conditions and Standards.

FX Program Integrity

High-level processes are required to improve recoupment models to recover Medicaid dollars in both the fee-for-service and SMMC health plan areas. FX will develop both the processes and supporting advanced analytics to achieve these goals. This is necessary to share and leverage detailed information on fraud and abuse to health plans. A new health plan fraud and abuse detection model could greatly assist in the recoupment of funds across the State of Florida.

Managed Care and Value-Based Care

The Agency will evaluate, procure, leverage, and consolidate for the best in class FX solution for Managed Care and Value-Based Care services to enhance encounter processing functionality in order to improve the Agency's ability to perform comprehensive data analytics, capitation rate setting, clinical monitoring and utilization review, support decision making, and increase SMMC health plan oversight using encounter data. Encounter data is critical for SMMC health plan oversight in order to measure and monitor compliance with encounter data submission and timeliness requirements, quality requirements, financial reporting, and fraud and abuse prevention and control. In addition, the Agency plans to require compliance functionality for health plan oversight management, which is envisioned to integrate with encounter data.

Pharmacy Benefit Management (PBM)

The PBM solution supports pharmacy services activities including claims processing, clinical call center support, prior authorization, and prospective and retrospective drug utilization review. The Agency continues to have a need for PBM for the fee-for-service Medicaid recipients that are not enrolled in SMMC. PBM is currently a component of the Fiscal Agent contract. The Agency will explore PBM becoming a stand-alone service in the future-state FX.

Provider Experience

With the increased emphasis on provider enrollment and management resulting from the Affordable Care Act and the Agency's implementation of SMMC, the Agency has a need to



increase the technical maturity of the Provider Management business process. The Agency will leverage the Master Person Index and Master Organization Index developed by the Integration Services vendor in order to make technology, process, and policy improvements for provider identity reconciliation. Additionally, the provider project will improve the provider experience and reduce the administrative burden for enrollment and credentialing. The FX project intends to streamline the provider enrollment process, resulting in an improved experience and reduced wait time for provider participation in SMMC health plan provider networks.

The Agency expects that the new FX provider management solution will integrate with other systems that use provider data, such as the Florida Department of Health practitioner licensure system, Care Provider Background Screening Clearinghouse, and the Agency's Division of Health Quality Assurance facility regulation system, VERSA™ Regulation.

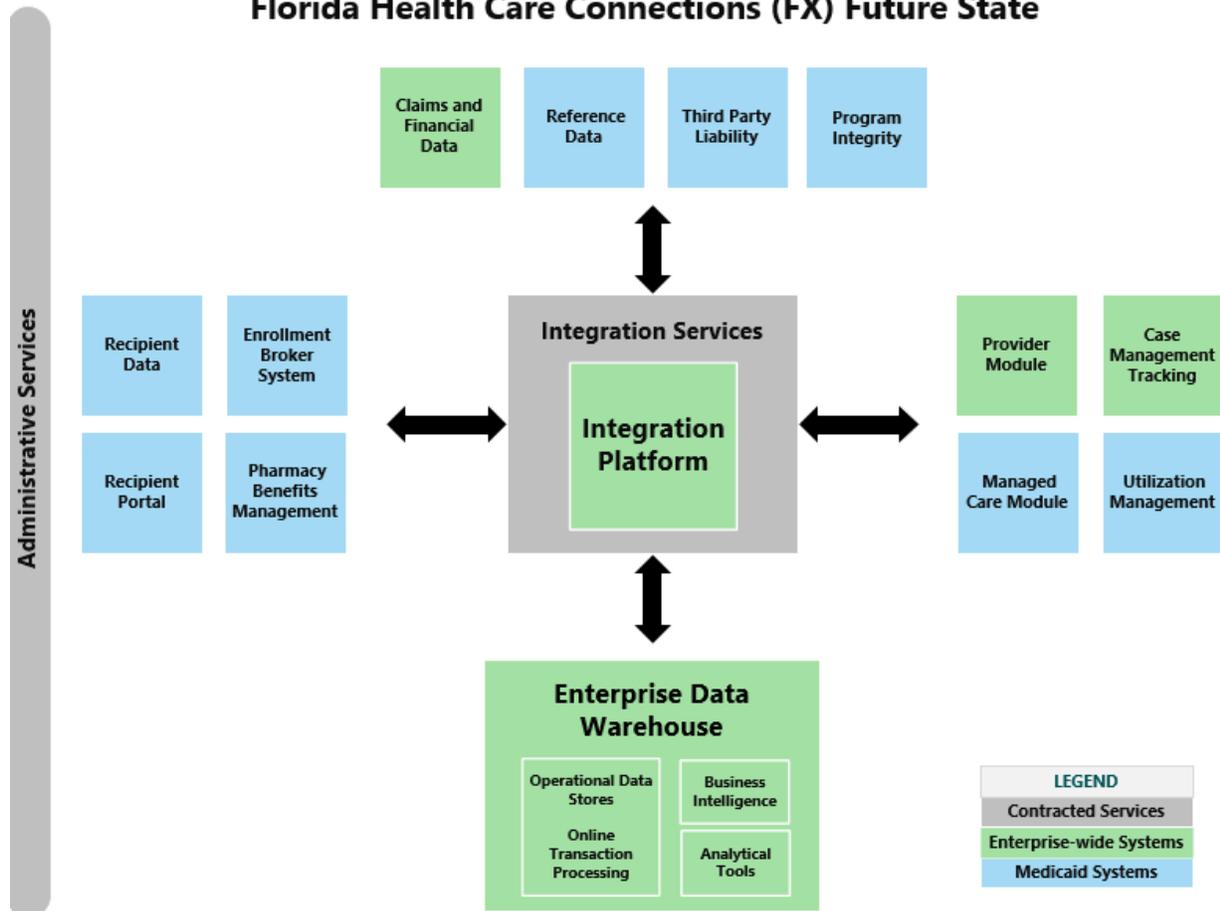
Recipient Experience

The Agency is planning to improve the recipient experience, develop a Master Person Index, and consolidate recipient information maintained in multiple systems. At the forefront on this project is development of a user interface and recipient portal by which recipients can access their health care information including SMMC health plan enrollment, claims data, and eligibility information. Over time, the Agency plans to collaborate with health plans, as well as other state agencies that maintain recipient information, including the Department of Children and Families, Department of Health, Department of Elder Affairs, Agency for Persons with Disabilities, and Florida Healthy Kids Corporation in order to improve care coordination and health care information sharing.

Below is a graphical representation of the potential Florida Health Care Connections Future State. Modules are subject to change.

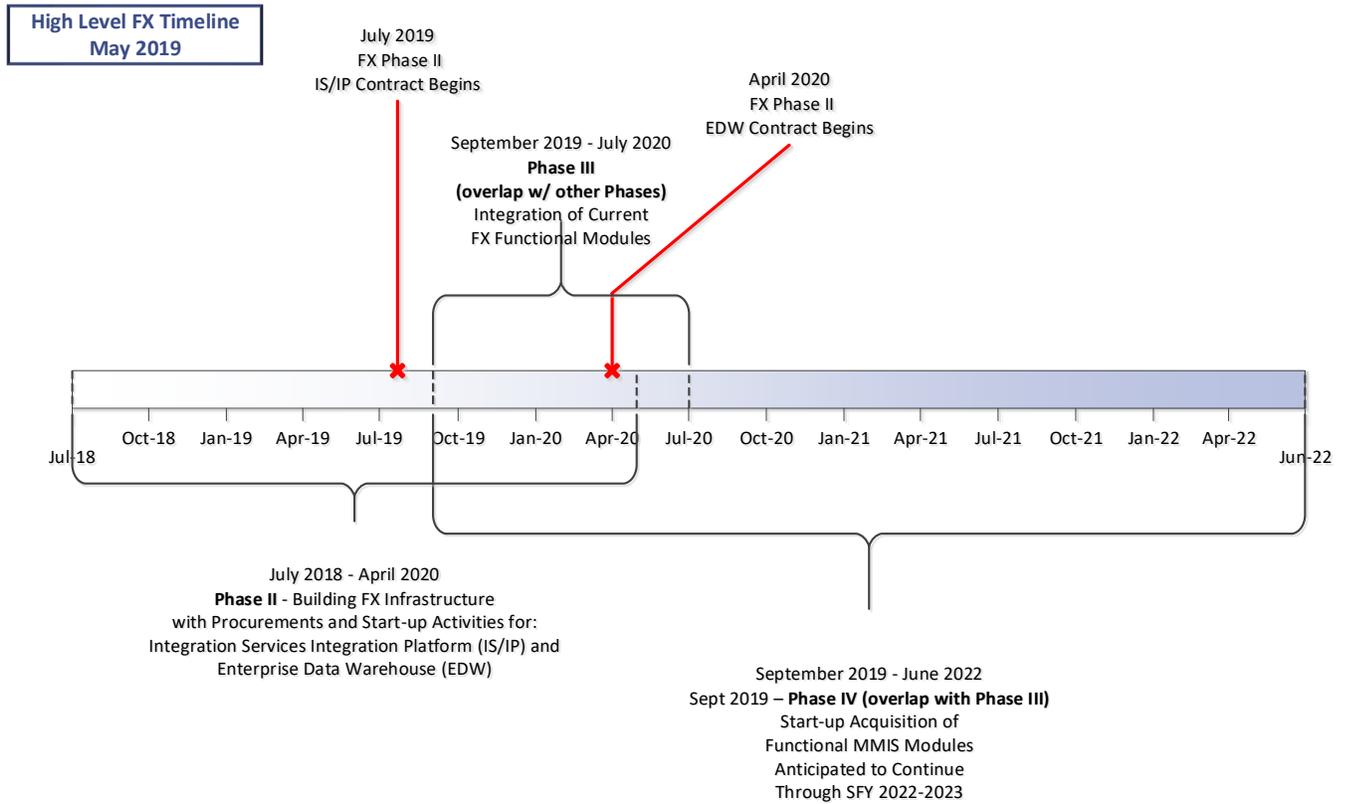


Florida Health Care Connections (FX) Future State





Below is a draft, high-level timeline for Phases II, III, and IV of the FX Procurement Strategy, which is subject to change.



Next Steps

The Agency will use the FX Procurement Strategy document as a communication tool with stakeholders, including federal CMS, the state legislature, and the healthcare IT industry. Vendors interested in bidding on FX procurements should monitor the Florida Vendor Bid System.