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# Redesigning Service Delivery

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## Planning for an Integrated Services Delivery System

A Report to the 2012 Minnesota Legislature



Minnesota Department of **Human Services**

May 2012

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**Redesigning Service Delivery-  
Planning for an Integrated Services Delivery System**

**May 2012**

**Minnesota Department of Human Services  
Information Technology Operations  
PO Box 64968  
St. Paul MN 55164-0968  
Phone: (651) 431-2110  
Fax: (651) 431-7520  
<http://mn.gov/dhs>**

This information is available in other forms for people with disabilities by contacting Information Technology Operations, Department of Human Services, at (651) 431-2110 (voice). TTY/TDD users can call the Minnesota Relay at 1 (800) 627-3529.

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## EXECUTIVE SUMMARY

Laws of Minnesota 2011, First Special Session, Chapter 9, Article 9, Section 17, requires the Department of Human Services (DHS) to report progress on the implementation of simplification of the eligibility and enrollment process, including an integrated service delivery system for health care programs, food support, cash assistance, and child care, no later than May 15, 2012. This is the report of DHS' progress.

In August of 2011, DHS issued a request for information (RFI) for an integrated service delivery system. In January of 2012, DHS submitted to the Legislature the final report on the findings of the RFI process. The report noted that DHS had determined that there were likely to be competitive responses to the publication of a request for proposal (RFP) and that DHS' preliminary implementation plan included maximizing opportunities to leverage enhanced federal funding and collaboration with the Minnesota Health Insurance Exchange (The Exchange).

DHS is now fully engaged in working with the Department of Commerce and the Department of Health as the planning and design work continues for The Exchange, required by the Affordable Care Act (ACA). DHS requested and received approval for enhanced funding from the Centers for Medicare & Medicaid Services (CMS) for planning and implementation activities related to systems modernization, including The Exchange. The following minimum components are required by Article 9, Section 17:

- (1) **screening tools for applicants** to determine potential eligibility as part of an online application process;
- (2) the capacity to use databases to **electronically verify** application and renewal data as required by law;
- (3) **online accounts** accessible by applicants and enrollees;
- (4) an **interactive voice response system**, available statewide, that provides case information for applicants, enrollees, and authorized third parties;
- (5) an **electronic document management system** that provides electronic transfer of all documents required for eligibility and enrollment processes; and
- (6) a **centralized customer contact center** that applicants, enrollees, and authorized third parties can use statewide to receive program information, application assistance, and case information, report changes, make cost-sharing payments, and conduct other eligibility and enrollment transactions.

Many of these components are also required by the ACA to be components of The Exchange. DHS is assessing the impacts and performing a gap analysis between these requirements and the system design for The Exchange.

Also, DHS has established a systems governance structure consisting of four governing boards: The Enterprise Architecture Board (EAB), the Business Architecture Domain Team (BADT), the

Financial Architecture Domain Team (FADT), and the Technical Application and Architecture Domain Team (TAADT). Charters have been established and approved. Both the EAB and the BADT have county and Office of Enterprise Technology (OET), which is now called Minnesota Information Technology Services (MN.IT Services), representation.

The EAB has established the following strategic areas in which work efforts and projects will be tracked:

- Policy/Processes - Strategy: Program Simplification
- Service Delivery -Strategy: Service Delivery Reform
- Systems/Technology Support -Strategy: Systems Modernization

This structure is proving useful as the Domain Teams and other collaborative workgroups focus on the many efforts currently underway that impact and lead to systems modernization and simplification of eligibility and enrollment policy and procedures.

As a major step in developing the integrated service delivery framework, DHS and its partners have agreed on a definition, scope, and goals of an “Integrated Human Service Delivery System.”

Additionally, DHS is in the process of publishing a Statement of Work for systems modernization to acquire the services of an outside contractor to help with the planning required by CMS before additional implementation funding may be requested, according to the funding rules and approach described in DHS’ January 2012 report to the Legislature.

As a result of the planning, DHS expects to complete development of the framework as well as defining an implementation approach to simplification of policy and procedures and systems modernization by the end of 2012.

## **INTRODUCTION**

This report is prepared for the Legislature pursuant to Laws of Minnesota 2011, First Special Session, Chapter 9, Article 9, Section 17, which directed the Commissioner of the Department of Human Services (DHS), along with a county representative appointed by the Association of Minnesota Counties (AMC), to report specific implementation progress to the legislature annually beginning May 15, 2012. The commissioner is required to work with the Minnesota Association of County Social Service Administrators (MACSSA) and the Office of Enterprise Technology (now MN.IT Services) to develop collaborative task forces, as necessary, to support implementation of the service delivery components specified in the law. This report is jointly submitted by the Commissioner of DHS and the president of AMC, with review and input from the MACSSA Policy Committee.

This report details progress and actions taken to meet the listed requirements:

- Streamline eligibility determinations and case processing to support statewide eligibility processing;
- Enable interested persons to determine eligibility for each program, and to apply for programs online, in a manner such that the applicant will be asked only those questions relevant to the programs for which the person is applying;
- Leverage technology that has been operational in other state environments with similar requirements, and;
- Include a web-based application, worker application processing support, and the opportunity for expansion.

## **RFI**

In August of 2011, DHS issued a request for information (RFI) for an integrated service delivery system. As part of the evaluation of responses, DHS hosted demonstrations of selected vendor systems. In January of 2012, DHS submitted to the Legislature the final report on the findings of the RFI process. The report noted that DHS had determined that there were likely to be competitive responses to the publication of a request for proposal (RFP).

## **HEALTH INSURANCE EXCHANGE**

As a result of the evaluation of proposals for the first phase of the Request for Proposal (RFP) process for The Exchange, several vendors were selected to develop and demonstrate prototypes and submit cost proposals and work plans for seven Exchange modules, including individual eligibility and enrollment. A cross-agency contract team is currently negotiating with selected vendors to contract for IT design and development related to The Exchange. Under federal

regulations, states are required to have a cost allocation for Medical Assistance (Medicaid) as part of the Exchange.

## **SYSTEMS GOVERNANCE AND STRATEGY**

The establishment of four systems governing boards, the Enterprise Architecture Board (EAB), the Business Architecture Domain Team (BADT), the Financial Architecture Domain Team (FADT), and the Technical Application and Architecture Domain Team (TAADT) allows DHS to bring together representation from counties, Minnesota Information Technology Services (MN.IT Services), and disparate DHS program and system areas to focus on issues that have broad impacts, including the development and implementation of an integrated service delivery system.

The EAB has established the following strategic areas in which work efforts and projects will be tracked:

- Policy/Processes - Strategy: Program Simplification
- Service Delivery -Strategy: Service Delivery Reform
- Systems/Technology Support -Strategy: Systems Modernization

As the Domain Teams and other collaborative workgroups focus on the interrelated efforts underway that impact and lead to systems modernization and simplification of eligibility and enrollment policy and procedures, the governing boards and strategic areas allow the oversight, coordination, and action needed to accomplish the objectives of Article 9, Section 17.

## **DEVELOPING THE FRAMEWORK**

DHS and its partners are directed to develop the integrated service delivery framework. As the cornerstones for this framework, they have agreed upon a definition, scope, and goals of an Integrated Human Service Delivery System.

A people-centered human services delivery system in which policy, people, processes and technologies are aligned to serve the DHS mission

### **Scope:**

- Internal policy, processes and technologies
- External policy, processes and technologies (program administration)
- All of the people and roles required to deliver human services (state, counties, tribes, partners, etc.)

**Goals:**

- 1) People-focused and holistic
- 2) Accountable for results
- 3) Accurate
- 4) Customer-friendly
- 5) Continuously improving
- 6) Responsive to changing needs and demands
- 7) Sustainable over time
- 8) Facilitates self-directed care

With this basis for the integrated service delivery framework, work is focused for the governing boards and strategic areas, and DHS can proceed to more detailed planning. The planning process will facilitate the completion of the framework and will also provide the roadmap for implementation.

**STATEMENT OF WORK**

In May, DHS will publish a Statement of Work (SOW) on MN.IT Service's Master Contract Program website to solicit responses from approved vendors for assistance in planning to modernize DHS systems to meet the goals of simplification and streamlining of eligibility and enrollment processes in cooperation with The Exchange.

By conducting the planning work described in the SOW, DHS will receive the following deliverables which will complete the framework and allow DHS to proceed to implement technology to support the Integrated Services Delivery System:

- Completed cost/benefit analysis,
- Completed feasibility study,
- Completed alternatives assessment,
- Defined strategy for aligning DHS technology efforts with The Exchange which includes high-level gap analysis or impact statement indicating enterprise wide changes required,
- Long-range plan for IT modernization and expansion,
- Completed detailed plan for collaboration between DHS programs and The Exchange,
- Funding approach to Modernization, based on the recent funding made available by the Minnesota Legislature and changes to Federal cost allocation,
- Enterprise-wide high-level requirements analysis for DHS,
- Completed high-level requirements for an integrated system.

Through this work, DHS will also satisfy the CMS requirements in order to receive additional enhanced implementation funds according to the funding rules and approach described in DHS' January 2012 report to the Legislature. These additional implementation funds would support the publication of a Request for Proposal (RFP) and subsequent contracting of a vendor or

vendors to assist DHS in fully implementing the technology to support the Integrated Service Delivery System.

## CONCLUSION

With the information DHS gained through the RFI process, the information available from The Exchange RFP and prototype process, the information available as a result of final Exchange proposals, and the new cost allocation approach and requirements announced by the Federal agencies, DHS is pursuing implementation of an integrated service delivery system.

DHS submitted a Planning Advance Planning Document (PAPD) to the required Federal agencies requesting funds to continue planning for The Exchange and to begin planning for systems modernization. Minnesota received approval of this request on December 30, 2011. DHS is required to complete a feasibility study, cost benefit analysis, requirements analysis, and alternatives analysis using the awarded funds.

On April 19, 2012, DHS received approval of an Implementation Advance Planning Document (IAPD) from CMS for additional funding for IT development related to the Medicaid portion of The Exchange. The approach to The Exchange IT planning and development will lay the groundwork for DHS systems modernization and the accomplishment of the directives in Article 9, Section 17.

Through the publication of the SOW DHS is seeking the services of a planning vendor to satisfy the requirements of the PAPD, analyze the impacts of The Exchange IT planning and development progress, and plan for a fully integrated Human Services Delivery System that ensures interoperability across all human services programs and associated agencies, one that provides a 21<sup>st</sup>-century service delivery experience for DHS clients and service delivery partners, while also meeting timelines required by the Affordable Care Act.

DHS expects to complete the planning process by the end of Calendar Year 2012 and will assess the need for additional funding to implement system changes when initial plans are complete.

## Appendix A – Chapter 9, Article 9, Section 17 from 2011 Minnesota 1st Special Session

From <https://www.revisor.mn.gov/laws/?id=9&year=2011&type=1>

### Minnesota Session Laws

#### Sec. 17. SIMPLIFICATION OF ELIGIBILITY AND ENROLLMENT PROCESS.

(a) The commissioner of human services shall issue a request for information for an integrated service delivery system for health care programs, food support, cash assistance, and child care. The commissioner shall determine, in consultation with partners in paragraph (c), if the products meet departments' and counties' functions. The request for information may incorporate a performance-based vendor financing option in which the vendor shares the risk of the project's success. The health care system must be developed in phases with the capacity to integrate food support, cash assistance, and child care programs as funds are available. The request for information must require that the system:

- (1) streamline eligibility determinations and case processing to support statewide eligibility processing;
- (2) enable interested persons to determine eligibility for each program, and to apply for programs online in a manner that the applicant will be asked only those questions relevant to the programs for which the person is applying;
- (3) leverage technology that has been operational in other state environments with similar requirements; and
- (4) include Web-based application, worker application processing support, and the opportunity for expansion.

(b) The commissioner shall issue a final report, including the implementation plan, to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services no later than January 31, 2012.

(c) The commissioner shall partner with counties, a service delivery authority established under Minnesota Statutes, chapter 402A, the Office of Enterprise Technology, other state agencies, and service partners to develop an integrated service delivery framework, which will simplify and streamline human services eligibility and enrollment processes. The primary objectives for the simplification effort include significantly improved eligibility processing productivity resulting in reduced time for eligibility determination and enrollment, increased customer service for applicants and recipients of services, increased program integrity, and greater administrative flexibility.

(d) The commissioner, along with a county representative appointed by the Association of Minnesota Counties, shall report specific implementation progress to the legislature annually beginning May 15, 2012.

(e) The commissioner shall work with the Minnesota Association of County Social Service Administrators and the Office of Enterprise Technology to develop collaborative task forces, as necessary, to support implementation of the service delivery components under this paragraph. The commissioner must evaluate, develop, and include as part of the integrated eligibility and enrollment service delivery framework, the following minimum components:

- (1) screening tools for applicants to determine potential eligibility as part of an online application process;
- (2) the capacity to use databases to electronically verify application and renewal data as required by law;
- (3) online accounts accessible by applicants and enrollees;
- (4) an interactive voice response system, available statewide, that provides case information for applicants, enrollees, and authorized third parties;
- (5) an electronic document management system that provides electronic transfer of all documents required for eligibility and enrollment processes; and
- (6) a centralized customer contact center that applicants, enrollees, and authorized third parties can use statewide to receive program information, application assistance, and case information, report changes, make cost-sharing payments, and conduct other eligibility and enrollment transactions.

(f) Subject to a legislative appropriation, the commissioner of human services shall issue a request for proposal for the appropriate phase of an integrated service delivery system for health care programs, food support, cash assistance, and child care.

**EFFECTIVE DATE.** This section is effective the day following its signing.