



Policy Studies Inc.

Transforming policy into action.

PUBLIC COPY

Electronic Health Records Medicaid Incentive Payment Administration Tool



Department of Human Services
State of Iowa

RFP: MED-012-003

*September 26, 2011
12:00 p.m.*

PUBLIC COPY

SUBMITTED TO:

JoAnn Cowger
Iowa Medicaid Enterprise
100 Army Post Road
Des Moines, IA 50315

SUBMITTED BY:

Policy Studies Inc.
1515 Wynkoop Street
Suite 400
Denver, CO 80202
(303) 863-0900



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Denver, CO 80202
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September 22, 2011

JoAnn Cowger
Iowa Medicaid Enterprise
100 Army Post Road
Des Moines, IA 50315

Re: Response to RFP for the Iowa Electronic Health Records Medicaid Incentives Payment Administration Tool

Dear Ms. Cowger,

Policy Studies Inc. (PSI) is pleased to submit our Technical Proposal in response to the “Electronic Health Records Medicaid Incentives Payment Administration Tool” RFP issued by the State of Iowa Department of Human Services (DHS).

PSI's solution offers DHS important features & benefits. Our solution stands out above that of other vendors for the simple reason that it will allow DHS to make the most of your investment through a number of key features that are embedded in its very planning and design. We are confident that DHS will find our solution to be the *right* solution for your project for a number of reasons, some of which, we highlight below:

- ◆ Our solution is a **turnkey solution** that includes all aspects of Electronic Health Records (EHR) Provider Incentive Payment Program (PIPP) administration—simplifying DHS program oversight & management.
- ◆ Our solution allows for a **fast, cost-effective implementation** enabling full production readiness in under 4 months from contract start—saving the State time and money.
- ◆ Ours is an **integrated solution that includes all the functionality required by CMS**—reducing time to production & long-term maintenance costs; and improving flexibility to incorporate new CMS requirements.
- ◆ Our solution is based on **proven system, operations, & technical infrastructure** in use by other HHS agencies—reducing risk; and providing assurance to DHS of a **smooth & effective roll out**.

PSI is an early participant in the planning and operational activities related to the EHR PIPP. Since 2009, we have worked with the Iowa Medicaid Enterprise (IME) to understand the diverse CMS requirements for administering the program in Iowa—one of the first states to register providers and make EHR incentive payments. PSI continues to support the State as the provider services vendor supporting the operational components of the current solution. We have expanded our operational experience by developing an integrated system to support the administration of the EHR PIPP and are currently implementing this solution for the State of Tennessee.

This approach includes data conversion from their existing system as well as meaningful use functionality. Our

comprehensive system and its functional match to Tennessee's program requirements have allowed us to develop an expedited implementation schedule to match Tennessee's roll-out plans, leading to a 2-phase implementation being completed within 4.5 months of contract start. We are committed to bringing similar successes to Iowa's EHR incentive program.

States trust PSI to do this work. We have been working with states for a number of years to plan for what will work best in an effective EHR PIPP solution—we have been listening to state agency needs for the program and have used this knowledge to create a turn-key EHR PIPP solution that meets all CMS requirements for functionality—while being specifically designed to complement the way states operate, taking advantage of ways to optimize resources and in the end save states money.

We are offering Iowa the best overall value. To provide the best possible price point, PSI designed our EHR PIPP system as a multi-state solution, using simple, straightforward business processes and technology, because we understand the cost, schedule, and staff constraints under which states operate. PSI realizes the need to quickly and efficiently deploy this application to assist providers and states in administering the EHR incentive payment program. As a result, we designed our comprehensive solution so it can be *implemented in a 90-120-day period from contract start to full production*, depending on the project requirements.

PSI understands *your* needs. In partnership with DHS, we can implement a comprehensive solution that allows the State to achieve production operations that not only initiate “acquire, implement, or upgrade” (AIU) incentives, but also include the functionality required for meaningful use and the capture of clinical quality measures.

Thank you for considering our proposal. If you have questions or need further information, please contact me at (303) 863-0900 / CWallace@policy-studies.com or Patrick Aguilar at (505) 301-3797 / PAguilar@policy-studies.com.

We look forward to your response to our submission and the chance to work closely with the State of Iowa on this important campaign.

Sincerely,



Carroll Wallace
Chief Financial Officer



Transmittal Letter - Executive Summary

Policy Studies Inc. (PSI) understands the requirements and regulations for implementing the Electronic Health Records (EHR) Provider Incentive Payment Program (PIPP). Our practical experience with the program provides the basis for our approach in Iowa—a turnkey system, hosting and infrastructure solution to drive an effective program; and a solid plan for helping Iowa execute a fast and efficient replacement of the existing system with one that supports upcoming meaningful use requirements, implemented with minimal disruption to providers and State staff during transition.

*psi*PLUS

PSI Meets All the RFP's Bidder Eligibility / Mandatory Requirements:

- ✓ Proposal delivered on time
- ✓ PSI is eligible to submit a bid based on RFP Bidder Eligibility Requirements
- ✓ Proposal contains a bid proposal security
- ✓ PSI supports a multi-state solution to be implemented for State of Tennessee
- ✓ PSI is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from receiving federal funding
- ✓ Cost proposal adheres to any pricing restrictions

PSI IS AT THE FOREFRONT OF PROVIDING MEANINGFUL EHR PIPP SOLUTIONS TO HHS AGENCIES

PSI has been an early participant in understanding the operational activities related to the EHR PIPP. Since 2009, we have worked with the Iowa Medicaid Enterprise (IME) to understand the diverse CMS requirements for operations of the EHR PIPP in Iowa. PSI continues to support the State as the provider services vendor supporting the operational components of the current solution.

Additionally, PSI has expanded our operational experience by developing an integrated system to support the administration of the EHR PIPP. We **are currently implementing our solution to replace the existing system used by the State of Tennessee.** Our comprehensive base system and its functional match to Tennessee's program requirements allowed us to develop an expedited implementation schedule to offer a 2-phase implementation approach completed within 5 months of contract start. This approach includes data conversion from their existing system as well as meaningful use functionality. We are committed to bringing similar successes to the Iowa Medicaid EHR Incentive Program.

States trust PSI to do this work. We offer the assurance of a 27-year reputation of providing state agencies with innovative solutions and **specific knowledge and success in all aspects of the EHR PIPP.** More importantly, PSI's solutions provide benefits to states and their customers. We care about what we do, we understand your needs and are committed to helping you meet them. The partnerships we form with states lead to highly effective outcomes.



MAKING THE MOST OF YOUR INVESTMENT: WHY PSI'S SOLUTION IS THE RIGHT ONE FOR IOWA

PSI has carefully reviewed the requirements in the State of Iowa, Department of Human Services (DHS) RFP for a qualified vendor to provide a tool to assist with the administration of the Medicaid Electronic Health Records Incentive Payment Program. We understand DHS is seeking a comprehensive **multi-state systems solution** for the technical implementation, administration, business services, and ongoing operational support for the CMS Medicaid EHR Incentive Payment Program in Iowa. In addition, we understand the need to replace the current system, including the conversion of existing program data to the new system, without a program disruption.

To meet these goals and challenges, we propose a turnkey solution that includes the configuration of our base system to support program administration, conversion of data from the existing solution and a technology infrastructure to **host the system and support business services** for all aspects of the program. PSI designed our solution for Iowa to meet all program requirements—from registration and two-way connectivity to the CMS National Level Registry and Office of the National Coordinator (ONC) for Health Information Technology (HIT), Certified HIT Product List (CHPL) Web sites, to batch payment file processing and connectivity to the State's MMIS and Data Warehouse.

Our comprehensive solution meets all of these requirements, and much more—including the provision of **a Web-based platform that includes a provider self-service portal, and tools to support State operations staff** in the administration of the program.

PSI's solution stands out because it will allow DHS to *make the most of your investment* through a number of key features that are embedded in its very planning and design; we identify some of these features and their benefits in the callout box on this page. In addition, we are the only vendor to have replaced an existing production EHR PIPP system and we have accomplished this in an expedited timeframe—a nearly identical task to what is needed for Iowa.

We have been working with states for a number of years to envision and help plan for what will work best in an effective EHR PIPP solution. We have been listening to state agency needs for the program, and have used this knowledge



*psi*PLUS

Our Solution Benefits Iowa:

- ♦ Turnkey solution covers all aspects of EHR PIPP administration=*simplified program oversight & management for DHS*
- ♦ Fast, cost-effective implementation = full production readiness in 4 months from contract start = *time & money saved*
- ♦ Integrated solution with all CMS-required functionality=*reduced time to production & long-term maintenance costs; & improved flexibility to incorporate new CMS requirements*
- ♦ Proven system / technical infrastructure = *reduced risk & assurance of a smooth, effective roll out*



*psi*PLUS

To meet all EHR PIPP requirements, our solution includes:

- ◆ A secure Web-based application via Internet for internal & external users
- ◆ Ability for providers to use Web application for registration, attestation, info gathering, & payment status
- ◆ E-notifications to providers along entire program lifecycle
- ◆ Integration of all currently known CMS requirements for the EHR PIPP
- ◆ Configurability for quick adaptation to new CMS & State requirements
- ◆ Interfacing with State MMIS, data warehouse & OnBase systems
- ◆ A proven data conversion approach
- ◆ A technology platform based on industry standard products to provide low development & maintenance costs

to create a **turn-key EHR PIPP solution that meets all CMS requirements** for functionality. *Our solution is specifically designed to complement the way states operate*, taking advantage of ways to optimize resources and **save states money**.

To provide the **best possible price point**, PSI designed our EHR PIPP system as a **multi-state solution** using simple, straightforward business processes and technology, because we understand the cost, schedule, and staff constraints under which states operate.

We also understand the importance of a quick and efficient replacement of the existing application. This will enable the State to continue the successful administration of the EHR PIPP and to provide the ability for existing providers to attest to meaningful use by April 2, 2012. To meet this important goal, PSI designed our EHR PIPP solution to be ready for State review in a **90-day period from contract start to full production**, allowing the State a full month of Implementation Readiness Review.

We understand your needs for this project. In partnership with DHS, PSI can implement our comprehensive solution that will replace your existing system, and allow for continued processing of acquire, implement, or upgrade (AIU) incentives, as well as the inclusion of the functionality required for meaningful use and the capture of clinical quality measures.

WE HAVE AN INTEGRATED PLAN FOR COMPLETING YOUR DIVERSE SCOPE OF WORK

PSI's solution for the Iowa's EHR Incentive Payment Program includes a project work plan that includes identifying and assigning all work activities to complete required deliverables. Our solution:

- ◆ Provides for continuous collaboration beginning with a set of Project Initiation sessions to identify program goals, objectives and constraints
- ◆ Includes the finalization of a Project Work Plan that completely defines the scope of work and management processes
- ◆ Provides for in-depth demonstrations of program functionality to facilitate knowledge transfer to State staff
- ◆ Includes ample time for the validation of requirements and the identification of system gaps that must be addressed during system configuration



- ◆ Provides a comprehensive and proven conversion process to enable the new system to be seamlessly implemented without program disruption
- ◆ Includes system integration testing to ensure the system functions correctly from end-to-end
- ◆ Provides a training plan, materials and sessions to ensure the State staff fully understand the system functions and operational aspects
- ◆ Includes a full month of implementation readiness to prepare Iowa for assuming operational utilization

Coupled with our high-quality project team, our approach includes the tasks and activities necessary to configure the system tools and infrastructure necessary to ensure the on-going success and administration of the EHR PIPP in Iowa.

WE OFFER IOWA A SEASONED PROJECT TEAM OF MEDICAID AND EHR PIPP EXPERTS

Our knowledgeable project team will be of great value to DHS as you embark on obtaining a replacement administration tool for your EHR Incentive Payment Program project. PSI has carefully reviewed the project requirements and assembled an excellent team to meet Iowa's goals and expectations for this project. Our project team brings important experience and expertise in **Medicaid; EHR PIPP systems and operations; ARRA, HITECH, and other relevant legislation; and system development and implementation in the Medicaid market.** This specific EHR PIPP knowledge and Medicaid and business experience will provide the execution skills required for all aspects of the project.

These complementary skills will enable a quick, effective implementation of all components of our proposed scope of work as well as offering the expertise to inform Iowa of new system tools and ideas to improve the program. We also offer DHS important broad skills in project management, requirements definition, Web application development, business process analysis, and Medicaid program operations—all of which provide the necessary foundation you need to bring about a successful project that satisfies state and federal requirements.

WHY OUR EXPERIENCE IS IMPORTANT TO IOWA

*PSI is currently working on multiple EHR PIPP efforts and has been since the program's inception. We understand the program's foundation, as well as the explicit and implicit requirements of the program. We have numerous CMS and state contracts, many that have achieved national recognition; and we will use our knowledge and experience to support Iowa with answers to questions and resolutions to problems. In addition, PSI's bring a host of lessons learned earned from our recent successful endeavor to replace an existing EHR PIPP system in Tennessee—**experience that Iowa can use immediately.***

PSI understands what is required to complete your scope of work because we bring a "from the ground up" knowledge of Medicaid programs and systems that support them. Our project teams are "out in the field"



every day, using Web applications to support our HHS / Medicaid clients—managing cases and working with providers and other customers. We work hard alongside our state partners to ensure their programs perform well, that they meet their program goals and expectations, and that in the end customers are being satisfied.

In addition to operating programs for state agencies, our staff is “behind the scenes” each day building and implementing the systems needed to help HHS programs function well and meet important goals. From developing effective Web applications, enhancing technology, and modernizing aging systems; to reengineering business processes and workflows, helping states plan for federal certification and funding, and providing ongoing maintenance and support services—we are helping states like Iowa achieve the highest quality performance, and customer service by combining program expertise with technological innovation.

We offer DHS an understanding of IME’s way of doing business. As a partner with the Department for Medicaid Provider Services, and other projects since 2004, PSI offers DHS an important advantage in our understanding of the IME business culture. In a project with tight time frames, this is even more essential because it means we can “hit the ground running.” As a vendor at the IME over the years, PSI has seen an orientation period for new contractors on virtually all special projects requiring IME collaboration. Collaboration is key to the success of a project such as this; and it is especially true in a multifaceted stakeholder environment like that of the IME.

PSI has been a good partner in Iowa by understanding the value of this model of Medicaid administration, putting the IME first, and engaging the spirit of collaboration amongst our IME partners. We have already worked hard to build the trust relationships in the IME environment, and we understand the roles around the enterprise to move this effort forward right away. **By choosing PSI, DHS gets a vendor with proven experience ready to implement a new project in the IME right away, which means one less potential barrier to success.**

SELECTING THE BEST QUALIFIED VENDOR IS AN IMPORTANT DECISION FOR DHS

While there may be several companies qualified on one level or another to deliver some of these services, *PSI is qualified across all levels.*

Only PSI can offer DHS:

- ◆ A proven EHR PIPP portal solution
- ◆ A proven data conversation and system replacement approach
- ◆ Experience working with IME and a solid understanding of IME’s model of doing business
- ◆ A project team experienced with EHR PIPP solutions, replacements and conversation requirements

State of Iowa
Department of Human Services
Electronic Health Records Medicaid Incentive
Payment Administration Tool
RFP: MED-012-003



- ◆ The peace of mind that comes from using a known partner who understands your business
- ◆ The value of proven best practices from our Medicaid, and EHR PIPP work in other states
- ◆ A solution that supports continuous program improvement
- ◆ A track record of serving HHS agencies like DHS successfully on similar projects for 27 years

For all these reasons—as well as our strong performance record—**PSI is the best-qualified vendor with the most relevant credentials of any contractor.**



Surety Bonds Since 1904

International Fidelity

INSURANCE COMPANY

One Newark Center
Newark, New Jersey 07102
(973) 624-7200

KNOW ALL MEN BY THESE PRESENTS: That we, the undersigned,

Policy Studies Inc., 1515 Wynkoop Street, Suite 400, Denver, CO 80202-1730

as Principal, and **THE INTERNATIONAL FIDELITY INSURANCE COMPANY**, a corporation of the State of New Jersey, as Surety, are hereby held and firmly bound unto

Iowa Department of Human Services, Iowa Medicaid Enterprise, 100 Army Post Road, Des Moines, IA 50315

in the penal sum of **Five Thousand and 00/100 Dollars** (\$ 5,000.00)

for the payment of which, well and truly to be made, we hereby jointly and severally bind ourselves, our heirs, executors, administrators, successors and assigns.

Signed, this **26th** day of **September**, 20 **11**

The condition of the above obligation is such that whereas the Principal has submitted to Iowa Department of Human Services, Iowa Medicaid Enterprise, 100 Army Post Road, Des Moines, IA 50315 a certain bid, attached hereto and hereby made a part hereof, to enter into a contract in writing for Electronic Health Records Medicaid Incentive, Payment Administrative Tool, RFP No. MED-012-003

NOW, THEREFORE,

- (a) If said bid shall be rejected, or in the alternate
- (b) If said bid shall be accepted and the Principal shall execute and deliver a contract in the form of contract attached hereto, properly completed in accordance with said bid, and shall furnish a bond for the faithful performance of said Contract, and for the payment of the persons performing labor or furnishing materials in connection therewith, and shall in all other respects perform the agreement created by the acceptance of said bid;

THEN, THIS OBLIGATION SHALL BE VOID, otherwise the same shall remain in force and effect; it being expressly understood and agreed that the liability of the Surety for any and all claims hereunder shall, in no event, exceed the penal amount of this obligation as herein stated.

The Surety, for value received, hereby stipulates and agrees that the obligation of said Surety and its bond shall be in no way impaired or affected by any extension of time within which the said bid may be accepted; and said Surety does hereby waive notice of any such extension.

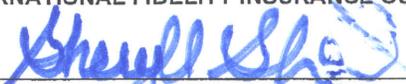
IN WITNESS WHEREOF, the Principal and the Surety have hereto set their hands and seals, and such of them as are corporations have caused their corporate seals, to be hereto affixed and these presents to be signed by their proper officers, the day and year first set forth above.

Signed, sealed and delivered in the presence of:

ATTEST: 

WITNESS:
~~XXXXXX~~ 
Philip J. Monasch

Policy Studies Inc.
By: 
Principal

INTERNATIONAL FIDELITY INSURANCE CO.
By: 
Sheryll Shaw, Attorney-in-Fact
Attorney-In-Fact

Bid Bond Date September 26, 2011

POWER OF ATTORNEY INTERNATIONAL FIDELITY INSURANCE COMPANY

HOME OFFICE: ONE NEWARK CENTER, 20TH FLOOR
NEWARK, NEW JERSEY 07102-5207

KNOW ALL MEN BY THESE PRESENTS: That **INTERNATIONAL FIDELITY INSURANCE COMPANY**, a corporation organized and existing laws of the State of New Jersey, and having its principal office in the City of Newark, New Jersey, does hereby constitute and appoint

SARAH FINN, ROBERT L. COHEN, ROBERT J. REITER, BRADLEY J. JEFFRESS, SUE WOOD,
SHERYLL SHAW, KRISTEN L. MCCORMICK, NICOLE L. MCCOLLAM, JENNIFER BUB,
KEITH M. THOMPSON

Denver, CO.

its true and lawful attorney(s)-in-fact to execute, seal and deliver for and on its behalf as surety, any and all bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof, which are or may be allowed, required or permitted by law, statute, rule, regulation, contract or otherwise, and the execution of such instrument(s) in pursuance of these presents, shall be as binding upon the said **INTERNATIONAL FIDELITY INSURANCE COMPANY**, as fully and amply, to all intents and purposes, as if the same had been duly executed and acknowledged by its regularly elected officers at its principal office.

This Power of Attorney is executed, and may be revoked, pursuant to and by authority of Article 3-Section 3, of the By-Laws adopted by the Board of Directors of **INTERNATIONAL FIDELITY INSURANCE COMPANY** at a meeting called and held on the 7th day of February, 1974.

The President or any Vice President, Executive Vice President, Secretary or Assistant Secretary, shall have power and authority

- (1) To appoint Attorneys-in-fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and,
- (2) To remove, at any time, any such attorney-in-fact and revoke the authority given.

Further, this Power of Attorney is signed and sealed by facsimile pursuant to resolution of the Board of Directors of said Company adopted at a meeting duly called and held on the 29th day of April, 1982 of which the following is a true excerpt:

Now therefore the signatures of such officers and the seal of the Company may be affixed to any such power of attorney or any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.



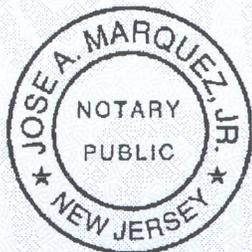
IN TESTIMONY WHEREOF, **INTERNATIONAL FIDELITY INSURANCE COMPANY** has caused this instrument to be signed and its corporate seal to be affixed by its authorized officer, this 16th day of October, A.D. 2007.

INTERNATIONAL FIDELITY INSURANCE COMPANY

STATE OF NEW JERSEY
County of Essex

Secretary

On this 16th day of October 2007, before me came the individual who executed the preceding instrument, to me personally known, and, being by me duly sworn, said he is the therein described and authorized officer of the **INTERNATIONAL FIDELITY INSURANCE COMPANY**; that the seal affixed to said instrument is the Corporate Seal of said Company; that the said Corporate Seal and his signature were duly affixed by order of the Board of Directors of said Company.



IN TESTIMONY WHEREOF, I have hereunto set my hand affixed my Official Seal, at the City of Newark, New Jersey the day and year first above written.

A NOTARY PUBLIC OF NEW JERSEY
My Commission Expires Nov. 21, 2010

CERTIFICATION

I, the undersigned officer of **INTERNATIONAL FIDELITY INSURANCE COMPANY** do hereby certify that I have compared the foregoing copy of the Power of Attorney and affidavit, and the copy of the Section of the By-Laws of said Company as set forth in said Power of Attorney, with the ORIGINALS ON IN THE HOME OFFICE OF SAID COMPANY, and that the same are correct transcripts thereof, and of the whole of the said originals, and that the said Power of Attorney has not been revoked and is now in full force and effect

IN TESTIMONY WHEREOF, I have hereunto set my hand this 26th day of September, 2011

Assistant Secretary



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Attachment A: Release of Information
(Return this completed form behind Tab 3 of the Bid Proposal.)

Policy Studies Inc. (name of bidder) hereby authorizes any person or entity, public or private, having any information concerning the bidder's background, including but not limited to its performance history regarding its prior rendering of services similar to those detailed in this RFP, to release such information to the Agency.

The bidder acknowledges that it may not agree with the information and opinions given by such person or entity in response to a reference request. The bidder acknowledges that the information and opinions given by such person or entity may hurt its chances to receive contract awards from the Agency or may otherwise hurt its reputation or operations. The bidder is willing to take that risk. The bidder agrees to release all persons, entities, the Agency, and the State of Iowa from any liability whatsoever that may be incurred in releasing this information or using this information.

Policy Studies Inc.
Printed Name of Bidder Organization


Signature of Authorized Representative

09/12/2011
Date

Carroll Wallace, Chief Financial Officer
Printed Name

Attachment B: Primary Bidder Detail Form & Certification

(Return this completed form behind Tab 3 of the Proposal. If a section does not apply, label it “not applicable”.)

Primary Contact Information (individual who can address issues re: this Bid Proposal)	
Name:	Patrick Aguilar
Address:	1515 Wynkoop Street, Suite 400, Denver, CO 80202
Tel:	505-301-3797
Fax:	303-295-0244
e-mail:	paguilar@policy-studies.com

Primary Bidder Detail	
Business Legal Name (“Bidder”):	Policy Studies Inc.
“Doing Business As” names, assumed names, or other operating names:	"Policy Studies Inc.", "PSI"
Parent Corporation, if any:	PSI Services Holding Inc.
Form of Business Entity (i.e., corp., partnership, LLC, etc.):	Corporation
State of Incorporation/organization:	Colorado
Primary Address:	1515 Wynkoop Street, Suite 400, Denver, CO 80202
Tel:	303-863-0900
Fax:	303-295-0244
Local Address (if any):	N/A
Addresses of Major Offices and other facilities that may contribute to performance under this RFP/Contract:	1515 Wynkoop Street, Suite 400, Denver, CO 80202
Number of Employees:	1239
Number of Years in Business:	27
Primary Focus of Business:	PSI provides Consulting, Technology and Outsourcing services to Health and Human Services Agencies.
Federal Tax ID:	84-0938521
Bidder’s Accounting Firm:	Ehrhardt Keefe Steiner & Hottman PC.
If Bidder is currently registered to do business in Iowa, provide the Date of Registration:	12/05/1995
Do you plan on using subcontractors if awarded this Contract? {If “YES,” submit a Subcontractor Disclosure Form for each proposed subcontractor.}	(YES/NO)

Request for Confidential Treatment (See Section 3.1)		
Location in Bid (Tab/Page)	Statutory Basis for Confidentiality	Description/Explanation
Due to the RFP only being available in PDF format and PSI requiring more space than available on this form for content, we have included our confidentiality information in the same format on the following page.		

Exceptions to RFP/Contract Language (See Section 3.1)			
RFP Section and Page	Language to Which Bidder Takes Exception	Explanation and Proposed Replacement Language:	Cost Savings to the Agency if the Proposed Replacement Language is Accepted
		No Exceptions Taken	

Request for Confidential Treatment (See Section 3.1)		
Location in Bid (Tab/Page)	Statutory Basis for Confidentiality	Description / Explanation
<p>Solution Screenshots and related visual elements – 3.2.4 Tab 4: Bidder’s Approach to Meeting Deliverables section – Pages 28, 30-34, 36, 39-44, 47-51, 53,60-63, 65-66, 68-71, 73, 78-80, 84, 87-90, 95, 104</p>	<p>IOWA CODE ANN. § 22.7(3) (2011)</p>	<p>We request that PSI’s solution screenshots and related visual elements that represent our solution (including, but not limited to, screenshots, flowcharts, technical diagrams, etc.) be classified as trade secrets and, therefore, general nonpublic data—be kept confidential. These materials are proprietary trade secrets and should not be disclosed by the State under <i>IOWA CODE ANN. § 22.7(3) (2011)</i>. Our solution and related screenshots and images, and our data center and network infrastructure constitute a trade secret because they include confidential business information that is a secret and is of value. PSI has taken reasonable measures under the circumstances to prevent the disclosure of these images and requests that marked images not be disclosed in response to any Public Information Act request because they do not meet the definition of “public records”.</p> <p><u>Further Justification:</u> PSI’s Proprietary solution has been supplied by PSI to the State of Iowa; and is the subject of reasonable efforts under the circumstances to maintain its secrecy. Because of the significant costs PSI has incurred to create the software associated with our Proprietary solution, our intellectual property related to the PSI data center and network solution, and our intellectual property for our customer service center and the competitive value associated with these Proprietary items, PSI utilizes physical and electronic security safeguards to protect against unauthorized access and reveals the Proprietary solutions only to those employees and third parties who have a need to view this Proprietary information. Additionally, our Proprietary solution provides a source of potential independent economic value by not being generally known to or ascertainable by proper means by those who might obtain economic value from the disclosure of the Proprietary solutions. PSI’s approach to software development practices and strategies along with our approach for connecting our customers to our infrastructure could be ascertainable from the Proprietary solutions included in the Proposal and would provide our competitors with valuable information regarding how PSI operates and how those competitors might best compete with PSI.</p>

<p>Project Work Plan / GANTT chart / Project Timeline (appended to 3.2.4 Tab 4: Bidder’s Approach to Meeting Deliverables section) – Pages 144-146</p>	<p>IOWA CODE ANN. § 22.7(3) (2011).</p>	<p>PSI requests that our Work Plan and related information be kept confidential as a proprietary trade secret and should not be disclosed by the by the State under <i>IOWA CODE ANN. § 22.7(3) (2011)</i>. PSI’s Work Plan constitutes a trade secret because it includes confidential business information that is a secret and is of value. We have taken reasonable measures under the circumstances to prevent the disclosure of this information and requests that our Work Plan not be disclosed in response to any Public Information Act request because they do not meet the definition of “public records”.</p>
<p>3.2.5.2 Personnel section – 3.2.5 Tab 5: Bidder’s Background Pages 176-178, 180-181, 183-186; Project Team Resumes, 3.2.5 Tab 5: Bidder’s Background (appended to 3.2.5.2 Personnel section), ALL Project Team Resumes</p> <p><u>Description:</u> Comprehensive Staffing Strategy (includes Corporate and Project Team Staffing Information, approach to staffing the project, and Resumes)</p>	<p>IOWA CODE ANN. § 22.7(3) (2011).</p>	<p>PSI requests that our key project staff, organizational charts, resumes, an approach to staffing the project (collectively, the “Comprehensive Staffing Strategy”) be kept confidential as a proprietary trade secret and should not be disclosed by the State under <i>IOWA CODE ANN. § 22.7(3) (2011)</i>. Disclosure of Key Project Staff may cause competitive harm, could give an unfair advantage to competitors, and would not be in the best interests of the public. Specifically, disclosure of Key Project Staff, organizational charts, and resumes would increase the risk that competitors would recruit Key Project Staff. Thus, disclosure of Key Project Staff, organizational charts, and resumes would discourage contractors from proposing the best people to provide services to the State of Iowa.</p> <p><u>Further Justification:</u> PSI’s Comprehensive Staffing Strategy has been supplied by PSI to the State of Iowa. The Comprehensive Staffing Strategy is the subject of reasonable efforts under the circumstances to maintain its secrecy. Indeed, PSI has revealed the Comprehensive Staffing Strategy only to those who need to know. Additionally, PSI incurred substantial costs with respect to recruitment of staff and structuring the Comprehensive Staffing Strategy. For this reason, the Comprehensive Staffing Strategy is of significant independent economic value. Clearly, it is not generally known to or ascertainable by proper means by those who might obtain economic value from its disclosure or use; and it would provide competitors with critical information regarding PSI’s proprietary staffing strategy.</p>

<p>3.2.5 Tab 5: Bidder’s Background, 3.2.5.3 Financial Statements section – Pg. 187-188; and appended audited financials – ALL Financial Statements</p> <p><u>Description:</u> Financial Information (including Financial Statements, and Financial Stability description)</p>	<p>IOWA CODE ANN. § 22.7(3) (2011).</p>	<p>PSI requests that our Financial Information be considered Confidential and Proprietary and should not be disclosed by the State under <i>IOWA CODE ANN. § 22.7(3) (2011)</i>. This includes our audited financial statements and any other descriptions of PSI’s financial stability. PSI submits that its proprietary and confidential audited financial statements, including the same of its parent organization, PSHI, and any information relating to financial stability of such (collectively, the “Financial Statements”), are properly classified as trade secrets and, therefore, general nonpublic data. As a privately held company, PSI’s Statements contain and are themselves confidential financial information, are secret, and are of value to PSI. PSI has taken reasonable measures under the circumstances to prevent the disclosure of the Statements and requests that the financials not be disclosed in response to any Public Information Act request because they do not meet the definition of “public records”.</p> <p><u>Further Justification:</u> PSI’s Financial Statements have been supplied by PSI to the State of Iowa. Our Financial Statements are the subject of efforts more than reasonable under the circumstances to maintain their secrecy. Specifically, the Financial Statements are known by auditors, employees, and others involved in PSI’s business only to the extent necessary for the analysis of PSI’s financial condition and the evaluation and implementation of a limited number of policies and procedures. Unrestricted access to the PSI Financial Statements is strictly limited. Additionally, few outside of PSI’s business have access to the Financial Statements, and those that do are under written confidentiality agreements. Additionally, the Financial Statements provide a source of actual independent economic value from not being generally known to those who could obtain economic value from their use. The value of the Financial Statements to PSI and our competitors is that they demonstrate PSI’s financial condition in tremendous detail. The specifics of PSI’s financial condition are not widely known and PSI does not willfully disclose these specifics. Further, as financial condition and stability is becoming an increasing basis upon which firms in our industry differentiate themselves, PSI Financial Statements provide a clear actual value to PSI</p>
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BID PROPOSAL CERTIFICATION

By signing below, Bidder certifies that:

- Bidder accepts and will comply with all Contract Terms and Conditions contained in the Sample Contract without change except as otherwise expressly stated in the Primary Bidder Detail Form & Certification;
- Bidder has reviewed the Additional Certifications, which are incorporated herein by reference, and by signing below represents that Bidder agrees to be bound by the obligations included therein;
- Bidder does not discriminate in its employment practices with regard to race, color, religion, age (except as provided by law), sex, marital status, political affiliation, national origin, or handicap;
- No cost or pricing information has been included in the Bidder’s Technical Proposal;
- Bidder has received any amendments to this RFP issued by the Agency;
- Bidder either is currently registered to do business in Iowa or agrees to register if Bidder is awarded a Contract pursuant to this RFP;
- The person signing this Bid Proposal certifies that he/she is the person in the Bidder’s organization responsible for, or authorized to make decisions regarding the prices quoted and he/she has not participated, and will not participate, in any action contrary to the anti-competitive agreements outlined above;
- Bidder specifically stipulates that the Bid Proposal is predicated upon the acceptance of all terms and conditions stated in the RFP and the Sample Contract without change except as otherwise expressly stated in the Primary Bidder Detail Form & Certification. Objections or responses shall not materially alter the RFP. All changes to proposed contract language, including deletions, additions, and substitutions of language, must be addressed in the Bid Proposal;
- Bidder certifies that the Bidder organization has sufficient personnel resources available to provide all services proposed by the Bid Proposal, and such resources will be available on the date the RFP states services are to begin. Bidder guarantees personnel proposed to provide services will be the personnel providing the services unless prior approval is received from the Agency to substitute staff;
- Bidder certifies that if the Bidder is awarded the contract and plans to utilize subcontractors at any point to perform any obligations under the contract, the Bidder will (1) notify the Agency in writing prior to use of the subcontractor, and (2) apply all restrictions, obligations, and responsibilities of the resulting contract between the Agency and contractor to the subcontractors through a subcontract. The contractor will remain responsible for all Deliverables provided under this contract.
- Bidder guarantees the availability of the services offered and that all Bid Proposal terms, including price, will remain firm until a contract has been executed for the services contemplated by this RFP or one year from the issuance of this RFP, whichever is earlier; and,
- Bidder certifies it is either a) registered or will become registered with the Iowa Department of Revenue to collect and remit Iowa sales and use taxes as required by Iowa Code chapter 423; or b) not a “retailer” of a “retailer maintaining a place of business in this state” as those terms are defined in Iowa Code subsections 423.1(42) & (43). The Bidder also acknowledges that the Agency may declare the bid void if the above certification is false. Bidders may register with the Department of Revenue online at:<http://www.state.ia.us/tax/business/business.html>.

By signing below, I certify that I have the authority to bind the Bidder to the specific terms, conditions and technical specifications required in the Agency’s Request for Proposals (RFP) and offered in the Bidder’s Proposal. I understand that by submitting this Bid Proposal, the Bidder agrees to provide services described herein which meet or exceed the requirements of the Agency’s RFP unless noted in the Bid Proposal and at the prices quoted by the Bidder. I certify that the contents of the Bid Proposal are true and accurate and that the Bidder has not made any knowingly false statements in the Bid Proposal.

Signature:	
Printed Name/Title:	Carroll Wallace, Chief Financial Officer
Date:	09-12-2011

Attachment C: Subcontractor Disclosure Form

(Return this completed form behind Tab 3 of the Bid Proposal. Fully complete a form for each proposed subcontractor. If a section does not apply, label it “not applicable.” If the bidder does not intend to use subcontractor(s), this form does not need to be returned.)

Primary Bidder (“Primary Bidder”):	Policy Studies Inc.
Subcontractor Contact Information (individual who can address issues re: this RFP)	
Name:	N/A - No subcontractor will be used
Address:	
Tel:	
Fax:	
e-mail:	

Subcontractor Detail	
Subcontractor Legal Name (“Subcontractor”):	
“Doing Business As” names, assumed names, or other operating names:	
Form of Business Entity (i.e., corp., partnership, LLC, etc.)	
State of Incorporation/organization:	
Primary Address:	
Tel:	
Fax:	
Local Address (if any):	
Addresses of Major Offices and other facilities that may contribute to performance under this RFP/Contract:	
Number of Employees:	
Number of Years in Business:	
Primary Focus of Business:	
Federal Tax ID:	
Subcontractor’s Accounting Firm:	
If Subcontractor is currently registered to do business in Iowa, provide the Date of Registration:	
Percentage of Total Work to be performed by this Subcontractor pursuant to this RFP/Contract.	
General Scope of Work to be performed by this Subcontractor	
Detail the Subcontractor’s qualifications for performing this scope of work	

By signing below, Subcontractor agrees to the following:

- 1. Subcontractor has reviewed the RFP, and Subcontractor agrees to perform the work indicated in this Bid Proposal if the Primary Bidder is selected as the winning bidder in this procurement.
- 2. Subcontractor has reviewed the Additional Certifications and by signing below confirms that the Certifications are true and accurate and Subcontractor will comply with all such Certifications.
- 3. Subcontractor agrees that it will register to do business in Iowa before performing any services pursuant to this contract, if required to do so by Iowa law.
- 4. Subcontractor does not discriminate in its employment practices with regard to race, color, religion, age (except as provided by law), sex, marital status, political affiliation, national origin, or handicap;

The person signing this Subcontractor Disclosure Form certifies that he/she is the person in the Subcontractor’s organization responsible for or authorized to make decisions regarding the prices quoted and he/she has not participated, and will not participate, in any action contrary to the anti-competitive obligations agreements outlined above.

I hereby certify that the contents of the Subcontractor Disclosure Form are true and accurate and that the Subcontractor has not made any knowingly false statements in the Form.

Signature for Subcontractor:	N/A
Printed Name/Title:	
Date:	



3.2.4 Bidder's Approach to Meeting Deliverables (Tab 4)

The bidder shall address each Deliverable that the successful contractor will perform as listed in Section 1.3 (Scope of Work) by first restating the Deliverable from the RFP and then explaining the bidder's planned approach to meeting each contractor Deliverable immediately after the restated text. Bid Proposals shall be fully responsive and must not merely repeat the Deliverable.

Bidders are given wide latitude in the degree of detail they offer or the extent to which they reveal plans, designs, examples, processes, and procedures. Bidders do not need to address any responsibilities that are specifically designated as Agency responsibilities.

Note:

- *Responses to Deliverables shall be in the same sequence as presented in the RFP.*
- *Bid Proposals shall identify any deviations from the requirements the bidder cannot satisfy.*
- *Bid Proposals shall not contain promotional or display materials unless specifically required.*
- *If a bidder proposes more than one method of meeting the RFP requirements, each method must be drafted and submitted as separate Bid Proposals. Each will be evaluated separately.*

In addition to addressing the Scope of Work outlined in Section 1.3, bidders must submit the following draft documents behind Tab 4.

- *Work Plan*
- *Training Plan*
- *Project Timeline*
- *Screen Shots*
- *Sample reports*



PSI's solution for the administration of Iowa's Electronic Health Record (EHR) Provider Incentive Payment Program (PIPP) begins with a system that is comprehensive in scope, cost effective and quick to implement. PSI's solution meets the technological guidelines as defined by the Health Information for Economic and Clinical Health (HITECH) Act and is designed to be configurable so that it can support multiple states with the robust functionality required by CMS. When coupled with our high quality staff and a turnkey data center hosting and telecommunications solution, PSI's approach provides the system tools and technical infrastructure for the administration of the program.

The use of PSI's existing foundational system and hosting environment as the basis for the Iowa EHR PIPP solution enables a 3-month configuration timeline and a full month of implementation readiness testing. This extended testing period allows the State to ensure data conversion activities are completed as required and Stage 1 Meaningful Use functionality is ready for providers beginning Year 2 of the program. It also allows the system development team to focus on those areas of the system that must be configured to work within the Iowa environment including interfaces with the MMIS, the OnBase imaging system and data warehouse to facilitate payment processing and patient volume verifications.

The healthcare community has historically considered the cost of implementing Health Information Technology (HIT) as the primary obstacle to greater adoption and use. The American Recovery and Reinvestment Act (ARRA) through its Health Information Technology for Economic and Clinical Health (HITECH) Act changed how providers view investment in HIT and electronic health record (EHR) functionality. The ARRA HITECH legislation provides substantial incentive payments for eligible professionals (EPs) and hospitals to adopt and be considered meaningful first time users of certified EHR, or to advance the capabilities of their existing systems. It also affords states and their Medicaid providers with a unique opportunity to leverage existing efforts to achieve the vision of interoperable information technology for healthcare

CMS has publically indicated that Medicaid EHR Provider Incentive Payment Program must not simply disburse payments, but provide appropriate levels of information and support to providers at all levels of EHR adoption so they may achieve meaningful use within the second year of joining the program. PSI knows that a "one-size-fits-all" approach for the EHR PIPP system will not meet the needs of Iowa's health care practices; the EHR PIPP must be designed to meet each practice where they are in terms of HIT maturity, and provide communications mechanisms that support the various providers. PSI has an extensive history of creating and operating web-based systems structured for external participation, and we are prepared to help Iowa implement an administration infrastructure that enables strong EHR PIPP participation (and meaningful use) by all types of health care providers for the life of the project.



PSI is an early participant in all activities related to the EHR PIPP. We supply Provider Services operations staff for the Iowa Medicaid Enterprise (IME) to support the program. We are also currently implementing the system to support the EHR PIPP in the State of Tennessee. TennCare, the agency that oversees the State Medicaid program, began their program rollout using an in-house developed solution to support the EHR PIPP similar to the approach in Iowa. As one of the first states to implement an EHR PIPP and begin registration, Tennessee had a head start in the identification and registration of EPs and hospitals for the program and in setting up an in-house team to support the various business processes. However, it quickly became apparent that Tennessee needed additional functionality to operate their program more effectively. This included the need to provide a web-based method for providers to attest, elimination of the manual work effort in receiving and processing attestations, and eliminating the burdensome maintenance and of their current system. Tennessee turned to PSI to put in place the long-term solution for the administration of the EHR PIPP that included:

- ◆ Provider web portal
- ◆ ongoing registration
- ◆ payment processing
- ◆ auditing
- ◆ appeals
- ◆ reporting
- ◆ integration with the other Medicaid systems
- ◆ meaningful use reporting and verifications

Leveraging our in-depth Government Health operations experience and utilizing the lessons learned from our health and human services systems projects, PSI developed our EHR PIPP solution that we offer to Iowa to assist in program administration. PSI designed the system as a multi-state solution using simple and straightforward business processes and technologies because we understand the cost, schedule and staff constraints under which states operate. We also realize the need to deploy this application quickly and efficiently to assist providers and states in administering the EHR incentive payment program.

The result is a comprehensive solution and approach that allows the complete configuration required for Iowa within 90-days from contract start and a full 30-day Implementation Readiness Test to prepare for full production. Tab 4 contains our detailed project plan for the implementation of the Iowa EHR PIPP solution, taking into account the RFP requirements and the specific implementation timeframes necessary. Exhibit 3.2.4-1 shows the high-level timeline for the project.

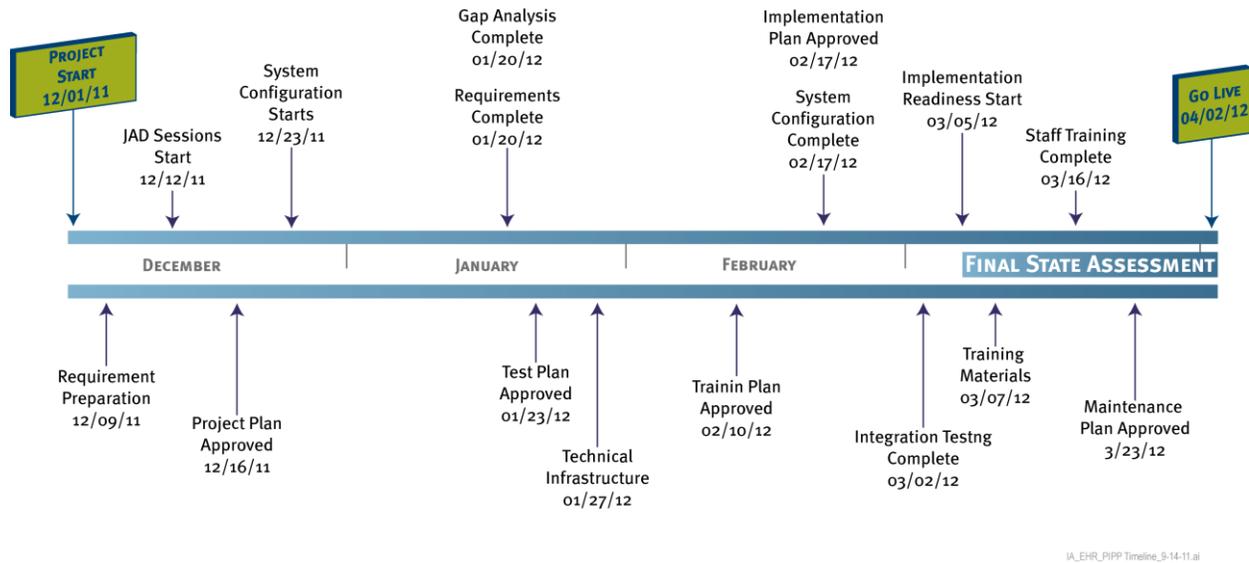


Exhibit 3.2.4-1: High Level Timeline.

We believe that in partnership with the Iowa Department of Human Services and the Iowa Medicaid Enterprise, we can implement a comprehensive solution, allowing the State to continue to successfully administer acquire, implement or upgrade (AIU) incentives, but also includes the functionality required for meaningful use and capture of clinical quality measures.

To meet the full program and operational components of the EHR PIPP, we have based our solution strategy on the following items:

- ◆ Provide a web-based application that can be deployed via the internet for both internal and external users using Hypertext Transfer Protocol with the SSL/TLS protocol to provide encrypted communication and secure identification,
- ◆ Allow providers to utilize the web application for registration, attestation, information gathering and payment status without the need for phone or other interaction,
- ◆ Include automatic electronic notifications to providers along the entire program lifecycle including application status, the need for additional information, reminders of submission requirements, and other notifications that may be required by the State to keep providers on track with achieving meaningful use criteria,
- ◆ Integrate all current CMS requirements for the EHR PIPP,
- ◆ Provide a configurable solution that can quickly be adapted to CMS and state requirements as they change and are finalized throughout the lifetime of the program,
- ◆ Include interfaces with the state MMIS, licensing and other systems to facilitate meaningful use auditing and payment processing,



- ◆ Align the application to support service delivery options such as call centers, targeted outreach and regional extension center (REC) coordination, and
- ◆ Use a technology platform based on industry standard products that provide low development and maintenance costs.

The sections below detail the components of our solution and describe how they meet the Iowa's requirements. We also describe the benefits provided to Iowa by using our solution as the basis for the administration of the EHR PIPP. We structured our response in accordance with Sections 1 – Background and Scope of Work and Section 3 – How to Submit a Bid Proposal: Format and Content Requirements as defined in the Request for Proposal (RFP) and specifically addressed each bulleted response point in the sections below.

PSI'S SOLUTION FOR IOWA: ALIGNING THE PROJECT APPROACH TO MEET PROGRAM OBJECTIVES

PSI has developed a solution for the administration of the State of Iowa's EHR PIPP that is comprehensive in scope, cost effective and quick to implement. PSI's solution meets the technological guidelines as defined by HITECH and has the robust functionality required by CMS. Our solution includes tools to aid provider engagement, facilitate information gathering and data sharing with providers and self-service support. The result is fast and efficient provider registration and meaningful participation in the program.

Our solution uses the knowledge gained from our EHR PIPP engagements, our Medicaid support contracts and our industry expertise. Our goal is to provide states with options on to how best to implement their EHR PIPP to achieve maximum participation and the flexibility to change approaches without completely reworking the solution. For Iowa, we will host the application and technical infrastructure, removing IT support burdens from Iowa, providing a fixed price for the entire contract period for all aspects of the solution that reside on our environment. This approach provides Iowa with a software as a service (SaaS) solution which includes system support, software upgrades and warranty along with the technical infrastructure. This will alleviate the need for complex service agreements and ensure the State understands their full contract liability for all years of the program.

The figure below depicts the components of the overall PSI service offering and highlights the components that we propose for Iowa. We are able to offer the State extensive flexibility to pick and choose the services that best align with your vision. Exhibit 3.2.4-2 shows all components of the PSI EHR PIPP solution.



This diagram contains confidential information and has been removed.

1.3.1 DELIVERABLES

The Contractor shall provide a system that will manage all aspects of the EHR incentive program. The Contractor will be obligated to provide the following, although the Contractor's obligations may not be limited to the following:

PSI based our system for the EHR PIPP on the requirements from CMS as defined in the final rule, FAQs and additional guidance provided. We have coupled this information with the practical knowledge we gained from our EHR PIPP engagements to build a system that supports currently known requirements. Our design incorporates a meaningful use platform that ensures providers are able to capture the necessary information in the prescribed timeframes required to receive meaningful use incentive payments.

The PSI EHR PIPP system was developed to manage all aspects of the EHR PIPP and contains a web-based application that supports all functions necessary to administer the EHR PIPP using a sound technical architecture built for efficiency and cost effectiveness. Our solution includes the following functionality:



- ◆ **Registration** – web-based self-service application that allows providers to review and validate their CMS National-Level Repository (NLR) information; answer attestation questions, upload required documentation, view a list of correspondence and view payments and payment status.
- ◆ **Attestation** – web-based self-service functions to support attestation for program qualifications; adopt, implement or upgrade (AIU), and all stages of meaningful use.
- ◆ **Meaningful use tracking** – functions to collect and validate Stage 1 meaningful use objectives for payment processing and configurable functions to allow Stage 2 and 3 objectives to be added once they are defined.
- ◆ **Clinical quality measures** – functions to support gathering of this information for use in payment processing and configurable functions to allow Stage 2 and 3 measures to be added once they are defined.
- ◆ **Attestation review** – processes that allow State or outsourced workers to review the information submitted by the provider and approve, deny or send back for more information.
- ◆ **Payment processing** – initial and out year payments allowing configuration for the amounts being paid to providers and appropriate interface file to the State’s MMIS system.
- ◆ **Audit** – flexible process for pre-pay and post-pay auditing that can be adapted to the final regulations and requirements of the State.
- ◆ **Appeals** – flexible processes that are easily adapted to the policy implemented by the State.
- ◆ **Reporting** – flexible reporting interface that can be customized for Iowa’s specific needs.

In addition to these business processes, the system also includes interfaces to external sources including:

- ◆ MMIS/Data Warehouse – support patient volume validation and payment initiation and status.
- ◆ CMS/NLR – provide registration information and outbound information required by CMS including payments.
- ◆ ONC/CHPL – validation of certified EHR technology.

Exhibit 3.2.4-3 below, depicts the functional components of our solution.



This diagram contains confidential information and has been removed.

The sections below provide a specific response to each sub bullet under the first requirement of RFP Section 1.3.1. We intend to complete the required implementation activities required to provide a fully functional production system that supports the administration of the EHR PIPP for the life of the program.

Requirement 1 – Provider Web Portal: Simple and Efficient Interaction based on Business Process and Workflow

1. Provide a web portal for provider attestation. The portal must:

A key design feature of our solution is the web-based user interface. Modern applications typically utilize web technology and we believe it is important to utilize a web-based user interface as part of our solution. The Web portal provides communication, data exchange, and self-service tools to the provider community as well as supporting the State operations staff. This web site is the central point for accessing



the application both internally and externally. User and role-based security is embedded in the application to control what functions are allowed and what components of the application are accessed.

The Web site will adhere to following standards:

- ◆ HTML 4.0
- ◆ CSS 2
- ◆ HTTP 1.1
- ◆ XHTML 1.1
- ◆ SSL 3.3 (AKA TLS 1.2 and/or HTTPS, 128 bit encryption level)
- ◆ Section 508 compliant

The web portal consists of both public and secure areas. Secure areas require a valid user name and password to gain entry. The public area contains general information, such as program awareness, notices and forms or can be integrated with an existing Provider portal or State EHR page. Exhibit 3.2.4-4 below provides an example of the web site launch pad and its components.

Internal users are directed to the internal application while external uses are directed to the provider portal from this page. During the Gap Analysis phase, we will finalize the format and content of the web site so the example below may differ from the final production version as PSI and the State of Iowa work to refine the requirements for the EHR PIPP application.

This screenshot contains confidential information and has been removed.



Requirement 1a

- a. Allow for secure authorization and authentication of the provider.*

To ensure that providers are properly authenticated, the PSI EHR PIPP system is designed to require providers to submit information that will help ensure that they have the necessary credentials to access the provider's specific information and to submit attestations. The first step in the EHR PIPP registration process is registration with the CMS Registration Site, internally known as the NLR. This site is the federal database that verifies basic provider information prior to notifying State Medicaid programs of a provider's intent to participate in the Medicare and Medicaid EHR Incentive Program.

The NLR provides a daily batch feed (B6 interface) of new eligible professionals (EP) and eligible hospitals (EH) that have signed up for provider incentive payments, as well as updated or cancelled registrations. The system uses the information from the B6 interface batch file to create workflows to begin the state registration and attestation process. Upon the successful load of information from the B6 interface file, the system will generate a B7 response file to the NLR. The system will automatically send an email notification to the provider based on the email address received on the B6 to instruct EPs and EHs regarding the state registration process and to guide them to the program site to create their user ID.

To securely register with the State is a two-step process. The provider must be able to provide their NPI, Tax ID and the CMS Registration Number received when registering with the NLR, thus providing additional validation that the registrant is the actual provider, and the provider has successfully registered with the NLR. Any user unable to provide these credentials will not be allowed to register. Exhibit 3.2.4-5 below shows the screen used by provider to begin the registration process.

This screenshot contains confidential information and has been removed.



Once these credentials are validated against the B6 interface files received from the NLR, the user is allowed to completed the registration process and create a user ID, password and secret question and answer. Exhibit 3.2.4-6 below shows the New User screen.

This screenshot contains confidential information and has been removed.

The system then performs one additional validation step in the registration process. The system sends an email to the provider at the address received in the B6 interface file with an account activation address. The account remains inactive until the provider clicks a link embedded in the email to activate the account.

After the provider has activated their account, they are allowed to login and begin the attestation process. The PSI EHR PIPP system allows user access to the system based upon security roles. An approved provider will only be authorized to access provider system functions against its own data.

Requirement 1b

b. Display a provider identifier on each screen and printed pages.

Ease of use is a feature in the PSI EHR PIPP system. In order to provide constant information to the various workers, PSI uses a standardized header that includes key information about the provider. The goal is to provide both providers and state workers with the information necessary not only to identify the provider but also to use external systems directly during verification processes.



Exhibit 3.2.4-7 below shows the current header used in the Provider component of the EHR PIPP system, in the Current Case box. This header appears on the main web pages displayed to providers, where there is a need to show the information reported at the NLR. The header clearly identifies the provider by name and various IDs in the header.

This screenshot contains confidential information and has been removed.

The AIU and MU questions do not show this information as they are created dynamically and display above the main page allowing the provider access to the information. An example of this is show below under requirement Section 1e. In addition, any printed web page or report that is directly related to an individual provider will display the provider IDs and name, as well as any other pertinent information. However, some reports may be statistical in nature, in that they may list summarized data as to the aggregate costs of the program or counts, or averages. These types of reports may not list an individual provider ID.

PSI will work with the State during Requirement Validation to finalize the web page design for the provider pages. The web page and report design are driven by the needs of the end user with regards to specific requirements for the particular user interface. PSI will ensure that the provider ID appears on any user interface or report in which it is required.

Requirement 1c

- c. Pre-populate with Information from the CMS NLR and the Medicaid Provider Directory*

The PSI solution includes all interfaces provided in the CMS NLR. Data files are received daily from the NLR in the form of daily batch feeds. Data files are copied from NLR to the database server by means of



a Secure File Transfer Protocol (SFTP) client/server or they can be copied into a shared directory on the database server if required by Iowa. A log of each file transfer is kept on the database server as an audit trail for the NLR data exchange and the staging tables provide additional audit capabilities and the ability to look at the full history of files for an application online.

NLR data files are imported into staging tables to collect the exact information from the incoming files. The NLR import itself is accomplished using a mixture of Altova MapForce data maps and SQL Server Integration Services (SSIS) package import jobs that will run daily based on the CMS schedule. The console jobs call the Altova maps to load the staging tables and then use an individual import stored procedure for each incoming file. The stored procedure will load Extensible Markup Language (XML) files by a Structured Query Language (SQL) bulk load function and parse them using XML Path Language (XPath) while saving the data to the production tables for use in application processing.

In addition to the information provided by the NLR, we will use information about the provider from daily extracts from the provider master file used in Iowa. We will address data requirements during Requirements Validation and determine if new database fields or data edits are required in the load processes to accommodate the repository information.

Ultimately, the information in the staging tables is used to pre-populate fields in the EHR PIPP system to reduce manual input from state workers and providers. Exhibit 3.2.4-8 shows the information displayed on the Provider Information page that came from the B6 interface file received from the NLR. Key data fields such as provider name, NPI, tax ID, Payee NPI, Payee Tax ID, provider type, CMS registration ID and EHR certification number are pre-populated on the provider's attestation screens so they do not have to be reentered. Email addresses are used to send automated registration and information requests to the provider.



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Requirement 1d

d. Allow attestation based upon the provider type and year of the program participation

The heart of PSI's EHR PIPP system is the ability for providers to attest to Adopting, Implementing, or Upgrading (AIU) or Meaningful Use (MU) of an electronic health records system. PSI's EHR PIPP solution is designed to give eligible professionals (EPs) and eligible hospitals (EHs) the tools needed to attest to AIU and MU criteria and allow them to upload supporting documentation as necessary. The system is built on a hierarchy of questions that allows the eligibility criteria to be examined based on provider input and includes the following:

- ◆ **Program eligibility** – to ensure program eligibility, EPs and EHs must submit eligibility information on a yearly basis regardless of their type or prior year eligibility. This hierarchy of questions begins with the basic questions asked during AIU attestation and continues every year with providers verifying patient volume, eligibility and EHR utilization.



- ◆ **Program and Calendar Year Identification** – the system records both the program and calendar year for each attestation. This ensures the proper program edits are being used against the attestation and the proper payments are being made. This also triggers the attestation requirements for the next program year.
- ◆ **Program Year Verification and Notification** – providers will receive an e-mail when they are eligible to attest for the next program year. The system includes checking based on the last program year in order to “unlock” the attestation process. Until they are eligible to attest, providers will not be allowed to answer attestation questions or submit attestations for payment.
- ◆ **NLR Updates** – providers can opt to begin the program until 2016, move from Medicare to Medicaid or from one Medicaid state to Iowa. Our system will process B6 information and ensure we accurately reflect the program and calendar year. This information will be used to trigger the attestation requirements for the program year. We also use the C-5 transaction to deem EHs as meeting MU requirements for a specific program year. This will be reflected in our system and used for payment processing.
- ◆ **NLR Verification** – it is possible that a provider could change to Medicare, from Medicare or from another State to Iowa. In these instances, B6 transactions should be received and the proper program year will be reflected in our EHR PIPP system controlling the attestation process. However, in the event a transaction is not received, our system will also utilize the B16 authorization process to ensure payment can be made.
- ◆ **Provider Type Processing** – the PSI EHR PIPP system is designed around making payments to EPs and EHs based on specific payment methodologies for each type. Each provider type is collected by the system and the attestations placed in workflows specific to the provider type, program year and for eligible hospitals the attestation type and information on MU received from CMS. We also include subtype processing for pediatricians that have between 20-29 percent Medicaid patients to ensure correct payments are made.

Attestation processing is the core function of the EHR PIPP system. The PSI EHR PIPP system is built around managing the specific requirements for a program year and ensuring the correct payments are processed based on this information. We track all program years processed or received from CMS and accurately reflect how payments will be made to the providers.

We utilize system processing, edits and electronic notifications to the maximum extent possible so the provider will receive an email when they can begin attestation for a program year and the specific requirements for eligibility. The notification process directs the provider to gather the appropriate documentation and to complete the attestation process on the EHR PIPP Web site.

Our system creates a workflow for providers that guides them through the attestation process. For each provider type the system will select the appropriate AIU, meaningful use and quality criteria. The system



then dynamically creates the questions the provider must answer and specifies the information that must be reported. At the end of the attestation process the provider will be asked to digitally sign a state approved legal statement agreeing that the information provided is true, accurate and complete.

The attestation processes for AIU and MU are detailed in Requirements 1d, 1e and 1f below. We will review the current workflows developed for our solution during the Requirement Validation and ensure they correctly align with the decisions made during those sessions.

Requirement 1e

e. Permit attestation for Adoption, Implementation, or Upgrade to certified EHR products

Medicaid providers do not need to meet meaningful use criteria in the first participation year IF the provider is attesting to adopting, implementing, or upgrading EHR. However, meaningful use criteria must be met in subsequent years.

- ◆ Adoption – acquired certified EHR technology (e.g., evidence of purchasing or securing access to certified EHR technology)
- ◆ Implementation – began using EHR (e.g., staff training, data entry of patient demographic information on EHR)
- ◆ Upgrading – expanded EHR (e.g., upgraded to certified EHR technology or added new functionality to meet MU)

The attestation process gives real insight into the power of PSI's EHR PIPP system. PSI designed the system with the needs of the provider community in mind. Much of the information required for AIU attestation is based specifically on program eligibility and patient volumes. The PSI solution includes a set of questions that must be answered by providers for AIU, and we use these same questions to determine eligibility for meaningful use providing for continuity across the program years in order to ensure continued eligibility. These questions are shown on different pages based on the type of data being collected, and guide the provider through the attestation process. Exhibit 3.2.4-9 shows the EP Provider Attestation screen and the different questions pages that must be answered for EP attestation for AIU.



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The attestation process is based on a set of questions, presented in a logical, easy-to-follow manner. Some questions are created dynamically based upon cross edits built into the system, thus providers and the state workers that review the attestation are not subject to questions that are not pertinent to the process.

In addition, where necessary, the system will automatically ask for additional detail from the provider. For example, if a provider indicates that he has Medicaid patients from other states the system will prompt the provider for specific counts of patient encounters and their individual Medicaid number from that state. This extra bit of information makes it easier for the state worker to validate the provider's eligibility for incentive payments and speeds up the process of issuing payment.

Edits and cross-edits are included in every attestation screen. The system automatically validates the reported EHR system's certification number received on the B6 transaction against the Certified HIT Product List (CHPL) database. In the Tennessee system, the provider is not allowed to continue without a valid EHR number; however, this can be configured according to Iowa rules. Other types of dynamic cross-edits include:

- ◆ Automatic adjustment of patient volume requirements if a provider indicates they are a pediatrician and have between 20-29% Medicaid patient volume.
- ◆ The inclusion of "needy individual" criteria if a provider practices in an FQHC or RHC.
- ◆ Ability to differentiate between providers attesting to group or individual patient volumes and requiring all providers in a group to attest in the same manner.
- ◆ Capture of additional business addresses if the provider indicates he practices at more than one location.



- ◆ Edits to ensure the 90 period selected for patient volume attestation is in the previous calendar year for eligible professionals and previous fiscal year for eligible hospitals.
- ◆ Data edits based on field sizes for known fields.

At every step in the process, the system allows the provider to upload required documentation directly from the Web site and in many instances, requires specific documents to be uploaded to continue the process. Once a document is uploaded, it is stored in the system and available immediately for State review.

Providers are guided by the system to answer a series of questions and upload documents supporting the provider's attestation of AIU or MU. The first series of questions relate to Medicaid program participation, demographic and state specific information that was not included in the data received from the NLR or found in the provider repository. This information is then used to validate the provider's eligibility for incentive payments, and as described above can be configured to gather specific information needed by the State.

The screens below illustrate a sample EP attestation. Exhibit 3.2.4-10 shows the Provider Questions screen which includes general information about the provider. The provider is asked to provide license number, disclose sanctions, provide a billing NPI among other information.

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It is important that the State capture the information required to validate program eligibility as quickly and easily as possible in order to avoid provider confusion and speed the acceptance process. Exhibit 3.2.4-11 below shows additional provider questions that we capture during attestation. We have included items such as multiple locations to assist the State in validating patient volumes and payee information. Our design allows end users to scroll through the page to access and answer all required questions.

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After completing the provider information, the provider answers EHR questions in which they attest to utilizing EHR technology and further describe the EHR system that they reported as using at the NLR to meet program eligibility. Exhibit 3.2.4-12 below shows the EHR Questions that must be answered. The current system configuration does not allow a provider to continue the attestation process if they either did not report an certified EHR system at the NLR or the number provided does not match the CHPL system.

This edit was put in place to ensure the provider had a certified system in place before the attestation was reviewed because of the high number of NLR registrations that can be received without a certified product in place. In addition, Tennessee found it necessary to ensure the contract matches the EHR Certification number so the provider is required to input a description of the system and to upload an invoice or the first and signature page of the contract.



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The final step of the AIU attestation is to have the provider attest to patient volume. Exhibit 3.2.4-13 below shows the Patient Volume screen. The provider is required to enter the start date of the attestation period chosen and the system calculates the 90-day period automatically. Depending on the answers to some of the provider questions, additional information may be required. For example, if the provider answered that they worked in an FQHC or RHC, they must answer whether they plan to use needy individuals and if so, how many. Other examples include patient volumes for other states.

The system uses the information entered by the provider to calculate patient volume and to ascertain if the provider met the minimum thresholds to be eligible for an incentive payment. Configurable business rules drive the questions presented to the provider and some answers to the Provider Questions impact the calculations (e.g. practicing in an FQHC or RHC allows needy individuals to be used in the numerator). The system creates an initial, rules-based determination of the provider's qualification for incentive payments and either allows the provider to proceed or displays a message on why program eligibility is not met. Providers are allowed to make changes to the attestation including the 90-day period but this information is tracked and used to flag applications for audit review.



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Once the provider has completed the attestation questions and the system has determined the questions meet basic program eligibility rules, the system allows for the electronic attestation of the completed application. Exhibit 3.2.4-14 below shows how the provider completes this simple process through the submission button.

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Once the attestation is submitted for review, a series of legal statements is displayed and the provider must agree they are completing the application according to applicable state and federal regulations. Exhibit 3.2.4-15 below shows a sample of the electronic signature used within the EHR PIPP solution.

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Once the provider completes the attestation, the system initiates a Work Queue Item for the state worker to validate the information provided. The provider does not need to interact with the system any longer unless additional information is requested. The communication process occurs via email depending on the status of the review and is described in the Administration Tools section below.

Requirement 1f

f. Permit Attestation for Meaningful Use

The Meaningful Use (MU) attestation process begins with the program eligibility questions answered as part of the AIU process described above. The same eligibility requirements for Medicaid program participation, certified EHR system use and patient volume are applicable for MU reporting and so the same questions will be included in MU reporting. However, the submission process will require the core, menu and clinical measures to be reported prior to the attestation being processed. In keeping this hierarchy of questions intact, the State can assist providers in understanding their program eligibility prior to the detailed MU reporting that is required.

The PSI solution includes configurable question lists that support Meaningful Use and Clinical Measures reporting and provides cross-editing of questions and answers to minimize data entry and rework. We are



currently working on implementing our solution for meaningful use attestation and related functions in Tennessee. We have completed the requirement sessions and system design for this functionality and are in the development and testing process. We are on schedule to complete the development according to the project plan and anticipate a production roll out of the functionality in October, before the start of the Iowa EHR PIPP project. We will provide all screens and reports related to meaningful use attestation as required for contract start.

In order to receive and continue to receive incentive payments, providers must achieve and maintain a set of meaningful use measures as defined by CMS. Meaningful use employs a three-stage approach, with each stage building on the proceeding stage.

- ◆ Stage 1 – 2011: Data capture and sharing
- ◆ Stage 2 - 2013: Expand upon the Stage 1 criteria to encourage the use of health information technology for continuous quality improvement
- ◆ Stage 3 - 2015: Expand on Stage 3 with a focus on promoting improved outcomes in quality, safety, and efficiency

We have designed our meaningful use functionality to allow both manual entry of the answers by EPs and EHs using the web portal, as well as framework for the automated interaction with provider EHR systems to provide both the measures and required information. While the automated reporting of the measures requires standardized formats, we have taken the NLR C-5 transaction as an example of how to format the XML for inbound transactions for our framework. We anticipate automation of the reporting process for Stage 2 MU as we expect CMS will implement standardized reporting transactions. We will provide this upgrade to Iowa as part of our service contract.

Our MU reporting functionality is based on hierarchy of questions in the core, menu or clinical measures sets. Core measures must all be answered and are presented in a format that allows providers to exclude or report on the measure. Business logic is included to edit the responses and provide edits to the provider if the system can determine incorrect information was entered. For menu measures, the provider must select the appropriate number of measures and the reporting questions are built dynamically so that only the questions being selected are shown. The system includes business logic based on exclusions and answers in a similar fashion to the core measures.

We have also included functionality that allows the selection of the clinical measures that will be met. Based on the selections made by the provider, the clinical quality measure questions are dynamically created and displayed for the provider to complete. Depending on the selections and exclusions, the system may require additional clinical measures to be selected. Business logic edits the information entered and determines whether the provider can proceed with the submission process.



Our solution includes all the implementation and system support functions required to meet each phase of meaningful use, including system configuration changes, business process changes, attestation, payments, and reporting.

Requirement 1g

g. Have the ability to deem a hospital as meeting meaningful use for Medicare.

CMS requires that hospitals that are qualified to receive payments for both Medicare and Medicaid attest to meaningful use on the Medicare Incentive program hosted by CMS. Furthermore, CMS has ruled that if the hospital has successfully attested to meaningful use in the Medicare system that the state must also deem the hospital as meaningful users of certified EHR technology. The PSI solution supports this process through the use of the C-5 interface with the NLR.

In this process, the dually eligible hospital will submit its attestation to CMS via the Medicare attestation module. CMS will make a determination as to whether or not the eligible hospital meets the criteria for meaningful use. If the hospital is deemed to be a meaningful user of EHR technology the NLR will send a C-5 interface files to the Medicaid state chosen by the EH. Included in the data passed to the state in the C-5 file is the hospital identity information, the attestation status (accepted, rejected, cancelled, etc.), the program and payment year, the EHR reporting period, as well as details on the MU objectives to which the hospital has attested.

The PSI EHR PIPP will accept this information and deem the EH as meeting the MU objectives. A work queue item will be created to place the EH in the workflow for payment processing, either manual or automatic based on Iowa's requirements. The payment will be processed based on the payment calculation made during Program Year 1.

Requirement 1h

h. Provide a hospital calculator to determine EHR incentive payment amounts.

Eligible Hospitals (EHs) use the pricing methodology defined by CMS. Using our experience in Tennessee, we have implemented the payment methodology defined by CMS in the final rule as part of the EH attestation process. We have reviewed the calculations in the multi-state calls and through the fiscal unit in Tennessee. Having shared our calculations with numerous states including Iowa, we believe the payment methods we use are correct and meet the final rule requirements.

During attestation, EHs are required to answer additional questions after they report on patient volume. They must identify the report (JAR or CMS) they are using to get their discharge, days, and charge information and enter the corresponding information on the Payment Estimate Questions page shown in Exhibit 3.2.4-16 below.



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Once the required information is entered, the provider uses the calculate button to display the various percentages and the 3-year payment amounts. Exhibit 3.2.4-17 below provides an example of the estimated payments based on the information entered. The three-year payment information is shown on the same screen as the based discharge data. Once the calculated amounts are shown, discharge information cannot be entered unless the process is cancelled. This ensures there is no confusion on the amounts.

While these 3-year payment amounts are not final until the attestation is approved, we have found that providing this information is very important to hospitals, and displaying it as part of the attestation process is helpful in avoiding unnecessary calls to the provider call center. In addition, the only changes to the payment amounts that were originally shown to the provider will be made if incorrect information was entered by the provider. If this occurs, the State will require the provider to change the data and re-attest, ensuring the provider sees the correct amounts.



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While all three-payment amounts are shown to EHS, payment will only be made when the attestations are approved for each program year and approval has been received from CMS to process the payment.

Requirement 1i

- i. Allow the provider to upload supporting documentation.*

An integral part of the PSI EHR PIPP system is the ability for EPs and EHS to upload documentation to support their attestations for AIU and MU. Each attestation page in the EHR PIPP system is designed to help guide the provider through the questions, and each provides a link to upload electronic documents for the worker to review. Through edits, the system ensures that required documents are uploaded and provides lists of the types of documents that are necessary in order to prevent the inclusion of non-pertinent information

Exhibit 3.2.4-18 below shows an example of an EP attesting to patient volume. At the bottom of the attestation window is a button that allows the provider to upload supporting documentation.



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Not only providers can upload documents, the system also allows state workers to upload documents that may have been received on paper or via fax. The functionality works in the same fashion across the system, regardless of the type of user performing the upload.

As documents are uploaded, they are tied directly to the attestation to which they are related, and each document has a type so that the worker can quickly determine which documents are important during reviews, audits or appeals. The upload function is prevalent in all system functions, standardized across the application, and is stored directly within the provider's attestation. During Requirements Validation, we will work with the State to determine how the OnBase solution will be integrated so that documentation can be stored in that system and directly accessed for the EHR PIPP system.

Requirement 1j

j. Provide information about application status

PSI designed the EHR PIPP solution to provide instant feedback to the provider on the status of their application and payments. The provider main page contains a dashboard that displays the following information:

- ◆ Global edits – the system is configured with global edits that must be met before the provider can continue with the attestation process. For example, if the EHR certification number for the



provider's EHR package was not entered at the NLR, a global message is displayed to add the information before the provider can complete the attestation questions.

- ◆ Communication Grid – a list of all correspondence created by the system is displayed for the provider along with the date and the ability to view what was sent.
- ◆ Payment Information – a payment grid is displayed for the provider so all program payments by Program year can be seen at a glance.
- ◆ Attestation status – the current status of the attestation is shown on the main screen and the header of the attestation screen. The status is customized to program year and reflects the work queues defined for the entire program.

Exhibit 3.2.4-19 below shows the Provider Dashboard where all system functions begin.

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In addition to the dashboard, the system is designed to provide information on the status of a provider's application for incentive payment through a variety of mechanisms. From the perspective of the provider, the Web portal displays the status on the provider's home page, as well as on the Provider Attestation page. Additionally, the system generates automatic email notifications at several points throughout the attestation/review process to inform the provider of the status of the application. Exhibit 3.2.4-20 below shows an example of the provider's view of the attestation page that shows the status of the application for incentive payment, as well as the detailed status for each EHR criteria.



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The state worker is kept apprised of the status of an application through several mechanisms. The work queue displays the status of every provider in the queue. The worker and the provider have a similar view of the attestation page, which shows the overall status, as well as detailed status for each EHR criteria. Additionally, the header that displays a provider information on each screen includes the current status and the date upon which that status was achieved.

Requirement 1k

k. Issue electronic notices of denial, with information on how the provider may re-apply.

We have designed the EHR PIPP system to include electronic notifications to providers during the entire program lifecycle including notifications for changes to application status, the need for additional information, reminders of submission requirements, and other points that help the State keep providers on track while attesting to AIU or MU. In the case of a denial, the system allows a state worker to select the reason for the denial from a drop-down window. Once the attestation is finalized by the state worker (see administration functions section below), the system creates a B7 denial transaction to inform the NLR and automatically generates an email notification to the provider that includes dynamically created messages specific to the reason for the denial. This message can provide information on how the provider may re-apply for incentive payments or inform the provider of the appeals process.

PSI designed the system with provider collaboration in mind. Because the EHR PIPP program is so new and can be difficult for some providers to understand, we included a function in the system that allows an attestation to be returned to the provider for additional information rather than through a denial of the attestation. This allows the provider services workers to open up a communication channel with the



providers if necessary, so they may understand issues with their attestations and additional data needed in order to approve the application. It also simplifies the CMS NLR transaction process so that the attestation is not closed until the State makes a final determination that a denial is required.

The Return to Provider option is a powerful tool in working with the provider community to facilitate the process of making of incentive payments. Using this option, the worker can request additional information or supporting documentation that otherwise would result in a denial. Just as with the denial process, the state worker selects the reason for the return from a drop-down menu and the system automatically generates an email notification to the provider to allow them to correct any deficiencies in their attestation. Using configurable email information, the email text is dynamically created based on the reason for the return, eliminating the need for the worker to type a custom email and standardizing the request process.

There is no limit to the number of times the Return to Provider option can be used; however, the attestation can be denied at any time the provider services staff determines the provider cannot or will not provide the requested information. The attestations have a flag that indicates it was returned to the provider and this can be used in building the My Queue display list to show those attestations first.

Requirement 11

- 1. Provide information to the provider of how to file an appeal with the Agency.*

Per CMS guidelines, eligible professionals and hospitals have the right to appeal the State's decisions regarding incentive payments, incentive payment amounts, eligibility determination and demonstration of AIU and/or MU. PSI will work with the State of Iowa to determine the method and format of conducting the appeals process and will match the system functionality with the policies in place.

Information on appeals can be provided in a number of different forms including:

- ◆ Rejection notice – the notice that is sent to the provider to inform them that they were not eligible for the program can contain this information. We will work with the State during Requirements Validation to obtain the language for the notifications and will ensure this language is included if requested.
- ◆ EHR website used by the State – we can work with the State to include this information with step-by-step guidance on how to file a formal appeal.
- ◆ Provider user manual – the provider user manual includes a chapter on appeals with detailed information on how providers submit appeals.
- ◆ Online system – the online system has an appeals process that also shows the steps needed to be taken to file the appeal (see description below).



Upon a formal denial of an application, a provider can file an appeal of the decision with the State. Our system allows the submission of the appeal via the Web site along with any supporting documentation. Currently, the system is configured to allow the appeal to be filed online; however, it is possible to change the configuration to require a paper appeal to be filed using the document upload functions.

Once the appeal is filed, the system creates a Work Queue Item for the appropriate worker to review the appeal and supporting documentation. The workflow is based on tracking the appeals process since our experience shows that appeals are generally handled by a third party legal or administrative unit outside of the system. As the appeal is adjudicated, the worker is able to record notes and finding. Exhibit 3.2.4-21 shows the appeals screen used by providers to submit an appeal. This screen informs the provider of the steps required to submit an appeal and guides the provider through the appeal process.

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If a determination is made that the provider's claim is substantiated, the workflow will allow the appropriate change in eligibility status or adjustment in provider incentive payments. If the denial is upheld, the State may upload additional supporting documentation or an explanation of the denial. The appeal may be upheld or overturned based upon the information provided.

If the appeal results in a change in status or incentive payment, the adjustment process will be used to create the payment records and the system will generate updates to the NLR using the appropriate interface file formats. The system maintains a record of all documentation associated with the appeal and tracks changes in information resulting from the appeal.

While appeals are a process that must be included in the system, PSI's use of the Return to Provider functionality (described in the Administrative Tools section) will help to minimize the number of appeals as providers are able to work with the provider services unit to submit all required documentation before a final determination is made.

Requirement 1m

- m. Interface to the Certified Health IT Product list (ONC/CHPL) web service for certification verification.*

The PSI EHR PIPP solution contains all interfaces required for the administration of the program. Among these is the interface to the ONC Certified Health IT Product List (CHPL) that is used in the validation of certified EHR technology. We have implemented this interface as web service call that is integrated with the initial load of the B6 data.

During the application load process, the system automatically validates the EHR technology's certification number received from the NLR on the B6 interface against the ONC Certified HIT Product List (CHPL) database. In the current system configuration used for Tennessee, the provider is not allowed to continue without a valid EHR number; however, this can be configured according to Iowa rules.

Requirement 1n

- n. Verify the provider is an active provider with Medicaid.*

Verification of provider information is one of the most difficult aspects of administering the EHR PIPP. Depending on the type of Medicaid program operating within a state, interfaces with Medicaid systems can be used to help identify program eligibility. MMIS provider data can prove useful but the limitations of the MMIS provider data must be taken into account during system design because a number of the EPs may not routinely bill for services under the Medicaid program.

PSI has found that system flexibility is required to allow for the complexities of the data and reporting requirements. Understanding the limitation of the backend systems is critical to ensuring verifications can



occur as part of the eligibility process for the EHR PIPP. Our EHR PIPP solution encompasses both manual and automated verifications to support the eligibility determination process. We work with our state partners to identify the limitations of the backend systems to ensure that all required information can be gathered during the attestation process so verifications can occur without the need for numerous information requests of the provider.

The PSI EHR PIPP system has the capability to receive and store current MMIS provider enrollment data from the State's MMIS. The information received from the MMIS or other system can include provider demographic data such as the provider's name, address, Medicaid number, etc. This data can be used to validate information received in the attestation. Our solution for verification sources includes:

- ◆ **Attestation questions** – it is important to know what you don't know when designing the EHR PIPP solution. If the data cannot be obtained from the MMIS or data warehouse, a good option is to ask questions and require providers to supply information during the attestation process while they are answering questions about their eligibility. Our solution includes this functionality and we will work with Iowa to define questions that might be included in the attestations so that verifications can occur.
- ◆ **MMIS provider information interfaces** – our EHR PIPP system can be configured to use MMIS provider information as part of the application process. However, in addition to this interface, we have also included manual processes to support this effort because of the complexities of the provider setup in the MMIS, the potential that some EPs will not currently show claims in the MMIS and to deal with specific provider types such as OB/GYNs who bill coupled claims.

Requirement 1o

o. Provide help screens acceptable to the Agency.

Help for the provider community takes several forms in the EHR PIPP system. First, the system is designed to be intuitive and help guide the provider through the registration and attestation process. On-screen warnings alert the provider to missing information and the workflow based nature of the system assist in moving system users through required functions. On many screens, instructions are included to assist the provider in understanding the specific requirements for the screen. This information will be reviewed with Iowa during Requirements Validation to ensure it is acceptable.

The system also includes a number of traditional help functions. The system uses hover over technology so that when the cursor is placed over highlighted key terms a pop-up window is shown with the State's definition of a specific term. Hover over functions are used to define terms the State feels might be confusing to the providers when they are reading and answer questions. PSI will work with the State on the definitions included on existing fields and identify additional fields that may require information.



Help functionality continues the user's experience with system documentation, the first experience often being during system training. Generally speaking, the system's help functionality coordinates the user's interaction with the user manual and the operating procedures. Help is accessed in the EHR PIPP system by using the Help hyperlink that is available on each page. When selected, the system launches the context-sensitive user manual information for that screen. The end user may also access the complete user manual and navigate through it as required.

The last help feature is a "Contact Us" box available from each page that displays phone numbers and email addresses to obtain assistance. All aspects of the Help features will be configured for the State based on the results of the Requirements Validation sessions.

The system is also built with functions that support the provider in understanding missing or deficient information. The return to provider functionality allows the state workers to return the attestation to the providers with the specific reason that it could not be approved. In addition, the system utilizes a number of automated emails that specifically state reasons for problems with the attestation. Together, the help functions, system intuitiveness and system functionality help providers understand exactly what has to be done to get their applications approved.

Requirement 2 – EHR PIPP Administration Functions: Work Queue based Application Routing and Automated Functions

2. Provide EHR program administration tools and services, which include but are not necessarily limited to:

PSI has designed the EHR PIPP solution to allow providers to attest for both AIU and MU via a self-service web portal. The system contains comprehensive functionality that allows state workers the ability to review the submitted data and validate provider's eligibility for the program. Our EHR PIPP system contains configurable business rules that will help the state determine a provider's eligibility for an incentive payment and work queues, interfaces and screens that provide direct access to the submitted information.

The web portal utilized by State operations workers is the backbone of the system and the main tool the State uses to administer the EHR PIPP. Our system is based on work queues enabled through business service orchestration. Every user accessing the system will be performing processing or will review information. Work queues are based on user role. PSI will work with the State to determine what user roles are necessary to separate review and approval functionality for integrity purposes. Each step of the Registration/Attestation/Payment process creates a workflow item for operations workers to review and approve. Each state worker has access to a work queue to view his or her actionable items including review of applications, attestation information and payment processing. The PSI solution will generate proper notifications to the provider of approval or denial and update CMS through batch processes as necessary and State staff will be able to view the information from the system.



PSI will provide administration tools and services including system functions and eligibility verification processes required for program administration including:

- ◆ State worker web portal – set of web functions that enable state workers to access attestations submitted by providers via the provider web portal and review the attestation for approval, denial or additional information.
- ◆ Work Queues – a set of work queues prompts state workers to review aspects of the attestation based on completed work or other steps. The work queues form an integrated processing path to ensure all attestations are reviewed for eligibility and a final determination made and there are no dead end work flows.
- ◆ Business rules – business rules are incorporated into all aspects of the system allowing rules-based determinations to occur based on the information submitted and the results of the automated verification interfaces. State staff receive extensive feedback on the data through messages and application status.
- ◆ Pre-payment audit processes – the system contains functionality that allows for both automated and manual validation of the patient volumes reported by providers. Interfaces are available to the MMIS and/or Data Warehouse to obtain claims or encounter information for providers, groups or hospitals. The system displays the information on a summary audit screen, which also supports manual verification of patient volume data in instances where encounters are not available (e.g. providers practicing in FQHC/RHC or with patient volumes from other states). The database contains data fields for storing the information obtained manually or via the automated interfaces.
- ◆ Approval, denial or return to provider statuses – an eligibility decision is ultimately made by the provider services staff based on the verification review. The system supports both approvals and denials and a unique function for returning the attestation to the provider for additional information before a final determination is made.
- ◆ Payment Processing – the system automatically calculates the payment to EPs and EHs based on the verified information and any other program data received by CMS. Payment processing can be configured to occur in a fully automated manner or with manual intervention for approval.
- ◆ Appeals – the appeals process can be tracked from the initial submission through full adjudication. Workflows are included to help move the appeal through the process and business rules support automated messages to providers based on timeframes, actions taken and the final decision.
- ◆ User Documentation – the system contains a full suite of user documentation including online help, onscreen tips, hover over functions and a user manual. All of these tools are directly assessable to state workers throughout their web portal application.
- ◆ Reporting – the system contains a comprehensive dashboard and set of reports that assist in focusing the correct attention to attestations in various work queues. The dashboard shows



summary of all attestations in any work queue and the results sets are displayed with oldest attestations first. A comprehensive aging report is also available for the Dashboard which shows all attestations and how long they have been in each queue. Additional program reports are included to support the administration of the program.

Together these functions provide the functionality necessary to administer the Iowa EHR PIPP. The sections below contain additional details about the state worker portal and the administration functions included in our solution.

Requirement 2a

- a. *Submitting e-mail notifications to providers with the information and requirements for eligibility upon receiving registration from the NLR.*

PSI designed the EHR PIPP system to support the business processes required to administer the payment of provider incentives in an efficient, intuitive manner. Registration, which is the provider's first experience with the EHR PIPP system, is no exception. Rather than waiting for providers to find the EHR PIPP system after registering with CMS, the system automatically notifies providers, via an email, that we have received their registration information from CMS and they can now register for the program. This logic happens for both new B-6 transactions or

On a daily basis, the EHR PIPP system loads the B-6 interface file of new EPs and EOs that have signed up for provider incentive payments or have updated or cancelled registrations. The system uses the information from the B-6 interface to load the provider data and generate a B-7 response file to the NLR so that the providers are ready to attest for Iowa. The same process that creates the B-7 transaction also generates the email notification to the email address received on the B-6. The content of this email is configurable to the needs of the State and currently includes information about the program requirements and a direct link to the registration functions of our system.

The provider accesses the link and is prompted to authenticate and create the user ID and password. This proactive step helps providers quickly navigate to the EHR PIPP site and begin the attestation process without having to navigate through numerous pages.

Requirement 2b

- b. *Making all EHR program determination using a rules-based determination system.*

PSI designed the EHR PIPP system to support the state's business processes for attestation review and eligibility determination and includes functionality for all requisite steps of the provider application process. The design allows customization depending on the workflow and business processes used by the State and can be automated to a large degree when the proper interfaces are present, the provider is properly setup in the MMIS and the State is willing to process applications without manual intervention.



However, there are a multitude of situations that could require intervention in order to finalize an application. For example, providers who practice in a FQHC/RHC, out of state or who may not be correctly setup in the MMIS may all require additional information to validate their program eligibility.

PSI has found in our projects that many provider issues can be resolved through two-way communication. As such, we have designed our system based on a collaborative process where provider services staff can request additional information from providers automatically before the application is denied. This powerful function enables the State to initiate a collaborative process to allow providers to submit backup information to substantiate their attestations. This reduces appeals and leads to more providers participating in the program.

PSI will work with Iowa during Requirements Validation to determine how much automation is desired in the review processes and configure the system accordingly. Most aspects of the system are rules-based, and the system makes decisions based on those rules. This type of decision support for eligibility determination is implemented in a number of different ways in the system including:

- ◆ Workflow based routing – the system is based on workflow enabled through business orchestration. Each workflow contains a queue based on the specific status of a registration. This focuses user interaction with the system and helps define how work will be completed and the decisions that are required.
- ◆ Triggers – the system contains a number of triggers that can be set either manually or through automated system processes. These triggers generate new work queues and messages that must be reviewed. For example, the presence of an audit flag places the attestation in an audit queue for follow up and response.
- ◆ Automated communications – in many instances workflow based routing initiates automated communications to providers. The concept is to minimize the need for end users to manually send messages when the system can make the decision for them and keeps the information flowing with the provider.

To enable the rules-based determination system, providers complete the attestation questions and submit the application. Edits ensure all required information is entered and the provider appears to meet the program eligibility requirements (see Section above on Provider Attestation functions). Once the provider has submitted the application, the system initiates a Work Queue Item for the verification worker to validate the information provided.

State verification workers access the various work queues using the My Queue screen functionality shown in Exhibit 3.2.4-22 below. The state worker has the ability to choose to view an entire work queue or sort by Provider Name, NPI, Provider Type, or Status. The exhibit below shows a typical work queue displaying providers who have completed their attestation and are ready for a state worker to complete the



eligibility verification process. The worker simply clicks “Verify Attestation” and the system guides them through a thorough review of all relevant attestation criteria, providing the details of automate interfaces.

During Requirements Validation, Iowa will determine what level of human review is required in order to finalize the applications. In Tennessee, the Provider Services staff has requested a configuration where an initial review of all information is required so they are able to ask providers to submit additional or missing information before they deny the application. In addition, with the ability of providers to upload supporting documentation, Tennessee believes they are required to review the documentation before making a final determination. Iowa can determine the workflow for the review process and the level of user involvement necessary.

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Upon selecting to review a provider, the system generates a review screen that identifies the provider and gives pertinent demographic information from the B-6 interface file along with links to review each of the attestation criteria. Exhibit 3.2.4-23 below shows the Provider Attestation Review screen, which provides the application summary and current status of the review.

For each set of questions, the state worker can review the answers and submitted documentation and determine whether to approve, deny or request additional information. In order to capture all of the denial reasons for reporting, Tennessee has opted to review all attestation data before the Return to Provider or Application Denial functions are used.



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We designed the system to display the provider reported data in a similar format to the attestation screens so that verification workers are able to call and walk providers through any questions or issues they may have. The similar design makes it easy to point providers to the page or specific question where additional information is required. The worker simply selects the criteria they wish to review and the system presents them with a view of each eligibility question as completed by the provider.

Exhibit 3.2.4-24 below shows the Provider Questions for the state or operations worker to review. The information displayed is exactly what the provider submitted in the attestation and cannot be changed by the state worker. The review screens allow the review of all attested questions as well as uploaded documents. The worker reviews each of the attestation criteria and elects to approve the attestation, deny it, or return it to the provider.



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In addition to the review screens, the PSI EHR PIPP solution has powerful rules-based capabilities that support eligibility determination and validation functions. These functions are used to analyze registration and attestation data, to trigger audit alerts and create actionable workflows for state workers to complete review tasks. The data submitted by providers can be validated against other databases such as the MMIS to help ensure the legitimacy of the provider's account. Data can be validated against external sources such as verifying Medicaid participation, licensure and specialty information through the State's provider repository. Sanction and investigation information can also be included in the business rules and used to create automated determinations.

Post-pay audit flags can be set based on the number of changes made to an attestation or on the information submitted by the providers. In addition to automated functions, the system also allows verification workers to flag cases for audit that appear suspicious. During the attestation review, notes can be added that define the problems seen so that the audit workers have a full picture of what the verification worker was reviewing and the issues encountered. Exhibit 3.2.4-25 below shows a pre-payment audit screen that reflects the results of the interface with the MMIS or data warehouse against the information submitted by the provider.



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PSI believes that flexibility in system configuration and implementation is critical to the success of the EHR PIPP. We have integrated both automated and manual functions into our solution so that State's can choose how they want to implement their program. In Tennessee, automated processes are used to validate many aspects of the program; however, the final approval decision is based on the provider services unit review. In Iowa, we will work with the State during Requirements Validation to determine exactly how the functionality should be configured. Fully automated processes are definitely a possibility and the system can be used to make fully automated attestations reviews if all required information is present.

Once the attestation review is completed, the system or the verification worker finalizes the attestation. In the case of an approval, the system processes the attestation and calculates the payment amount based on program year and provider type. The system transmits the calculated payment information to the NLR via the D16 interface to check for duplicate payments before making a payment. A D16 response from the NLR either approves the payment or denies it identifying any processed or pending payments and exclusions from other states. Any exclusions will be noted on the payment record and the provider will be notified if there is a problem with the payment along with the reason.

In the case of a denial, the system will allow the worker to select the reason for the denial from a drop-down window. The system creates a B7 denial transactions and generated an email notification that



includes dynamically created messages specific to the reason for denial and inform the provider of the appeals process if they so desire.

Requirement 2c

c. Tracking payment authorization.

A critical component of the system is the processing of payments. Our solution includes payment processing functionality, which we have designed to be separated from the attestation review processes so that no single user can both approve the provider's application, as well as their payments. In addition, our system architecture can also separate initial payment processing from the final approval as another level of security.

Payment processing with the EHR PIPP system is designed to initiate payment to the MMIS after a number of edits have been met including:

- ◆ The application must have been approved by the appropriate state worker (roles will be defined for Iowa in Requirements Validation)
- ◆ A D16 approval transaction must have been sent to CMS and an approval D16 response received
- ◆ No payment is present for the program year

The system processes embed this logic to ensure that only the correct payments are being made and duplicate payments are not allowed. Application status and payment status must both match in order for a payment to be processed. We use a manual authorization work flow in order to initiate the payment to the MMIS but sent automated transactions to the MMIS so that additional data entry is not required on the MMIS side.

Following approval of an attestation and receipt of a D16 approval from CMS, a work queue is created for authorized state workers to initiate payment within the MMIS. Access to this work queue is based on user role to eliminate the ability for non-authorized users to initiate payment. Under the current configuration, State fiscal or finance workers access a Financial Change Request (FCR) screen to access all attestations that are currently in the "Ready for Payment" status (set when the D16 approval transaction is received).

Upon accessing the payment processing queue, the fiscal worker can see pertinent information about the provider and filter the queue based on several search criteria. The worker selects the attestations for payment and creates a batch that is sent to the MMIS for payment. Exhibit 3.2.4-26 below shows the FCR screen and the detail presented to the worker. The FCR screen allows individual lines to be deleted from the FCR if necessary and a recalculation of the batch amount. This allow the fiscal workers control over the amount of payment to be processed and the individual providers who will be paid.



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Once the batch is created, the system provides an automated interface to the MMIS or State financial system with required information to initiate payment. We will work with Iowa to determine the format for the payment transaction required by the MMIS. Alternatively, if the fiscal agent is unable to make the MMIS changes to coincide with program rollout, the system can also utilize a manual process where approvals can be obtained and payment initiated manually in the payment system. Either option can be implemented depending upon the specific requirements of the State. A payment record is created for each application included in the FCR. The payment records includes the payment and calendar years, the amount of the payment and the user requesting the payment. In addition, the payment records also contains a status and timestamp so that each payment can be tracked from initiation through payment.

Once payment has been initiated in the MMIS, the system changes the status of the attestation to Payment Pending. A daily or weekly payment interface will be implemented with the MMIS so that payment details can be sent back to the EHR PIPP system. This interface allows the automated transmission of the remittance information. The results are displayed on the Provider Financials Detail which can be accessed by State fiscal workers from the Home page. The FCR number can be entered to display the batch of payments that was processed. Exhibit 3.2.4-27 below shows the payment information collected by the system.



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PSI has developed our solution with numerous options for payment processing to enable the program to be implemented regardless of the status of the MMIS. We will work with the State to determine which option will be implemented. All payment information including recoupments made to the EHR PIPP payment are shown and relayed to the provider. The system contains all payment information and once payment has been made, the program year is closed from further processing. Reporting tracks each payment in the FCR to ensure it was made and any discrepancies are shown on the payment report.

If a payment amount needs to be changed for a processed payment, adjustment processing must be used. Adjustment processing is another core function included in the PSI EHR PIPP solution. This functionality allows State fiscal or finance workers to adjust payments to EPs and EHs based on changing information such as an update to a CMS or JARS report for an EH or the results of a successful appeal in the case of an EP.

The EP functionality is straight-forward as it allows the Fiscal worker to simply specify the new amount. For EHs the process is more complicated as all of the payment years must be adjusted based on changes to the CMS or JARS report. Various CMS transactions are initiated based on the process. If a provider was denied, a B7 and B16 are sent to request approval and the attestation will fall into the existing processes. If the payment amount is being adjusted, only a D18 is sent and the attestation is made ready for payment.



Requirement 2d

d. Providing any required audit support.

The EHR PIPP system as implemented by PSI has the flexibility to support oversight strategies employing both front-end and back-end controls to check for fraud and abuse to mitigate risk. Using the power of a rules based system the State can incorporate business logic that allows the creation of checks at any point in the incentive payment process. During requirements definition, PSI will gather the State's requirements for auditing and incorporate those requirements into the system so they occur automatically as part of the payment processes.

The PSI EHR PIPP solution has powerful reporting capabilities that support provider registration, eligibility determination, and attestation and validation functions. This reporting can be used to analyze registration and attestation data, to trigger audit alerts and create actionable workflows for state workers to complete audit tasks. The data submitted by providers can be validated against other databases such as the NLR and the MMIS to help ensure the legitimacy of the provider's account. Data can be validated against external sources such as verifying licensure and specialty information through the State of Iowa's licensure data and verifying patient volume through MMIS encounter data. Our solution contains business processing that triggers audit flagging for a variety of reasons including:

- ◆ Providers who generally do not submit a large number of Medicaid claims
- ◆ Providers who's reported Medicaid encounters deviate by more than an acceptable percentage
- ◆ Providers who have large numbers of out of state patients

There a variety of automated triggers that can be used to support audit flagging. In addition to automated functions, the system also allows verification workers to flag cases for audit that do not look correct. During the attestation review, notes can be added that define the problem seen so that the audit workers have a full picture of what the verification worker was reviewing and the issues encountered. In the sample screen below the audit worker has the ability to enter data obtained from outside sources to be compared to the data entered by the provider.

PSI has also designed the system to support post-payment auditing of attestations through the creation of audit flags that place the attestation in an Audit work queue. The system supports the following types of audit flags.

- ◆ System generated audit flags – these are flags based on busienss rules that run to identify discripencies in the data submitted by the provider and information available to the system.
- ◆ Manually generated audit flags – these are flags based on manual analysis of provider information and the determination that further research is necessary to validate patient volumes. These flags will allow payments to be made, but flag the attestation for further review.



When an application is flagged for an audit review, a work queue is automatically created for the audit unit. Both manual and automated flags display the reason so the audit unit can zero in on the issue they may encounter. Exhibit 3.2.4-28 below shows the queue of attestations that are flagged for post pay auditing. The final design of this functionality will be based on the State's audit workflows and the information that must be captured to meet the business rules.

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When the application in the list is selected for audit review, the Audit Detail screen is displayed with the provider header information and pertinent details and notes about the audit. The audit unit can link to the attestation submitted by the provider, view the automated verification information from the MMIS interface and view the results of the provider services review including any notes made on the provider, all uploaded information and the reasons for the approval. The Audit Detail screen is designed to collect information and notes about the audit review and allow a number of additional functions including adjustment processing to recover the money paid, forwarding to the investigation unit (if applicable) and the locking of the application against further processing.

Based on our experience, we have found that audit requirements and capabilities are specific to states and how they setup their program. We will work with Iowa to discuss each audit capability and configure it to support the specific requirements of the State.



Requirement 2e

- e. Providing any support, including testimony, on EHR program decisions before any administrative or judicial tribunal.*

As described under requirement 11 above, providers have the capability to submit formal appeals based on the denial or payment amount of their incentive application. When a provider submits a formal appeal, the system automatically creates a Work Queue items for the appeals unit to review the appeal and supporting documentation. The work queue is access from the Appeals processing link on the main page and all active appeals are displayed along with the action required based on work items being completed. Exhibit 3.2.4-29 below shows the Appeals work queue.

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We have seen from our experience with other states that certain appeals processes are already in place and our system is designed to align with those processes, tracking appeals status and information but not the actual appeals workflows that are typically administrative and then judicial in nature. Depending on the business process used by the State, appeals workers initiate the appeals process and use the EHR PIPP system to track the appeal through the formal process. Exhibit 3.2.4-30 shows the Appeals screen used by the appeals worker to track the appeal.



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The PSI EHR PIPP system can be configured to support the full appeals process including tracking timeframes for appeals submission, notification requirements and automated notifications to providers based on the status of the appeal. During Requirements Validation we will determine what level of functionality is required for the appeals process and update the configuration accordingly.

If the determination is made that the provider's claim is legitimate, the workflow will allow for the appropriate change in eligibility status or an adjustment in provider incentive payments. If the denial is upheld, the State may upload additional supporting documentation or an explanation of the denial. The appeal may be upheld or overturned based upon the information provided.

If the appeal results in a change in status or incentive payment, the adjustment process will be used to create the payment records and the system will generate updates to the NLR using the appropriate interface file formats. The system maintains a record of all documentation associated with the appeal and tracks changes in information resulting from the appeal.

Requirement 2f

- f. Providing access to a system dashboard, with up-to-date information related to all registrations in the system.*



Regardless of the stage of the attestation (in progress, pending review or returned to provider), the PSI EHR PIPP solution controls the workflow through the use of work queues enabled through business service orchestration. The work queues are created dynamically based on outstanding work items, the type of processing (attestation, payment, appeals, etc.) and the user role.

The EHR PIPP system provides the State operations staff with a unique dashboard view of the aggregate status of all attestations in the system, what work queue they are in and specific statistics about payment numbers and amounts by provider type. The idea behind the dashboard is to provide the operational workers as much information about the overall project and specific provider status as possible as a way to guide them through the various work queues and complete provider registrations or attestations in a timely and efficient manner. Exhibit 3.2.4-31 shows a sample Dashboard screen based on the current configuration of the system for Tennessee.

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The dashboard is updated in real time and provides state workers with quick access to key performance metrics needed to monitor and report on the provider incentive program. In addition, the Dashboard is supported by an Aging Report, which shows the detailed information for each work queue and the trend related to the movement of attestations between queues.

In order to work effectively for multiple states, the Dashboard view is built dynamically based on the workflow configured for the State. As the specific work queues are defined, the Dashboard view changes to reflect the new or updated work queues. We believe the existing workflow is comprehensive and can be used for Iowa; however, during Requirements Validation, changes will be specified and configured for the State with the results reflected on the updated Dashboard.

Requirement 2g

- g. Providing workflow management (or interface to the Agency's OnBase workflow system).*

The PSI EHR PIPP system is based on a series of workflows that are enabled through business service orchestration. The workflows create queues dynamically based on outstanding work items, the type of processing (attestation, payment, appeals, etc.) and the user role. We have developed this set of business workflows to guide the users, both providers and internal operations staff, through the tasks and activities necessary to complete required processes for receiving payments. We use business service orchestration to enable these workflows, and include external communication processes to allow automated reminders, notices and other documentation to flow electronically to providers based on their actions in the system, and the associated status of those actions.

Each step of the Registration/Attestation/Payment process creates a workflow item for workers to review and approve. Each worker has access to specific work queues to view his or her actionable items including review of applications, attestation information, pre-payment audit and payment processing. Once the provider has submitted the attestation, workflows control how the application is processed. As work items are complete and the application changes status, a multitude of a functions are enabled including creation of NLR transactions, automated communications to the provider, payment initiation and possible audit or appeals processing.

The system contains the automated functions to ensure each application is processed to completion. Reminder notices are sent to providers if attestations are not complete, triggers may close an attestation after periods of time, time frames may not allow items such as appeals to be filed if they exceed the allowed amounts. All of the workflows contained in the solution are integrated and one leads to another in terms of business processing.



To access the various work queues, state workers access the My Queue functionality. Using the Dashboard (explained above) as the guide for outstanding work items, the state worker is presented the current program statistics (see page above). At a glance, the worker can tell the status of every queue in the system by each provider type. It is here that the worker can select their work queue and begin performing their assignments.

A state worker has the ability to choose to view their entire work queue or sort by Provider Name, NPI, Provider Type, or Status. Exhibit 3.2.4-32 below displays a typical work queue displaying providers who have completed their attestation and are ready for a state worker to verify their eligibility for EHR incentive payments. The worker simply clicks “Verify Attestation” and the system guides them through a thorough review of all relevant attestation criteria.

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Throughout the descriptions of the State work functionality, we have detailed how the various workflows connect together leading to completed attestations and payments to providers. Meaningful Use attestation is also seamlessly integrated and follows a similar pattern where completed tasks move the attestation through the submission and review processes.

Requirement 2h

h. Creating an on-line user manual.



An online and written manual is included as part of our solution. The EHR PIPP system provides an online user manual as a feature of the system help functionality that is directly accessible from the EHR PIPP system. The system's help functionality coordinates the user's interaction with the system and the user manual assists by providing functional level assistance in the various system functions. The user manual is accessed by using the Help hyperlink that is available on each page. When selected, the system launches the context-sensitive user manual information for that screen. The end user may also access the complete user manual and navigate through it as required.

The online manual will be updated based on the results of the Requirements Validation sessions and reviewed again at the conclusion of Integration Testing. The online manual will be available to the State during Implementation Readiness Testing and will be finalized before production rollout.

Requirement 2i

i. Creating and distributing training materials.

The PSI approach to training is based on the development and execution of a solid training plan. Our training goals focus on enabling DHS users to accurately and efficiently complete their job functions upon system go-live. Our initial training plan defines the strategy, curriculum, methods, materials, and timelines to prepare State training staff to use the EHR PIPP system to administer the program in Iowa. We will work in partnership with DHS to ensure that upon completion of training, all attendees are able to meet or exceed operational standards for quality, accuracy, and productivity.

The creation and distribution of effective training materials begins with having a complete, accurate and intuitive user manual. Our senior staff has extensive knowledge of the EHR PIPP regulations and business processes, as well as our system capabilities. From this knowledge, we have developed our user manual, and subsequently use the information and instructions in that manual as the basis for creating training materials. The same user manual forms the basis on the online system help. Thus, the documented system materials used to train system users is the same information they will access from the online help, providing continuity to the entire training process.

Development of the training materials will begin once the Training Plan has been submitted. The materials will be fully reflective of the system functions and the decisions made during Requirements Validation. The training materials will be informed by project staff with an eye toward how adult learners actually learn and not just reflective of technical accuracy or system functions.

The subject matter experts will use the results of the testing activities as input into the training materials, identifying areas that appear problematic, confusing or are difficult to utilize. The training materials will be submitted to the State for review and approval and once complete will form the basis for the training sessions.



Another aspect of our training approach is the early collaboration and integration of the state workers into the project to assist in Requirements Validation and Testing. This partnership will help ensure the State staff have extensive experience with the system from the initial system walkthroughs through Implementation readiness testing. While this is not the formal training that will be provided by PSI, these work activities will allow extensive preparation for the use of the system.

PSI's subject matter experts will be responsible for creating the training materials for the project and will provide the training in advance of the project's scheduled implementation. We have structured our training approach for Iowa to accomplish the following objectives:

- ◆ Identify all training requirements for each audience including any unique performance requirements
- ◆ Design and develop course content, along with training materials and job aids, including the modification of existing materials where appropriate
- ◆ Establish a training course delivery schedule and deliver training pursuant to that schedule that is effective in training DHS users
- ◆ Assesses student performance
- ◆ Measure training course effectiveness

Our plan is to use a Just-In-Time training approach that provides training at the latest possible point, as close the date in which the staff being trained will actually begin using the system. Our belief is this is the most effective type of training because end users begin using the system while the training knowledge is fresh in the users minds. We will work with the State to finalize the training schedule based on the training plan completion.

Requirement 2j

j. Providing extensive system messaging to internal staff.

The PSI EHR PIPP system is designed to provide extensive messaging to internal staff throughout the application processing lifecycle. The messaging allows for decision support and is embedded in the system in a number of different ways including:

- ◆ Workflow based routing – the system is based on workflow enabled through business process orchestration. Each workflow contains a queue based on the specific status of a registration. This focuses the user interaction with the system and helps define how work will be completed and the decisions that are required. Users have the Dashboard and My Queue functionality to stay informed on the current status of the program and all applications that are in the system.
- ◆ Triggers – the system contains a number of triggers that can be set either manually or through automated system processes. These triggers generate new work queues and messages that must be



reviewed. For example, the presence of an audit flag places the attestation in an audit queue for follow up and response.

- ◆ Automated communications – in many instances, workflow based routing initiates automated communications to providers. The concept is to minimize the need for end users to manually send messages when the system can make the decision for them.
- ◆ Reporting – a critical aspect of the administration component of the system is the online dashboard and reports. These items have been developed to assist the users in determining the performance of the program and what steps should be taken to improve delivery.

In addition to the decision support components of the system, our solution provides extensive messaging for errors and the results of automated processes such as the MMIS claims verification. In addition, the EHR PIPP system is designed to guide the provider through the registration and attestation process and to edit data before it is accepted by the system. Providers must provide all the necessary data and correct any improper data in order to complete the attestation process. The idea is to provide constant feedback to the end user in order to facilitate the completion and review of the attestation. When critical errors are encountered, the provider will not be allowed to submit an attestation and the provider will receive an on-screen error message regarding the required information as demonstrated in the example below.

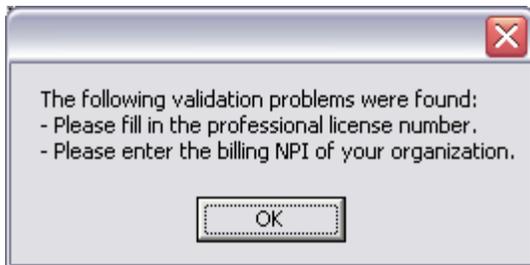


Exhibit 3.2.4-33: Provider Attestation Editing. The system is designed to ensure all required data is completed and correct before the attestation can be submitted.

The EHR PIPP system contains error handling for all processing errors that may be encountered, whether they occur when submitting a data entry form, during business processing or as part of a system interface. The following error handling processing is included in our application:

- ◆ Online errors – the application is designed to control what data is entered and validate the data as part of the application processing. Error messages are displayed when the application encounters an error directly the user to correct the problem.
- ◆ Batch error messages – errors encountered during batch are controlled to ensure programs do not fail during processing. Error logs are created for all errors encountered that fall outside of the regular process parameter.



- ◆ Interface file errors – interface errors are logged during processing similar to the batch processes. However, interfaces may also be real-time so when an error is encountered it is controlled and displayed for the user to report.

Requirement 3 – Reporting: Making Administrative Data Accessible to Program Staff

3. Provide reports as required, including the following online administrative reports:

The PSI EHR PIPP solution has powerful reporting capabilities that support provider registration, eligibility determination, attestation, validation functions and payment. We also track report on applications associated with audit and appeals. The basis for the reporting functions is the database structures that store all information about an attestation, verification data, interface information and payment and related data. We store all information about an application and its status giving us the ability to provide Iowa reports as necessary.

Reporting is a critical component of the operational aspects of the EHR PIPP. The PSI solution uses a combination of standard reports, dashboard reporting and online data to support the administration of the program. These reporting processes provide the operational users with all required information about the program and individual registrations. All reporting functions can be made available online and allow creation in various formats including Microsoft Word and Excel and Adobe PDF. The types of reports in our solution include:

- ◆ **Standard reports** – our solution uses advanced functionality as part of Microsoft SQL Server 2008 to facilitate the development of standard reports. SQL Server Reporting Services (SSRS) and SQL Server Integration Services (SSIS) will provide the basis for both online reporting and batch reporting programs. PSI will work with Iowa to review our existing reports and to develop required reports in acceptable formats, making them available online for viewing or printing. We can also integrate with external workflow products to automatically forward reports to responsible staff.
- ◆ **Real-Time Dashboard** – the system provides workers with up-to-the-minute information related to all registrations in the system regardless of status, through the use of dashboards. Summary information on the total number of registrations is displayed along with the totals for each of the work queues. Payment total views are available by provider and time period, such as monthly, annually, or since the beginning of the program. The dashboards can be configured to reflect almost any program information available in the database and an Queue Aging report accompanies the dashboard to provide additional information on the applications in the various queues including the length an attestation has been in a queue.
- ◆ **Online data** – we have structured the PSI system to allow state workers online access to all data related to a registration including the ability to review the NLR data received, the history of data changes, payment information and any documentation associated with the registration. Workers



access this information using a web browser. Our intent is to provide workers access to all information related to a registration through the worker portal so that while reports are available, they are not generally necessary to complete daily work.

The multiple levels of data access are designed to provide program information to a broad audience and allow for the efficient administration of the program. PSI will work with the State to identify reporting needs and ensure we customize the current reporting formats as required by Iowa. The reports currently used within the PSI EHR Solution include:

- ◆ Program Dashboard – this functionality provides a snapshot of the entire program and the number of attestations by type in each work queue. This has become the single most used reporting function in the system vastly reducing the need for paper reports. A version of this online screen is shown in the Administration Section above.
- ◆ Queue Aging Report – this report accompanies the Dashboard and provides summary information on the applications in each work queue regardless of status. The report can be sorted in numerous ways and displayed online, exported to various formats or printed in hardcopy. A sample of the report is shown below.

This draft sample report contains confidential information and has been removed.



- ◆ Transactions Report – this report keeps track of the various inbound and outbound NLR transactions and error files that are received. It is a secondary check to ensure all attestations records have been processed. Currently this report is used to ensure all incoming files have been processed and no attestations have been missed by the CMS system. A sample of the report is shown below.

This draft sample report contains confidential information and has been removed.

- ◆ Payment Summary Report – this report is used to show the status of payments in the system. It includes applications where D-16 transactions have been sent to CMS and are pending a response, those that have been sent to the MMIS for processing and those which have been paid. It is a powerful tool for ensuring that all payments are being processed, no attestations are pending at CMS and the MMIS has processed all payments sent. It also gives a total of payments made by week and year. A sample of this report is shown below.



This draft sample report contains confidential information and has been removed.

- ◆ Post-Pay Audit Report – this report provides summary information across all types of audits. Information included in the report will include both pending and paid cases flagged for audit. Typical information will include the Name, Organization, Purpose of Audit, Current Audit Status, Audit Open and Close dates and a summary of audit findings.
- ◆ Meaningful Use Measures/Objectives and Clinical Quality Measures Report – this report is currently being developed as part of our MU functionality. It is being designed to show all providers attesting to MU by type and the measures they have chosen. This report will be completed before the start of the Iowa project.

Requirement 3a

a. Provider activity report.

Understanding where providers are in the attestation process for each Program Year is important in the administration of the EHR PIPP. Currently, PSI uses a mixture of the Program Dashboard and Queue Aging Report to display the status of all applications in the system regardless of provider type or attestation status. PSI will work with the State during requirements validation to understand what provider activities must be tracked outside of what is included in our current reports and create the Provider Activity Report to meet these needs.

Requirement 3b

b. Registration summary.



This report provides summary information of eligible professionals and hospitals participating in the EHR PIPP. It provides data on the number of providers registered with the NLR and those providers that are in the process of registering with the State. Currently, our Queue Aging Report encompasses this information. During requirement validation, PSI will gather the State's requirements for this report and incorporate those requirements into the Registration Summary report.

Requirement 3c

c. Attestation summary.

This report provides summary information of eligible professionals and hospitals as they submit attestation data. The reports will include date and time stamp of attestation, summary information about the provider and the attestation data and the status. Currently, our Program Dashboard coupled with the Queue Aging Report encompasses this information. Attestations are reported by each work queue in an aging format to show operations staff how long attestations have been in the queue and their status. During requirement validation, PSI will gather the State's requirements for this report and incorporate those requirements into the Attestation Summary report.

Requirement 3d

d. Payment summary report(s).

This report provides summary information on payments made to eligible professionals and hospitals. This information will include Name, Payee ID, Provider type, Amount, and Payment Date. This report is included in the PSI EHR PIPP solution and it will be reviewed with Iowa during requirements validation to ensure the format and content meets the State's needs.

Requirement 3e

e. Dispute and appeals activity report.

This report will include summary information about each application that has been formally appealed by a provider. It will include summary provider information, the reason for the denial and/or the payment information and the current status of the appeal. It can also include a summary of notes.

Our EHR PIPP engagements indicate the number of appeals is likely to be very low. The information desired in this report are all included online and the attestation decisions that have been appealed are all tracked in a separate queue which is easily assessable from the Home page. While PSI is committed to creating this report if necessary, we will work with Iowa to determine its business need and proceed accordingly.

Requirement 3f

f. Aggregated meaningful use report identifying measures selected by providers.



PSI will develop reports to meet CMS and State requirements for tracking meaningful use and clinical quality measures as providers begin to attest for MU activities. We are currently implementing this functionality in Tennessee and a number of new reports are included in this functionality. We will ensure that an Aggregate Meaningful User reports is included in our solution and during requirement validation in Iowa, PSI will gather review the reports and incorporate additional requirements into reports for Meaningful Use and Clinical Quality Measures.

Interface Processing: Automated Data Sharing with Program Partners to Facilitate Program Administration

The PSI EHR PIPP solution contains all interfaces required for the administration of the program. We have designed and built our system to accept a variety of different file transfer mechanism including Secure File Transfer Protocol (SFTP), service oriented architecture (SOA), batch files or trigger tables. We customize our solution to the specific requirements of the State, opting to use web services when possible to align with MITA and other interoperability standards.

The following table provides a description of the interfaces supported by the PSI EHR solution. The details for each interface will be finalized during Requirements Validation.

Interface	From / To	Description	Trigger / Frequency	Mode
B6	NLR to State	Informs the States of new, updated and cancelled Medicaid registrations. The NLR will send the States batch feeds of new EPs and Hospitals that signed up for HITECH and selected, or switched to Medicaid	Daily	Batch
B7	State to NLR	Updates the NLR regarding the final eligibility of EPs and Hospitals that selected Medicaid. States will send the NLR the eligibility of new, changed, or updated registrations.	Daily	Batch
C5	NLR to State	Sends States attestation information submitted by Dually Eligible Hospitals via the CMS Attestation Module	Daily	Batch
D16	State to NLR (with NLR Response)	Prevents duplicate EHR incentive payments for providers between Medicare and Medicaid or between multiple Medicaid states.	Daily	Batch
D17	NLR to State	Sends States the cost report data elements utilized by CMS to determine Medicare hospital payments for Dually Eligible hospitals deemed eligible for the Medicaid HITECH incentive payment. The state will receive the cost report after a Dually Eligible hospital successfully attests for Medicare and the cost information is retrieved from the Shared Systems. The Medicare cost report is for information only to the states as an aid to use in computing the Medicaid payments.	Monthly	Batch
D18	State to NLR	Updates NLR records indicating successful incentive payments for Medicaid EPs and Medicaid and Dually Eligible hospitals.	Daily	Batch



Interface	From / To	Description	Trigger / Frequency	Mode
Iowa MMIS	PIPP to MMIS	Used to initiate payment for EHR incentive payments	TBD	SOA, Batch, trigger
Iowa MMIS	MMIS to PIPP	Used to transport payment information for EHR incentive payments.	TBD	SOA, Batch, trigger
ONC CHPL	ONC to State	Validation of certified EHR Technology	Real-time	Online SOA
Iowa MMIS	MMIS to PIPP	Validation of patient volumes for EPs and EHs.	TBD	SOA, Batch, trigger
Iowa MMIS	MMIS to PIPP	Used to provide summary provider information used to validate provider's eligibility for the program.	TBD	SOA, Batch, trigger
Iowa Data Warehouse	PIPP to DW	Registration status and payment information for federal reporting.	TBD	SOA, Batch, trigger
Other external	TBD	Validate items such as sanctions, license and enrollment	TBD	SOA, Batch, trigger

In the sections below, we provide additional details on our interface processes and how they are currently configured.

Requirement 4 – MMIS Interface: Automated Payment Receipt

4. Receive EHR incentive payment information from MMIS.

The payment interface with the MMIS will be implemented as a two-way data sharing process connected through the application and payment status. It will also be implemented in an integrated fashion with both the EHR PIPP system functions and the NLR payment interfaces. The MMIS component of the payment process will allow payment information to be sent to the MMIS in an automated fashion as well as the receipt of EHR incentive payment information from MMIS.

Applications with approved attestations will be sent to CMS for payment review and approval using the D16 interface to check for duplicate payments before making a payment. Once a D16 approval has been received, the system will allow payments to be initiated as described under Requirement 2c above. The MMIS will process the payments using existing functions and create remittance advice to the providers. We will work with the MMIS vendor to determine the schedule for reporting EHR incentive payment information to the EHR PIPP system and setup the interface to run accordingly.

Our solution allows the interface to be implemented using a number of different mechanisms including:

- ◆ **Web service calls** – this can be used with or without an enterprise service bus



- ◆ **Trigger tables** – if web services are not available, trigger tables with the request and response information can be used, this is currently the approach being used in Tennessee for the transfer of payment information
- ◆ **Batch interfaces** – depending on the age and functionality of the backend systems, batch interfaces are also a means which can be used

Once the payment has been processed and made by the MMIS, our system includes an interface to receive the payment information, load it and then provide a screen for display. Exhibit 3.2.4-34 below shows the Provider Financials Details screen which shows all payments made for a particular FCR.

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The receipt of the payment information into the EHR PIPP system triggers the creation of a D18 transaction to CMS and closes the attestation and payment year so that it cannot be changed outside of the adjustment processing.

Requirement 5 – NLR Interfaces: Enabling Data Sharing with CMS for Program Administration

5. Interfaces to the CMS National Level Repository, by:

- a. Accepting a daily feed and applying that information to the State repository.*
- b. Sending updated daily feeds to CMS.*



The PSI EHR PIPP solution implements all the interfaces to and from the CMS NLR that are required for the administration of the program. The table shown above lists all of the NLR transactions that are processed by our system.

NLR files are sent and received daily based on the CMS schedule. We execute the interfaces using a series of .NET Console Applications to control when the files are processed. Input files are received daily as flat files utilizing Extensible Markup Language (XML) as defined by CMS. Data files are copied by means of a Secure File Transfer Protocol (SFTP) client/server into a shared directory on the database server. A log of each file transfer is kept on the database server as an audit trail for the NLR data exchange. We process the input files using a mixture of Altova MapForce data maps and SQL Server Integration Services (SSIS) package import jobs. The Altova data maps are used to map the XML files into the staging database tables.

Once the staging tables are populated, a set of stored procedures are called to move required data to the production processing tables for use in attestation processing. The SQL Server Integration Services (SSIS) package import jobs control this process and call additional functions necessary to complete integrated processing. For example, once the B6 files have been processed, a function is called to send out B7 responses and the registration emails to providers.

Stored procedures will load Extensible Markup Language (XML) files by a Structured Query Language (SQL) bulk load function, and parse them using XML Path Language (XPath) while saving the data to the table. In turn, the information in the staging database tables is used to pre-populate fields in the EHR PIPP system in order to reduce the manual input required from state workers and providers.

Outbound transactions utilize a similar process. Online processes write data to the staging tables based on triggers within the application. Nightly, SQL Server Integration Services (SSIS) package export jobs call Altova maps to move the data to XML outbound files that are placed on the SFTP client and sent to CMS based on their schedule.

Requirement 6 – Data Warehouse Interface

6. Provide requested data extracts for the Agency's Data Warehouse.

Any data captured in the PSI EHR PIPP can be made available to the Iowa Data Warehouse. The EHR PIPP system database is designed to receive and store all data entered by users, data received via interface files or data entered and uploaded by providers. Each table in the system has a corresponding audit table that stores every change made to the information. The system saves provider demographics such as name, address, phone, email; provider identifiers such as NPI, Tax ID, Payee ID, Payee Tax ID, Medicaid number, license number, etc. In essence, all data used in provider registration, attestation, eligibility verification and payment determination will be retained in the repository and the history of changes can be made available as needed for auditing.



This information is stored in the database and is available to include in data extracts to the Agency's data warehouse. The system includes input and output interfaces, and once the file transfer protocol and data requirements are defined, these processes can occur as required.

Requirement 7 – Application Architecture: Providing the basis for Support for the life of the Contract

7. Provide Application support for the life of the contract.

PSI provides web-based systems to a variety of customers across the country. PSI has designed, developed and implemented internet-facing, browser-based applications for more than twenty state agencies across the country that are of similar size and complexity. These applications support a variety of different stakeholders in the delivery of State services, including employers, Medicaid and SCHIP beneficiaries and constituents within the judicial system.

PSI designed the technical architecture of the EHR PIPP system based on the requirements for the program as defined by CMS. We feel the unique nature of the program requires a system built to be configurable and flexible to support an array of states as they implemented the program. The result is a fully functioning system built to use industry standard development and open source tools. We are using the .NET platform as the main architectural building block. .NET includes a large library of development tools, plug-in and functional components and is designed to be flexible to support multiple programming languages and third-party tools.

To bring further openness to our system, we have coupled the .NET platform with a number of third-party open source toolkits that provide additional functionality to the application. Together this robust technical platform allows us to implement a multi-tier system that provides a single integrated platform for the delivery of the functions and services necessary for the EHR PIPP system. In addition, the tools we use to manage the components of the EHR PIPP system are easy to understand, have a large technical following and make it easy for PSI to find staff to develop and maintain the system. Exhibit 3.2.4-35 below depicts the technical architecture that has been implemented on the technical platform.

PSI employs an application support methodology designed to ensure a project's outcome fulfills all defined requirements, performs as expected, is within budget, and remains within scope by conducting objective assessments throughout the project lifecycle. PSI has an assigned staff of business and technical analysis assigned to our EHR PIPP engagements whose knowledge spans a wide range of areas including application development, ongoing application and infrastructure support, business process improvement, technology integration, and specific knowledge of the EHR incentive program. Once the EHR PIPP system is implemented PSI will leverage this expertise and allocate resources to monitor the health of the production software for the life of the contract and provide application support for enhancements, changes to CMS interfaces and other program changes that may be encountered.



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The architecture diagram shown above provides a logical architectural view of the system and its components. The table below provides a description of the various system layers and how they are supported within our architecture.



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To support the application, PSI will implement a set of environments for Iowa that will be in place for the life of the project. Our solution includes production and development/test environments each with their own hardware requirements. We are leveraging our existing infrastructure to provide the necessary application support environments for Iowa, using our development and production sites as the basis for our integrated solution.



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Requirement 8 – Implementation Planning Materials: Setting the Stage for Implementing the EHR PIPP Solution

8. Provide project implementation planning materials for the Agency's approval no later than 15 days following execution of the contract, including:

Project Initiation activities set the stage for the management of the project, begin collaboration between the State and PSI, provide for a shared understanding of the project's goals and objectives and provides the mechanisms for information sharing among all stakeholder groups. This initial phase contains many critical aspects of the project not because they come first, but because they provide the basis for understanding what Iowa wants to achieve from this project and puts in place processes and procedures to ensure PSI ultimately meets the goals and objectives.

PSI believes in a collaborative approach to starting a project and our project approach relies heavily on the results the Project Initiation activities. We conduct the following in collaboration with the State's team during Project Initiation and ensure required documentation is presented for the Agency's approval no later than 15 days following execution of the contract:



- ◆ **Validate our understanding of the project goals and objectives** – this occurs through a short series of sessions with key project stakeholders allowing PSI to gain a thorough understanding of requirements, what you want to attain through the project, and the expectations for success. The information we gather in these sessions forms the basis for the project kickoff presentation materials input to the project overview presentations. This initial collaboration establishes the project foundation by defining why the project is being undertaken, how the project will be executed, and what the project is expected to achieve.
- ◆ **Finalize Project Work Plan** – the Project Work Plan controls how each activity will be conducted on the project. Because the management and software development controls affect much of the scope of work, we will take the time to review each process with the State and make a determination of the validity of the process, whether it needs to be included in the project plan, and identify any modifications required to work within the organization. In addition, will review our plans for conducting requirements validation, gap analysis and testing with the State. Based on this review, PSI will finalize these processes and include them as part of the Finalized Project Work Plan we deliver to the State.
- ◆ **Project Training Plan** – it is critical that the State understand how their staff will receive the knowledge necessary to understand and operate the system. During project start, we will discuss training with the State and provide a Project Training Plan that is structured according to the project approach. Throughout the project, we will add to this plan to ensure it is fully reflective of the decisions made, application changes and the production roll out schedule.
- ◆ **Project Schedule** – our project management methodology calls for us to meet with the State’s management to review the project schedule during Project Initiation to allow us to modify the plan based on knowledge we gain during the Project Initiation sessions. PSI will coordinate a series of meetings to review and validate each component of the plan is acceptable and that resources are available to complete the scope of work. PSI will use this information from these meetings to update, finalize, baseline and submit the plan for review and approval.
- ◆ **Project Kick Off** – after a common understanding of the project has been formed, we meet with the entire team to introduce participants, layout the project plan and familiarize project participants with the project management procedures we will use to control the project. Having completed our advance communication and planning with State management, we expect this project initiation meeting to be extremely productive, allowing both the State and PSI management staff to present a clear, unified message to all team members.

This initial collaboration establishes the project foundation by defining why the project is being undertaken, how the project will be executed, and what the project is expected to achieve. While these initial activities require the participation of several Iowa staff; we believe they are critical to establishing a common understanding and set of expectations for the project. Without a formal Project Initiation effort,



many project stakeholders do not understand the objectives and constraints of the project and this can lead to issues as the project progresses. Our proposed approach will ensure that the objectives of the project are clearly articulated to all involved parties and stakeholders who are involved in the project from start-up, rather than just being called on to provide staff at various times. This leads to a good working relationships across all groups and supports a productive project allowing both the State and PSI management staff to present a clear, unified message to all team members.

Project Management Methodology

PSI uses a structured project management approach for all our projects. In delivering services to the health and human services marketplace, we have found that we can tailor the practices and methods recommended by the Project Management Institute (PMI) and included in the Project Management Body of Knowledge (PMBOK), to work effectively for our consulting engagements. The PMBOK is a guide for managing projects by using a particular set of processes that has proven successful in virtually every industry and geographic location around the world. The PMBOK describes forty-two key project management processes comprising five process groups that represent the best practices for managing projects. It then groups those processes using a two-dimensional framework:

- ◆ **A functional grouping** based on the contribution to the overall management cycle: initiating, planning, executing, controlling or closing; and
- ◆ **A content grouping** into nine key knowledge areas to manage in order to ensure a project is successful.

We understand that every project is different and guidelines are just that, a framework to help define those items that should be accomplished for a successful project. We have taken the information included in PMBOK and tailored it into a set of processes we use to plan, execute and monitor our projects. We built our scope of work based on the specific RFP requirements utilizing our project management methodology as the basis for how we conduct all project, quality and delivery activities. This shows up in a solid Work Breakdown Structure (WBS), tasks that are correctly linked together with embedded review and revision periods, and a project team that is focused on the tasks they are assigned.

Exhibit 3.2.4-36 illustrates our project management methodology. Use of PMBOK as a guide for our planning and delivery efforts has allowed us to continue our history of successful project delivery in the face of ever-changing technological, legislative and policy mandates. We place all required project activities into a project lifecycle made up of the five Process Groups defined within PMBOK and use each of the nine (9) knowledge areas to control the various aspects of project management that need to be considered as the project moves through its lifecycle.

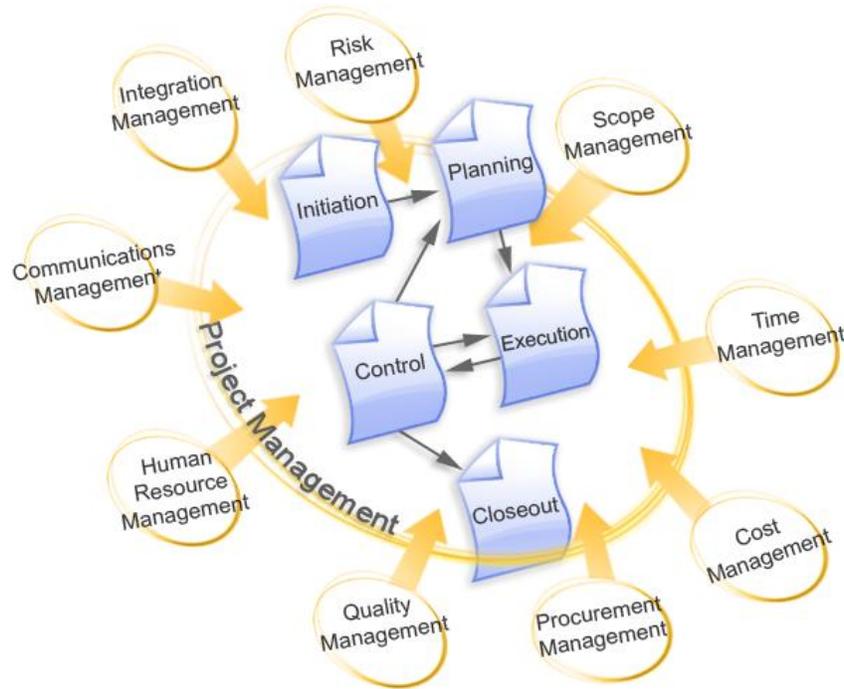


Exhibit 3.2.4-36: Project Management Methodology. PSI manages projects throughout each stage of the project life cycle using a proven project management methodology.

Our project methodology requires PSI to break down every project into a lifecycle as part of the proposal process. Our lifecycle approach helps PSI develop a plan that focuses on the right activities at the right time to increase the probability of success since the key aspects of the project are interrelated and must occur in a defined sequence. The complexity of implementing the EHR PIPP system within the State’s Medicaid Enterprise requires us to use a proven project management methodology that accurately reflects all of the work items that are required. The project lifecycle defined within PMBOK and used by PSI consists of five integrated process groups that follow the general chronology of a project and we apply specific processes from each in order to complete all aspects of the scope of work.

- ◆ **Initiation** – Defining the project and securing buy-in by appropriate stakeholders
- ◆ **Planning** – Detailing the tasks, resources, and schedule necessary to accomplish the project
- ◆ **Execution** – Carrying out the planned tasks
- ◆ **Control** – Managing the scope of the project as it is executed
- ◆ **Closeout** – Wrapping up the completed project and documenting lessons learned

The PSI Team follows the guidelines of these PMBOK integrated process groups to plan, execute, and control the tasks required to deliver the work products for the Iowa EHR PIPP project and we will focus



on the appropriate management processes as they are required by the finalized WBS and project schedule. As the term “methodology” suggests, PSI’s project management approach is comprised of PMI-favored project management methods and best practices across all project phases. The methods provide a consistent framework for our projects, but are not intended to form rigid project management “procedures” that must be strictly followed without consideration for project variations or State needs. In fact, one of the principal objectives in developing our project management methodology was to balance the “consistent framework” intent with the equally important intent to make the methodology customizable and scalable.

Software Development Approach

While all aspects of the EHR PIPP project are important, the tasks and activities related to modify and configure the software for Iowa’s use are critical to implementing the program. The requirements, configuration, testing and implementation of the system is a set of complex tasks with a number of activities occurring simultaneously and it is critical that a solid plan for execution is put in place before the project team begins working on these activities. PSI is proposing an accelerated development and implementation schedule using an iterative design and development approach to ensure that modifications and enhancements are accurately specified and to ensure the system development and testing tasks can occur in an expedited manner.

To address these needs and combat the project constraints, PSI is proposing to complete the system development effort using a system development methodology based on the collaborative and productive benefits of the Rational Unified Process (RUP). This includes the continuous verification of quality, iterative and incremental development; requirements management; and early feedback coupled with the practical application of Agile techniques to break down the system functions into “Sprints” that are more suitable to fit shorter time period efforts such as the Iowa EHR PIPP project.

This approach enables the business staff to quickly see the results of the Gap Analysis and requirements activities and facilitates spending more time on testing rather than development and documentation. We have found our approach works well when the base system meets the majority of the business requirements and we are currently using this approach in Tennessee as we implement their EHR PIPP solution. Exhibit 3.2.4-37 reflects the incremental development approach PSI will use to design, develop, test and implement the system.



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The project's short duration makes it critical that all design and development activities have the proper focus and allow for the continuous development of the solution. Coordination of staff and project activities will be key to making this approach work and PSI project management staff will focus on ensuring that project barriers are identified early and resolved so they do not impact the project schedule. At project start, the PSI team will focus on finalizing the governing documents for the project and ensure all team members understand the processes and procedures.



Requirement 8a

a. A project work plan

PSI believes that all successful projects begin with strong project management and a documented project work plan that specifies the work to be completed as well as the processes by which each work activity will occur. Regardless of the type of project undertaken, management processes are needed to control the work being done. PSI's project management methodology and associated processes are focused on clearly defining the project work to be complete, setting up project management controls to ensure adherence to the project approach, checking delivery execution results and making adjustments as necessary.

The Master Project Plan provides information on every aspect of the scope of work, includes the items that are contained in our project management methodology required for this project, provides an integrated set of project activities, and includes processes that govern how the project will be managed. It includes the details of the work break down structure (WBS), staff loading and dependencies among project activities. The combination of processes and a detailed schedule provides PSI and Iowa with an agreed upon set of tools to manage, execute and monitor the project to ensure the successful completion of the effort.

This Master Project Plan is a descriptive and prescriptive document covering PSI's project management approach for conducting the EHR PIPP project. A key aspect of our project management methodology is tailoring the processes and procedures we use to the duration, type and size of the engagement. We recognize that any project management methodology must conform to the specific needs of the project and do not include items that add overhead to the project without the associated benefits. A draft of the Iowa Project Work Plan is included at the end of this section. This key deliverable includes the following items:

- ◆ A detailed definition of the scope of work and a description of each major aspects of the project and the scope of each
- ◆ Project organization and staffing including specification of roles and responsibilities
- ◆ An overview of the project management methodology utilized for the project and the major components that must be addressed
- ◆ A discussion of each management control, how it will function and how it will be implemented for the project including status reporting, issues management, risk management and change management
- ◆ A discussion of the product development methodology and how it is applied to the project
- ◆ A detailed, staff loaded schedule with all tasks, deliverables, milestones, dependencies and staff assignments by role.



Once approved, the Project Work Plan becomes the guide for project execution and focuses the team's attention specifically on activities that are required. During the project initiation tasks, the PSI Project Manager will meet with State management staff to review the preliminary plan. PSI will take comments from this review, coupled with the results of the Project Overview sessions, to modify and update the plan as needed. We will validate staffing levels and confirm State staff availability to participate in project activities. The PSI Project Manager will routinely review and update this plan in conjunction with the State's management staff to assist in the deliverable review process and to allow the State time to mobilize their staff for upcoming activities.

The Project Work Plan is critical because it defines the work to be performed, the processes that control the work and the reporting structures that will be used. Because the management controls affect much of the scope of work, we will take the time to review each process with the State and make a determination of the validity of the process, whether it needs to be included in the project plan, and of modifications required to work within the organization. Based on this review, PSI will finalize these processes and include them as part of the final Master Project Plan delivered to the State.

To ensure alignment with the State's requirements, PSI provides a short discussion of the phases included in PSI's proposal.

Project Execution and Oversight

Project management is an end-to-end task, beginning at the start of the project and continuing through project closure and approval of all project deliverables by the customer. Our scope of work consists of a completely integrated set of activities for completing the diverse system design, development and implementation activities required for the project. In order to control and manage this diverse set of activities, PSI will institute a management oversight structure that utilizes the set of project management controls implemented for the project.

Specifically, we will use the schedule management processes to ensure the on-time completion of all required project tasks and their associated deliverables according to the approved Project Schedule. We will use the quality management processes to ensure all deliverables are developed according to the agreed upon format and content and meet all requirements. We will use the communication processes to ensure project staff and stakeholders are informed of all project progress, questions and constraints. We will use the scope management processes to ensure that any deviation from the agreed plan is discussed, approved and all related documentation reflects the change. Finally, we will use the human resources processes to ensure we have adequate staff to perform the scope of work.

Requirements Validation

Typically, requirements are defined during the planning phase of a project and are managed throughout the entire project development effort including definition of high-level requirements, through detailed requirements, design, build and test. Our approach for the EHR PIPP solution varies from this traditional



waterfall approach. Based on our EHR PIPP experience, we propose a different approach for requirements validation in order to engage State staff in the system design processes from the onset of the project and align with the RUP/Agile development methodology we will use for system development.

Under the PSI approach, the requirements and gap analysis processes will be divided by functional area during project initiation. Each functional area will begin with a series of joint gap analysis sessions. These sessions are scheduled around the specific system functions required to administer the EHR PIPP. In the sessions, stakeholders will evaluate PSI's EHR PIPP system functionality against the requirements in the RFP and State business processes. PSI will provide a detailed walkthrough of each system function to illustrate the system capabilities to users. This comprehensive system review will include all screens, reports, forms, inputs and outputs related to each requirement. This process serves as a communication mechanism to allow users to understand interactions with the system and is the basis of requirements definition.

The walkthroughs will result in the identification of a set of gaps in the PSI system that must be addressed in the specific functional release (sprint). Specific details related to the modifications are captured by business function in a gap analysis format that identifies the business function, the specific system modifications required and any other pertinent information that will assist in defining the modification. After the sessions, the gap analysis documents will be expanded to include the system modifications and the processing requirements so that the developers are able to make the system changes quickly and efficiently. It will also provide for traceability of all specified system changes and will form the basis for the development of test cases to be used in user acceptance testing.

This rapid application development approach provides immediate design information to the development team and allows modifications to be presented back to system users quickly as the changes are completed. PSI believes our system's design coupled with our operational knowledge will allow us to understand Iowa's requirements and provide a collaborative feedback loop that will allow the team to implement a system that meets all state and CMS requirements as well as the condensed timeframes for system design and implementation.

System Configuration

The configuration of the system is a set of complex tasks with a number of activities occurring simultaneously and it is critical that a solid plan for execution is put in place before the project team begins working on these activities. As we transition from gap analysis to configuration, we will use the approved gap specifications to construct, modify or configure the software components required to support the new system.

During System Configuration, individual developers update the application as required by the specifications. These specifications cover the range simple table value changes to the modification of integration modules that allow interfaces for the MMIS and data warehouse to be implemented. We will



complete the configuration of each software component in our solution to conform to the specifications contained in the approved Gap Analysis Document and will trace the requirements through testing.

In conjunction with the configuration work, PSI will build and manage unit testing according to the Test Plan. In a unit test, individual units of source code are tested to determine if they are fit for use. A unit is the smallest testable part of an application. PSI will complete unit testing to ensure that the system functions correctly and each modification is traceable to an associated requirement. As with most development projects, the individual developers have primary responsibility for successful unit testing. The unit testing approach we use depends on the module and the tool used to create it. We will work with the State to define the appropriate testing tool to complete this set of activities.

Data Conversion

Data conversion is critical for project success especially since a large number of providers have already been registered into the Iowa program. During requirement definition, PSI will review documentation related to the existing system used to support provider registration, attestation and payment and determine which data elements are required to maintain program records and history, including provider registration, attestation, eligibility verification and payment. We will work closely with the State to gain access to the data structures, data models and production database and as part of design and development will specify and create programs that will allow data conversion to occur.

The design and development activities will occur according to the processes specified above and we will use converted data as part of our approach to integration testing to ensure there is no impact to the system due to data issues.

Integration Testing

PSI views Integration Testing as testing conducted on a complete, integrated system to evaluate the system's compliance with its specified requirements and achievement of functional objectives. Integration testing will be performed based on the Master Test Plan. It describes the test scenarios and the expected results. It includes a description of the planning and preparation necessary to commence testing, roles and responsibilities, defect identification, correction processes, and result documentation. We will submit the integration test plan to the State for review and approval prior to executing our integration test cases.

To perform an integration test, we often use test cases from unit testing and process them through an integration test. This defines the boundaries of the integration test in terms of modules, data requirements, and expected results. We will use the integration tests results to update the Master Test Plan with the testing results. As modules migrate from unit testing into integration testing, aggregation into logical groups of functionality occurs. Each of these logical groups becomes an integration test. End-to-end testing of these logical groups confirms they function as designed.



PSI subject matter experts in conjunction with the system developers have primary responsibility for integration testing. The overall goal of integration testing is to ensure all system functions can be completed in an end-to-end fashion without the presence of critical or high priority errors. All errors detected become part of the Master Test Plan execution log, and the affected modules migrate back to unit test for correction. Integration testing is complete when all pathways are complete. These pathways include functionality within a module as well as functionality required for different modules to communicate. We will subject the EHR PIPP system to full Integration Testing and the results will be reviewed and approved by the State as the completion event for this testing.

Implementation Readiness

PSI knows the importance of Day One readiness, and looks forward to working with Iowa on plans that ensure the success of its EHR PIPP. Implementation readiness is the formal method that Iowa uses to review the results of acceptance testing along with the results of other tasks such as training and infrastructure implementation to determine if the EHR PIPP solution as a whole is ready to move to production.

Implementation readiness testing is the final task required for the system to be approved and moved to production. It is a conglomeration of all preparation tasks and serves as a final check to ensure that the application, system configurations, user setups and operational readiness are all complete. It also ensures that the organization is ready for production including the implementation of the new business processes and the training of the staff to use the new system in relation to the new business processes.

At its most basic level, Implementation Readiness is designed to ensure that the PSI and State staff are ready to process and send CMS interfaces files, collect and verify attestations, process payments, meet all reporting requirements, use a properly implemented customer services center, and have a demonstrated technical infrastructure. The success of the implementation readiness will determine the implementation Go Live date for the EHR PIPP solution. PSI will work closely with the State to identify operational readiness activities and include all tasks and activities in the schedule before production implementation.

Requirement 8b

b. A project training plan:

PSI has a project management methodology that includes having a project training plan and ensuring that all staff working on the project receives the training at the beginning of their tenure on the project. PSI will create a training plan that defines the strategy, curriculum, methods, materials, and timelines for training. We will create this initial training plan early in the project, update the plan as needed during the development cycle and then execute the plan to create and present training materials to the appropriate audiences. The documents that follow include a draft version of our training plan for Iowa.



PSI will perform work on the training plan in consultation with and approval of the State. The development of the plan will lead to the delivery of the actual training sessions, whether they take the form of classroom sessions, mentoring sessions, or one-on-one training sessions. Our training plan will include the methods, tools, and techniques required to meet the user training, documentation and knowledge transfer requirements of the project. The plan will also define the roles and responsibilities for PSI, DHS and other project stakeholders, both business and technical.

Requirement 8c

c. A project timeline

PSI begins every project by defining the scope of work through a thorough review of the RFP, identification of project constraints and the definition of project assumptions. This provides the basis for identifying and assigning all work activities and required deliverables. Developing and maintaining detailed project information related to task definitions and durations, staff assignments, and time allocations is critical to the overall management of the project, reporting on project status, and planning for future activities.

We document our approach for completing the project work in our proposal and develop a project schedule that includes the activities and tasks necessary to accomplish the scope of work. We utilize our project management methodology to develop the project timeline, creating milestones, dependencies and the overall timeframe for the project to ensure that significant and appropriate progress is accomplished during the project's duration. PSI has developed an initial project schedule that aligns directly with our proposed scope of work, the resources we have proposed and our price. The documents that follow contain the Preliminary Project Timeline (schedule) that includes the requirements outlined above.

The detailed scope of work reflected in the project schedule shows an approach that allows all required deliverables and includes all tasks necessary to conduct the entire project. The tasks are sequenced into a dependency network that results in a day-by-day schedule of the project from beginning to end. We include milestones to ensure that significant and appropriate progress is accomplished during the project's duration and to align with Iowa's requirements.

We produce our schedule using the critical path method (CPM) to continually focus management attention on those activities that must be completed on time in order to prevent overall project delays. In addition, each task is sequenced, assigned responsibility and includes a time duration all of which is directly related to performing the work scope. We ensure staff resources are leveled; however, given the short duration of the project it is possible overtime may be required of key staff. We review and update the schedule weekly and make it available to the State for review and comment and to ensure it accurately reflects the status of the project timelines and tasks.

The overall intention of this detailed planning and resource assignment is the successful creation and approval of project deliverables. This not only includes the development of the deliverable but also the



internal review, submission to the client, revisions, final submission and approval. Overall tasks required to manage and control the full project activity are also included in Project Plan. This information is constructed using MS Project and will be used during project execution to track and report on all project activity. We have developed the Project Schedule in a format and at a level of detail that will support all reports, graphs and related project information that is outlined in the RFP and that we typically make available to clients. Our project plan begins with contract award and ends with the implementation of all responsibilities in the contract.

Requirement 8d

d. All application screen shots

The response to provider and administration requirements of the RFP includes examples of screen shots from the PSI EHR PIPP system. While we have included most of the system screens based on the requirements presented, additional screens may be present that the State will want to review. We will submit screen shots of all application screens within 15 days following the execution of the contract.

Requirement 8e

e. All sample reports to be used

The reporting subsection of our response includes examples of the reports currently included in the system. As required by the RFP, we will submit all samples reports within 15 days following the execution of the contract.

Requirement 9 – Updates to Software: Ensuring the System Meets Future Stages of Meaningful Use

9. Provide all available updates to the software as they are released, as well as provide any updates required to meet attestation needs for future stages of meaningful use as defined by the federal government.

PSI based our system for the EHR PIPP on the requirements from CMS as defined in the final rule, FAQs and additional guidance provided. We have coupled this information with the practical knowledge we gained from our EHR PIPP engagements to build a system that supports currently known requirements, immediately allowing the system to support provider registration, attestation and payments as well as providing the infrastructure to implement meaningful use criteria for attestations and payments after the first program year.

Our solution contains functionality to support the program implementation including the Stage 1 meaningful use requirements. We are committed to ensuring Iowa receives software updates as we release them to our customers including any updates required to meet attestation needs for future stages of meaningful use. We will work with the State to describe each update and determine how it can be best



implemented into the existing business processes and system functions. We are committed to providing this ongoing support for the life of the program and have included all pricing associated with program compliance in our support methodology.

Requirement 10 – Security and Operational Standards: Ensuring Information is Protected

10. Confirm, at all times, adequate security and operational standards to protect all information. All such standards must at all times meet with Agency approval.

PSI's system and infrastructure approach for Iowa unifies different hardware, software, and communications protocols through Web services to deliver information to state staff and providers at their desks. Integrating these different components requires leading edge technology and technical support to provide seamless views of program and customer data. The hosting and network solution is the base infrastructure allowing secure system access, reliability and performance to provide excellent customer experiences and efficient program services. Our project platform includes the PSI EHR PIPP system, system hosting and data storage, secure telecommunications and a customer service infrastructure.

PSI will ensure our security and operational standards are adequate to protect all information used within the EHR PIPP environment. We will work with the State to ensure approval of our standards. The sections below detail the components of the PSI security and operational solution and how they are implemented according to industry best practices ensuring maximum protection for all aspects of the solution.

PSI Hosting Solution

PSI offers a flexible set of solutions for the EHR PIPP solution that we tailor to meet the requirements of our clients. In reviewing the requirements for Iowa, we believe the most advantageous approach is to offer a full turnkey solution that includes the system, hosting and technical infrastructure components. We propose to host the EHR PIPP system in our Corporate Production Data Center in Denver, Colorado.

We believe the use of our corporate data center as the hosting environment for the Iowa EHR PIPP system will benefit the State by providing the infrastructure for a fully integrated solution for all aspects of the program. It also ensures the State has access to benefits like disaster recovery, hardware and software refresh and a state-of-the-art telecommunications structure. PSI will work closely with the State to setup connectivity between our data center and the State's infrastructure to facilitate interface processing, data sharing and system access.

The hosting and telecommunications infrastructure provides direct access to the EHR PIPP system including seamless integration with the development and test environments used for the project. As a component of the PSI Corporate Data Center, the development and test environments utilize the PSI



telecommunications infrastructure, providing full accessibility to the other components of the project environment allowing fast deployment and access with proper authentication.

Exhibit 3.2.4-38 shows the proposed network and technical infrastructure to support the Iowa EHR PIPP software application solution. The diagram offers a view of the interconnectivity between the State of Iowa infrastructure and the PSI Corporate Data Center.

This diagram contains confidential information and has been removed.

PSI's integrated solution meets the challenge of providing the high quality IT services necessary to support all aspects of the EHR PIPP. Our centralized data model (PSI Corporate Data Center) is designed to reduce the costs of business services with a networking architecture that maintains the performance of our services and products.



PSI supports our central hosting solution with an innovative enterprise network approach, which we leverage as the backbone for digital communications to the EHR PIPP system. Industry architects design enterprise networks primarily to integrate disparate technologies into a secure, unified platform. PSI developed its platform with technologies that provide secure integration with high availability in a very scalable environment. We use this integrated network design to seamlessly provide access to our EHR PIPP system and support storage and data transmission, telecommunications, and the other services required to support the State in administering the program. The benefits are many:

- ◆ Having an integrated environment that provides the technical infrastructure and EHR PIPP system translates into enabling PSI and the State to collaborate in the interest of getting customers enrolled in programs and services.
- ◆ Using a centralized data center design allows for a better grouping of services, which enhances availability, security, and monitoring.
- ◆ Leveraging an existing infrastructure creates a secure and scalable environment at lower cost.
- ◆ Including network-based virtualization provides service enhancements to server and Storage Area Network (SAN) virtualization technologies, including truly end-to-end logical separation of services.
- ◆ Developing an infrastructure that virtualizes communication paths creates a more granular per customer configuration.
- ◆ Sharing a common connection environment provides for accessibility to all different types of hardware and software.

PSI's commitment to the contract requirements and future initiatives is supported with the Corporate Data Center infrastructure. It provides the following benefits to the program, staff, and customers.

- ◆ Increased security:
 - IT equipment located in locked cages
 - Hardened facility with identification (ID) and electronic card reader access policies
 - Surveillance cameras and 24x7 onsite security guards
- ◆ Valued redundancy:
 - Primary and back-up Internet and internal MPLS WAN circuits configured for rapid convergence in the event of a circuit failure
 - Redundant back-up power systems (including redundant generators) to keep systems and circuits up during an extended power outage



- ◆ High systems availability:
 - Onsite 24x7 systems support
 - With co-location, direct access to Verizon's IP backbone for additional availability from the Verizon Data Center
 - Application hosting on high-availability server clusters
- ◆ Available system access logs:
 - Ability to monitor system access logs for unauthorized access
- ◆ Rapid response to security incidents:
 - Central point of contact to remediate issues

Security Standards

PSI brings to the State of Iowa over 26 years of experience in security policy management, enterprise systems security, and business support. Our multi-layered approach provides greater security than a single layered approach. PSI truly brings a defense-in-depth perspective to security system design and implementation. Our security practices allow us to:

- ◆ Reinforce the ability to safeguard people, assets, and information through well-integrated, standard policies and processes
- ◆ Strengthen protection while improving system responsiveness
- ◆ Develop and implement action plans to ensure awareness of and compliance with standards and protocols

The security architecture behind the EHR PIPP solution was designed by a joint team of government and commercial healthcare professionals to meet EHR requirements for interoperability, data exchange, security, and confidentiality. It addresses federal architecture guidelines and standards and incorporates the appropriate evolving national standards including Health Insurance Portability and Accountability Act (HIPAA) privacy and security requirements.

The PSI EHR PIPP system allows user access to the system based upon security roles. For example, a user in the provider role will only have access to provider authorized system functionality. As the system is now configured, there are five security roles for state workers. They are:

- ◆ Provider services role: Allows the user with this role to review and approve provider eligibility for incentive payments. The user can access the Provider services work queue, review all provider attestations and supporting documentation, generate emails and change provider status



- ◆ Fiscal role: Allows users access to the fiscal work queue, approve and process the provider incentive payment.
- ◆ Audit role: Allows users access to the audit work queue, provider attestation information, supporting documentation, systems logs, and reporting tools.
- ◆ Appeals role: Allows users access to the appeals work queue, payment information, and provider attestation information.
- ◆ Admin role: This is a super-user role with complete access to the system. The Admin will create new users and assign security roles

The diagram below serves to demonstrate a high-level security architecture and bring focus to key areas of concern in the context of securing the EHR PIPP. This architecture provides a framework in which PSI can work with the State to ensure the EHR PIPP meets the security policies and standards of the State of Iowa.

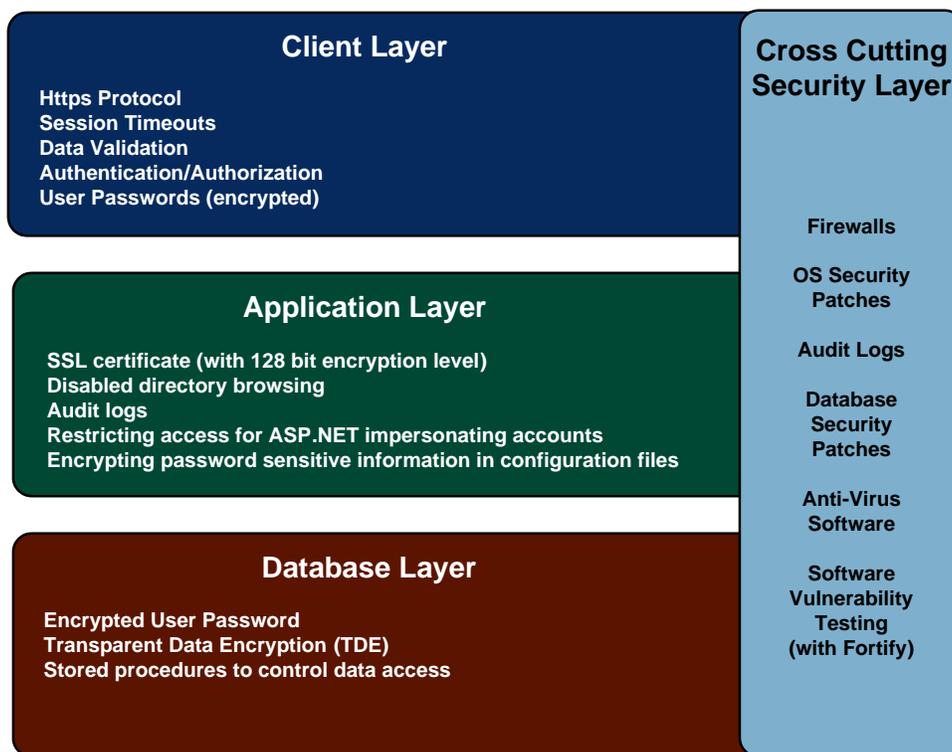


Exhibit 3.2.4-39: PSI EHR PIPP Security Architecture. We have developed our platform to include multiple layers of security and the associated functionality related to integration within a larger infrastructure.

Client Layer - User access to the application is based on role-based authentication, and in certain special cases, the application will also use code-based authentication to provide further granular control over



access to web resources. The user account passwords are stored as hash values in the database to prevent compromise. User Passwords will have a configurable expiry time. Password strength will be configured to force the users to select strong passwords that are more complex.

Access to the EHR PIPP encrypts data with the Secure Sockets Layer (SSL) protocol. SSL creates a secure, encrypted tunnel from the user's workstation to the Web server. Most internet browsers in use today support SSL. By convention, URLs that require an SSL connection start with https: instead of http.

Other client layer security measures include:

- ◆ Session timeouts implemented to protect idle user session data. The timeout period is a configurable feature.
- ◆ All cookies will be browser session based. No permanent cookies will be stored in the client workstation.
- ◆ No sensitive information will be cached in the client workstation browser.
- ◆ Data input validations will always occur on server side before information is written to the database; this will avoid vulnerability threats like cross-site scripting. Client-side validation scripts will also be used in order to improve the end user's data entry experience.
- ◆ Wherever applicable, Personally Identifiable information such as a SSN will be replaced with special characters, to avoid identity theft

Application Layer - The Web/Application servers will allow access to the Web site using the SSL protocol to achieve confidentiality, message integrity and authentication. Our solution uses an SSL certificate with a 128-bit encryption level.

Direct https access is not allowed for configuration files such as the web.config file. Likewise, directory browsing on the Internet Information Server will be disabled. Password sensitive information in configuration files is encrypted. Access logs for the application layer are created for audit and forensic purposes.

Database Layer - The security model is built using the asp net tables that SQL Server 2008 R2 provides and is highly scalable. Transparent Data Encryption (TDE) will encrypt all the application data that is stored in database. This provides additional data security protection in the event that the database backup files or archive files are lost or stolen. The user account passwords will also be encrypted in the database.

General Security Features Common Across the Layers - PSI's layered approach to securing the EHR PIPP is predicated on the concept that every security control is vulnerable somehow, but if one component fails another measure at a different level still provides security services to mitigate the



damage. Many security functions span the client, application and database layers. For example, authentication, authorization and auditing apply at all layers of the security service stack. PSI will perform the following across all the layers in our defense-in-depth security model.

- ◆ Use Fortify software to perform static and dynamic analysis for identifying and prioritizing software vulnerabilities
- ◆ Create appropriate audit logs at various layers of the application.
- ◆ Firewalls are used between tiers with access to server/network resources. Security is controlled further using firewall rules, port restrictions, Access Control Lists, etc.
- ◆ The public facing Web site will be kept in a Demilitarized zone (DMZ) with the database server inside in the private network protected by firewall.
- ◆ Operating systems and SQL Server service packs and security patches will be applied to keep them current as recommended by Microsoft.
- ◆ Anti-virus software is used to further eliminate the possibility of hacking.
- ◆ The application will use access/audit logs at web, application and database servers for auditing purposes.
- ◆ Stored procedures and named parameter SQL queries will be used to avoid any SQL injection attacks.
- ◆ The security model, by default will use asp net tables for authentication and authorization. *NOTE: If there is a need to integrate with Active Directory or any LDAP server. The application can be configured to use C# security classes that integrate directly with Active Directory or any LDAP server for authentication/authorization.*

Our security architecture is based on industry standards and our turnkey proposal to provide hosting and telecommunications includes built-in technology refresh in Years 2 and 7 of the program. A standard used by PSI is to ensure all products are supported by their vendor and when required upgrade the product. When products are nearing the end of their supported life, PSI proactively identifies the products and as part of our support contract integrates a replacement or upgraded product into the platform. We then run through the testing regimen developed for the system and provide the State with a copy of the upgraded application for user acceptance testing.

Given the product sets used for the application, we are confident that vendor support will include a migration strategy if any of the products useful life ends. In addition, our solution uses the latest versions of all technology components adding to our confidence the application will perform as required for the life of the program.



Requirement 11 – MITA and SOA Compliance

11. Confirm, at all times, the solution meets MITA standards for SOA and interoperability.

PSI understands the business, information and technology architectures necessary to comply with the guidelines and principles established in the MITA 2.0 Framework. CMS developed the MITA Framework as a blueprint for states to examine their business priorities, plan future improvements, and acquire technical applications that:

- ◆ Adopt data and industry standards
- ◆ Promote reusable components
- ◆ Foster efficient, effective data sharing
- ◆ Support interoperability, integration, and open architecture
- ◆ Promote secure data exchange
- ◆ Support integration of clinical and administrative data
- ◆ Flexible, adaptable, and rapidly respond to program/technology changes,
- ◆ And coordinate with public health and other partners to integrate health outcomes

PSI designed its EHR PIPP solution with these MITA-defined business capabilities in mind. The use of web services, loosely coupled business logic and business process support all building blocks of our application. The architecture of the application will support business changes as CMS provides further guidance regarding future stages of MITA and the EHR incentive program. The application will support interoperability, shared standards, rapid response to changes in program and technology, timely and accurate data, performance measurements, and coordination of healthcare outcome within the Medicaid community. PSI will continue to support the goals and objectives of the MITA Framework throughout the life of the contract and work with the State to ensure compliance with the upcoming MITA 3.0 standards.

Requirement 12 – Monthly Reporting

12. Provide necessary monthly reports, including but not limited to:

Project communications are one of the most important aspects of the management controls implemented for a project. The flow of information about a project is critical to ensuring project stakeholder and staff understand the status of the project and the upcoming work. Communication forms the cornerstone of our project oversight approach and is critical to ensure the project is adequately monitored and controlled. PSI adheres to three principles in relation to project communication:

- ◆ **Transparent Internal Communication** – team meetings are held on a regular basis. At these meetings, we actively encourage honest and forthright communication. Good project



communication requires getting issues out on the table early and dealing with them while there is time to do so and before the effects have been compounded by other factors.

- ◆ **Transparent Client Communication** – we approach formal client status meetings with the same honesty. We bring all relevant issues to the attention of the client as soon as we are aware of them and provide all the information we have. We work with the client to plan and execute a response.
- ◆ **Formal Written Status Reports** – while face-to-face meetings are the basis for much communication between the client and our team, formal written status reports are also a critical tracking tool. These reports are important because they create long-term documentation of project status, milestones reached, and any issues that have occurred.

In order to adhere to our communications principals, a process must be established to ensure the complete communication lifecycle is achieved:

- ◆ Stakeholder needs are communicated to the project team;
- ◆ The project team performs the work and provides feedback to management; and
- ◆ The project management team communicates results and corrective action to the stakeholders and the project team.

Implementation Status Reports

During the implementation period, the PSI project manager will produce weekly implementation status reports for the State to report on performance levels for all RFP requirements, track the status of the project schedule and discuss any items that need resolution. After the implementation of the system and operations is complete, the operation manager will produce a monthly status report to include adherence to performance agreements that have been put in place.

Constant and extensive communication is integral to our implementation process. Weekly status meetings let us efficiently gather input and build relationships with key stakeholders, identify concerns, establish communication links, and initiate a problem-solving and results-focused dialogue that will guide the EHR PIPP operation.

These reports will contain the appropriate level of detail agreed upon by the State and PSI, and will describe, at a minimum:

- ◆ Progress of tasks outlined in the approved project Work Plan
- ◆ Work completed during the reporting period
- ◆ Work planned for the upcoming reporting period
- ◆ The status of in-progress tasks



- ◆ Any problems encountered and steps taken to resolve them
- ◆ Significant unresolved issues raised by affected entities
- ◆ Other significant matters of interest to the State or PSI

Project status reporting will provide an opportunity for the State to compare the status of implementation activities to contract specifications. This tool will allow PSI and Iowa to make adjustments to ensure that we meet all desired outcomes. Additionally, if the State recognizes an area of concern, we will discuss it at our scheduled meetings and add it to the project status report to ensure that we address the issue.

Exhibit 3.2.4-40 shows the kind of status report that our team will use for this project implementation. Our team will work with the State to customize its own report, as necessary.



< Project Name> Weekly Status Report
 Week Ending: MM/DD/YYYY

Change Requests:

Change Control Number	Title	Description	Status	Next Step	Next Step Is Assigned To	Cost Impact	Schedule Impact

< Project Name> Weekly Status Report
 Week Ending: MM/DD/YYYY

Action Items closed this week:

ID	Title	Due Date	Assigned To	Assigned To 3rd Party	Description	Status	Priority	Date Completed

< Project Name> Weekly Status Report
 Week Ending: MM/DD/YYYY

Key activities this week:

-
-
-
-

Risks:

ID	Risk Desc

Key upcoming

-
-
-
-

< Project Name> Weekly Status Report
 Week Ending: MM/DD/YYYY

Milestones:

PROJECT MILESTONES	Start	Finish	Health

Open Action It

ID	Title

< Project Name> Weekly Status Report
 Week Ending: MM/DD/YYYY

Project: <Project Name>

Project Description: This project is to transition and implement the KHPA Clearinghouse on 1/1/2010.

<p>CLIENT PROJECT TEAM</p> <p>Project Manager: _____</p> <p>Project Sponsor: _____</p> <p>Site Managers: _____</p>	<p>PSI PROJECT TEAM</p> <p>Chief Project Officer: _____</p> <p>Project Sponsors: _____</p> <p>Client Relationship Executive: _____</p> <p>Project Director: _____</p> <p>Implementation Director: _____</p> <p>Operations Implementation Manager: _____</p> <p>IT Project Manager(s): _____</p>
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Project Health:

Scope	Schedule	Resources
GREEN	GREEN	GREEN

Project Health Key Factors:

- Scope
 -
- Schedule
 -
- Resources
 -

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Exhibit 3.2.4-40: Sample Status Reports from a PSI Implementation. We will work with the State to create a status report to demonstrate our performance and achievement of project milestones.



Operational Status Reporting

PSI knows that frequent, effective communication with DHS is crucial to the success of the program. Once the solution has been implemented, regular consultation with the State is critical, so we can gather information in a timely manner about the system and infrastructure and quickly make adjustments where needed. This collaboration is particularly important for system issues, as they could impact our ability to provide quality customer service to the providers.

During the operations period, will provide monthly status reports to DHS and will report on system Availability and outages, performance levels for all RFP functions and activities planned and completed. Constant and extensive communication is integral to our implementation process. Monthly status reports let us efficiently gather input and build relationships with key stakeholders, identify concerns, establish communication links, and initiate a problem-solving and results-focused dialogue that will guide the Iowa EHR PIPP operation.

Requirement 12a

a. System Availability and outages.

The PSI Corporate Data Center provides enterprise-scale networks, systems, and telecommunications infrastructure. One of the many benefits of hosting the EHR PIPP system in the corporate data center is the built-in support tools and features it provides. The corporate data center has tools that monitor the availability of the system at all times, and reports availability and outage statistics. For this project, the data center will aggregate and compile these statistics on a monthly basis, and PSI will report the figures to the State in the status report or another agreed upon format.

Requirement 12b

b. Activities completed and planned.

All project activities are accounted for in the project work plan and schedule. Project Status Reports, whether they are completed on a weekly or monthly basis, will report the tasks and deliverables that were completed in the last period, tasks that are in progress, and tasks that are planned to start in the next period.

Requirement 12c

c. If the solution is dependent upon hardware, software, or systems support from the Agency, please state that in the proposal.

PSI is proposing a hosted, turnkey technical and infrastructure solution for Iowa. While the main system hardware and software will reside within the PSI infrastructure, our system solution relies on a number of interfaces which reside within the State's environment. This includes access to the MMIS for provider eligibility and payment processing, the data warehouse to allow extracts to be transferred, the OnBase solution for document storage and potential access to a SFTP server for use in the NLR interfaces.



In addition, we anticipate implementing and configuring a secure connection between PSI and the State site to facilitate the interfaces and system access by State staff. We will work with the State during requirements validation to finalize the requirements for each interface and ensure an agreeable approach is reached on how to connect the State and PSI infrastructures.

1.3.2 AGENCY RESPONSIBILITIES

The Agency will provide:

- 1. Subject Matter Expertise on the Iowa Medicaid EHR Incentive program.*
- 2. Policy and rules regarding the program.*
- 3. Support for interfaces to and from the MMIS system.*
- 4. Support for interfaces to and from the Data Warehouse.*
- 5. Support for interfaces to and from the OnBase Workflow system.*
- 6. Data on applications received from CMS and payments processed.*
- 7. Provider data.*
- 8. EHR Incentive Program Administration.*

PSI understands the State requirements and will use the support provided as an integral part of our solution.

1.3.3 PERFORMANCE MEASURES

The PSI EHR PIPP system is designed to operate without the need for outages and can be operated in a 24x7 environment. Hardware and software maintenance and upgrades are critical to the overall maintainability of the application but will be scheduled in advance in an effort to minimize the impact. Our corporate data center is designed to support a variety of production users, our support staff will work closely with the Iowa project team to identify maintenance needs and schedule any required downtime in advance so planning and communications can occur.

Requirement 1

- 1. The system will be fully functional by April 2, 2012.*

PSI commits to implementing a fully functional EHR PIPP and system by April 2 2012. Our project work plan and timeline reflect this commitment allowing for integration testing to be complete by March 2, 2012 allowing a full month of Implementation Preparation before go live.

Requirement 2

- 2. The contractor will correct Deficiencies within two business days, or as agreed to by the Agency.*



PSI and the Agency will agree to processes for correcting deficiencies during both the implementation period and the operations period. During the development, testing and implementation period, PSI will correct deficiencies according to company's software develop methodology. During that same period, modifications, as opposed to deficiencies, will be implemented once they go through the agreed upon integrated change management process.

Once the system is implemented, PSI will correct deficiencies according to the agreed upon processes and service level agreements that govern the operations period. PSI and the Agency want to make sure that those processes and procedures ensure the quality of the system, as well as the timely implementation of application deficiencies. PSI will correct deficiencies within two business days of identification, or according to the processes and timeframe agreed upon by the agency.

PSI will work with the State to identify the types of deficiencies that may be encountered and work towards an agreeable process for correction given the requirements for application build, test and deployment.

Requirement 3

3. The system will have 97.5% availability. Availability does not include outages as agreed upon for scheduled maintenance activities.

The PSI EHR PIPP system is designed to operate without the need for outages and can be operated in a 24x7 environment. We commit to the 97.5% availability requirement. Hardware and software maintenance and upgrades are critical to the overall maintainability of the application but will be scheduled in advance in an effort to minimize the impact. Our corporate data center is designed to support a variety of production users, our support staff will work closely with the Iowa project team to identify maintenance needs and schedule any required downtime in advance so planning and communications can occur.

Interface processing with the NLR, MMIS and data warehouse are designed to update tables that are not directly used by providers so there is no impact on allowing the external application to be run in 24x7 mode. Backups are accomplished using the storage solution utilities, which allow them to be completed while the production system is operating.

PSI has proposed to host the EHR PIPP system in our corporate production data center in Denver, Colorado. We believe the use of our production facility will benefit the State by providing the peace of mind of an established data center. It also ensures the State has access to benefits like disaster recovery, hardware and software refresh and a state-of-the-art telecommunications structure.

Requirement 4

4. Given a two business day notice, the contractor will be available for meetings 98% of the time.



During the life of the project, PSI will proactively communicate with the State's project management staff, participating in regular management status meetings and team management meetings with DHS and other key stakeholders. Project meetings will be collaborative sessions that facilitate a team-oriented work relationship, solicit input concerning goal development, summarize the written status report and allow discussion of other areas deemed relevant and productive by both parties.

PSI staff will attend and participate in requested project related meetings as requested by the State. We commit to ensuring that we are available for meetings 98% of the time when given a two business day notice. With a full time team of PSI employees supporting the IME, we are able to ensure prompt and adequate support as the needs arise.

Requirement 5

5. The application will receive a satisfaction rate of 80% or higher on the annual provider surveys conducted by the IME.

Leveraging our in-depth Government Health operations experience and utilizing the lessons learned and best practices from EHR PIPP engagements, PSI developed our solution using simple and straightforward business processes and technology to assist providers and states in administering the EHR incentive payment program. We have designed the system to be intuitive and help guide the provider through the registration and attestation process with minimal interaction. On-screen warnings will alert the provider to missing information and the workflow based nature of the system assists in moving system users through required functions.

While survey results are often skewed depending on the questions asked, PSI believes our EHR PIPP system will be overwhelmingly accepted by the provider community. PSI will work with the State during the development of the annual provider surveys conducted by the IME and commit to an 80% or higher satisfaction rate.

1.3.4 CONTRACT PAYMENT METHODOLOGY

A payment will be made upon the completion of successful implementation and Agency acceptance. Thereafter, payments will be made during the operational phase on a monthly basis.

PSI accepts the payment methodology defined by the State in the RFP. We will invoice for the implementation costs after the successful implementation of the system and monthly based on the monthly proportion of the annual cost.



**State of Iowa
Department of Human Services**



**Electronic Health Records Medicaid Incentive
Payment Administration Tool
MED-012-003**

Master Project Plan

Version No. 0

Presented by:



Policy Studies Inc.

September 26, 2011



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1. Executive Summary

The Executive Summary provides a condensed view of the scope and purpose of the Master Project Plan. It provides an overview of PSI's plans for controlling and managing the work effort required to implement the Electronic Health Record Medicaid Incentive Payment Administration Tool for the Iowa Department of Human Services. PSI conducts projects based on the standards documented in the Project Management Institute's Project Management Body of Knowledge (PMBOK). The PMBOK is the internationally recognized "best practices" standard for project management.

2. Project Scope

The Project Scope section defines the work required to successfully complete the project. It explains how PSI used the requirements and scope of work defined in the RFP to initially define the scope of the project and create the Work Breakdown Structure (WBS). It explains how PSI verifies that project scope through deliverable definitions and verifies product scope through requirements validation. Finally, it explains how PSI will modify and control scope by providing an integrated change manage process.

2.1. Project Initiation

The Project Initiation Section specified the planning activities that must be completed before Requirements Validation activities can begin.

2.2. Release Planning

The Release Planning section describes the methodology for migrating program components between the various system environments. PSI will maintain a development environment in which system source code will be maintained and enhanced. In addition, it will maintain one or more testing environments depending on the particular needs of the project and operations period. Finally, it will maintain a production environment for executing the production system. A process for releasing new versions of the system or migrating system components between these environments will be defined in this section.

2.3. Requirements

The Requirements section describes how the requirements will be reviewed, refined, validated and documented. PSI understands the importance of finalizing the requirements before moving onto design and development, and this section outlines the requirements definition process and Gap Analysis approach that will be used to facilitate and document discussions across the business processes that make up each functional area.

2.3.1. Requirements Definition and Documentation

The Requirements Definition section defines our approach to requirements definition activities. PSI conducts a series of requirements definition sessions for each major functional area, in order to identify, elaborate and capture detailed system and process requirements.



The Requirements Documentation section defines the form, format and storage approach for requirements documentation. It also explains how requirements traceability will be maintained through all the project phases including design, development, testing and defect tracking.

2.3.2. Requirements Sessions

The Requirements Sessions section explains our use of facilitated sessions during the development of functional requirement. Our approach brings together the diverse set of resources from the various organizations that are involved in the PIPP administration. Sessions are planned for a specific purpose and a leader facilitates discussions to fully cover the topic.

2.4. Configuration and Interfaces

The Configuration and Interfaces section defines our approach to configuring the system for Iowa, developing Iowa specific interfaces, and designing and developing any necessary enhancements. Since the system is currently fully functional and documented, these activities focus on configuring the system for of Iowa, and documenting any modifications and enhancements deemed necessary in the Gap Analysis. PSI maintains and follows processes, procedures and standards for all of it development work and may also refer to those in this section.

2.5. Testing

The Testing section describes PSI's testing approach that relies on a documented plan for the execution of all tests. PSI will lead the unit and integration testing tasks and will directly support and assist the State in completing user acceptance testing.

2.5.1. Test Planning

A specific test plan will be developed based on the particular functionality being tested and/or the specific purpose of the test being conducted. For example, a performance test may be significantly different from a system integration test. Our test plans will define our approach for conducting unit and integration testing and supporting State user acceptance testing (UAT). When applicable, test plans will include specific test cases to confirm the specific functions of the system including the interfaces with CMS and the State's MMIS.

2.5.2. Integration Testing

Through a combination of unit and integration testing, we will test all discrete and related components of the solution, including online programs, batch programs, reports, notices, data exchanges, and conversion. Our testing approach will validate that all software components meet the approved functional and technical requirements. Developers will be required to test their individual programs against the gap analysis documents to verify they have correctly implemented the necessary system changes.

User acceptance testing is the final test before the solution goes live. PSI recognizes the importance of technical and functional support for User Acceptance Testing (UAT). There will be a need to plan the UAT effort with State management and coordinate and support the UAT effort. The PSI project team will provide both technical and functional support to the State during UAT with prompt attention to reported problems, software remediation, and



close collaboration on retesting efforts. User Acceptance testing is complete when all acceptance criteria (functional, performance, and recovery) are met and State management formally accepts the solution.

2.6. System Implementation and Post Implementation Support

The System Implementation and Post Implementation Support section explains PSI's role during implementation and post implementation. PSI has the key role in system implementation. Our development team will complete configuration and interface modification activities, as well as any other modifications or enhancements that are necessary. The team then conducts all internal testing and supports the State's UAT efforts. Next, we direct implementation activities including the following:

- Organizational Readiness
- Technical Readiness
- Training
- Conversion

3. Project Organization and Staffing

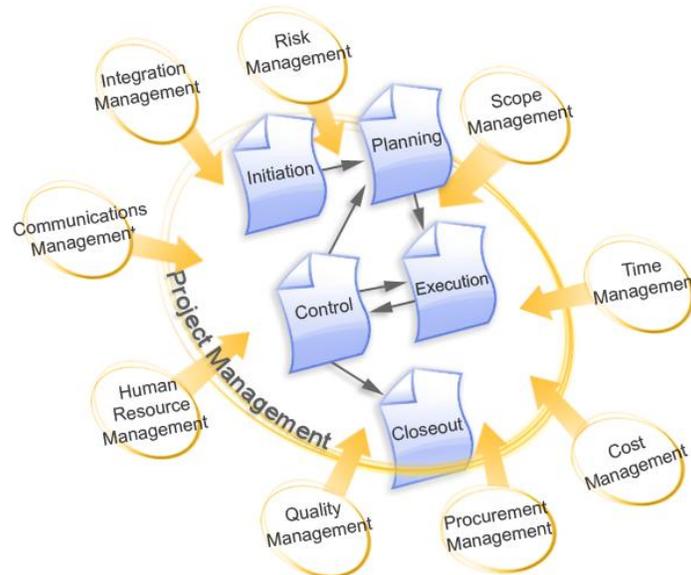
The Project Organization and Staffing section describes the structure of the project organization, and roles and responsibilities of team members. It will begin with an organization chart and then identify the roles individuals can play on the project and the specific responsibilities of staff members in each role.

3.1. Roles and Responsibilities

Project roles will be identified and the responsibilities of the person or people in each role will be defined. Each person will have a primary role on the project, but may occupy more than one project role, or may switch roles during the project lifecycle.

4. Project Management Methodology

PSI has a strong, documented project management approach. This section describes our methodology, which is based on established processes included in the Project Management Body of Knowledge (PMBOK) illustrated in the figure below. We place all required activities into a project lifecycle made up of the five (5) Process Groups defined within PMBOK and use each of the nine (9) Knowledge Areas to control the various aspects of project management that need to be considered as the project moves through its lifecycle. We tailor the approach to match the type, duration and deliverables required for Iowa.



The five Process Groups are:

- Initiation – Defining the project and securing buy-in by appropriate stakeholders
- Planning – Detailing the tasks, resources, and schedule necessary to accomplish the project



- Execution – Carrying out the planned tasks
- Control – Managing the scope of the project as it is executed
- Closeout – Wrapping up the completed project and documenting lessons learned

The PMBOK Knowledge Areas as defined by PMI include:

- Integration Management – includes the processes and activities related to integrated planning, execution and project monitoring, change control and project reporting;
- Scope Management – includes the processes and activities related to ensuring the project includes all work required, and only the work required, to complete the project successfully;
- Time Management – includes the processes and activities related to manage the timely completion of the project including the development and maintenance of the integrated project schedule;
- Cost Management – includes the processes and activities involved in estimating, budgeting and controlling costs so the project can be completed within its approved budget;
- Quality Management – includes the processes and activities that determine quality policies, objectives and responsibilities so the project will meet the customer’s objectives;
- Human Resources Management – includes the processes that organize, manage and lead the project team including the definition of roles and responsibilities;
- Communications Management – includes the processes and activities required to ensure timely and appropriate generation, communication, and distribution of project information including status reporting;
- Risk Management – includes the processes and activities related to conducting risk management planning, identification, analysis, response and monitoring on the project; and
- Procurement Management – includes the processes necessary to purchase or acquire products or services needed from outside of the project team.



5. Project Management Controls

The Project Management Controls section explains how PSI will meet the performance measures outlined by State in the RFP through the execution of the project using our methodology. More specifically we will define:

- How we will use our schedule management processes to ensure that required project tasks and deliverables are completed on schedule.
- How quality management processes ensure deliverables are developed according to the agreed upon format and content and meet all requirements.
- How our communication processes ensure project staff and stakeholders are informed of all project progress, questions and constraints.
- How scope management processes ensure that any deviation from the agreed to plan is discussed and approved and all related documentation reflects the change.
- How our human resources processes to ensure we have adequate staff to perform the scope of work.
- Finally, how our integrated change control process allows us to make changes to any aspect of the project, according to a well defined and approved process.

5.1. Status Reporting

Project communications are one of the most important aspects of the management controls implemented for a project. PSI adheres to three principles in relation to project communication:

- Transparent Internal Communication – team meetings are held on a regular basis. At these meetings, we actively encourage honest and forthright communication.
- Transparent Client Communication – we approach formal client status meetings with the same honesty. We bring all relevant issues to the attention of the client as soon as we are aware of them and provide all the information we have. We work with the client to plan and execute a response.
- Formal Written Status Reports –written status reports are important because they create long-term documentation of project status, milestones reached, and any issues that have occurred.

5.1.1. Status Meetings

PSI meets with the State's project representatives on a weekly basis throughout the course of the project. The main objectives of the weekly status meeting with the State's Project Manager or delegates are to ensure the State understands the current project status and any issues that affect (or can affect) project performance. PSI will also work with the State to determine how ad hoc meetings will be handled, the mechanism for meeting the State's two day response and what documentation will be required to document the results of the meetings.



5.1.2. Status Reports

PSI will create a weekly and/or monthly status report according to the agreed-upon content, format, and frequency. The final format will reflect the specific information required by the State and be determined in the project initiation phase.

5.2. Issue Management and Resolution

The Issues Management and Resolution section describes the project's process for identifying and resolving issues. Issues, their causes, and their resolution are key concerns for project management controls. Issues can cause conflicts among project resources and have potentially negative consequences for a project. Most issues that arise during a project are based on a lack of communication or a failure in the communication chain. PSI's goal is to minimize the number of project issues and potential disputes that can become barriers to project success by introducing processes that maintain efficient communication channels. We will work closely with the State's management staff to identify the key communication mechanisms and ensure they are adequately documented along with methods that allow any project staff member to voice their concerns about project or staffing items.

5.3. Risk Management

The Risk Management section describes PSI's risk management processes, which are based on the PMBOK approach of risk planning, identification, analysis, monitoring, and response. We tailor the risk approach used to align with the size and duration of the project being conducted. Our process typically requires PSI and the State management staff to continually review existing risks; identify new, potential risks; and analyze these risks to determine whether or not the exposure, defined as the combination of probability and impact, warrants monitoring and response.

5.4. Change Management

The Change Management section describes PSI's integrated change management approach. PSI begins every project with a defined scope of work reached in concert with our client. During the course of a project, circumstances can change. It is not uncommon to discover items that must be added to the Work Breakdown Structure (WBS), changed within the WBS, or deleted from the WBS. Changes to the WBS will affect the project to some degree, so a control process is required to understand and minimize the impact on the project of changes to the initial scope. PSI uses an integrated change control process to document, review, and approve changes to the authorized project scope, schedule, and cost.

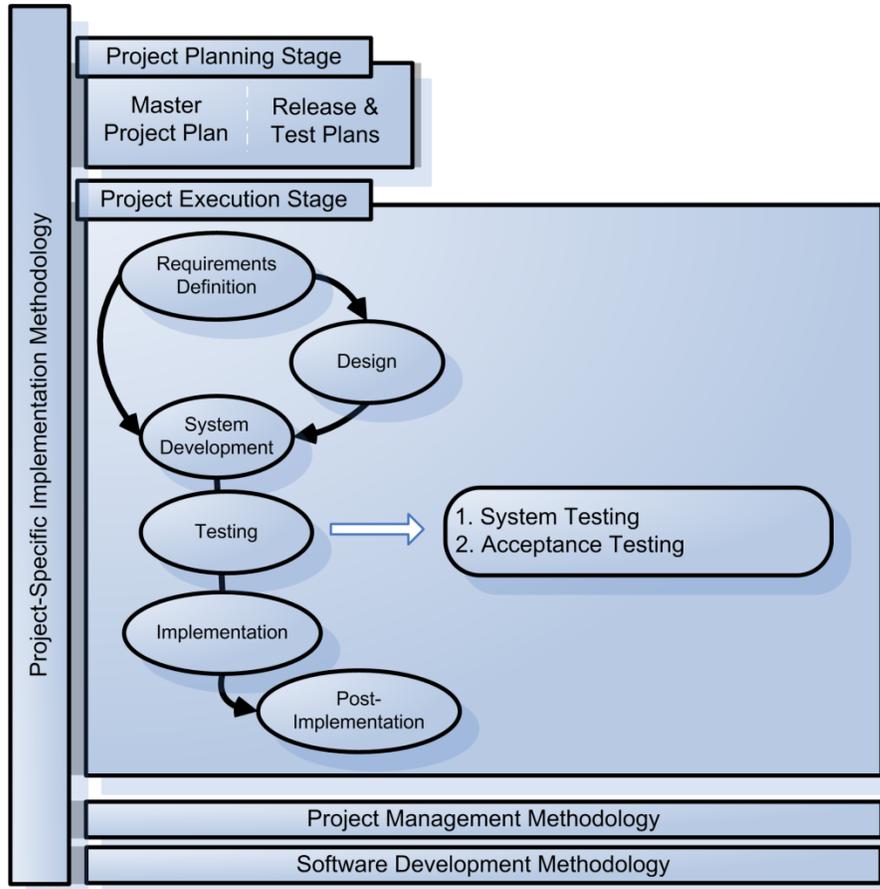


6. Product Development Methodology

This section explains PSI's Product Development Methodology for this project. This project will have a four month duration to meet the RFP requirements. Based on the requirements of the RFP, PSI will utilize an iterative design and development approach to ensure that modifications and enhancements are accurately specified but also to ensure the system development and testing tasks can occur in an expedited manner. To address these needs and combat the project constraints, PSI is proposing to complete the major system enhancement and roll out tasks in an iterative fashion using the requirements to feed the design and development activities.

We will utilize our existing system to support both the requirements definition sessions and the design sessions to help facilitate discussions and identify specifically how our solution needs to be modified to meet Iowa's requirements. Based on the sessions, PSI concurrently complete the Gap Analysis effort to identify the specific modification required to the base system and begin the configuration process. Based on the Gap Analysis, PSI will modify and enhance the system to meet Iowa's requirements. PSI will also execute a data conversion process and use the converted data as part of our testing approach. Following configuration, interface development, and system modification and enhancement, PSI will conduct system testing to ensure the entire system works together.

The final phase of the project will include implementation activities such as training and implementation readiness. We have allocated a full month to these activities to ensure the Iowa staff and providers are ready to use the new system. Once it is determined that the system and organization is ready for go-live the system will be made operational in the production environment and PSI will be operational support and post-implementation support. The diagram below depicts the approach PSI will use to design, develop, test and implement the system.





7. Project Schedule

This section provides the initial detailed schedule for the project. The overall intention of creating this detailed plan, including resource assignments, is the successful creation and approval of project deliverables. This plan will not only include activities for the development of the deliverables, but also tasks and milestones for the internal review, draft submission, revisions, final submission and approval of those deliverables. The project schedule will also take into account any constraints such as a required start and completion date. The implementation of the solution on such a tight schedule requires many different activities to occur simultaneously, and may require the project manager to use certain techniques to compress the schedule. We will develop the Project Schedule in a format agreed upon with the state.



Policy Studies Inc.
Transforming policy into action.

Training Plan

for

Iowa's Electronic Health Records (EHR) Medicaid Incentive Payment Administration Tool

Version 0.1

(Draft)

Policy Studies Inc.

09/01/2011



Revision History

Version	Date	Reason For Changes	Name
0.1	9/01/2011	Initial Draft	Pat Aguilar

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1.0 Introduction

This document represents a compilation of information gathered through review of the Iowa’s EHR Medicaid Incentive Payment Administration Tool RFP; PSI’s proposal response; interview sessions with subject matter experts from Iowa’s Medicaid Enterprise (IME) and Department of Human Services (Agency); and review of the PSI PIPP Solution™ documentation. The purpose of this training Plan is to describe:

- The results of the training analysis and how those results will impact training
- How we will develop and deliver the training for Agency, IME staff and providers.
- At a high level, the course curriculum;
- The roles and responsibilities for major tasks

The audience for this plan is the Iowa Medicaid EHR Incentive Program Project Team and Agency Steering Committee. We have identified the tasks associated with the EHR Incentive Program training project and in this plan we will describe those tasks and how we will perform them. It is possible that as we get into the subsequent phases we may identify additional tasks or need to change details based on new knowledge. When this happens we will update this plan and the project schedule.

This Training Plan is *not* a project schedule. At the end of each training phase provided in this document we identify the key tasks and indicate who is responsible for the tasks. Please consult the project plan for the detailed project schedule.

In addition to this Sample Draft document, **please also see the Section of our proposal entitled “Approach to Meeting Deliverables,”** where PSI provides more information about our approach to training for the Iowa EHR Provider Incentive Payment Program project.

2.0 Scope

This Training Plan is the initial phase in developing the Training curriculum and is not meant to be a step by step plan of the training sessions or the finalized Leader and User Guides.

3.0 Roles and Responsibilities

The table below lists the various individuals involved in this training development project and their overall responsibilities within the training project.

Role Title	Role Description
PSI Trainer	Individual who is responsible for delivering training to the trainers and maintaining any needed changes to the training materials
PSI Support Staff	Individual who will support the PSI Trainer in the classroom on an as needed basis.
PSI Architect	Individual responsible for delivering training environment and database.
Agency Training Team	Responsible for delivering the training to new employees and maintaining materials



Agency Site Coordinator	Individual responsible for procuring the Training Room for Training of the Trainers
Agency Help Desk	Group responsible for providing technical support for user laptops or desktops.
Agency Network Help Desk	Group responsible for providing technical support for network
PSI Help Desk	Group responsible for connectivity to training database
Technical Lead	Individual responsible for training database support during training delivery

4.0 Training Project Schedule

The project schedule provides the detailed tasks for this training development project. Below is a summary schedule of the major phases:

Phase	Begins	Ends
Training Analysis and Planning	TBD	TBD
Training Design	TBD	TBD
Training Development	TBD	TBD
Training of the Testers (Alpha)	TBD	TBD
Training of the Trainers (Beta)	TBD	TBD
Implementation	TBD	TBD
Knowledge Transfer	TBD	TBD

5.0 Statement of the Training Need

The Agency seeks a tool to assist with the administration of the Medicaid Electronic Health Records Incentive Payment Program. In seeking to serve the provider community of Iowa, the Agency has contracted with PSI to implement a multi-state solution for the administration of provider incentive payments. The PSI PIPP Solution™ is a hosted solution for managing provider registrations, payment processing, auditing, appeals, reporting and meaningful use reporting and verifications. An online manual and training are required to assist agency staff and provider users in learning the functionality and enhancing awareness of the program within the provider community.

5.1 Background

To develop quality training it is important to have an accurate understanding of the project and the purpose of the training. Likewise it is important for stakeholders to know that the PSI trainer has an accurate understanding of the project and need for training. Therefore, this section will describe what PSI knows about the project and the need for training.

Potential User Community

- A
- B
- C
- D

Within these groups are various job functions including:

- 1
- 2
- 3

The goals of the EHR Medicaid Provider Incentive Program are:

- *Provide a system that will support all aspects of the EHR incentive program*
- *Move away from the existing Iowa Medicaid Provider Application in anticipation of acquisition of a new MMIS*
- *Provide a web portal for the capture of provider attestations and decision support for “meaningful use” determinations*
- *Provide easy access for providers to maintain their own information*
- *Facilitate accurate and timely issuance of incentive payments*

While these goals are for the whole project, they provide trainers with a foundation for training. In our training communications and during training we focus a great deal on how PSI PIPP Solution™ meets these goals.

6.0 Training Needs Analysis

Training staff will participate in the functional requirements review to assist in the Training Needs Analysis, in addition PSI training staff will speak with front line workers



and will visit the Agency office to interview Subject Matter Experts (SMEs). Training needs will be identified through these discussions and observations. This information will be used by the PSI Training Staff to develop training that addresses the unique needs of the learning audience. When additional information is received, revision in this Training Plan will be made and the plan will be resubmitted with revised information.

6.1 Course Purpose

The course will train users on:

- ◆ on-going registration;
- ◆ payment processing,
- ◆ auditing,
- ◆ appeals,
- ◆ reporting,
- ◆ integration with the other Medicaid systems and
- ◆ meaningful use reporting and verifications.

6.2 Audience Analysis

In order to deliver effective training, it is essential to have an accurate understanding of the audience characteristics. Information such as the kind of technology staff currently use, how comfortable staff are in using technology, what expectations staff have about the application and/or training and their attitude towards the project in general, help training staff make critical decisions about how the training will be designed and delivered. The table below indicates the characteristics to be analyzed in order to create appropriate curriculum:

Audience Characteristics	
Knowledge of Technology	Technical skills and capabilities vary greatly among most audiences; however, PSI will be training the trainers and it is expected that they will have an adequate understanding of using the current system and using the computer in general.
Motivation	Motivation to use the existing applications and motivation to learn a new application varies greatly among most audiences; however, PSI will be training the trainers and it is expected that they will be motivated to learn the new application
Expectations	Staff expectations of any new project fall into two categories: the believers and the naysayers. PSI assumes that those being trained as trainers will be believers and will have appropriate expectations.

Agency staff who participate in the training will need exposure to the entire application because they will be responsible for supporting and training new staff and current staff on the application.

6.3 Task Analysis

A task analysis is how training staff determine what training participants currently do so that they can determine what training they will need. A task analysis does not require any knowledge of the new application. PSI will be responsible for Training the Trainers and will be providing PSI PIPP training on all functional aspects of the application.

We will create a single course which will be made up of functional modules. Not all staff being trained may necessarily need to be trained on all modules. To learn about the provider use of PSI PIPP for example, may only require training for a few staff who will work solely with providers and problems they may have on the application. Based on our knowledge of EHR PIPP, Medicaid and our role in the functional design we believe we understand the functional modules to be:

- Provider Eligibility
- Patient Eligibility Threshold
- Incentive Payments
- Adopt, Implement, Upgrade (A, I, U)
- Meaningful Use (MU)
- Years 2 - 6
- Administrative modules

6.4 Classroom Facilities

PSI is assuming that our project team will have the use of the IME facility space. The facility will need to include the following:

- Space for trainees
- Space to accommodate 1 trainer and 1 support staff
- Laptop or desktop computers
- Electrical outlets
- Network connections
- Parking facilities
- Restroom facilities

7.0 Training Design

Training design is the second phase of creating the training course and is the phase when training staff apply what they learned in the analysis phase to:

- Create templates for Leader Guide and User Guide
- Create Quick Guide if needed
- Write course outlines
- Write objectives
- Determine presentation methods
- Determine the length of the training



- Define evaluation tools

All decisions will be made with two things in mind:

- The effect they have on the adult learning process
- Materials maintenance

The Training Design Phase will culminate in the final approval of a Training Design document, a comprehensive high-level outline of the training. As a result of reading the Training Design document the reader will understand what topics/lessons will be included in each module, the learning objectives for each module, how long the training for each module will take and what materials will be used during the training. Finally, it will provide the reader with what we consider the key points to be made for each lesson.

7.1 Course, Modules, Lessons

The overall design layout is in a course, module, and lesson hierarchical structure. The course is the PSI PIPP Provider and Administrative training courses, and the modules/lessons, which are listed below, are based on the comparison between responses to the task analysis survey, system functionality and the functional design. Each module will be assigned to a trainer who will be tasked with designing and developing the pieces associated with that module.

Module Lesson Structure of PSI PIPP Training	
Module	Lessons
TBD	<ul style="list-style-type: none"> • TBD • TBD
TBD	<ul style="list-style-type: none"> • TBD • TBD
TBD	<ul style="list-style-type: none"> • TBD • TBD

7.2 Educational Deliverables

Educational deliverables are those items that PSI will develop to support the training – both from an instructor and a participant standpoint.

PSI will be providing the following:

- Instructor Materials
- Participant Materials
- Resources

These are the tools we will use to train the trainers and in turn, they are the tools that the trainers will use to train all Agency staff and providers on the application.

7.2.1 Instructor Materials

Instructor Materials are those materials that guide the trainer through the instruction of the class.

PSI will be developing two different types of instructor materials: Leader Guides and PowerPoint Presentations:

- Leader Guides (LG) are detailed, step-by-step instructor materials. LG's assist the instructors by giving them a script that ensures a solid and consistent course structure.
- PSI will develop a PowerPoint presentation that will align with the training and Leader Guides. The PowerPoint will be used to highlight key training points.

7.2.2 Participant Materials

Participant Materials are those items that will be distributed to the participants before and / or during the training. The participant materials will allow the learner to easily follow the training and will include information and guidance for each learner to successfully participate in and complete the training. It is intended that these materials will be used by the participants as they apply what they have learned in the training while on the job. The materials PSI creates will be given to participants during the training to be put into a Participant Binder. Those materials include:

- User Documents
- Note taking pages

7.3 Training Evaluations

We will conduct two levels of training evaluations. Level one evaluations measure participants' acceptance of the training. Often level one evaluations are referred to as "smile sheets" because they ask questions such as was the room comfortable or was the training too long or too short. Level two evaluations measure whether participants obtained knowledge as a result of the training. Level two evaluations will take place at the end of the training by having the participants complete a task while logged into the application. The successful completion of the assigned task will indicate the success of the training. If the task is not completed successfully, the training materials will be revisited and revised as necessary.

7.4 Training Environment/Database

The training will include hands on instruction and provide Agency staff with the opportunity to practice using the new application. To support this kind of training we will use a training database. This section will provide a description of the training database requirements from a training perspective.



7.4.1 Training Database Data

The PSI trainer will work with the PSI Architect and Development Team to create an environment for training.

7.5 Staffing

PSI will have one trainer responsible for “training the trainers” and for developing training materials.

8.0 Training Development

Training Development can be compared to the development and testing phases of software development. During the training development phase, our trainer will create the Education Deliverables/training materials for use in the classroom. The tasks associated with Training Development are:

- Write Leader Guides (Please see description in the Educational Deliverables section of this document)
- Write Participant Materials(Please see description in the Educational Deliverables section of this document)
- Conduct Alpha Training (see details below)
- Conduct Beta Training/Training of the Trainers (see details below)
- Submit all training materials upon completion of the Training of Trainers

8.1 Alpha Training

Alpha training refers to the first practice delivery of a course. The purpose of the alpha session is to verify that all educational objectives have been met and that time estimations are accurate. Typically an alpha session is given by the training team to the training team. However, we recommend that the Agency trainers attend the session so that they can begin to understand the application and training materials. Due to the aggressive schedule of this project, Alpha Training will be done with a rough draft of all training materials.

8.2 Beta Training

Typically, beta training is a walk through of the training with a small, select group of end users. Ideally, the audience will have some familiarity with the new application. This allows the audience to focus more on the quality of training (i.e. mechanics and materials) instead of learning the new application. The Beta training will immediately follow the state’s approval of training materials as provided to them after the completion of the Alpha training. This session should be attended by Agency trainers and members of the core Project Team.

9.0 Training Implementation

Implementation refers to the phase of the project when end users receive training and begin using the application. PSI will be training the essential staff as designated by the Agency, who will then provide the end users the training they are to receive.

9.1 Staffing

PSI will be providing one trainer to train the designated Agency staff and one support staff to assist in the classroom.

9.2 Instructional Setting

An instructional setting refers to the location, equipment, support, and security associated with delivering the training.

9.2.1 Site Planning

We realize that when hosting training at site, regardless of how well it is planned, and how few staff will be trained will place a burden on the local site, especially the site manager. Project Management will schedule the classroom and make all arrangements with the site manager of the facility.

9.2.2 Subject Matter Expert (SME)

The Agency will provide a subject matter expert (SME) for the staff training session. Ideally the SME will have knowledge of PSI PIPP©, the MMIS and State policy.

9.2.3 Computers

Computers will be needed for all staff receiving training on the application. These computers can be desktop or laptop computers as decided by the Agency.

9.2.4 Equipment (other than PCs)

In addition to the laptops/desktops we will be using an LCD projector, printer and other equipment during the training. The Agency will provide these materials.

We will need a minimum of one each:

- LCD Projector
- Flip chart easel or whiteboard
- Supply of flip chart pad (sticky back), unless there is whiteboard
- Tape (if flip charts don't have sticky back), unless there is whiteboard
- Printer

Other equipment:

- Extension cords/surge protectors
- Network cords
- Mice
- Keyboards



9.2.5 Database Maintenance

Since a small number will be trained there will be minimal database maintenance necessary; however, if additional training sessions are needed for staff in the future it will be necessary to refresh the database on at least a weekly basis. This will remove all previously entered data in the training environment to allow new staff to be trained with a clean environment

9.2.6 Security

PSI will insist on reserving a classroom where the Agency can guarantee security. It will be very important that we schedule training so that the PSI Trainer is not responsible for “protecting” the laptops/desktops themselves. For example, if a State holiday falls in the middle of the week, we will want the classroom to be in a secure facility. This will protect the equipment from theft.

9.2.7 Implementation Support

It would be naïve to think that there won't be any problems associated with the training delivery. Materials get misplaced, laptops break, network connectivity is lost, etc. These problems will happen so we need to be prepared to deal with them. Therefore, trainers will have the following points of contact:

- Agency Help Desk for laptop support
- Agency Help Desk for support with classroom connectivity
- PSI Technical Lead for training environment and database support
- PSI Training Administrator for materials support
- Agency Project Manager for classroom support
- PSI Project Manager for overall training support

9.2.8 Printing & Transporting Materials

The Agency is responsible for printing materials.

10.0 Knowledge Transfer

Due to the fact that we are developing only instructor led training we will be using Word and PowerPoint to create the curriculum materials. These documents will be made available to Agency trainers for training all Agency staff on the application.

Draft Sample Reports

Draft Sample Reports can be found throughout PSI's response in section 3.2.4 Tab 4: Bidder's Approach to Meeting Deliverables on the following pages: 78-80, 113



Policy Studies Inc.

Transforming policy into action.

Draft Screenshots

Draft Screenshots can be found throughout PSI's response in section 3.2.4 Tab 4: Bidder's Approach to Meeting Deliverables on the following pages: 31-34, 36, 39-44, 47-51, 53, 60-63, 65-66, 68-71, 73, 84



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3.2.5 Bidder's Background (Tab 5)

3.2.5.1 Experience

A NOTE ON HOW WE HAVE RESPONDED TO THIS SECTION

To facilitate your review of this section, PSI first includes all RFP requirements in italics, then we respond to the requirements in the following order (actual RFP requirements are in italics below following numbers 1 through 4) naming each response with a heading that allows the reviewer to quickly recognize the requirement the response is addressing.

Response Order:

1. **EHR PIPP / OTHER RELEVANT EXPERIENCE: Level of technical experience in providing the types of services sought by the RFP:** PSI's experience directly related to the services sought in the RFP. First, we provide our EHR PIPP experience. We then provide additional information on our experience with Medicaid and related projects, Web application development, large-scale systems development work, and Quality Assurance (QA) work on HHS system projects.
2. **REFERENCES: Description of all services similar to those sought by this RFP that the bidder has provided to other businesses or governmental entities within the last twenty-four (24) months:** To address this requirement, we include the requested information for relevant PSI projects conducted within the past 24 months. Since the RFP requested detailed project info including reference information for each of these, PSI has decided to call this our "References" section of the proposal.
3. **Description of all contracts and projects currently undertaken by the bidder:** NOTE: per Amendment 2, this requirement has been removed from the RFP; we do not include this information in our response.
4. **Experience Managing Subcontracts:** A response to this RFP requirement is only required if bidder is proposing the use of subcontractors. For this project, PSI is not proposing the use of any subcontractors so we have not responded to this requirement.
5. **Letters of Reference:** NOTE: Per Amendment 2, this requirement has been changed to allow Reference information to be provided in lieu of actual letters of reference. In our References section (see #2 above) PSI provided **reference information** for six (6) additional projects for which we provided relevant services.



RFP Requirements:

NOTE: Amendments to the RFP (Amendment 2 posted on 9-14-11) are represented in the italicized RFP requirements below by the following: underscore = new additions to the text; strikethrough = information that was removed.

The bidder shall provide the following information regarding the organization's experience:

- *Level of technical experience in providing the types of services sought by the RFP.*
- *Description of all services similar to those sought by this RFP that the bidder has provided to other businesses or governmental entities within the last twenty-four (24) months. For each similar service, provide a matrix detailing:*
 - *Project title;*
 - *Project role (primary contractor or subcontractor);*
 - *Name of client agency or business;*
 - *Start and end dates of service;*
 - *Contract value;*
 - *General description of the scope of work;*
 - *Whether the services were provided timely and within budget; and*
 - *Contact information for the client's project manager including address, telephone number, and electronic mail address.*
- ~~*Description of all contracts and projects currently undertaken by the bidder. Descriptions provided for the immediately preceding requirement do not need to be repeated again.*~~
- *Letters of reference or detailed contact information from three (3) previous clients knowledgeable of the bidder's performance in providing services similar to those sought in this RFP, including a contact person, telephone number, and electronic mail address for each reference. It is preferred that letters of reference are provided for services that were procured in a competitive environment.*
- *Description of experience managing subcontractors, if the bidder proposes to use subcontractors.*



PSI IS THE RIGHT TEAM FOR IOWA'S EHR INCENTIVE PAYMENT PROGRAM

States trust PSI to do this work successfully. We have 27 years of experience implementing successful HHS technology, consulting, and customer service solutions that include the development of highly effective Web applications to support Medicaid and HHS programs.

PSI works directly with the State of Iowa providing operations staff to administer the Electronic Health Records (EHR) Provider Incentive Payment Program (PIPP). We are also working with the State of Tennessee on a system solution to replace the current application used to administer their EHR PIPP. We are also the only vendor with a proven EHR PIPP system conversion process and replacement experience.

PSI understands the regulations, processes and program requirements (EHR PIPP, CMS, CFR, HITECH, ARRA, etc.) that must be followed on these projects to make them highly effective engagements.

We offer Iowa a thorough solution meeting all defined requirements including required interfaces with the CMS National Level Repository; ONC Certified HIT Product List (CHPL) Web site; Certified Health information, and Iowa's MMIS and Data Warehouse.

Overview of PSI's EHR PIPP Qualifications

PSI's experience in HHS system planning and development, as well as program operations aligns perfectly with the tasks required for Iowa's EHR PIPP project. To form the basis for the business functions for Iowa's system, we have combined best practices and lessons learned from years of successful work on Medicaid and healthcare operations and system development projects, Web application development projects, and EHR PIPP projects that include:

- ◆ The Iowa Medicaid Enterprise (IME) where we provide operations staff as part of the Provider Services Unit to support provider questions and program administration
- ◆ The State of Tennessee where we provide business and technical staff to implement our EHR PIPP system to replace the current solution being used support program administration
- ◆ Multiple state agencies across the country to develop and implement successful Web applications
- ◆ States such as Georgia, Kansas, and Maryland on Medicaid operations

This experience has helped PSI develop a keen understanding of what works best in meeting state agency needs as they seek the most beneficial and meaningful ways to address changing healthcare regulations and ensure they are meeting state and federal expectations across vital HHS programs.



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PSI Is at the Forefront of Developing State EHR PIPP solutions.

PSI has been an early participant in planning & implementation activities related to the EHR Provider Incentive Payment Program (PIPP).

We provide operations staff in Iowa to administer the program.

We are also working with **Tennessee** to develop & implement an **EHR PIPP solution** that includes meaningful use functions.

Why PSI's Experience is Important to Iowa

PSI offers DHS both *broad and deep experience* providing meaningful solutions across Medicaid operations as well as consulting and technology engagements. This experience works hand in hand to give PSI the most relevant understanding of state agency programs and the systems that support them that is available from a vendor today. Below we explain why this experience is important to Iowa and include **two case studies** that describe the EHR PIPP and related work PSI has been providing to Iowa and Tennessee.

PSI understands the wide array of federal requirements for implementation and administration of the EHR PIPP; we are working with our clients daily to turn the requirements into system functions. The CMS *final rule* sets the requirements for how states implement and administer the EHR PIPP. We work directly with states to understand these requirements and use them as a guide for assisting states with implementing a new administrative solution, and develop inputs to the updates that will be required for meaningful use.

As a partner with state agencies in the development of solutions for the EHR PIPP, PSI's staff continually participates in information gathering and planning meetings with CMS. Our subject matter experts collaborate with our state partners and participate in the planning and information calls and work together to share ideas, issues and solutions that can be leveraged to support all of our clients and other states as well. This real-world experience benefits Iowa by providing the assurance that with PSI you are getting a system vendor that has participated in the EHR PIPP since its inception, and remains on the leading edge of what is happening in this important area. **Your system will be effective in meeting stakeholder goals and expectations—PSI knows how make it effective because we are doing it right now for other state agencies.**

PSI is the company that understands both the explicit and implicit performance requirements of this scope of work. We offer Iowa expertise and experience based on a broad and deep understanding of HHS—from program operations “out in the field” to an in-depth “behind the scenes” understanding of the systems and technology that support these operations. Our project teams are on the ground every day working in over 40 offices across the nation performing the business processes vital to successful program operation including providing systems to support the EHR PIPP as well as providing operations



staff to administer the program. Additionally, we are helping HHS agencies design, develop, and implement technology solutions every day to support vital HHS programs.

We build on this experience every day through constant interaction with HHS agencies and their stakeholders—building and using Web applications to support our HHS and Medicaid clients, managing cases, operating customer service centers, and working with providers and customers. We work alongside HHS agencies to ensure their programs perform well, that states meet program goals and expectations, and that in the end the most important “client” *the customers* are being served to their satisfaction.

This experience is important to Iowa because it helps you to approach a project from multiple perspectives. While PSI is developing and implementing highly effective Web applications, our project teams are also working with the internal and external users of such applications (providers, employers, other agencies, etc.) every day through our outsourced HHS operations contracts. This allows us, and our state agency clients, to benefit from a unique and continuous interplay of relevant information and innovation.

PSI has been serving state Agencies for 27 Years. Over this period, our commitment to the PSI’s original mission—to *do socially useful work*—has never wavered. We began as a consulting and research company, and over the last two-and-a-half decades have expanded our business to where we are today: providing effective outsourcing, consulting, and technology services that help our state agency clients significantly improve program performance. PSI currently employs more than 1,200 staff members across 55 programs in more than 30 states and the District of Columbia. (Please see the map in Exhibit 3.2.5.1-1 that highlights our current contract work across the nation.)

From developing effective **Web applications**, enhancing technology, and modernizing aging systems; to reengineering business processes and workflows, helping states plan for federal certification and funding, and providing ongoing maintenance and support services, PSI is helping HHS agencies to achieve the highest quality performance, happiest staff, and the utmost in customer service through knowledge, expertise, and most up-to-date technology available.



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PSI Exceeds Your Expectations for an Experienced, High Performance Vendor:

- ◆ PSI is an early EHR PIPP participant; we are working states that are early implementers of EHR PIPP solutions
- ◆ 15 years experience providing Medicaid & related services to HHS agencies
- ◆ Extensive experience designing, developing, & implementing Web applications for state agencies
- ◆ Deep experience managing public sector technology projects (e.g., large-scale systems development & QA)



PSI Contracts by State

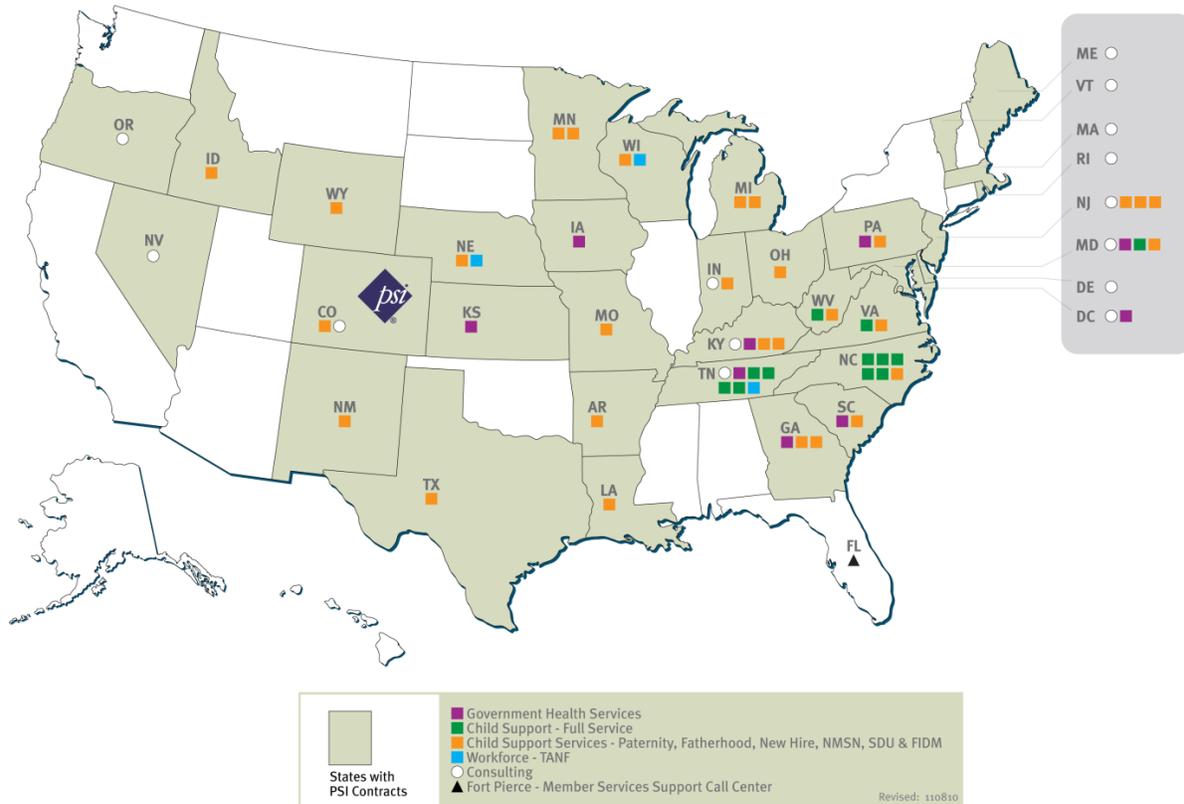


Exhibit 3.2.5.1-1: PSI's Experience in HHS is Broad and Deep, Making Us a Valuable Partner for Iowa. For 27 years, PSI has been helping states develop innovative solutions for administering their HHS programs supported by business processes and systems. We currently provide IT consulting and HHS operations services for 55 programs across over 30 states and Washington D.C.

In addition to systems work, PSI provides consulting services to HHS agencies that include feasibility studies, reengineering of business processes and workflows, quality assurance, and project management and staff augmentation all of which are helping states across the nation improve programs, gain efficiencies, optimize resources, and better serve customers. **This broad and deep experience makes PSI a valuable partner for Iowa because we understand the program from its different dimensions.**

From the beginning, PSI Has Been at the Forefront of Providing Meaningful EHR PIPP Solutions to State Agencies

Below we provide details about the operations work PSI is doing with the State of Iowa, and the systems work we are doing with the State of Tennessee on their EHR PIPP projects.



Case Study 1: PSI's Work on Iowa's EHR Provider Incentive Payment Program and Iowa Medicaid Enterprise Provider Services Unit Is Meeting Project Goals



PSI began work on understanding the EHR PIPP requirements in late 2009, when as Iowa's provider services vendor we began to review the CMS requirements for the program.

Once the original Notice of Federal Rule Making (NPRM) was released and Iowa determined they wanted to be an early participant in the program, PSI was **asked to help figure out how the provider services organization could be modified to support the program requirements**. PSI provider services staff assisted in the analysis of the provider community and in defining the operational model for the program that PSI would staff as part of our provider services contract. PSI assisted the State in getting providers ready for the program ahead of the program roll out.

Once the program was implemented, PSI staff assumed a program administration role as part of our provider services contract. We continue to provide the operational staff to administer the program and have added the role of Medicaid HIT Coordinator to our staff. In addition to our operational responsibilities, we assist in providing outreach to the provider community on the meaningful use requirements.

Case Study 2: PSI Is Helping Tennessee Develop and Implement an Effective EHR PIPP to Meet an Expedited Implementation Schedule



In the spring of 2011, the State of Tennessee awarded PSI a contract to provide an EHR Provider Incentive Payment Program solution to the State of Tennessee to replace the interim system the state was using. PSI is currently executing this project, providing business and technical consulting services for the application design, development, testing; and implementation of a permanent solution to administer EHR PIPP for the State.

PSI is working directly with the State's business and technical resources using joint application development (JAD) sessions and an Agile software development methodology using the PSI base system as the foundation for identifying Tennessee requirements not currently included in the solution. PSI is responsible for the full product development lifecycle including requirements, design, development, testing and implementation. In addition, we are also responsible for converting data from the existing system into the PSI system before implementation. State staff is providing subject matter expertise and user acceptance testing; and PSI staff is providing the development infrastructure, technology, development, and business and project management staff.



We are implementing the system in two phases. Phase 1 is focused on registration, attestation for adopt, implement or update (AIU), audit, appeals, and payment processing. Phase 2 focuses on meaningful use (MU) attestation and payments including the development of the framework for supporting MU attestations for all three stages of meaningful use.

The comprehensive nature of PSI's base system and the functional match to the Tennessee program requirements coupled with our business expertise have allowed us to follow an **expedited implementation schedule** to match the State's roll out plans, leading to the implementation of both phases within 5 months of contract start. This includes converting the existing attestations and payments from the interim solution to our system, which has added some complexity but has not impacted our project schedule.

OTHER RELEVANT WORK PSI PROVIDES TO STATE AGENCIES

In this section, PSI provides more detail around the number of years we have been providing services to state agencies that are relevant to the work we will do for Iowa. We discuss our experience providing state agencies with Medicaid and related services, Web-based solutions, large-scale system development, and QA services—all of which are relevant services to the work we will conduct for Iowa's EHR PIPP project. We finish the section with a brief description of PSI's background, lines of business, and contract operations across the nation.

PSI has been providing meaningful HHS operations and IT consulting solutions to the government sector for more 27 years. We are a Colorado-based company whose mission is to do "socially useful work." Founded in 1984 as a consulting firm specializing in Child Support Enforcement, our founders shared a strong desire to make a difference through fostering social awareness, expanding public policy research, and championing innovation. Over the last two-and-a-half decades, PSI has grown into a leading provider of technology, consulting, and outsourcing services to the HHS industry. We currently employ more than *1,200 staff members who provide services to 55 programs across over 30 states and the District of Columbia.* **In 1996, PSI began providing Medicaid and CHIP-related services to state agencies.** We discuss this experience below.

PSI's Has Been Providing Medicaid and CHIP Program and Technology Solutions to States for 15 Years

Since our establishment, PSI has been at the forefront of HHS program and technology innovation. What started as a child support consulting company has grown into a business with a full-line of consulting and operations that include Medicaid/CHIP, child support, Medicaid, eligibility and other HHS disciplines. We have a unique pedigree that combines traditional system development and consulting engagements with real-world operational experience. *Our consulting experience informs and improves our operations.* At the same time, we take the hard lessons from our operations to understand the everyday realities facing



our customers as they provide healthcare services to their clients. **We used this experience to build the EHR PIPP system that we propose for Iowa.**

From our roots as a consulting organization, PSI expanded into the business of providing operational services for state governments in the 1990's, including health insurance, Medicaid and CHIP operations. As Exhibit 3.2.5.1-2 illustrates, we have gained progressive **experience managing multiple CHIP and Medicaid programs contracts across the country over the past 15 years.** We call on this depth of experience when we conduct our consulting engagements, and frequently obtain information from our Medicaid operations to help our consulting customers.

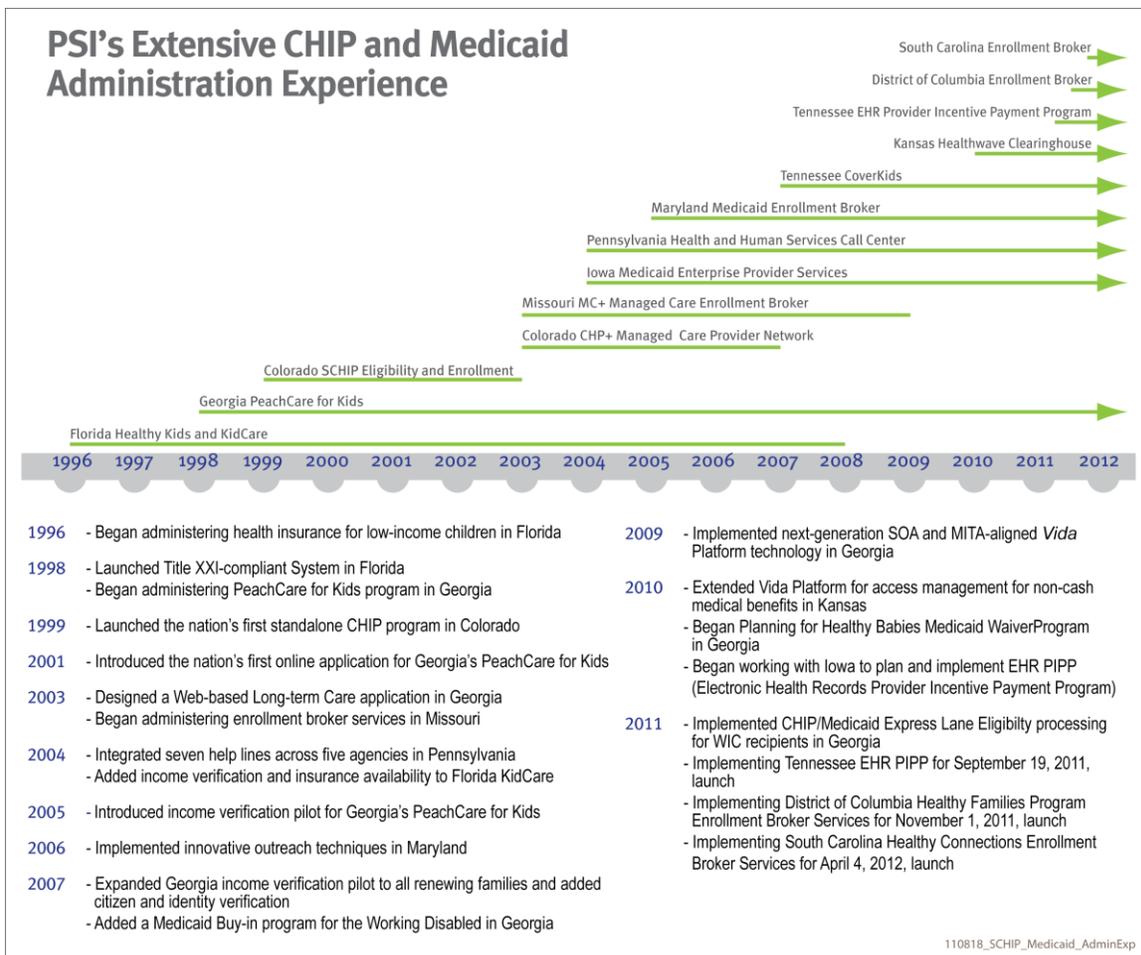


Exhibit 3.2.5.1-2: PSI Brings 15 Years of Experience Providing States with Medicaid / CHIP Program and Technology Solutions. This experience has been instrumental in enabling PSI to develop highly effective solutions such as our **EHR PIPP solution**. We are currently providing EHR PIPP services to the States of Iowa (Iowa Medicaid Enterprise Provider Services project above) and Tennessee (Tennessee EHR Provider Incentive Payment Program).



PSI has a proven record of delivering cost-effective results working with major, publicly funded healthcare programs, including Medicaid and CHIP. Our operations experience gives us specific insights into a wide range of Medicaid related processes, including:

- ◆ Eligibility determination
- ◆ Customer service and support
- ◆ Call Center operations
- ◆ Education and outreach
- ◆ Inbound and outbound mail processing and fulfillment
- ◆ Application processing
- ◆ Enrollment brokering
- ◆ Member services and referral services
- ◆ Provider network administration
- ◆ Capitation payment administration
- ◆ Information systems development and maintenance
- ◆ Private and public healthcare consulting and research
- ◆ Medicaid screening and referral
- ◆ Premium collection
- ◆ Web site development and maintenance

To support these operational functions, PSI utilizes internally designed and developed systems that provide program administration functions, customer service and state-of-the-art functions including customer self-service portals, streamlined business processes and external system interoperability. All of this technical and operational experience will inform our approach to completing the system design, development and implementation activities for the Iowa EHR PIPP project, providing valuable practical insights into potential program and technology improvements and providing real-world input into the right processes for a state's specific needs.

Our HHS Planning and Medicaid / CHIP Experience Has Laid a Strong Foundation for our Effective EHR PIPP Solution

PSI has been involved in technology planning and development since 1984 providing us with 27 years of system development experience for state agencies. Whether it is planning for systems development, overseeing design and implementation, managing large complex development projects, or providing quality assurance and oversight, PSI delivers a full portfolio of experience that is related to the work we will do for Iowa.



In addition, we use our operational and business process experience to identify issues that face states as they administer their Medicaid programs and to develop streamlined business processes. PSI uses the concept of business process improvement as the cornerstone for our Medicaid consulting projects and the MITA framework as a guiding principal when we develop our own Medicaid business processes and systems.

We are able to cull from this portfolio of project experience to match our customer's needs, providing a cycle of success across our organization. The project contemplated by Iowa involves more than just knowledge of the EHR PIPP or system development. A successful vendor will need to combine a number of skills to accomplish the project management, requirements analysis, system design and the development, testing and implementation tasks in a fashion that allows Iowa to administer the EHR Incentive Payment Program solution in an efficient and effective manner.

PSI's experience in system development, HHS programs and operations aligns perfectly with the tasks required for EHR PIPP project. We have taken the best practices and lessons learned from our successful EHR PIPP engagements and combined this information with our Medicaid operations experience from Georgia, Tennessee, and Maryland as the basis for the business functions for the system.

We use our system development experience from building a provider payment system in Washington, D.C., eligibility system expertise from Vermont and a whole host of other system development efforts to create a solution for the administration of the EHR PIPP. We designed the system to support both provider self-service via the internet as well as the internal functions required to administer the program, register providers, access eligibility and make payments.

PSI Has Been Developing Web- Based HHS Solutions Since 1996

During this time, PSI has designed, developed, and implemented internet-facing, browser-based applications for *more than 20 state HHS agencies* across the country that are of similar size and complexity the system required for Iowa. These applications support a variety of different stakeholders in the delivery of State services, including employers, Medicaid and SCHIP beneficiaries and constituents within the judicial system. PSI currently processes more transactions between employers and child support agencies than any other organization. Across the



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The Web Portal PSI Designed for Vermont Has Become a National Industry Standard & Is Being Deployed in 20 States.

In Vermont, PSI links external system information with our comprehensive development platform to provide a robust solution.

We will take this architectural approach in Iowa to link the CMS NLR site, Iowa information sites and our EHR PIPP solution, so providers can access all information about the program in one place.



spectrum of our current implementations, we have over 490,000 registered employers using our Web applications to transmit important information to these agencies.

Below, we provide examples of our Web-based solutions in Washington DC, Ohio, Iowa, and Indiana all of which are providing tangible benefits to HHS programs and stakeholders.

In Washington, D.C. PSI has implemented a Web-based application for linking TANF participants, employment vendors and the State systems to administer the TANF Employment Program (TEP). **This approach is similar to what we have proposed in Iowa**, as we provide the base application along with a web-based user interfaces for providers and we interface with both internal state systems and the CMS. Much of the functionality in our base system is modeled after the architecture and functions used for this system.



Washington, D.C. Income and Maintenance – TANF Employment Program Reporting

PSI's Web-Based Solution Enables self-reporting of hours of participation by TANF participants and facilitates the submission of invoices by TANF Employment Program Vendors. It also contains the payment processes and audit functions required for the system.



The screenshot shows the 'CATCH System' web interface. At the top, it says 'Welcome to the CATCH System'. Below that, there are sections for 'Invoice Alerts' and 'Customer Alerts'. The 'Invoice Alerts' section shows 'No alerts were found.' and the 'Customer Alerts' section shows 'No customer alerts were found.' On the left side, there is a navigation menu with options like 'My Profile', 'Log Out', 'Home', 'Add a New Case', 'Import Data', 'Case Search', 'Documents', 'Participation Audit', 'Invoices', 'Invoice Reconciliation', 'Reports', 'User Administration', and 'Vendor Administration'. The user information at the top left indicates 'User ID: mays' and 'User Role: RIA Manager'.

(Ongoing PSI project.)

The Need: The District of Columbia implemented a full scale TANF Employment Program that utilizes a set of contracted vendors to assist TANF participants in finding and maintaining employment. The Department of Human Services need a tool to assist in tracking hours of participation and auditing the hours against invoices sent by the contracted vendors.

PSI's Solution: PSI built a web-based solution that allows TANF participants to report hours worked from the internet as well as allowing TEP vendors to submit invoices for their services. Based on our eligibility and TANF Workforce experience and our knowledge of TANF receipts and the program, PSI delivered a system that uses the information submitted to validate the invoices sent and initiates payments or identifies inaccuracies that need correction before payment can be made. The system contains the workflow, reporting and audit functionality necessary to enable the administration of the program. Working with the Office of Program Monitoring, PSI quickly developed and implemented the solution and continues to support the system.

The Results: PSI has created a strong partnership between TANF participants, TEP vendors and the Department through enabling of the streamlined reporting and invoice processing. PSI's web-based solution helped all groups work together to improve program participation and control costs to ensure the program can continue.



Ohio's New Hire Reporting Center

PSI's Web-Based Solution Enables Strong Partnerships Between Employers and Ohio's IV-D Agency

(Previous PSI Project.)

The Need: Federal child support regulations require employers to comply with reporting requirements for newly hired employees. Ohio needed a contractor to manage the collection of new hire reports by creating web-based tools for manual and large volume reporting.

PSI's Solution: Based on PSI's customer service record and child support expertise Ohio contracted with PSI for a statewide new hire reporting unit dedicated solely to meeting employers' needs. We provide outreach functions to educate employers on the various duties required of them under state and federal child support laws, and we increased efficiencies across employer interactions with the IV-D agency. PSI designed and built a web application that allows employers to electronically complete and transmit information about newly hired employees. Working with Ohio's IV-D agency, PSI deployed the Ohio New Hire Reporting Center web site. The site processes in excess of 1.5 million new hire reports from the state's approximately 57,000 registered employers.

The Results: PSI has created a strong partnership between employers and Ohio's child support agency. PSI's web-based solution helped both groups work together to improve outcomes for custodial parents and their children.



**Customer Service on the Web – Iowa’s
Employers Partnering in Child Support
(EPICS) Web site**

PSI’s Web-Based Solution Enabled
Strong Partnerships Between Employers
and Iowa’s IV-D Agency
(Previous PSI project.)

The Need: Iowa’s child support agency realized they needed to make it easier for employers to comply with child support enforcement requirements. Employers pointed out that completing and submitting numerous paper forms took up valuable staff time and increased mailing costs. Employers were particularly frustrated with having to supply the same basic employer information on every new form.

PSI’s Solution: Based on PSI’s customer service record and child support expertise, Iowa contracted with PSI for statewide document verification and customer service unit dedicated solely to meeting employers’ needs. The agency also asked PSI to design and build a Web application that would allow employers to electronically receive and complete common forms. Working with Iowa’s IV-D agency, PSI built the Employers Partnering in Child Support (EPICS) Web site. The site enabled employers to register with EPICS, receive common child support forms online and receive e-mail notifications when a new form was posted to the site.

The Results: EPICS handles employer transactions for over 80,000 registered employers. EPICS created strong partnerships between employers and Iowa’s child support agency. PSI’s Web-based solution helped both groups work together to improve outcomes for custodial parents and their children. In 2001, the Council of State Governments (CSG) honored EPICS for helping Iowa’s children receive much-needed financial support from non-custodial parents: EPICS was a Midwestern Semifinalist winner in CSG’s competition to recognize innovative government programs. Winners represent the best approaches to solving major problems within the state government.

PSI Has Been Providing Project Oversight of Technology Projects Since 1987

PSI has a long history of working with our clients across the nation to provide HHS information technology solutions that support program operations and help states to meet state and federal system requirements. Our first technology project dates back to 1987, when we secured a contract to create a microcomputer system for the Delaware Family Court to manage CSE case processing. By January 2001, PSI was managing the largest, most complex CSE technology project in the United States—designing, developing, and implementing a federally compliant MiCSES for Michigan with a total price tag exceeding 150 million dollars.



PSI takes the lessons learned from our IT consulting and operations experience to improve the recommendations we make in Project Management, IV&V, QA, planning, and other engagements, allowing us to *offer state agencies more than theoretical conclusions: instead, we offer practical, proven approaches.* **This approach has formed the basis for our solution proposed for the Iowa EHR Incentive Payment Program.**

This work has resulted in an understanding of the inherent risks and challenges that can threaten quality or timely delivery in a system project, and we will use this experience to help DHS meet your goals for the EHR Incentive Payment Program project.

Large-Scale System Design, Development, and Implementation

Below, we provide highlights from two projects that illustrate our ability to successfully manage complex and significant engagements while developing large modern systems. Additionally, we work with states to automate and modernize business processes that support program operations, and maintain and update systems and their components to ensure ongoing alignment technology improvements, program goals and expectations, and state and federal certification requirements. (We discuss more of our systems experience in the projects we list in the References section below.)

Examples of System Development Experience		
PSI Project	SOW Summary	Applicability to Iowa
Vermont System Design and Development Project to Support Catamount Health Project for Vermont Agency of Human Services	<ul style="list-style-type: none"> Vermont passed the 2006 Healthcare Affordability Act in 2006 with the goal of subsequently implementing the Catamount health insurance plan, whose goal was to provide the uninsured with access to a comprehensive health insurance package. PSI provided services to modify the automated system to support the new program. PSI enhanced the DCF mainframe system to support the program including expanding the employer insurance coverage data collection, creating cost-effectiveness comparisons between the state and employer and commercial insurance programs, determining eligibility for the Catamount program, notifications to clients and employers, and interface with the insurance company's 	<p>Development of automated systems under an expedited schedule is a strength of PSI. We are able to quickly assess project goals, objectives and constraints and work with our client partner to develop a solution that allows implementation of project initiatives in a quick and efficient manner. Our strict project management processes and staff allow us to define system and business requirements quickly yielding a system design document that can be efficiently developed and tested leading to an expedited implementation.</p> <p>The project also shows how we are able to work with our clients to fit a new project into an existing enterprise with numerous internal and external partners with limited impact. This</p>



Examples of System Development Experience		
PSI Project	SOW Summary	Applicability to Iowa
	<p>providing Catamount coverage, and expansion of the premium accounts payable capability.</p> <ul style="list-style-type: none"> • PSI, in collaboration with the State, developed the design and the software for the new program. Additional automated capabilities included enhancement of data entry screens, software development to support eligibility determination and monitoring of employer health insurance information requests, and the enhancement of the system's eligibility process, and enhancement of the system to provide users with the necessary information to address customer service information requests, legislative reporting needs, and ongoing operations support. • Subsequent to the above project, PSI designed and developed software to address additional Catamount program requirements to support client and employer notification, interfaces with the Catamount Insurance providers, and insurance verifications. 	<p>will be important for Iowa as the EHR Incentive Payment Program solution will need to fit into the Medicaid Enterprise and work with various external and internal systems.</p>
<p>Michigan MiCSES Development Project for Michigan Department of Information Technology</p>	<ul style="list-style-type: none"> • Efforts to develop and deploy a certified statewide child support enforcement system (CSES) stalled and the State was facing steep federal penalties. Due to Michigan's complex political and technical landscape, the implementation of a single, statewide system was challenging. The State needed an accomplished advisor to evaluate the situation and recommend a solution. At the State's request, PSI recommended a strategy to restart Michigan's system development effort, and minimize/avoid further federal penalties. • PSI assembled a project team to 	<p>This project highlights PSI's experience in large-scale system development and our ability to manage the successful completion and implementation of a large statewide system. It demonstrates our experience across the spectrum of expertise required for the Iowa project and our ability to provide the required staff to complete large efforts.</p> <p>It also underscores the strong project management controls that PSI utilizes on all of our engagements. Our PMBOK-based methodology is customized for Iowa but contains all of the required functions to manage</p>



Examples of System Development Experience		
PSI Project	SOW Summary	Applicability to Iowa
	<p>design, develop, test, and deploy a new web-based, statewide automated CSES, to be known as MiCSES. The PSI team was also responsible for achieving an expedited implementation of CSES in nine large counties and we worked in close partnership with the State to manage the project, guide the functional design, and ensure consistent progress through the many mid-course corrections</p> <ul style="list-style-type: none"> • PSI's project management staff developed the project plans for all releases and managed the activities of State, PSI and subcontractor staff (300-500 project team staff, 12 subcontractors, and five state contractors). Under PSI's direction, the MiCSES team produced a federally-certifiable child support system—that was deployed in all 83 Michigan counties—in <i>less than 30 months</i>, remaining on schedule and on budget. 	<p>resources, scope, schedule and cost effectively to ensure we meet the compressed timeframes for the project.</p>

OUR REFERENCES ARE A TESTAMENT TO PSI'S ABILITY TO SATISFY STATES' PROJECT REQUIREMENTS

In this section, we provide six (6) references for relevant work PSI is currently performing or has performed for state agencies in the last 24 months. *PSI is proud of the work we do daily for state agencies across the nation and we welcome DHS to contact our references* to attest to the high quality of our services and our ability to meet project requirements effectively and efficiently.

Reference #1: Tennessee EHR PIPP Project

Project Relevance:	<ul style="list-style-type: none"> ✓ Design, development, implementation of EHR PIPP system ✓ Development and execution of application test plan ✓ Experience with Project Management (PSI is Prime) ✓ Development and execution of Project Management Plan
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Reference #1	Tennessee Electronic Health Records (EHR) Provider Incentive Payment Program (PIPP) Project
Company Name:	Policy Studies Inc. (PSI)
Identify role company will have for this RFP project (check one).	
<input checked="" type="checkbox"/> Vendor <input type="checkbox"/> Subcontractor	
Project Name:	Electronic Health Records (EHR) Provider Incentive Payment Program (PIPP) for the State of Tennessee Department of Finance and Administration, Bureau of TennCare
Primary Contact Information	
Name:	Brent Antony
Street Address:	310 Great Circle Road
City, State, Zip	Nashville, TN 37243
Phone, including area code:	(615) 507-6339
Email address:	Brent.Antony@tn.gov
Project Information	
Brief description of the project/contract and description of services performed:	<p>Policy Studies is providing business and technical consulting services to the State including application design, development, testing, and projection management for the purpose of implementing systems to administer EHR incentive payments under the Medicaid program. PSI is working directly with State business and technical resources using joint application development (JAD) sessions and an Agile software development methodology using the PSI base system as the foundation for identifying Tennessee requirements not currently included in the solution.</p> <p>PSI's is following an incremental model to design, develop, and implement system functionality. Initial focus is on registration, attestation for adopt, implement or update (AIU), audit, appeals and payment processing for Phase 1. Phase 2 of the project will focus on meaningful use (MU) attestation and payments for Year 2 (year 1 MU) and the framework for supporting MU attestations for Years 3-6.</p> <p>PSI is responsible for the full product development lifecycle; State of Tennessee staff is providing subject matter expertise and user acceptance testing (UAT). PSI staff is providing infrastructure, technology, development, business and project management staff.</p> <p>The comprehensive nature of the PSI base system and the functional match to the program requirements will enable the State of Tennessee to benefit from an expedited implementation schedule. Phase 1 is anticipated to go-live in 2.5 months, Phase 2 in 5 months.</p>



Reference #1	Tennessee Electronic Health Records (EHR) Provider Incentive Payment Program (PIPP) Project
Original Project/Contract Start Date:	5/16/11
Original Project/Contract End Date:	04/30/2012
Original Project/Contract Value:	\$1,145,170
Final Project/Contract Date:	Ongoing
Was project/contract completed in time originally allotted, and if not, why not?	Project began in May of 2011 and is currently on schedule
Was project/contract completed within or under the original budget / cost proposal, and if not, why not?	Project began in May of 2011 and is currently on budget

Reference #2: Vermont OCS Financial System Upgrades Project

Project Relevance:	<ul style="list-style-type: none"> ✓ Design, development, implementation of financial system upgrades to Vermont's ACCESS system ✓ Development and execution of application test plan ✓ Development and implementation of training plan ✓ Experience with Project Management (PSI is Prime) ✓ Experience with managing subcontractors ✓ Development and execution of Project Management Plan
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Reference #2	Vermont OCS Financial System Upgrades Project
Company Name:	Policy Studies Inc. (PSI)
Identify role company will have for this RFP project (check one).	
<input checked="" type="checkbox"/> Vendor <input type="checkbox"/> Subcontractor	
Project Name:	Financial System Upgrades for the State of Vermont Department of Children and Families (DCF), Office of Child Support (OCS)
Primary Contact Information	
Name:	Amanda Nelson



Reference #2	Vermont OCS Financial System Upgrades Project
Street Address:	103 South Main Street
City, State, Zip	Waterbury, Vermont 05671-1901
Phone, including area code:	(802) 241-4429
Email address:	Amanda.Nelson@ahs.state.vt.us
Project Information	
Brief description of the project/contract and description of services performed:	<p>PSI is currently working with OCS and the Vermont Department of Children and Families' Information Services Division (DCF-ISD) staff to design, program, test, and implement technical modifications to the State's Child Support Enforcement (CSE) system.</p> <p>PSI's work to date has included:</p> <ul style="list-style-type: none"> • Automating manual processes including recoupment, surcharge calculation and distribution, held funds release, account statement preparation. The additional automation increases operational efficiency and creates additional audit capability for financial transactions, • Enhancing the data warehouse extract transform and load process to use the newly acquired Event Replicator software to transfer CSE data to the State child support data warehouse (PEAKS) and to establish new reporting capabilities in PEAKS. • Developing on-line reports for financial accountability and expanded documentation of the financial transaction history to further support financial reconciliation between the OCS Child Support system and the State's VISION accounting system
Original Project/Contract Start Date:	April 2011
Original Project/Contract End Date:	Oct 31, 2011
Original Project/Contract Value:	\$1,296,900
Final Project/Contract Date:	Ongoing
Was project/contract completed in time originally allotted, and if not, why not?	Technical problems with DCF data replication product required no cost contract extension



Reference #2	Vermont OCS Financial System Upgrades Project
Was project/contract completed within or under the original budget / cost proposal, and if not, why not?	Yes, project is in warranty period through October 31, 2011

Reference #3: District of Columbia TANF TEP Project

Project Relevance:	<ul style="list-style-type: none"> ✓ Design, development, implementation of PSI's Generic Enrollment Functionality (GEF) system (part of PSI's <i>Vida™</i> platform) ✓ Development and execution of application test plan ✓ Development and implementation of training plan ✓ Experience with Project Management (PSI is Prime) ✓ Experience with managing subcontractors ✓ Development and execution of Project Management Plan
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Reference #3	District of Columbia Technical Assistance for the TANF Employment Program (TEP)
Company Name:	Policy Studies Inc. (PSI)
Identify role company will have for this RFP project (check one).	
<input checked="" type="checkbox"/> Vendor <input type="checkbox"/> Subcontractor	
Project Name:	Technical Assistance for the TANF Employment Program (TEP) for the District of Columbia Department of Human Services, Income Maintenance Administration
Primary Contact Information	
Name:	David Ross
Street Address:	33 N Street NE
City, State, Zip	Washington DC, 20002
Phone, including area code:	(202) 535-1386
Email address:	david.ross@dc.gov
Project Information	
Brief description of the project/contract and description of services performed:	In 2008, the District of Columbia implemented a full-scale TANF Employment Program that utilizes a set of contracted vendors to assist TANF participants in finding and maintaining employment. DHS was seeking a tool to assist in tracking hours of participation and auditing the hours against invoices sent by the contracted vendors.



Reference #3	District of Columbia Technical Assistance for the TANF Employment Program (TEP)
	<p>For this project, PSI built a Web-based solution that enables TANF participants to report hours worked from the internet as well as allowing TEP vendors to submit invoices for their services. PSI delivered a system that uses the information submitted to validate invoices sent and initiate payments or identify inaccuracies that need correction before payment can be made. The system's workflow, reporting, and audit functionalities provide administrative support for the program. The system has also enabled streamlined reporting and invoice processing.</p> <p>Working with the Office of Program Monitoring, PSI quickly developed and implemented the solution and continues to support the system.</p>
Original Project/Contract Start Date:	3/12/08
Original Project/Contract End Date:	3/16/12
Original Project/Contract Value:	\$1,172,116
Final Project/Contract Date:	Ongoing
Was project/contract completed in time originally allotted, and if not, why not?	Ongoing; all interim deadlines and project milestones completed on time
Was project/contract completed within or under the original budget / cost proposal, and if not, why not?	Ongoing; all project activity maintained within original annual budgets

Reference #4: Indiana Automated License Suspension (ALS) User Interface (UI) Proof of Concept (POC)

Project Relevance:	<ul style="list-style-type: none"> ✓ Design, development, implementation of PSI's <i>Vida™</i> technology platform ✓ Development and execution of application test plan ✓ Development and implementation of training plan ✓ Experience with Project Management (PSI is Prime) ✓ Experience with managing subcontractors ✓ Development and execution of Project Management Plan
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Reference #4	Indiana ALS UI POC
Company Name:	Policy Studies Inc. (PSI)
Identify role company will have for this RFP project (check one).	
<input checked="" type="checkbox"/> Vendor	<input type="checkbox"/> Subcontractor
Project Name:	Indiana Automated License Suspension (ALS) User Interface (UI) Proof of Concept (POC)
Primary Contact Information	
Name:	Dawn McNeal, Senior Project Manger, ISETS
Street Address:	Indiana Child Support Bureau 132 East Washington Street
City, State, Zip	Indianapolis, IN 46207
Phone, including area code:	(317) 234-0487
Email address:	Dawn.McNeal@dcs.IN.gov
Project Information	
Brief description of the project/contract and description of services performed:	<p>In June 2010, Indiana’s Child Support Bureau (CSB) awarded PSI a contract to automate the State’s child support license suspension process using a Business Process Management System to provide a new user interface. The POC automated the driver’s license suspension and hunting/fishing license suspension functionality of the State’s child support enforcement (CSE) system.</p> <p>PSI worked with CSB to pilot the project in six counties within six months of the project start date, and are currently helping CSB prepare it for implementation to 150 county workers in 92 counties who will utilize this new application to complete this enforcement process caseworkers’ needs and/or county level processes.</p> <p>The project highlights PSI as a pioneer in child support system modernization in two key areas:</p> <ul style="list-style-type: none"> • <u>PSI is the first vendor in the nation to use a BPMS solution to modernize a CSE system:</u> the project employs a technology called a Business Process Management System (BPMS), which uses the modern technology components (workflow rules engines, graphical user interface, process modeler/simulator, etc.) to help child support agencies enhance workflow efficiency and improve child support outcomes. • <u>The project validates an alternative approach to replacing CSE systems called incremental modernization:</u> In 2006, PSI was the first vendor in the nation to introduce incremental modernization, a typically private sector practice, to the public sector / child support setting with our work for the



Reference #4	Indiana ALS UI POC
	Commonwealth of Massachusetts' CSE system. This project illustrates PSI's experience with enhancement/maintenance of HHS systems, like Indiana's ISETS system, and our ability to introduce <u>new cost-effective ways</u> for state agencies to access up-to-date technology to modernize these systems.
Original Project/Contract Start Date:	June 2010 (Phase 1 POC)
Original Project/Contract End Date:	September 2010 (Phase 1 pilot) Phase II = ongoing
Original Project/Contract Value:	\$492,000
Final Project/Contract Date:	September 2010 (Phase 1 pilot) Phase II = ongoing
Was project/contract completed in time originally allotted, and if not, why not?	Yes
Was project/contract completed within or under the original budget / cost proposal, and if not, why not?	Yes

Reference #5: Georgia PeachCare for Kids Program

Project Relevance:	<ul style="list-style-type: none"> ✓ Design, development, implementation of PSI's <i>Vida</i>TM technology platform ✓ Development and execution of application test plan ✓ Development and implementation of training plan ✓ Experience with Project Management (PSI is Prime) ✓ Experience with managing subcontractors ✓ Development and execution of Project Management Plan
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Reference #5	Georgia PeachCare for Kids Program
Company Name:	Policy Studies Inc. (PSI)
Identify role company will have for this RFP project (check one).	
<input checked="" type="checkbox"/> Vendor	<input type="checkbox"/> Subcontractor
Project Name:	Georgia PeachCare for Kids Program
Primary Contact Information	
Name:	Jon Anderson, Medicaid Deputy Chief, Georgia Department of Community Health Medical Assistance Division
Street Address:	1 Peachtree Street, NW, 39 th Floor
City, State, Zip	Atlanta, GA 30303
Phone, including area code:	(404) 651-9981
Email address:	janderson@dch.ga.gov
Project Information	
Brief description of the project/contract and description of services performed:	<p>PSI's operates the Georgia PeachCare for Kids Program including management of the eligibility determination operation. We use our proprietary case management technology, <i>Vida</i> to support these operations in an effective and efficient manner. Since 1998, we have served as the only administrator of the PeachCare for Kids program. In 2007, Georgia awarded us our third contract following a competitive procurement for PeachCare for Kids. PSI has consistently delivered a high level of customer service in Georgia and partnered with the Department of Community Health on many innovations that make the Georgia PeachCare program a national model for other CHIPs. PSI accepts and processes applications received via the mail, fax, through an online application we developed for the PeachCare for Kids Web site, and occasionally over the phone. We have a record of substantially exceeding contract metrics in processing applications for the PeachCare for Kids program, no matter the form in which we receive the application. The application process is dynamic, driven by strong technology and experienced, knowledgeable staff and partners, resulting in accurate, timely determinations of eligibility.</p> <p>Our experience in managing eligibility application and determination processes in Georgia provides a level of understanding on what end users experience from their system. We provide further details on our work with Georgia and its relevance to New Mexico's scope of work in the Corporate Qualifications section below.</p>
Original Project/Contract Start Date:	July 1998



Reference #5	Georgia PeachCare for Kids Program
Original Project/Contract End Date:	June 2013 (including all renewals)
Original Project/Contract Value:	\$17,500,000
Final Project/Contract Date:	TBD, project ongoing
Was project/contract completed in time originally allotted, and if not, why not?	Yes
Was project/contract completed within or under the original budget / cost proposal, and if not, why not?	Yes

Reference #6: Maryland HealthChoice Medicaid Enrollment Broker Project

Project Relevance:	<ul style="list-style-type: none"> ✓ Design, development, implementation of PSI's CHOICE system ✓ Development and execution of application test plan ✓ Development and implementation of training plan ✓ Experience with Project Management (PSI is Prime) ✓ Experience with managing subcontractors ✓ Development and execution of Project Management Plan
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Reference #6	Maryland HealthChoice Medicaid Enrollment Broker
Company Name:	Policy Studies Inc. (PSI)
Identify role company will have for this RFP project (check one).	
<input checked="" type="checkbox"/> Vendor <input type="checkbox"/> Subcontractor	
Project Name:	Maryland HealthChoice Medicaid Enrollment Broker for the Maryland Department of Health and Mental Hygiene
Primary Contact Information	
Name:	Elise Green-Watford, Division Chief, Beneficiary Enrollment Svcs
Street Address:	201 W. Preston Street, Room L-9
City, State, Zip	Baltimore, MD 21201
Phone, including area code:	(410) 767-5454



Reference #6	Maryland HealthChoice Medicaid Enrollment Broker
Email address:	egreen-watford@dhhm.state.md.us
Project Information	
Brief description of the project/contract and description of services performed:	<p>PSI is the enrollment broker and benefit consultant serving approximately 500,000 enrollees, receiving 12,000 new enrollment requests each month by phone and mail, and handling 18,000 calls per month.</p> <p>We perform all functions related to member enrollment in participating HealthChoice managed care organizations (MCOs), including:</p> <ul style="list-style-type: none"> • Providing education and outreach through field staff and community-based organizations, including onsite presentations and enrollments • Processing enrollments received over the telephone and by mail, transfers, and disenrollments into Maryland’s Medicaid and Primary Adult Care programs • Developing, producing, and mailing enrollment packets and other informational materials to assist with enrollee choice • Customizing and maintaining an enrollment information system (CHOICE) • Maintaining the program Web site • Telephone system and Member Help Line services • Quality assurance and training for on-site and field staff <p>The HealthChoice program serves 720,000 enrollees and PSI averages 20,000 new enrollment requests each month by phone and mail. During SFY 2010, our fulfillment requests included 150,000 new enrollment packets, and 300,000 annual re-enrollment letters and packets, all of which we sorted, scanned and processed within 24 hours, well within our 48-hour processing requirement.</p>
Original Project/Contract Start Date:	July 2005
Original Project/Contract End Date:	December 2011 (including all renewals)
Original Project/Contract Value:	\$8,000,000
Final Project/Contract Date:	December 2011
Was project/contract completed in time originally allotted, and if not, why not?	Yes



Reference #6	Maryland HealthChoice Medicaid Enrollment Broker
Was project/contract completed within or under the original budget / cost proposal, and if not, why not?	Yes



3.2.5.2 Personnel

The bidder shall provide the following information regarding personnel:

3.2.5.2.1 TABLES OF ORGANIZATION

Illustrate the lines of authority in two tables:

- *One showing overall operations*
- *One showing staff who will provide services under the RFP*

Below, we include two corporate organizational charts to show where our Iowa project team fits into our overall corporate structure; we then provide our Iowa project team organizational chart.

PSI's Corporate Organizational Structure

The success of a project like Iowa's depends on the quality of expertise, resources, and support provided from the top down. PSI has designed our corporate infrastructure with this in mind. Each of our corporate divisions leverages years of expertise and experience in the delivery of best practices across all of our HHS contracts. Across our contracts with state agencies like DHS, PSI's corporate resources ensure we meet contractual performance and operational requirements.

This organizational chart contains confidential information and has been removed.



Below, we provide the organizational structure of PSI's Consulting Division where the Iowa EHR PIPP project fall under, highlighting our proposed Project Director for Iowa, Pat Aguilar to whom our Project Manager for Iowa will report. Following this organizational chart, we include an organizational chart for our proposed project team.

This organizational chart contains confidential information and has been removed.

PSI's Project Team for Iowa's EHR Payment Incentive Program

We have designed our project team structure around the core capabilities required for your project. We understand how to conduct a successful EHR PIPP implementation project, but also that we understand the needs of your specific project. There is no substitute for hands on experience especially when system replacement and data conversation are a part of the scope of work.

The PSI team includes members who are supporting the implementation of Tennessee's EHR PIPP solution and who have strong Medicaid web-based application development skills. This assignment of qualified staff offers Iowa the best practices and valuable knowledge gained from direct EHR PIPP



implementation experience. We will put our knowledge to good use in helping you achieve your goals for the EHR Incentive Payment Program project. The organization chart below shows are proposed organization for the Iowa EHR PIPP project taking into account all required tasks and activities.

This organizational chart contains confidential information and has been removed.



*psi*PLUS

Our Team Will Help You Achieve Success.

The PSI team offers Iowa a **deep understanding of ARRA, Medicaid, EHR PPIP, system development,** and implementation in the Medicaid market.

We bring to this project valuable experience gained from helping states be successful with similar EHR incentive programs and replacement projects.

Overview of Our Staffing Approach

PSI's project team offers Iowa specific expertise the replacement of an EHR PIPP system as well as detailed knowledge of Medicaid, MMIS, and system development and implementation. We also bring broad skills in project management, requirements definition, business process analysis, and operations that provide a strong foundation that will help this project to be successful. *This collective expertise and experience provide the basis necessary to assist the State in achieving success on your EHR Incentive Payment Program project.*



As a premier consulting and services vendor in the health and human services (HHS) market, PSI understands that *project staff is the principal asset we employ* on system development, replacement and implementation engagements like the Iowa's Medicaid EHR Incentive Payment Program project.

PSI has carefully reviewed the project requirements and assembled an excellent team for this project that brings complementary skills necessary to implement the components of our proposed scope of work. We selected the project team for this engagement specifically for the skills and abilities it offers DHS. Our team members are veterans of working with government agencies in highly dynamic and political environments; and much of the team has contributed to the success of **our EHR PIPP project that is currently underway in Tennessee.**

Our project team offers Iowa a valuable, real-world understanding of the need for EHR adoption—and how it results in improved healthcare outcomes. This experience enables us to offer DHS **an important**

understanding of the program and its impacts on providers, IME's goals and expectations for the EHR PIPP program, the functionality of the Medicaid support systems (including the MMIS), and federal policy regarding the EHR PIPP and meaningful use.



PSI Can Offer DHS the Value of Real-World, EHR PIPP Experience.

PSI has been helping Tennessee & Iowa realize their EHR PIPP and Medicaid project goals & we will use the lessons learned / experience gained from this work to deliver Iowa's EHR Payment Incentive Program solution.

We will use this breadth of experience and expertise to help DHS achieve a replacement system that will ensure the continued ability of providers to gain assistance in the adoption and use of certified EHR technology, leading to improved healthcare outcomes and performance improvement in the overall delivery of healthcare services to the citizens of Iowa. *We understand this program is not just about making incentive payments and we will keep the bigger picture in sight as we implement our solution.*

Our Staffing Approach Will Help the Project Stay on Track and Realize Its Goals

Iowa's project is ambitious, requiring the replacement of the current system, configuration and validation of significant system functionality, some of which is still being defined by CMS, coupled with hosting and infrastructure implementation efforts, all in an expedited manner. In order to complete this engagement on time and to the State's satisfaction, PSI has coupled our EHR PIPP solution and our data center infrastructure with a project team made up of senior staff with specific project management, program, business function, and technical and analytical skills.

Our approach for meeting the project schedule is to assign these senior staff members to multiple activities, which they will be required to complete simultaneously, using each work product as a building block for completing the functionality and implementing the system in production. We understand the need for both functional and technical resources and we couple our teams allowing our subject matter



experts to lead the requirements validation efforts and coordinating system configurations with our application architect and the rest of the technical team. The result is the project team for Iowa, shown in the organization chart above, based on our solution and approach, matching the goals and expectations set forth by the State.

PSI has focused our team development on the specific skills necessary to implement the EHR incentive program solution quickly and cost effectively without unnecessary or unneeded assignments. We focus on the required deliverables and the staff required to complete assignments according to the schedule. While it may make our team footprint smaller than that of another vendor, the PSI team *gives DHS the assurance that our scope of work will be delivered as proposed.*

Please see our response to section 3.2.5.2.3 below, where we introduce DHS to our individual project team members and their qualifications to perform the work required on this project.

3.2.5.2.2 NAMES AND CREDENTIALS OF PERSONNEL

Key Corporate Personnel

Owners, Executive Officers, and Corporate Support Team

- *Include the names and credentials of the owners and executives of your organization and, if applicable, their roles on this project.*

PSI Owners

PSI is a wholly owned subsidiary of PSI Services Holding Inc. (PSHI), and PSI is the sole asset of PSHI PSI Services Holding Inc. Thus, PSHI is the only person or entity with an ownership interest in PSI.

Name, Title	% of Ownership
PSI Services Holding Inc.	100% of PSI

Executive Officers

PSI's Executive Officers
<p>This information contains confidential information and has been removed.</p>



Board of Directors

- *Include names of the current board of directors, or names of all partners, as it applies.*

Our combination of PSI principals, veteran investors from other firms, and highly accomplished outside experts makes for an ideally balanced and diverse board of directors:

Name	Title	Address
This information contains confidential information and has been removed.		

- *Include resumes for all key corporate, administrative, and supervisory personnel who will be involved in providing the services sought by this RFP. The resumes shall include: name, education, and years of experience and employment history, particularly as it relates to the scope of services specified herein. Resumes shall not include social security numbers.*

PSI will conduct the work for Iowa's EHR PIPP project through our Consulting Division, as shown in the org charts provided earlier in this section. Our Project Director, who is responsible for project delivery, reports directly to the Managing Director of the Consulting Division, who, as the head of the Division, is ultimately responsible for PSI's performance on this contract. While the Managing Director will not be directly involved in the project work, he will provide general oversight and support to our project team as needed.

Our Project Manager reports directly to our Project Director. Thus, at the end of this section, we provide resumes for our Project Director, Project Manager, and the remaining members on our Iowa project team.

While PSI's other corporate departments and divisions provide support to our project teams as needed, we do not provide any corporate-level resumes since there are no individual corporate resources that will work directly on the project.



PSI will meet the State's requirements for **hosting the system** through our Information Technology (IT) department, which provides IT support to our project teams, handling IT-related issues and ensuring PSI meets all contract requirements for technology implementation.

Our Project Manager and other members of the project team has full access to the PSI's IT Help Desk team that assists in troubleshooting and resolving technical problems. The Help Desk operates Monday through Friday from 7 a.m. to 8 p.m. (ET). In addition, our on-call staff handles emergency issues during non-business hours and on the weekends. The PSI Help Desk serves as the initial point of contact and management for all supported software and hardware issues. They route requests to the appropriate PSI staff members to ensure that problems are addressed and resolved as quickly as possible. Our Help Desk technicians track reported issues reported and ensure the appropriate troubleshooting, maintenance, and follow-up work is conducted.

3.2.5.2.3 PROJECT MANAGER AND KEY PROJECT PERSONNEL

- *Include names and credentials for the project manager and any additional key project personnel who will be involved in providing services sought by this RFP. Include resumes for these personnel. The resumes shall include: name, education, and years of experience and employment history, particularly as it relates to the scope of services specified herein. Resumes should not include social security numbers.*
- *Include the project manager's experience managing subcontractor staff if the bidder proposes to use subcontractors.*
- *Include the percentage of time the project manager and key project personnel will devote to this project on a monthly basis.*

To meet the above requirements, in the following pages we provide:

- ◆ Introductions to our Project Director, Project Manager and additional key project personnel (Note: PSI is not proposing the use of subcontractors for this engagement - see RFP requirement bullet number 2 above)
- ◆ Direction to our project team resumes at the end of this section
- ◆ A table showing the percentage of time each team member will devote to the project on a monthly basis

Selecting the Right Team is Crucial to Project Success—An Introduction to Our Project Team

Below, we introduce you to each key member of our team and provide summaries of each team member's qualifications.



PSI is keenly aware of the requirements for the project team and we have built a team that understands your project needs. Our experienced project team and unique organizational structure provides the State with the level of staff necessary to deliver a complete EHR Incentive Payment Program system and operational solution ready for implementation and the successful administration of the program. As part of our project management approach, PSI relies on a division of responsibilities among the senior project management staff. While the Project Manager is the on-site, day-to-day resource responsible for the execution of the project plan, PSI assigns a Project Director to ensure critical projects such as this one have the proper visibility within PSI as well as ensuring customer satisfaction.

Through his interaction with Iowa, the Project Director will continually monitor whether or not the State's requirements are met and coordinate resources across multiple projects. The Project Director also has visibility to all EHR PIPP projects undertaken by PSI, and will work with both Iowa management and the PSI Project Manager to ensure Iowa receives the latest software upgrades and that the corporate infrastructure support team implements the entire platform according to the project requirements.

Project Director

Experience

Our proposed Project Director [REDACTED] will be responsible for providing oversight and support to our Project Manager for contract management; ensuring attainment of PSI's quality and performance goals; and escalating and resolving invoicing / payment issues. He will support the Project Manager on additional tasks as needed, and monitor and assist with maintaining client satisfaction.

[REDACTED] is uniquely qualified for this role because he possesses the specialized skills and specific program expertise necessary to lead this effort. As the [REDACTED]

[REDACTED] practice and is tasked with expanding PSI's presence is the [REDACTED]. He is the **original architect of PSI's EHR PIPP solution and is currently managing the implementation of our solution in** [REDACTED].

[REDACTED] is a certified Project Management Professional (PMP) with over **22 years of relevant experience** planning, developing, and leading information system projects in the HHS market, with the last **11 years specializing in Medicaid and MMIS consulting.**

[REDACTED] Medicaid experience spans management consulting; system planning, including leading MITA SS-A efforts; operational program implementation; quality assurance; and system development. *He has directly managed a number of efforts similar to your EHR Incentive Program project* including our engagement and will bring his commitment to success and high quality leadership skills to Iowa as the system is specified, developed, and implemented. [REDACTED] also understands the unique challenges of replacing an existing operation system and will lend his expertise to the project as needed to ensure success.



Project Manager

Experience

██████████ will be responsible for meeting all success criteria and for coordinating all project delivery activities. As the Project Manager, he will make day-to-day project decisions, staff assignments, and handle schedule and budget management. He will be available to the State on a daily basis through system implementation, will lead project status reporting, and meet regularly with key stakeholders. ██████████ DHS valuable EHR PIPP planning and technical leadership experience gained from his work on numerous Medicaid system development projects and specific planning efforts with State Medicaid agencies planning for EHR PIPP implementations and the rollout of the health insurance exchange products.

██████████ is a certified Project Management Professional (PMP) and systems architect with over 20 years experience architecting, designing, developing, testing and implementing systems for corporations and state Medicaid agencies. He brings deep experience in information technology and has served in leadership roles on multiple large, healthcare enterprise application development and implementation projects. ██████████ DHS extensive capabilities in planning, executing, monitoring, and controlling virtually any aspect of systems development and implementation, and leading project teams in the successful delivery of written deliverables, software, and other work products. He is experienced in all phases and facets of systems development and implementation including:

- ◆ Large Project Planning and Management
- ◆ Enterprise and Software Architecture
- ◆ Requirements Definition and Analysis
- ◆ Systems Analysis and Design
- ◆ Software Development and Testing
- ◆ Formal Quality Assurance and Control
- ◆ Business Analysis and Engineering
- ◆ Data Modeling, Database Design, Data Conversion
- ◆ End User and System Administrator Training
- ◆ Technical and User Documentation

Subject Matter Expert

Experience

One of the most important functions on EHR PIPP implementation efforts is working directly with the client staff during Gap Analysis, design, testing and implementation. In order to successfully collaborate with client staff, it is critical that the program have subject matter experts that understand Medicaid and the provider management functions, the EHR PIPP system and the organization and structure of the Medicaid Enterprise.

In order to provide this coordination, PSI is assigning ██████████ the role of Subject Matter Expert. ██████████ brings over **10 years of direct experience in healthcare, business, and IT in the areas of Medicaid**, Medicare, claims, EDI, managed care, and provider support. She is experienced with incremental and traditional waterfall system development methodologies and possesses the unique skills necessary to understand the program, users' needs and how the system can be configured to support both.



██████████ has **extensive Medicaid program and system expertise** including working in managed care organizations, Medicaid agencies, private insurance companies, and within Medicaid consulting organizations. She has experience in all aspects of the Medicaid program including the new system initiatives in ICD-10, HIPAA and MITA and she has worked on a number of Medicaid system development efforts. Currently, ██████████ is working as a subject matter expert on our implementation project where she is leading the integration testing effort and directly supporting the client teams as they complete their user acceptance test and implementation activities.

Medicaid Analyst

Experience

Having the big picture of how the EHR PIPP fits into the larger Medicaid Enterprise and information exchange initiatives is critical for the success of the project. In order to provide this knowledge during Gap Analysis, testing and implementation, PSI is assigning ██████████ to the role of Medicaid Analyst. Higgins is an IT Leader with over 30 years of health and human services experience and over **14 years of experience managing, directing, and planning government sector IT projects and operations.**

Since beginning her consulting career, ██████████ has managed or participated in Medicaid engagements with the States of ██████████. As her resume attests to, Higgins work as an associate CIO for the ██████████ and with the ██████████ is directly relevant to this project and provides both the health information exchange background and the government section experience to support our approach. ██████████ brings to the PSI team extensive knowledge of Medicaid, ARRA, Health Information Technology (HIT), MITA, and MMIS. Her familiarity with CMS and the impacts ARRA has had on healthcare will provide valuable support to our Iowas EHR PIPP team. ██████████

During her nearly five years working as Associate CIO ██████████ worked extensively with the State's ██████████ technical and health program environment, including as ██████████ project to replace the Medicaid Management Information System and build a Medicaid eligibility determination and enrollment system.

Since 2005, Higgins has served as a member of the Board of Directors, most recently as Vice-Chair, of ██████████ which **assists healthcare providers in adopting and using HIT to improve patient care.** Prior to her work with ██████████ worked for 14 years for the ██████████



Application Architect

Experience

Understanding how business process and organizational changes affects the technical and functional aspects of a system is critical, and it is important that a development project have a technical leader able to understand business requirements and coordinate technical staff to make required configurations. PSI is assigning [REDACTED] the project to lead the development effort. [REDACTED] be responsible for working with the PSI and State business staff and lead the configuration of the EHR Incentive Program solution to meet Iowa's requirements. He will also ensure the implementation of a data conversion approach that will allow the replacement system to be implemented without program disruption.

[REDACTED] offers Iowa an exceptional ability to understand business requirements and translate them into technical specifications and a functional system. He will be valuable on this project through his recent experience providing technical leadership to the development of [REDACTED] EHR PIPP software and will bring his expertise in defining a solid conversion approach and technical architecture for meaningful use attestation and review.

[REDACTED] is a Senior Systems Architect in PSI's Consulting division and brings a wealth of knowledge from his span of **18 years in implementing business information systems** in a variety of technology roles including project management, planning and oversight of strategic systems, designing, prototyping and programming. [REDACTED] was instrumental the implementation of [REDACTED] where he was responsible for a variety of critical tasks including technical document reviews, code reviews, change requests, and architectural and configuration changes.

Resumes

Please see the end of this section, where we resumes for key project team members behind a tan-colored Divider page entitled "Project Team Resumes."

Percentage of Time Project Team Will Devote to the Project

Name, Title	% of Time per Month
This information contains confidential information and has been removed.	



3.2.5.3 Financial Statements

The bidder shall submit audited financial statements from independent auditors for the last three (3) years. Entities not required to have audited financial statements may submit CPA-prepared unaudited financial statements.

At the end of this section, PSI includes the following:

- ◆ PSI Services Holding Inc.'s audited financial statements for the past three years.
- ◆ PSI Services Holding Inc.'s internal financials as of and for the seven months ended July 31, 2011

FINANCIAL STABILITY OVERVIEW

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This content contains confidential information and has been removed.

Our Supporting Documentation Attests to PSI's Stability, Responsibility, and Good Business Relationships through the Years

On the pages that follow this section, PSI includes the following supporting documents that attest to our financial stability, good standing, and business relationships; and provide evidence of our long-standing line of credit with Bank of America:

- ◆ A written positive bank reference from Bank of America, the issuer of our credit facility and capital lease financing agreements.
- ◆ Positive reference letters from Lewan & Associates and Office Furniture & Related Services both of which attest to PSI's good credit relationship with these companies.



Global Commercial Banking

March 22, 2011

Re: Financial Reference for Policy Studies, Inc.

Ladies and Gentlemen:

Bank of America, N.A. is pleased to provide this letter of reference based upon our relationship with Policy Studies, Inc. Policy Studies has maintained a relationship with Bank of America, N.A. since May 2007. Currently, Bank of America, N.A. provides Policy Studies with a Revolving Line of Credit in the Low eight figure range which has been handled in a satisfactory manner.

If you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael D. Brannan".

Michael D. Brannan
Sr. Vice President
301-517-3104

Tel: 800.400.9009

Bank of America, N.A., MD9.978.04.01
1101 Wootton Parkway, 4th Floor, Rockville, MD 20852
Member FDIC
♻️ Recycled Paper



Headquarters
1400 S. Colorado Blvd.
Denver, CO 80222
303.759.5440
email: solutions@lewan.com
www.lewan.com

March 17, 2011

To Whom It May Concern:

Re: Policy Studies, Inc.
Located at 1515 Wynkoop St., Ste 400, Denver, CO 80202

Lewan & Associates is providing this letter of reference for Policy Studies, Inc.

Policy Studies, Inc. has been an excellent customer of Lewan & Associates for over 15 years. Policy Studies, Inc., has many pieces of equipment on lease with us, and they consistently pay in a timely manner consistent with our payment terms.

If you have any questions, please call me at 303-968-2227.

Sincerely,

Ann Brecke
Senior Account Executive
Document Imaging Division
Lewan & Associates

AB:dli
Enclosures

S O L U T I O N S F O R B U S I N E S S

Boulder 2900 Center Green Ct. S. Suite E Boulder, CO 80301 303.447.0890	Cheyenne 1807 Capitol Ave. Suite 101H Cheyenne, WY 82001 307.637.3553	Colorado Springs 1830 Palmer Park Blvd. Colorado Springs, CO 80909 719.635.8100	Fort Collins 1608 S. College Ave. Fort Collins, CO 80525 970.484.8822	Glenwood Springs 3040 154 Road Glenwood Springs, CO 81601 970.945.4900	Greeley 801 8th Street Suite 220G Greeley, CO 80631 971.330.3003	Pueblo 505 W. 4th St. Pueblo, CO 81003 719.542.6361	Silverthorne 249 Warren Ave. Suite #150 Silverthorne, CO 80498 970.468.6464
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901 S. Fifth
Street
Nashville, TN
37213
tel 615 244
0117
fax 615 244
4447
www.ofrs.info

March 22, 2011

RE: Policy Studies located at 1515 Wynkoop St., Suite 400, Denver, CO 80202

To whom it may concern,

Office Furniture & Related Services is providing this letter of reference for Policy Studies, Inc. We have worked with this company since May of 2007.

We consider Policy Studies an excellent customer that is easy to work with and they consistently pay in a timely manner consistent with our payment terms.

If you have any questions please do not hesitate to call me at 615-244-0117 x2201.

Respectfully,

A handwritten signature in black ink, appearing to read "Jesse Mayo".

Jesse Mayo
Owner



3.2.5.4 Termination, Litigation, and Investigation

Bid Proposals must indicate whether any of the following conditions have been applicable to the bidder, or a holding company, parent company, subsidiary, or intermediary company of the bidder during the past five (5) years. If any of the following conditions are applicable, then the bidder shall state the details of the occurrence. If none of these conditions is applicable to the bidder, the bidder shall so indicate.

A NOTE ON OUR RESPONSE TO THIS SECTION

As a health and human services company serving multiple agencies across many states through the provision of consulting services and outsourced operations involving hundreds of staff members throughout our more than 40 site locations, PSI is often called on to examine a variety of claims and circumstances, such as many of those we provide in this section. Many of these are resolved quickly or dismissed.

PSI understands the importance of complying with RFP requirements. And we have always followed a forthright approach to providing information of this nature when asked to do so.

It is important to PSI as a company to let our proposal serve as the first experience that a state agency has with our company values, approaches, staff, etc. Our project teams, supported by PSI's executive management team, and department and divisions across the company, are proud of the way we approach our work, which, like our approach to this section, attests to open communication, transparency, and a willingness to improve state programs and systems through the progressive application of ongoing best practices and lessons learned.

We will be happy to participate with the State in any discussions regarding the information we provide in this section should the State desire it.

PSI has been serving HHS agencies across the nation for 27 years. As our references attest to (See References section in the Experience section of our proposal), state agencies enjoy working with PSI; and are satisfied with the work we do and the way we do it.

- *List any contract for services that the bidder has had that was terminated for convenience, non-performance, non-allocation of funds, or any other reason for which termination occurred before completion of all obligations under the contract provisions.*



Contract	Date	Description
U.S. GSA MAS	10/16/2010	The U.S. General Services Administration (GSA) and PSI entered into a contract effective May 19, 2006 with respect to the GSA's multiple award schedules program. Subsequently, PSI altered the company's sales focus in certain areas and, as a result, began to pursue fewer projects under the schedules program. Due to lower sales under the contract, GSA cancelled the contract effective October 16, 2010.
TX WF West Central	06/30/2010	Workforce Solutions of West Central Texas and PSI entered into a contract effective October 1, 2004, for workforce center operation and management services. As of September 2007, PSI was meeting / exceeding 11 out of the 13, or 85 percent of required performance measures. In the following two and one-half years, there were situations during which PSI prepared and implemented corrective action plans that enabled us to address issues and continue and remain in compliance with our contractual obligations. On March 23, 2010, PSI terminated the West Central Contract without cause, expressing its complete commitment to an effective transition to a new contractor and gratitude for having had the opportunity to serve the West Central Board.
FL New Hire	9/25/2009	The Florida Department of Revenue and PSI entered into a contract effective September 1, 2007 for the collection of new hire information related to child support enforcement. Because of budget constraints, Florida terminated the contract effective September 25, 2009, choosing to transfer the collection of new hire information "in-house."
IA Hawk-i	11/06/2008	The Iowa Department of Human Services and PSI entered into a contract effective May 22, 2008 for the administration of services under the Healthy and Well Kids in Iowa program. On November 6, 2008, PSI entered into a settlement agreement and release that terminated the contract for mutual convenience in the best interests of the parties and without the fault of Iowa or PSI.
IA MIS & SACWIS	04/16/2008	Iowa and PSI entered into a contract effective May 22, 2006 for the development and implementation of a new comprehensive child care management information system (MIS) & Statewide Automated Child Welfare Information System (SACWIS) graphical user interface (GUI). PSI was to perform system design, development, implementation, training, and maintenance for the MIS and create the new Web-based GUI. Following extensive discussions to attempt to address the significantly increased scope of the SACWIS GUI Project, Iowa and PSI mutually determined that a change of direction was necessary. For that reason, both parties agreed to terminate the contract. On April 16, 2008, PSI entered into a settlement agreement and release with Iowa terminating the contract for mutual convenience in the best interests of the parties. Iowa returned the performance bond PSI provided and paid PSI a blended hourly rate of \$150.00 for continued consulting services relating to the project.



Contract	Date	Description
MT Enrollment Broker	04/23/2007	The Montana Department of Health and Human Services and PSI entered into a Contract dated March 1, 2006 to provide enrollment broker services to for the PASSPORT to Health Managed Care Program. In August 2006, Montana provided PSI with notice of unsatisfactory performance assessment. On April 23, 2007, after thorough discussions about the scope of the project and various strategies for satisfying the wide-ranging Montana requirements, which were not clearly set forth in the Montana Contract, PSI and the State entered into a contract termination and general release agreement. It was agreed to be in the interest of both parties to terminate the contract. Neither party admitted any liability or wrongdoing. Montana returned PSI's contract performance security provided to assure PSI would not fail or refuse to perform the Montana Contract.

- List any occurrences where the bidder has either been subject to default or has received notice of default or failure to perform on a contract. Provide full details related to the default or notice of default including the other party's name, address, and telephone number.*

Please note that in order to facilitate the State's review of this section, and honor the maximum page number requirement, PSI does not repeat entries provided above in any of the tables in the remainder of this section. We have only added any new relevant information. (We provide the requested names, addresses, and telephone numbers for the "other parties" involved in a separate table, following the first table below.)

Contract	Date	Description
KS Clearinghouse	10/21/2010	The Kansas Health Policy Authority (KHPA) and PSI entered into a contract effective June 1, 2009 for Medicaid eligibility determination support services and SCHIP eligibility determinations and processing. On October 21, 2010, PSI received a letter from KHPA indicating that PSI was not satisfying two requirements involving system availability and response time. KHPA also notified PSI that it had until October 25, 2010 to resolve these two issues. PSI worked closely with KHPA to satisfy all of its needs for availability and response and fully resolved the availability issue as of November 15, 2010. In the end, KHPA did assessed \$9,500 in liquidated damages. Both issues were related to a substantial increase in workforce, in excess of 30 full-time equivalents, in order for KHPA and PSI to address a backlog of applications.



Contract	Date	Description
KS Clearinghouse	09/23/2010	On September 23, 2010, PSI received a letter from KHPA indicating that PSI had not satisfied a reporting requirement in regards to the Outstanding Applications and Reviews report. KHPA gave PSI five business days to correct the issue and provide additional reports to avoid further proceedings. On October 8, 2010, KHPA told PSI it would assess liquidated damages against PSI's invoice for September 2010, because KHPA had not accepted the Outstanding Applications and Reviews report on / prior to September 30, 2010. In the end, KHPA did end up assessing \$20,500 in liquidated damages in regards to reporting issues. PSI worked closely with KHPA to satisfy its reporting needs and KHPA accepted reports as of November 19, 2010.
NE TANF	09/23/2010	The State of Nebraska Department of Health and Human Services and PSI entered into an Employment First Contract effective July 1, 2006. On September 23, 2010, PSI submitted a corrective action plan to the State to achieve a work participation rate of 50 percent by October of that year. Mid-month intakes had resulted in late month appointments equating to a loss of monthly participation. In August 2010, PSI experienced a 17 percent increase in referrals received (including a 63 percent increase in immigrant / refugee referrals) resulting in a 28.62 percent increase in August over July numbers. Nebraska did not impose liquidated damages.
GA PeachCare	03/31/2010	The Georgia Department of Community Health and PSI entered into a contract for the third party administration of Georgia's PeachCare for Kids program effective July 1, 2008. On March 31, 2010, the State delivered a notice to PSI of its intent to assess \$6,000 in liquidated damages for performance due to PSI's not providing a required file to the fiscal agent that showed all changes, modifications, terminations, subtractions, and additions. In the end, the State did assess these damages.



Contract	Date	Description
TX WF West Central	01/22/2010	<p>In regards to PSI's contract with the West Central Texas workforce board discussed earlier in this section, on or about July 16, 2009, the board's workforce contract manager was made aware that PSI staff had discovered discrepancies in documentation related to gift card inventory. The board required PSI to collect all remaining gift cards from staff in the region and provide the cards to the board for an audit. On August 17, 2009, board staff met with PSI and checked the gift cards by comparing the card number to inventory lists. Between August 17, 2009 and September 25, 2009, PSI met with board staff to receive cards for dissemination to customers. The board's workforce contract manager developed WB Letter 09-03, dated September 19, 2009, to provide a specific and detailed process for purchase, intake, data entry, dissemination, and documentation of the gift cards. PSI began following the new process on September 28, 2009. Research resulted in disallowed costs of \$10,055. PSI received a letter from the board on January 22, 2010 requesting reimbursement for this amount by January 29, 2010.</p> <p>On 02/24/10, in connection with this, PSI was elevated to a high-risk status.</p>
ID CSCS	12/10/2010	<p>The State of Idaho, Department of Health and Welfare and PSI entered into a contract effective August 8, 2003 for child support receipting, case management, financial analysis services, and customer services. On December 10, 2010, Idaho noted seven errors in the services that PSI provided under the Idaho CSCS Contract. As a result, Idaho assessed a total of \$1,200 in liquidated damages.</p>
ID CSCS	09/14/2010	<p>In connection with contract above, on September 14, 2010, Idaho assessed \$300.00 in liquidated damages based on three errors in PSI's services.</p>
ID CSCS	08/02/2010	<p>In connection with contract above, on August 2, 2010, Idaho determined PSI had made 15 case management errors and assessed \$1,500 in liquidated damages.</p>
ID CSCS	01/06/2010	<p>In connection with contract above, on January 6, 2010, Idaho determined PSI was not satisfying payment processing and case management standards and assessed \$800.00 in liquidated damages.</p>
TX West Central Workforce	12/18/2009	<p>In relation to the West Central Contract discussed earlier in this section, the West Central Board placed PSI on a high-risk status because of various performance and operational issues.</p>
ID CSCS	06/23/2009	<p>In connection with Idaho contract above, on July 22, 2003, Idaho determined PSI was not satisfying customer service and case management standards and assessed \$1200.00 in liquidated damages.</p>
ID CSCS	03/25/2009	<p>In connection with Idaho contract above, on March 25, 2009, Idaho determined PSI was not satisfying case management standards and assessed \$1,200 in liquidated damages.</p>



Contract	Date	Description
GA PeachCare	02/25/2009	<p>In relation to the Georgia PeachCare Contract discussed earlier in this section, Georgia DCH was notified that PSI had failed to meet certain call center performance standards for the month of February 2009 and notified PSI of this on February 25, 2009. PSI submitted a corrective action plan that included a detailed explanation of the reasons for this issue and a comprehensive set of actions that were implemented to ensure the call center performance standards once again were achieved in the shortest time possible. Within one week of submittal of that plan, all but one of the standards was being met; and within 12 days, all standards were met. On May 29, 2009, Georgia provided PSI with a vendor report card evaluating PSI's performance in 24 areas. Although PSI received a "Pass" evaluation in 20 of the 24 areas, Georgia assessed a "Fail" status for two of the areas and assessed a "Needs Improvement" status for two other areas of review. With respect to the "Fail" status, Georgia DCH notified PSI of its intent to assess liquidated damages relating to PSI's telephone answering / call abandonment rate during February and March 2009. To fulfill PSI's contractual obligations, PSI paid Georgia \$2,000 in liquidated damages for February 2009 and March 2009. Beginning in April 2009, PSI not only met the metrics, but exceeded them. Concerning the "Needs Improvement" status, PSI provided clarification about the substantial efforts and collaboration it had undertaken to fully satisfy Georgia's needs.</p>
TN TANF	12/31/2008 – 03/14/2011	<p>The Tennessee Department of Human Services and PSI entered into a contract for the operation of Tennessee's Families First (TANF) program effective April 1, 2007. PSI invoices have been reduced in varying amounts from month to month by Tennessee for not fully meeting the work participation rate and for submitting invoices that Tennessee subsequently determined could not be entirely justified with adequate documentation. PSI and Tennessee continue to have a collaborative relationship and are working together to ensure the work participation rate and invoicing are acceptable to Tennessee. The work participation rate currently meets the standard specified in contract and invoicing accuracy has increased dramatically since the inception of the program.</p>
TX West Central	10/01/2008	<p>In connection with the West Central Texas contract discussed earlier in this section, in October 2008, the State requested a performance improvement plan from the board for Project RIO. In May 2009, the State requested a performance improvement plan from the board for the Choices Program. In June 2009, the State requested a performance improvement plan for WIA Youth Literacy / Numeracy gains. In response, PSI prepared and implemented plans to satisfy its contractual obligations.</p>



Contract	Date	Description
TX Brazos Workforce	02/01/2008	The Workforce Solutions Brazos Valley Board and PSI entered into a Contract effective October 1, 2005 for workforce center operation and management services. As of April 2007, PSI was meeting / exceeding 13 out of the 15, or 87 percent, of performance measures, including all four Workforce Investment Act (WIA) measures; and the staff-assisted employment, total entered employment, retention, and total educational achievement measures. Additionally, the board was ranked number one in the state for educational achievement. In February 2008, the board found that PSI was not satisfying the following WIA performance measures: WIA adult average earnings, WIA DW Average Earnings, educational achievement, WIA youth attainment of degree or certificate and literacy & numeracy gains. PSI prepared and implemented a corrective action plan to satisfy its contractual obligations.
TX Data Management Services	07/25/2005 – 11/1/2010	The Office of Attorney General of the State of Texas and PSI entered into a data management unit services contract effective July 25, 2005. The contract provides for liquidated damages as a result of not satisfying accuracy and timeliness requirements. PSI's not satisfying these requirements, resulted in payment of the following liquidated damages: \$91,795.62 in 2005; \$92,043.29 in 2006; \$43,322.89 in 2007; \$91,765.62 in 2008; \$10,180.45 in 2009; and \$5,037.37 in 2010.

- *List any damages, penalties, disincentives assessed, or payments withheld, or anything of value traded or given up by the bidder under any of its existing or past contracts as it relates to services performed that are similar to the services contemplated by this RFP. Include the estimated cost of that incident to the bidder with the details of the occurrence.*

Contract	Date	Description	Est. Cost
KS Clearinghouse	10/21/2010	Please see where PSI has already discussed this occurrence / cost earlier in this section.	
KS Clearinghouse	09/23/2010	Please see where PSI has already discussed this occurrence / cost earlier in this section.	
GA PeachCare	03/31/2010	Please see where PSI has already discussed this occurrence / cost earlier in this section.	
GA PeachCare	02/25/2009	Please see where PSI has already discussed this occurrence / cost earlier in this section.	
FL Healthy Kids	12/31/2006	The Florida Healthy Kids Corporation (FHKC) and Dental Health Administrative and PSI subsidiary Consulting Services, Inc. (DHACS), entered into a contract effective February 1, 2002 for third-party	\$1,775,790.99 (FHKS allowed PSI to reinvest \$1,208,532.87



Contract	Date	Description	Est. Cost
		administrative services. FHKC assessed liquidated damages as a result of DHACS' non-satisfaction of performance measures during 2006. (The total assessed was \$1,775,790.99; however, FHKC allowed PSI to reinvest \$1,208,532.87 of these penalties into DHACS' project transition activities due in part to recognition of DHACS' cooperation and commitment to a successful transition. DHACS subsequently satisfied all performance measures by the conclusion of the contract.	of this amount into DHACS' project transition activities due in part to recognition of DHACS' cooperation and commitment to a successful transition.)

Below we provide name, address, and telephone number as requested for the parties noted in the table above.

Other Party Information		
Name	Address	Phone #
Kansas Health Policy Authority (KS Clearinghouse)	900 S.W. Jackson, Rm. 900N, Topeka, Kansas 66612	(785) 296-2385
US General Services Administration (US GSA MAS)	1901 S. Bell Street, Arlington, VA 20406-003	(703) 605-2715
Nebraska Department of Health and Human Services (NE TANF)	301 Centennial Mall South, Lincoln, NE 68509	(402) 471-3121
New Mexico Human Services Department (NM New Hire)	P.O. Box 25110 Santa Fe, NM 87504	(505) 827-7207
Georgia Department of Community Health (GA PeachCare)	2 Peachtree Street, NW – 40 th Floor, Atlanta, GA 30303-3159	(404) 508-6694
Workforce Solutions of West Central, Texas Board (TX WF West Central)	400 Oak Street, Abilene, TX 79602	(325) 795-4228
Idaho Department of Health and Welfare (ID CSCS)	450 W. State Street, 2 nd Floor, Boise, ID 83702	(208) 334-5606



Other Party Information		
Name	Address	Phone #
Tennessee Department of Human Services (TN TANF)	400 Deaderick Street, Citizens Plaza Building, 12 th Floor, Nashville, TN 37248	(615)313-5652
Workforce Solutions Brazos Valley Board (TX Brazos Workforce)	3991 East 29 th Street, Bryan, TX 77802	(979) 595-2800
Texas Department of Human Services (TX Data Management Services)	550 E. Oltorf Street, Austin, TX 78741	(512) 475-4213

- *List and summarize pending or threatened litigation, administrative or regulatory proceedings, or similar matters related to the subject matter of the services sought in this RFP.*

There are no pending or threatened litigation, administrative or regulatory proceedings, or similar matters related to the subject matter of the services sought in this RFP that involve PSI.

- *List any irregularities that have been discovered in any of the accounts maintained by the bidder on behalf of others. Describe the circumstances of irregularities or variances and detail how the issues were resolved.*

PSI does not maintain any accounts on behalf of any other organization.

- *List any details of whether the bidder or any owners, officers, primary partners, staff providing services or any owners, officers, primary partners, or staff providing services of any subcontractor who may be involved with providing the services sought in this RFP, have ever had a founded child or dependent adult abuse report, or been convicted of a felony.*

PSI is not aware of any owners, officers, primary partners, staff, or subcontractors that have ever had a founded child or dependent adult abuse report, or been convicted of a felony.

Project Team Resumes

This section has been redacted



Policy Studies Inc.
Transforming policy into action.

3.2.5.3 Financial Statements

This section has been redacted



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