Michigan Medicaid ACA-Implementation Mitigation Plan

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Contact Information

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This document provides a detailed description of Michigan's status of implementing a new MAGI-based Medicaid/CHIP solution that consists of the CMS 7 Critical Success Factors and the ability to ingest account information into our systems of record for Medicaid and CHIP.

Michigan went into production with receiving and processing applications for Medicaid and CHIP based on MAGI methodology on January 25, 2014.

CMS 7 CRITICAL SUCCESS FACTORS

Critical Success Factor	Compliance Approach	Comments
MAGI Rules Engine	Michigan procured a MAGI Eligibility Determination Service from CGI.	Implementation complete. Went into production January 25, 2014. ***Mitigation for applications received January 1-January 25:*** *Applications received January 1-January 25 were processed using pre-ACA rules. If an applicant was determined not eligible during this timeframe the application is being reprocessed using MAGI.* ***Mitigation for income verification:*** Due to a delay in having a new eligibility system fully operational, MI is only able to collect income information from IRS and SSA (Title II) through the federal Hub. We currently do not have the capability to retrieve TALX data through the federal Hub or access any state/local current data sources, including SWICA, for current income information. As a result, MI must ask for paper documentation if IRS or SSA data is outside of our 10% reasonable compatibility standard. We intend this to be a temporary

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		process until the new system is fully functional, late in 2014.
Connections w/ Hub	Michigan has procured an Enterprise Service Bus from Deloitte and IBM.	Development and implementation complete. System is used for the MEC check and for trusted data sources validation. The MEC check service is performing well.
Connections with FFM	Michigan will use the enterprise service bus referenced above to enable bi-directional communication with the FFE.	The Michigan enterprise service bus will be used for account transfer connections. Michigan has passed bi-directional account transfer testing with the FFM. This has been certified by our IV&V vendor. Implementation of bi-direction account transfers is pending actual "go-live." ***Mitigation for FFM to State Account Transfers:*** *Michigan is implementing a phased approach to processing FFM account transfers. See below for more information.* ***State to FFM Account Transfers:*** *Michigan is implementing a phased approach to sending account information to the FFM. See below for more information.*
MEC Check	Michigan will responded to web service requests for retrieval of Medicaid enrollment information	Development and Implementation complete. The service is performing well.
Ability to accept application data	Michigan has developed online application tools and existing tools are being modified. The state has also developed a state-specific paper streamlined application.	Development and implementation complete. Michigan is able to accept streamlined applications online, by phone, fax, mail or in person at human services' offices. Links to the online applications: michigan.gov/mibridges Healthcare4mi.com Paper Application (See the "Apply by Paper" box). This page also provides links to the online applications listed above. *The streamlined application currently provided at healthcare4mi.com will soon be taken down as a public facing application and will be used only for key entry of paper applications and for phone applications. However, the healthcare4mi.com website will still provide a presumptive eligibility application.*
Providing CMS with the state income thresholds	Michigan needed to provide CMS with incomes and flexibilities so that MAGI based income and eligibility standards can be established.	Done.

MAGI Conversion	Michigan needed to submit the final MAGI conversion plan by May 31st, 2013.	Done.

Michigan is implementing a phased approach to implementing the bi-directional functionality for sending and receiving account transfer records between the state and the FFM. The approach will include the following:

Processing FFM Account Transfers (FFM to State)

July 9: Bring in another small set of records (500) to ensure that we are still able to receive the records and store them in a holding table that we are building.

July 10: Begin the process of bringing in the full backlog of records. Due to the high volume, we anticipate this will take several days to complete the full intake.

July 10-August 10: Complete requirements for the prioritization of the records including completing the build for the environment that will allow for prioritized processing of the records.

August 11: Begin processing the records based on the prioritization identified. We will begin with processing the records that meet the following criteri

Household of 1

1) Not currently enrolled in a Medicaid program

2) Only 1 FFM record for that person

3) Applied on or after January 1

Based on the flat file analysis, we have 30,000 or more records that meet the above criteria. We expect this group to be the least problematic and having the greatest chance of processing through our system without error. (I would note that we do see a high number of records pending for income verification given that we are checking against tax returns that might not be reflective of current income. We anticipate seeing this occur with the FFM records as well. But this would be accurate system functionality and not due to system problems.)

We will continue working to identify any groups of records we believe we can process without expected error or pends and without implementation of change controls scheduled for the next major release on October 4.

October 4: October 4th is the go-live date for the 2014 Release 5 Major Release (R-5). This release will include system fixes that will allow us to process remaining backlog and on-going FFM account transfer records without unexpected errors or pends.

Sending Account Transfer Records from the State to the FFM

Phase 1: Will send the backlog of records that were initiated at the state and have at least one applicant determined not eligible for Medicaid or CHIP. We will be ready to send this batch of records on or about July 27. Will coordinate the

details of this with CMS. While we implement the next phases of functionality we will continue to send batches of this group on a schedule agreed up on with CMS.

Phase 2: Records that were initiated at the FFM, sent to the state for a Medicaid/CHIP determination and at least one applicant determined not eligible for Medicaid or CHIP.

 * The issue we have with this group is that if there is an applicant for which we are unable to make an immediate determination and the application pends for additional verification, once that pend is resolved requiring a referral to the FFM, we are unable to return it to the FFM with the expected IDs. (Whereas if an immediate determination is made on the record and it doesn't result in a pend, we can send the record back to the FFM with the expected IDs.) Phase 3 will fix this.

Phase 3: This phase will complete the functionality of the State to FFM account transfers to include the expected IDs with all of the referred records.

Impact assessments are being completed for Phase 2 and Phase 3 that will include timelines for implementation. We expect to have impact assessments within the next 30 days and will update this mitigation plan at that time.

Risk

At this point we believe that the risk of our planned system design not working is minimal. We are already successfully completing MAGI determinations, moving records through our system of record and into our MMIS, and communicating successfully with the federal hub for data verifications and for Medicaid enrollment checks.

The small sampling of FFM records that we processed in the spring revealed that we can process FFM accounts through our system. There were a few that did make it through. But it also revealed where many of the expected data issues are at and we are confident that we are able to successfully fix these issues in the timeline described above. We also understand CMS' interest in ensuring that states do have an alternative plan in the event system fixes do not work.

Backup Plan

At this point, we believe there is little to no risk of not being able to receive the FFM accounts. The risk lies in the ability to process the accounts through our system in order to obtain a MAGI determination, ingest the record into our system of record for account maintenance, and further transfer the account into our MMIS system.

Any desirable backup plan involves some level of IT work and presents essentially the same level of risk identified above. The only approach that would remove this risk is a manual approach whereby the account information is printed and given to a person to key-enter into the system, triggering the MAGI determination and the downstream processes into the system of record and MMIS.

This approach is highly undesirable due to the volume of records and the amount of time it would take to process the records. However, it is an approach that can be implemented if the IT solution fails.

Use of the Flat File

As Michigan is an assessment state, our system design requires a MAGI determination at the front end before downstream processing and ingestion of the account information into the system of record and MMIS. The flat file does not contain enough information for us to even manually enter the data in order to trigger the MAGI determination and downstream processes. At the same time, if our planned solution does not work there might be the possibility of using the flat file waiver option only to the extent that we would accept the MAGI determination per the flat file.   It's not likely we

would be able to use the data in the flat file to create a record in our system that could open a Medicaid/CHIP account, but using the waiver option to accept the assessment of eligibility as a determination might be something we would want to explore in conjunction with other options if planned systems functionality doesn't work.

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