

Key Findings and Recommendations from the Outcomes Based SS-A Working Group

INTRODUCTION

The CMS MITA Governance Board held a meeting in August 2019 to generate discussion on the future of MITA and current challenges and gather suggestions on improvements. A key topic was the transition from maturity to business outcomes and the need to evolve the State Self-Assessment (SS-A) to focus on driving and measuring outcomes. The participants agreed that a working group should be formed to initiate this transition.

CMS formally approved the Outcomes Based SS-A Working Group in January 2020. The Private Sector Technology Group (PSTG) agreed to facilitate the Working Group, which was to be comprised of states and vendors. Due to challenges associated with the COVID 19 pandemic, the group's initiation was delayed several months. Work kicked-off in earnest during the summer of 2020.

The Working Group Purpose was stated as: *Develop an SS-A Companion Guide with guidance and tools for states to use to create target outcomes, define key performance indicators and identify data needs to support those outcomes. It is also expected that future updates to the MITA framework will be identified.*

As the Working Group began its work, the question of the viability and relevance of the SS-A was continuously raised. The group questioned if it was wise to transition the SS-A from a focus on maturity to outcomes with all of the issues and challenges that exist with the SS-A. As such, the persistent questions forced the group to look at whether the SS-A should be changed or replaced. The findings and recommendations in this paper represent the decisions that the Working Group made, which we submit to CMS for consideration.

FINDINGS

1. SS-A MATURITY RATINGS ARE COMPLICATED AND PRODUCE INCONSISTENT AND UNRELIABLE RESULTS

The use of maturity ratings in the current SS-A are complicated and require a great deal of interpretation to decipher the meaning. The current maturity capabilities combine several concepts into a single capability, including:

- Performance – Includes specific performance metrics, (e.g. 99% accuracy), that must be met to reach the applicable MITA maturity rating, without clear direction on how that performance metric is defined and measured

- Architecture – Includes specific architectural components, (e.g. Conceptual Data Model), that must be developed to reach the MITA maturity rating, without regard to quality and usability of the component
- Collaboration and Reuse – Includes the collaboration with strategic partners at different levels, (e.g. intrastate, interstate), to develop common architectures and the reuse of applications, without guidance on how to find collaboration opportunities prior to making a funding investment.

Additionally, and perhaps most importantly, the maturity ratings lack focus on the user experience. The maturity model only accounts for a generic capability of value to stakeholders, effectively eliminating business-driven outcomes from the maturity ratings.

This has resulted in an inconsistent application of the maturity ratings, causing wide variations from state to state. It makes it virtually impossible to compare maturity from state to state and look for best practices, opportunities to leverage innovation and the like. Additionally, CMS is challenged in using the maturity ratings to rank, rate or report on state progress in any meaningful way.

2. EFFORT TO COMPLETE THE SS-A ANNUALLY DOES NOT PROVIDE GOOD RETURN ON INVESTMENT

The SS-A requires a significant amount of time and money to complete. Performing the SS-A annually has become burdensome for State Medicaid Agencies (SMA) and the results generally only show minor changes from year-to-year. The investment in the SS-A might be worthwhile if it helped SMAs make good investment decisions. However, this is not the case for several reasons. There are inconsistencies between business process areas evaluated in the SS-A and the business needs that drive modernization investments. Therefore, the results from the SS-A do not translate easily or at all into a modernization roadmap. Further, the way the SS-A defines business process areas does not align with how a state might define its needs or how vendors provision and deliver products and services. This makes the SS-A an unusable tool to support investment decisions and measure the effectiveness of those investments.

3. NEGATIVE PERCEPTION OF THE SS-A LIMITS MEANINGFUL USE

The SS-A is generally seen as a “check-the-box” activity that has little value beyond the approval of APDs and achieving CMS certification. If not for CMS’ requirements, we believe most SMAs would not perform the SS-A. Additionally, many business leaders and stakeholders see it as a technical task rather than a tool that supports their needs, desired user experience and business outcomes. They remain disengaged from the SS-A throughout the process and are not invested in the results. Overall, it is difficult for states to see the value of the SS-A and how it relates to and helps support their plans, decision making and day-to-day operations.

RECOMMENDATION

Based on the findings of the Working Group, it was determined that the current SS-A is not a relevant or reliable tool for planning Medicaid Enterprise System (MES) modernizations and making investment decisions. The group spent time identifying what an SMA would need to plan modernization projects and make sound investment decisions. It also looked at what CMS would need to assess the readiness of a state to make IT investments and the effectiveness of those investments. A product of public and private sector collaboration, the Working Group recommends that the SS-A be replaced with an Investment Planning and Monitoring Toolkit. The Toolkit would support a state's investment planning process, from idea to execution, while also improving the information CMS considers when reviewing and approving investment requests.

CONCEPT FOR THE INVESTMENT PLANNING AND MONITORING TOOLKIT

The Investment Planning and Monitoring Toolkit would serve as a resource to help SMAs manage their MES investments. It would include practical guidance with templates SMAs can use to define their enterprise goals, formalize their business needs and opportunities and set performance measures with targeted outcomes. The Toolkit would help SMAs focus on target performance measures, effectively replacing maturity with outcomes as the central criteria for planning and approving investments. It would have a persistent focus on the user experience and business outcomes.

Some of the elements the Working Group envisions as part of the Investment Planning and Monitoring Toolkit are highlighted below.

- **Developing an Investment Strategy.** This will help SMAs plan and manage module investments, including how SMAs should define and prioritize business needs, identify collaboration and reuse opportunities, transform business problems into initiatives and ensure the solutions meet the goals and performance expectations of the enterprise. The Investment Strategy will assist the SMA in the development of enterprise goals and objectives and provide a foundation on which to continuously guide investment decisions from a user-centric perspective.
- **Establishing Performance Outcomes and Metrics.** This will help SMAs set clear, quantifiable and measurable performance metrics to assess investment effectiveness at the enterprise and system levels. This will include clear definitions for each performance metric, as well as guidance for helping SMAs identify state-specific performance metrics.
- **Defining and Adopting Core Architectural Criteria and Standards.** This will help SMAs build architectural models that are driven by standards that support interoperability. It will include checklists of criteria, reference models and standards that are needed to ensure the successful implementation and integration of a system. This will help SMAs drive toward a standards-based enterprise, regardless of future business and system needs or the vendors that support them.

- Using the Toolkit to Support Day-to-Day Activities. This will transform the perception of the current SS-A from being an annual assessment of an architecture into a valuable resource that can be used to support daily decision-making. This will provide SMAs with use cases that show how to make smart investment decisions that stakeholders will understand and relate to their day-to-day operations. Topics may include:
 - Defining Data-Driven Goals
 - Identifying Collaboration and Reuse Opportunities
 - Defining Enterprise Solutions vs. Program-Specific Solutions
 - Prioritizing Business Needs
 - Defining a System Module
 - Transforming Architecture into Requirements
 - Using Performance Metrics to Drive SLAs
 - Assessing System Module Performance
 - Developing APDs

The Working Group continues to meet and develop the concepts described above into more tangible and descriptive work products.

CLOSING

We thank CMS and the MITA Governance Board for the opportunity to collaborate and innovate a better, more user-focused way to plan for MES modernizations, make investment decisions and be accountable for those decisions. If adopted, we believe SMAs and the private sector will benefit in a myriad of ways and CMS will be equipped with the right information from which to approve and certify investments.

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