
*Colorado Department of
Health Care Policy and Financing*



Proposed Procurement Strategy

Colorado Medicaid Management Innovation and
Transformation Project (COMMIT)

Update #1

Released: July 13, 2012

SECTION 1.0 INTRODUCTION AND OVERVIEW

1.1. PURPOSE

The Colorado Department of Health Care Policy and Financing (Department) is responsible for administering the Medicaid program in the state of Colorado, and is currently developing a procurement process that will result in redefining systems and business processes for the Colorado Medicaid Program. The overall goal is to replace the legacy Medicaid Management Information System (MMIS) with a service delivery model that is both flexible and adaptable, with Business Intelligence and Analytics tools that will provide easy access to data and comprehensive reporting capabilities. In addition, the Department will seek Fiscal Agent services with the expectation of excellent customer service and improved operational automation for providers and the Department. The purpose of this document is to provide vendors who may bid on the proposed scope(s) of work with visibility to the procurement options that the Department is considering.

1.2. BACKGROUND AND INTERFACES

The State's current MMIS is over 20 years old, with components that are over 30 years old based on mainframe technology. Many workarounds and manual processes have been developed to accommodate the antiquated system. The upcoming procurement process will allow the Department to streamline the Department's business processes, modernize technology, and support the integration with external systems. Please see the document 'Proposed Procurement Strategy' released on April 6, 2012 for additional information.

1.3. APPROACH

After reviewing vendor feedback to the Proposed Procurement Strategy, the Department has elected to release a total of three (3) Requests for Proposals (RFPs) that will be released between November 2012 and April 2013. This corresponds to Option 3 in the original Proposed Procurement Strategy:

- **Option 3:** Release a total of three (3) RFPs. This option would include a combined RFP for the MMIS, Electronic Data Interchange (EDI), Fiscal Agent Services and separate RFPs for Business Intelligence/Data Analytics Services and Pharmacy Benefit Management Services. Subcontracting of EDI, FA and other services will be allowed.

1.4. IMPLEMENTATION TIMELINE

The working strategy and timeline outlined in this section is provided to assist vendors with planning for RFP Response activities. All dates are subject to change without notice based on the sole discretion of the Department.

- **Core MMIS Functions and Fiscal Agent Services:** The Department will issue a single RFP that includes:
 - Electronic Data Interchange (EDI)
 - MMIS Core System and Services
 - Fiscal Agent Services

Phase 1 would consist of capabilities that support Provider Re-enrollment and the Provider Web Portal to meet Patient Protection and Affordable Care Act (ACA) Provider Screening Rules. Phase 2 would focus on meeting current processing capabilities (i.e., functionality to pay claims, client eligibility integration) and be compliant federal certification requirements; Ongoing Operations and Enhancements would entail changes to meet future processing capabilities and the addition of customer experience enhancements. Phase 1 and Phase 2 would be completed within 36 months when claim processing is scheduled to begin, followed by Ongoing Operations and Enhancements implementation 12 months later. The first 6 months of Phase I would be specifically dedicated to planning and business process re-engineering including a comprehensive review of Colorado Medicaid payment and business processes.

Date	Milestone
8/1/2012	Draft RFP released
9/18/2012	Pre-RFP Vendor Conference
9/28/2012	Vendor Comments due on Draft RFP
11/1/2012	Official RFP Release
1/15/2013	RFP Responses due from Vendors
4/5/2013	Notice of Intent to Award
7/1/2013	Contract Start
7/1/2013 – 12/31/2013	Planning and Business Process Re-Engineering Phase
1/1/2014 – 6/30/2016	Design, Development and Implementation (DDI) Phase 1 and Phase 2
7/1/2016 – 6/30/2021	MMIS Functions and Fiscal Agent Services Operations
7/1/2016 – 6/30/2017	DDI Ongoing Operations and Enhancement

All dates are approximate and subject to change.

- Pharmacy Benefit Management (PBM) System and Supporting Services:** The Department will issue a single RFP that includes the PBM and Supporting Services. The PBM and Supporting Services would also be implemented in two phases. Phase 1 would consist of implementation of the pharmacy systems and integration with the current legacy MMIS. The contractor should be prepared to implement pharmacy services within 15 months following the contract start date; Phase 2 would require integration of the PBM with the new core MMIS Solution.

Date	Milestone
9/4/2012	Draft RFP released
9/18/2012	Pre-RFP Vendor Conference
11/5/2012	Vendor Comments due on Draft RFP
1/15/2013	Official RFP Release
3/15/2013	RFP Responses due from Vendors
6/3/2013	Notice of Intent to Award
9/1/2013	Contract Start
9/1/2013 – 6/30/2015	DDI Phase 1
7/1/2015 – 6/30/2021	PBM System and Supporting Operations
7/1/2015 – 6/30/2016	DDI Phase 2

All dates are approximate and subject to change.

- Business Intelligence/Data Analytics Services:** The Department will issue a single RFP that includes the decision support system (DSS), data warehouse, and Statewide Data and Analytics Contractor (SDAC) services and would also be implemented in two (2) phases. Phase 1 would include implementation of the DSS, data warehouse, integration with the current legacy MMIS and transition of SDAC Services within 12 months following the contract start date. Phase 2 would entail integration of the solution with the new “Core System” in approximately 12 months after Phase 1.

Date	Milestone
1/2/2013	Draft RFP released
2/5/2013	Pre-RFP Vendor Conference
3/1/2013	Vendor Comments due on Draft RFP
4/1/2013	Official RFP Release
6/14/2013	RFP Responses due from Vendors
8/30/2013	Notice of Intent to Award
1/1/2014	Contract Start
1/1/2014 – 6/30/2015	DDI Phase 1
7/1/2015 – 6/30/2021	Business Intelligence/Data Analytics Services Operations
7/1/2015 – 6/30/2016	DDI Phase 2

All dates are approximate and subject to change.

1.5. VENDOR RESPONSE TO THIS PROCUREMENT STRATEGY DOCUMENT

At this time, the Department is not seeking feedback regarding the working strategy and timeline presented in this document. Vendors and stakeholders will have an opportunity to submit feedback at the Pre-RFP Vendor Conference and comments related to the Core MMIS Functions and Fiscal Agent Services Draft RFP to be released on August 1, 2012.

The Department greatly appreciates feedback received from vendors from the Proposed Procurement Strategy released on April 6, 2012. The Department may provide written responses to vendor questions from the Proposed Procurement Strategy in the Final Procurement Strategy (or future update) which is expected to be released on August 1, 2012 with the Draft MMIS/Fiscal Agent RFP.

Vendors are advised not to make any direct contact with Department staff during this time.

Vendors desiring to receive updates via electronic mail (e-mail) on the releases of the three (3) procurements may submit a request to RFPQuestions@hcpf.state.co.us.