Michigan Department of Health and Human Services

Presentation to the Joint Subcommittees on Health and Human Services and General Government

Topic: Information Technology

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February 26, 2019

Agenda

- Brief Background

- Genesis of the DHHS IT Shortfall

- DHHS IT Budget Authorization

- DHHS and DTMB Collaboration

- DHHS Actions Taken to Mitigate Future Shortfalls

- Next Steps

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Brief Background

DHHS uses over 348 computer systems

- 219 Systems are administered by DTMB on behalf of MDHHS

- 129 Systems are administered directly by MDHHS (Access database for example).

Largest systems

- *Bridges* – Eligibility and determination enrollment system for public assistance

- *Michigan Statewide Automated Child Welfare Information System (MiSACWIS)* – Child welfare case management tool

- *Michigan Child Support Enforcement System (MiCSES)* - Child support case management and payment system

- *Community Health Automated Medicaid Processing System (CHAMPS)* – Medicaid claims processing system

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Brief Background Examples of large DHHS IT systems improvement needs

Costly Legacy System	Root Cause	Remedy
MiCSES	The computer language used to create the system is old and isn't supported any longer.	Move existing functionality to a modern and supported computer language.
		Increases the ease of updates that improves the overall ease of use for the SOM user.
Bridges – Core System, Case Management	Implementing the ACA and Healthy Michigan necessitated using technical shortcuts to achieve goals on schedule	Implement a flexible, sustainable and modern solution
		Will improve how a SOM user provides support to Michigan Citizens.
Bridges – EDBC Eligibility Determination Benefit Calculation Non-MAGI	Implementing the ACA and Healthy Michigan necessitated using technical shortcuts to achieve goals on schedule	Implement a flexible, sustainable and modern solution
		Will improve how a SOM user provides support to Michigan Citizens.
Bridges – Opus Document Generation	Implementing the ACA and Healthy Michigan necessitated using technical shortcuts to achieve goals on schedule	Implement a flexible, sustainable and modern solution
		Will improve how a SOM user provides support to Michigan Citizens.
MiSACWIS	Old data of poor quality and challenging usability of existing system	Implement a flexible, sustainable and modern solution
		Key improvements needed are data quality, data usability and end user functionality.
		Will improve how a SOM user provides support to Michigan Citizens.

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Genesis of the DHHS IT Shortfall

- Reduction in supportive federal match
- Federal mandates
- State mandates
- Corrective action plans from audit findings
- Lawsuit or pending litigation
- Expensive legacy system costs
- General maintenance updates

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DHHS and DTMB Collaboration

DHHS Strategic Integration Administration (SIA)

Coordinates strategic planning for the agency's service divisions

Ensures strategic integration of DHHS service divisions to ensure a focus on citizens

Provides department oversight of projects to ensure projects stay on track

Monitors project spend plans

DHHS Bureau of IT Support Services

Validates that project spend plans align to appropriation

Monitors project spend plans

IT contract oversight

Direct coordination with our federal agencies and DHHS federal reporting staff

Liaison between all MDHHS financial functions in DHHS budget , SIA, and DTMB

DTMB

Responsible for delivering technology and technology projects

Utilizes a blend of state employees, contractors, and vendor partners to deliver and maintain technology

DTMB's Enterprise Project Management Office (EPMO) manages, monitors, and reports on the status of technology projects

A Statewide Project Review Board in DTMB reviews and takes action on troubled projects

Monitors project spend plans

DHHS and DTMB Collaboration

Recent Successes

MI Bridges

- Over 1,000,000 applications for benefits have been processed in the past year in less than half the time it took to submit applications on the old site

- Helped tens of thousands of Michigan residents connect with food banks, employment agencies, health clinics, WIC program, MEAP organizations, etc. so they can more easily access the spectrum of services available in their communities

- Nationally recognized

CPS Mobile Application

- Consists of three key elements
  - A safety feature which allows workers to check in with their supervisors.
  - The ability to enter social work contacts into the system remotely.
  - The ability to upload documents and photos to the case record.

- Successful statewide implementation last week.

Reorganization

- Aggregated staff from different areas of the department to form the Bureau of IT Financial Support Services in the same area of the department where budget projections are done.

Communication

- An Executive IT Steering Committee has been established to foster regular and critical communications with deputies across the department and with DTMB.

- Prioritization exercise is conducted weekly

DHHS Actions Taken to Mitigate Future Shortfalls

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- **Process improvement**

  - A tightened fiscal process review is in place to ensure that any new project requested is approved for funding first before proceeding.

  - If funding is not available, the project request moves to the Executive IT Steering Committee for consideration:

    - Is the project valuable from a department wide perspective?

    - What project will be paused in order to fund the new initiative?

DHHS Actions Taken to Mitigate Future Shortfalls

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- **Supporting only base or critical projects**
  - All funds have been allocated to only support base maintenance and operations or critical projects based on essential criteria.

- **Partnership**
  - DHHS / DTMB vendor teams have been established since last November engaged in an aggressive pursuit for reconciling costs and identifying appropriate federal match.

DHHS Actions Taken to Mitigate Future Shortfalls

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DHHS Actions Taken to Mitigate Future Shortfalls

Prioritization

- DHHS has 120 projects that are either active or under consideration. All are a part of the department's prioritization exercise based on six essential criteria:

1. Federal Mandate
2. State Mandate
3. Necessary for the implementation of a corrective action plan from an audit
4. Lawsuit filed or pending litigation if not implemented. Includes court orders (ISEP).
5. Will incur a federal sanction or penalty
6. Will have a negative impact on clients if not implemented (this criteria is rarely applied but used where critically necessary)

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DHHS Actions Taken to Mitigate Future Shortfalls

The Redline Report

Available funding for IT projects in FY19		
	Gross	GF
Total DHHS Budget Authorization	$398,159,804	$119,890,721
Earmarks	(39,912,749)	(4,754,449)
Quarter 1 expenses	(16,704,935)	(4,987,592)
Quarter 2 expenses - projected	(66,819,740)	(19,950,368)
Maint and Operations	(149,176,803)	(45,728,411)
Non-System	(70,866,617)	(28,346,647)
Target remaining available for other	**$54,678,960**	**$16,123,255**
Project 1	$144,097	$14,410
Project 2	$215,740	$172,599
Project 3	$216,000	$55,512
Project 4	$393,000	$0
Project 5	$58,500	$23,595
Project 6	$48,240	$19,457
Project 7	$60,300	$24,321
Project 8	$1,614,510	$651,184
Project 9	$19,116,725	$9,199
Project 10	$12,815,518	$4,778,769
Project 11	$164,850	$0
Project 12	$19,831,480	$10,374,209
Total of Projects above the redline	**$54,678,960**	**$16,123,255**
Project 13	$25,501,578	$2,550,158
Project 14	$1,666,216	$428,217
Project 15	$683,057	$175,531
Project 16	$35,436	$19,490
Project 17	$608,756	$334,816
Project 18	$36,489	$17,029
Project 19	$639,128	$63,913
Project 20	$619,968	$0
Project 21	$144,097	$14,410
Project 22	$215,740	$172,599
Project 23	$216,000	$55,512
Project 24	$937,205	$220,747
Project 25	$300,000	$77,100
Project 26	$68,764	$897
Continued	**Continued**	**Continued**

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Next Steps

Bi – Monthly - Meeting with chairs and minority vice chairs of both departments to foster open communication including the issuance of a monthly IT boilerplate report

February 2019 - Finalize prioritized projects

February/March 2019 - Issue Pause Project notices to vendors for initiatives that will not be addressed in 2019

Ongoing - Continue to reevaluate priorities

Weekly - Use the IT steering committee as a basis with which to have deputies present to the committee for consideration, given budget availability

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Questions / Discussion