The integration imperative

The backbone to Medicaid Enterprise System modernization

Medicaid programs across the United States are embarking on an exciting, transformative journey – modernizing their Medicaid Enterprise Systems (MES). Most Medicaid modernization efforts are based around the concept of modularity. Modular MES are characterized by multiple interoperable modules that communicate seamlessly through a central hub, known as the Systems Integration Platform (SIP). To achieve effective future-state planning, orchestration, and operations of the MES, a system integrator is required—allowing states to benefit from the reality of a hybrid, multi-vendor system where business capabilities can be provided by the vendor best suited to meet the requirements of the Medicaid agency. This is contrasted from the past, where monolithic systems were provided by a single Medicaid Management Information Systems (MMIS) vendor.

This new reality requires an environment where modular systems are procured, implemented, and operated in an incremental and agile manner across a distributed infrastructure. The future of the MES requires the ability to coordinate system workloads in a loosely coupled and interchangeable framework, with many systems working in tandem across multiple cloud providers, provided by multiple vendors.

As a result, integration becomes the imperative for achieving this vision. A robust SIP becomes the key for achieving business transformation across your people, processes, and desired outcomes—generating other benefits that would not normally be achieved with monolithic systems.
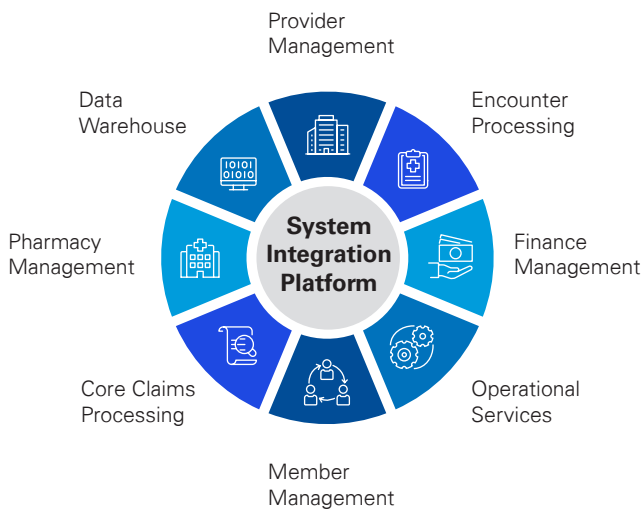
These benefits include:

- MITA maturity and CMS alignment
- Speed of implementation
- Flexibility to evolve
- Centralized shared services
- Data as an asset
- Unified program operations

With the proper integration approach, states can pave the way toward streamlined and comprehensive Medicaid services that ultimately benefit the patients and communities they serve.

CMS alignment and MITA realization

The Centers for Medicare and Medicaid Services (CMS) vision for a modular MES led to the need for a SIP providing the" glue" or centralized hub aligned to Medicaid business operations outlined within the Medicaid Information Technology Architecture (MITA) and supporting modules.

System Integration Platform

- Provider Management
- Encounter Processing
- Finance Management
- Operational Services
- Member Management
- Core Claims Processing
- Pharmacy Management
- Data Warehouse

It is responsible for ensuring that end-to-end Medicaid business processes perform quickly and reliably across multiple modules, and that information can be shared seamlessly between modules securely, thus ensuring high reliability of your MES environment.

CMS has also developed the MITA Framework to include consistency and standardization to the MMIS community. CMS envisions MITA as a resource to reduce the industry dependence on single-vendor MMIS solutions and promote a multi-vendor modularized ecosystem. Each State Medicaid Programs' MITA Maturity is evaluated on three key elements: Business Architecture, Information Architecture, and Technical Architecture. It is vital for states to understand that MITA maturity is not a "one size fits all" approach and that each state is unique.

By implementing a modular MES, states can help improve their Medicaid program functionality, efficiency, and interoperability, thus enabling improved care delivery to beneficiaries, reduced administrative burden to providers, and streamlined operations to Medicaid workers. The following sections outline the value considerations for your SIP and considerations for business supports.

Speed of implementation

Developing an understanding of the timelines for a modular MES to be deployed is key for states looking to make the decision on if, when, and how to modernize their MES. Unlike the traditional, risky "Big-Bang" implementation approach, a SIP allows for states to transition functionalities from their legacy system to the new MES in phases—module by module, based on business need. Since a modular approach allows for incremental implementation while the legacy MES is still operational, there is reduced
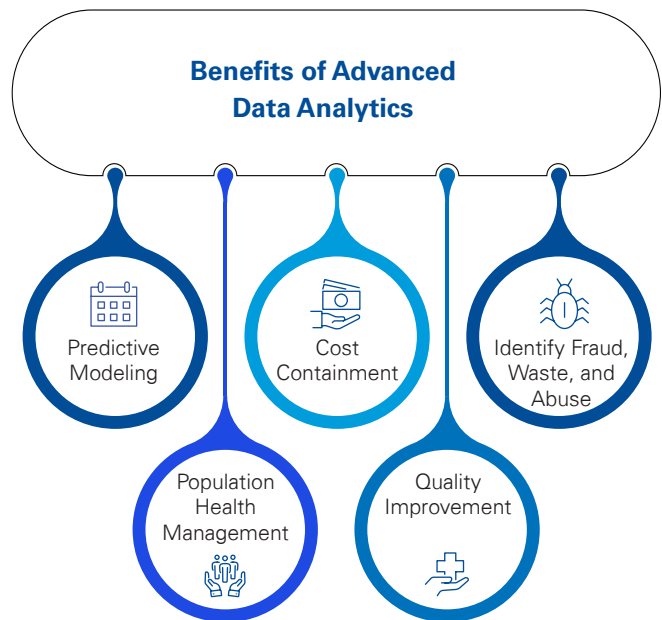
risk of the MES incurring unplanned downtime. Acute state "pain points" can be prioritized and addressed sooner in a modular MES roadmap.

When modernizing a MES, the first MES component that a state should procure is the SIP. As the central hub of a modular MES, the SIP can provide the state with key inputs to both accelerate module implementation, as well as help avoid technical debt. The SIP should be deployed as preconfigured, scalable, and cloud-agnostic – lowering project risk and cost, while accelerating deployment and promoting interoperability.

Data as an asset

Many states currently have significant data quality issues in their existing MES, including inaccurate, duplicated, inconsistent, or unreliable data.

Additionally, since many of these existing MES systems are very manually intensive, there are often new data issues introduced inadvertently by users manually. These data quality issues often create confusion among state staff as to what data is good to use versus what data should be avoided. Too often, data may be ignored as it presents too many risks to be leveraged by business users for decision making.

Benefits of Advanced Data Analytics

- Predictive Modeling
- Cost Containment
- Identify Fraud, Waste, and Abuse
- Population Health Management
- Quality Improvement

Through a robust integration strategy, states can evaluate and improve data quality, as well as track outcomes as the data turns from a liability into an asset. The most important step to improve data quality is to implement effective data management practices, including prioritizing data governance and establishing data standards–which can then be enforced by the SIP during module-to-module data transactions.

Module	Modular MES Implementation Timeline Example			
System Integrator	Procure / Deploy Platform	Integration of New Modules and Maintance and operations		
Legacy MES	Plan / Procure	Implement	Maintance and operations	
Provider Management	Plan / Procure	Implement	Maintance and operations	
Claims	Plan / Procure	Implement	Maintance and operations	

These improvements in data quality allow for states to reduce the learning curve for users, improve the overall accuracy of reports, and make data a strategic decision-making asset to program operations.

Centralized shared services

Shared services include any business or technical services that are accessed by multiple modules or applications within a MES. Centralizing these shared services is a proven strategy for reducing the costs associated with maintaining multiple modules, as well as increasing standardization and operational efficiency by reducing duplicated work across the MES. The SIP provides an ideal location to deploy centralized shared services both within the MES, as well as with authorized non-MES partners.

Like Centralized Shared Services, the SIP's centralized location provides an ideal location to tie each of the MES programs operations together. The SIP is uniquely capable of this task due to its connectivity to each system that comprises the MES.

This connectivity allows for the SIP to utilize centralized logs to detect when there is an issue with one of the MES modules, even if the module itself has not yet realized.

Flexibility to evolve

Medicaid is ever-changing, and the pace appears to be accelerating. Changes triggered from the Affordable Care Act, the Opioid Crisis, MES vendor consolidation, and COVID-19 are just a few examples.

Sample centralized shared services

Identify, Credential, and Acess Management (ICAM)–Software used for managing and securing digital identities, authentication, and authorization within an organization or system.

Enterprise Content Management (ECM)– Software used to capture, manage, store, preserve, and deliver, content and documents related to organizational processes.


Master Data Management (MDM)– Technology and process–driven methodology used to define, standardize, and manage an organization's critical business data (also known as master data) consistently across multiple systems and applications.

IT Service Management (ITSM)–Systematic approach to designing, delivering, managing, and improving IT services within an organization.

Unified program operations

The ability to monitor the health of the MES program processes across each business area, in real-time, from a unified interface is a game-changer for many states. Through a centralized SIP, issues within the MES can be detected faster—reducing the chance for the issue to escalate.
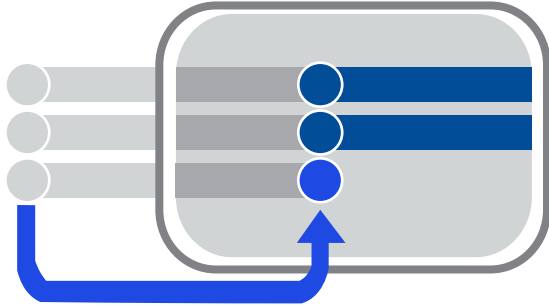
Early issue detection improves operational efficiency and can reduce delays or errors in processing claims, managing providers, or serving members.

Flexibility and adaptability are required for a Medicaid program to weather these changes effectively. States can best achieve these dynamic circumstances through a SIP that accounts for the flexibility to implement incremental updates, improvements, and innovations to the system based on business needs.

In a modular MES, as the business needs evolve, the platform can as well. An SIP allows for individual modules to be incrementally updated, replaced, or removed based on specific Medicaid business needs. For a well-constructed MES, designed around the concept of interoperability, completing changes such as these is faster and easier than previously possible with monolithic MMIS systems.

Summary

The modular MES integration imperative is grounded in your Medicaid business vision, needs, and goals. The value of your system integrator and SIP should embrace and help enable your strategy, implementation, and maturity to realize the evolving needs within your Medicaid program transformation and operational journey.

KPMG is a trusted market leader in care delivery transformation, helping more than 22 states navigate HHS modernization for over 25 years. Our focus on the integration imperative underscores the KPMG philosophy for a business-first delivery approach to help states focus on finding innovative care delivery improvements and reaching their outcome target. We are well suited to help assist states with the right resources to help develop your integrated modernization roadmap, data governance, systems integration, and CMS certification.

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