CONTRACT

BETWEEN THE

NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF MEDICAID AND LONG-TERM CARE

AND

Truven Health Analytics Inc.

This contract is entered into by and between the Nebraska Department of Health and Human Services, DIVISION OF MEDICAID AND LONG-TERM CARE (hereinafter "DHHS"), and Truven Health Analytics Inc. (hereinafter "Contractor").

PURPOSE. The purpose of this contract is to provide a combined Medicaid Decision Support System (DSS), Management & Administrative Reporting System (MARS), and Surveillance and Utilization Review Subsystem (SURS) for the State of Nebraska, Department of Health and Human Services finance and support.

I. TERM AND TERMINATION

A. TERM. This contract is in effect from October 1, 2013 until September 30, 2018.

B. TERMINATION. This contract may be terminated at any time upon mutual written consent or by either party for any reason upon submission of written notice to the other party at least Thirty (30) days prior to the effective date of termination. DHHS may also terminate this contract in accord with the provisions designated "FUNDING AVAILABILITY" and "BREACH OF CONTRACT." In the event either party terminates this contract, the Contractor shall provide to DHHS all work in progress, work completed, and materials provided to it by DHHS in connection with this contract immediately.

II. CONSIDERATION

A. TOTAL PAYMENT. DHHS shall pay the Contractor a total amount not to exceed $5,528,943 (five million, five hundred twenty-eight thousand and nine hundred forty-three dollars) for the services specified herein.

B. PAYMENT STRUCTURE. Payment shall be structured as follows:

$88,791.00 per month for the time period October 1, 2013 to September 30, 2018 for ongoing Advantage Suite Data Consulting Services, Advantage Suite Data Service Provider Services, and Monthly Retainer Hours (Database Updates & Training, Help Desk Services, Direct Analytic Work and/or Database Design).

For additional ad-hoc services outside of the monthly contracted services (to include retainer hours), the Contractor will provide a time estimate to DHHS upon their request, proceed only upon approval by DHHS, and complete said services within the timeframe.
mutually agreed upon by DHHS and the Contractor. The fixed rate for non-retainer hours will be $148.15 per hour.

Contractor shall be paid pursuant to submitted invoice. The Contractor agrees to submit an invoice of the previous month's services at a date no later than the 20th of the current month.

C. Automated Clearing House (ACH) Enrollment Form Requirements for Payment.
The vendor shall complete and sign the State of Nebraska ACH Enrollment Form and obtain the necessary information and signatures from their financial institution. The completed form must be submitted before payments to the vendor can be made. Download ACH Form:
http://www.das.state.ne.us/accounting/nis/address_book_info.htm

III. SCOPE OF SERVICES

A. The Contractor shall do the following:

See Exhibit 1, attached hereto. Contractor shall also provide such other services and execute such other duties as reasonably required by DHHS.

1. The Contractor is required and hereby agrees to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system mean the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee.

2. The contractor certifies that the contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The contractor also agrees to include the above requirements in any and all subcontracts into which it enters. The contractor shall immediately notify the Department if, during the term of this contract, contractor becomes debarred. The Department may immediately terminate this contract by providing contractor written notice if contractor becomes debarred during the term of this contract.

3. If the Contractor is an individual or sole proprietorship, the following applies:
   a. The Contractor must complete the United States Citizenship Attestation Form, available on the Department of Administrative Services website at: www.das.state.ne.us.
   b. If the Contractor indicates on such attestation form that he or she is a qualified alien, the Contractor agrees to provide the US Citizenship and Immigration Services documentation require to verify the Contractor's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program.
   c. The Contractor understands and agrees that lawful presence in the United States is required and the Contractor may be disqualified or the contract
terminated if such lawful presence cannot be verified as required by Neb. Rev. Stat. §4-108.

IV. GENERAL PROVISIONS

A. ACCESS TO RECORDS AND AUDIT RESPONSIBILITIES.
1. All Contractor books, records, and documents regardless of physical form, including data maintained in computer files or on magnetic, optical or other media, relating to work performed or monies received under this contract shall be subject to audit at any reasonable time upon the provision of reasonable notice by DHHS. Contractor shall maintain all records for five (5) years from the date of final payment, except that records that fall under the provisions of the Health Insurance Portability and Accountability Act (HIPAA) shall be maintained for six (6) full years from the date of final payment. In addition to the foregoing retention periods, all records shall be maintained until all issues related to an audit, litigation or other action are resolved to the satisfaction of DHHS. All records shall be maintained in accordance with generally accepted business practices.

2. The Contractor shall provide DHHS any and all written communications received by the Contractor from an auditor related to Contractor’s internal control over financial reporting requirements and communication with those charged with governance including those in compliance with or related to Statement of Auditing Standards (SAS) 112 Communicating Internal Control related Matters Identified in an Audit and SAS 114 The Auditor’s Communication with Those Charged With Governance. The Contractor agrees to provide DHHS with a copy of all such written communications immediately upon receipt or instruct any auditor it employs to deliver copies of such written communications to DHHS at the same time copies are delivered to the Contractor, in which case the Contractor agrees to verify that DHHS has received a copy.

3. The Contractor shall immediately correct any material weakness or condition reported to DHHS in the course of an audit and notify DHHS that the corrections have been made.

4. In addition to, and in no way in limitation of any obligation in this contract, the Contractor shall be liable for audit exceptions, and shall return to DHHS all payments made under this contract for which an exception has been taken or which has been disallowed because of such an exception, upon demand from DHHS.

5. The above provisions shall survive termination of the contract.

B. AMENDMENT. This contract may be modified only by written amendment executed by both parties. No alteration or variation of the terms and conditions of this contract shall be valid unless made in writing and signed by the parties.
C. **ANTI-DISCRIMINATION.** The Contractor shall comply with all applicable local, state and federal statutes and regulations regarding civil rights and equal opportunity employment, including Title VI of the Civil Rights Act of 1964; the Rehabilitation Act of 1973, Public Law 93-112; the Americans With Disabilities Act of 1990, Public Law 101-336; and the Nebraska Fair Employment Practice Act, NEB. REV. STAT. §§ 48-1101 to 48-1125. Violation of said statutes and regulations will constitute a material breach of contract. The Contractor shall insert this provision in all subcontracts.

D. **ASSIGNMENT.** The Contractor shall not assign or transfer any interest, rights, or duties under this contract to any person, firm, or corporation without prior written consent of DHHS. In the absence of such written consent, any assignment or attempt to assign shall constitute a breach of this contract.

E. **ASSURANCE.** If DHHS, in good faith, has reason to believe that the Contractor does not intend to, is unable to, or has refused to perform or continue to perform all material obligations under this contract, DHHS may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of days specified in the demand may, at DHHS's option, be the basis for terminating this contract.

F. **BREACH OF CONTRACT.** DHHS may terminate the contract, in whole or in part, if the Contractor fails to perform its obligations under the contract in a timely and proper manner. DHHS may, by providing a written notice of default to the Contractor, allow the Contractor to cure a failure or breach of contract within a period of thirty (30) days or longer at DHHS's discretion considering the gravity and nature of the default. Said notice shall be delivered by Certified Mail, Return Receipt Requested or in person with proof of delivery. Allowing the Contractor time to cure a failure or breach of contract does not waive DHHS's right to immediately terminate the contract for the same or different contract breach which may occur at a different time. DHHS may, at its discretion, contract for any services required to complete this contract and hold the Contractor liable for any excess cost caused by Contractor's default. This provision shall not preclude the pursuit of other remedies for breach of contract as allowed by law.

G. **CONFIDENTIALITY.** Any and all information gathered in the performance of this contract, either independently or through DHHS, shall be held in the strictest confidence and shall be released to no one other than DHHS without the prior written authorization of DHHS, provided, that contrary contract provisions set forth herein shall be deemed to be authorized exceptions to this general confidentiality provision. This provision shall survive termination of this contract.

H. **CONFLICTS OF INTEREST.** In the performance of this contract, the Contractor shall avoid all conflicts of interest and all appearances of conflicts of interest. The Contractor shall immediately notify DHHS of any such instances encountered so that other arrangements can be made to complete the work.

I. **COST PRINCIPLES AND AUDIT REQUIREMENTS.** The Contractor shall follow the applicable cost principles set forth in OMB Circular A-87 for State, Local and Indian
Tribe Governments or A-122 for Non-Profit Organizations. Audit requirements are dependent on the total amount of federal funds expended by the Contractor, set in the table below and Attachment 1, Audit Requirement Certification which is true and correct. Audits must be prepared and issued by an independent certified public accountant licensed to practice. A copy of the annual audit is to be made electronically available or sent to: Nebraska Department of Health and Human Services, Financial Services, P.O. Box 95026, Lincoln, NE 68509-5026.

<table>
<thead>
<tr>
<th>Amount of annual federal expenditures</th>
<th>Audit Type</th>
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<tbody>
<tr>
<td>$100,000 to 499,000</td>
<td>Financial Statement Audit</td>
</tr>
<tr>
<td>500,000 or more in federal expenditures</td>
<td>A-133 audit</td>
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</tbody>
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J. DATA OWNERSHIP AND COPYRIGHT. All data collected as a result of this project shall be the property of DHHS. The Contractor shall not copyright any of the copyrightable material produced in conjunction with the performance required under this contract without written consent from DHHS. DHHS hereby reserves a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use the copyrightable material for state government purposes. This provision shall survive termination of this contract.

K. DEBARTMENT, SUSPENSION OR DECLARED INELIGIBLE. The Contractor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

L. DOCUMENTS INCORPORATED BY REFERENCE. All references in this contract to laws, rules, regulations, guidelines, directives, and attachments which set forth standards and procedures to be followed by the Contractor in discharging its obligations under this contract shall be deemed incorporated by reference and made a part of this contract with the same force and effect as if set forth in full text, herein.

M. DRUG-FREE WORKPLACE. Contractor certifies that it maintains a drug-free workplace environment to ensure worker safety and workplace integrity. Contractor shall provide a copy of its drug-free workplace policy at any time upon request by DHHS.

N. FEDERAL FINANCIAL ASSISTANCE. The Contractor shall comply with all applicable provisions of 45 C.F.R. §§ 87.1-87.2. The Contractor shall not use direct federal financial assistance to engage in inherently religious activities, such as worship, religious instruction, and/or proselytization.

O. FORCE MAJEURE. Neither party shall be liable for any costs or damages resulting from its inability to perform any of its obligations under this contract due to a natural disaster, or other similar event outside the control and not the fault of the affected party ("Force Majeure Event"). A Force Majeure Event shall not constitute a breach of this contract. The party so affected shall immediately give notice to the other party of the Force Majeure Event. Upon such notice, all obligations of the affected party under this contract which are reasonably related to the Force Majeure Event...
shall be suspended, and the affected party shall do everything reasonably necessary to resume performance as soon as possible. Labor disputes with the impacted party’s own employees will not be considered a Force Majeure Event and will not suspend performance requirements under this contract.

P. FUNDING AVAILABILITY. DHHS may terminate the contract, in whole or in part, in the event funding is no longer available. Should funds not be appropriated, DHHS may terminate the contract with respect to those payments for the fiscal years for which such funds are not appropriated. DHHS shall give the Contractor written notice thirty (30) days prior to the effective date of any termination. The Contractor shall be entitled to receive just and equitable compensation for any authorized work which has been satisfactorily completed as of the termination date. In no event shall the Contractor be paid for a loss of anticipated profit.

Q. GOVERNING LAW. The contract shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against DHHS or the State of Nebraska regarding this contract shall be brought in Nebraska administrative or judicial forums as defined by Nebraska State law. The Contractor shall comply with all Nebraska statutory and regulatory law.

R. HOLD HARMLESS.
1. The Contractor shall defend, indemnify, hold, and save harmless the State of Nebraska and its employees, volunteers, agents, and its elected and appointed officials (“the indemnified parties”) from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses (“the claims”), sustained or asserted against the State of Nebraska, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the Contractor, its employees, subcontractors, consultants, representatives, and agents, except to the extent such Contractor liability is attenuated by any action of the State of Nebraska which directly and proximately contributed to the claims.

2. DHHS’s liability is limited to the extent provided by the Nebraska Tort Claims Act, the Nebraska Contract Claims Act, the Nebraska Miscellaneous Claims Act, and any other applicable provisions of law. DHHS does not assume liability for the action of its Contractors.

3. The above provisions shall survive termination of the contract.

S. INDEPENDENT CONTRACTOR. The Contractor is an Independent Contractor and neither it nor any of its employees shall for any purpose be deemed employees of DHHS. The Contractor shall employ and direct such personnel as it requires to perform its obligations under this contract, exercise full authority over its personnel, and comply with all workers' compensation, employer's liability and other federal, state, county, and municipal laws, ordinances, rules and regulations required of an employer providing services as contemplated by this contract.
T. **INVOICES.** Invoices for payments submitted by the Contractor shall contain sufficient detail to support payment. Any terms and conditions included in the Contractor’s invoice shall be deemed to be solely for the convenience of the parties.

U. **INTEGRATION.** This written contract represents the entire agreement between the parties, and any prior or contemporaneous representations, promises, or statements by the parties, that are not incorporated herein, shall not serve to vary or contradict the terms set forth in this contract.

V. **LOBBYING.**
   1. No Federal appropriated funds shall be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract or (a) the awarding of any Federal agreement; (b) the making of any Federal grant; (c) the entering into of any cooperative agreement; and (d) the extension, continuation, renewal, amendment, or modification of any Federal agreement, grant, loan, or cooperative agreement.

   2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, the Contractor shall complete and submit Federal Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions.

W. **NEBRASKA NONRESIDENT INCOME TAX WITHHOLDING.** Contractor acknowledges that Nebraska law requires DHHS to withhold Nebraska income tax if payments for personal services are made in excess of six hundred dollars ($600) to any contractor who is not domiciled in Nebraska or has not maintained a permanent place of business or residence in Nebraska for a period of at least six months. This provision applies to individuals, to a corporation if 80% or more of the voting stock of the corporation is held by the shareholders who are performing personal services, and to a partnership or limited liability company if 80% or more of the capital interest or profits interest of the partnership or limited liability company is held by the partners or members who are performing personal services.

The parties agree, when applicable, to properly complete the Nebraska Department of Revenue Nebraska Withholding Certificate for Nonresident Individuals Form W-4NA or its successor. The form is available at: http://www.revenue.ne.gov/tax/current/f_w-4na.pdf or http://www.revenue.ne.gov/tax/current/fill-in/f_w-4na.pdf

X. **NEBRASKA TECHNOLOGY ACCESS STANDARDS.**
   The Contractor shall review the Nebraska Technology Access Standards, found at http://www.nitc.ne.gov/standards/accessibility/facfinal.html and ensure that products and/or services provided under the Contract comply with the applicable standards. In the event such standards change during the Contractor’s performance, the State
may create an amendment to the Contract to request that Contract comply with the changed standard at a cost mutually acceptable to the parties.

Y. NEW EMPLOYEE WORK ELIGIBILITY STATUS. The Contractor shall use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. § 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee.

If the Contractor is an individual or sole proprietorship, the following applies:

1. The Contractor must complete the United States Citizenship Attestation Form, available on the Department of Administrative Services website at [www.das.state.ne.us](http://www.das.state.ne.us).

2. If the Contractor indicates on such attestation form that he or she is a qualified alien, the Contractor agrees to provide the U.S. Citizenship and Immigration Services documentation required to verify the Contractor’s lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program.

3. The Contractor understands and agrees that lawful presence in the United States is required and the Contractor may be disqualified or the contract terminated if such lawful presence cannot be verified as required by NEB. REV. STAT. § 4-108.

Z. PUBLIC COUNSEL. In the event Contractor provides health and human services to individuals on behalf of DHHS under the terms of this contract, Contractor shall submit to the jurisdiction of the Public Counsel under NEB. REV. STAT. §§ 81-8,240 through 81-8,254 with respect to the provision of services under this contract. This provision shall not apply to contracts between DHHS and long-term care facilities subject to the jurisdiction of the state long-term care ombudsman pursuant to the Long-Term Care Ombudsman Act. This provision shall survive termination of the contract.

AA. RESEARCH. The Contractor shall not engage in research utilizing the information obtained through the performance of this contract without the express written consent of DHHS. The term "research" shall mean the investigation, analysis, or review of information, other than aggregate statistical information, which is used for purposes unconnected with this contract. This provision shall survive termination of the contract.

BB. SEVERABILITY. If any term or condition of this contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations
of the parties shall be construed and enforced as if this contract did not contain the particular provision held to be invalid.

CC. SUBCONTRACTORS. The Contractor shall not subcontract any portion of this contract without prior written consent of DHHS. The Contractor shall ensure that all subcontractors comply with all requirements of this contract and applicable federal, state, county and municipal laws, ordinances, rules and regulations.

DD. TIME IS OF THE ESSENCE. Time is of the essence in this contract. The acceptance of late performance with or without objection or reservation by DHHS shall not waive any rights of DHHS nor constitute a waiver of the requirement of timely performance of any obligations on the part of the Contractor remaining to be performed.

NOTICES. Notices shall be in writing and shall be effective upon receipt. Written notices, including all reports and other written communications required by this contract shall be sent to the following addresses:

FOR DHHS:

Vivanne M. Chaumont
Organization
Address
City, State, Zip
Phone

FOR CONTRACTOR:

Name: Contracts Administration
Truven Health Analytics, Inc.
Address: 777 E. Eisenhower Parkway
City, State, Zip: Ann Arbor, MI 48111
Phone: (734) 913-3424

IN WITNESS THEREOF, the parties have duly executed this contract hereto, and each party acknowledges the receipt of a duly executed copy of this contract with original signatures.

FOR DHHS:

[Signature]
Kerry T. Winterer
Chief Executive Officer
Department of Health and Human Services

DATE: 3-11-13

FOR CONTRACTOR:

[Signature]
Jon Newpol
Executive VP
Truven Health Analytics

DATE: 3-7-13
NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES
INSERT PROGRAM NAME
AUDIT REQUIREMENT CERTIFICATION

Subrecipients and certain contractors receiving funds from the Nebraska Department of Health and Human Services are required to complete this document. Reference to the Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, in this document is “Circular A-133”.

Grant Name  Medicaid  Grant #  1205NE5ADM  CFDA#  # 93.778

Program Name, Grant #, and CFDA # need to be filled out by the DHHS program office

*(Catalog of Federal Domestic Assistance)

Contractor’s Name  Truven Health Analytics Inc.
Address:  777 E. Eisenhower Parkway
City:  Ann Arbor  State:  MI  Zip Code:  48111

Federal Tax Identification Number (FTIN)  [Redacted]

Contractor’s Fiscal Year  January 1, 2013 to December 31, 2013

All written communications from the Certified Public Accountant (CPA) engaged under #1 or #2 below, given to the contractor related to Statement of Auditing Standards (SAS) 112 Communicating Internal Control related Matters Identified in an Audit and SAS 114 The Auditor’s Communication with Those Charged With Governance and any additional reports issued by the auditor as a result of this engagement must be provided to the DHHS immediately upon receipt, unless the Subrecipient or contractor has directed the CPA to provide the copy directly to the DHHS and has verified this has occurred.

Check either 1 or 2

1.  As the subrecipient or contractor named above, we expect to expend less than $500,000 from all Federal Financial Assistance sources, not just the grant named above, and including commodities in our current fiscal year. Therefore, we are not subject to the audit requirements of Circular A-133.

   We are, however, responsible for engaging a licensed Certified Public Accountant (CPA) to conduct an audit of our organization's financial statements if we have total federal expenditures over $100,000. We acknowledge the audit must be completed no later than nine months after the end of our organization's current fiscal year. A copy of the report must be submitted to DHHS address as shown below within the earlier of 30 days after receipt of the auditor's report(s), or nine months after the end of the audit period.

2.  As the subrecipient or contractor named above, we expect to expend $500,000 or more from all Federal Financial Assistance sources, not just the grant named above, and
including commodities in our current fiscal year. Therefore, we are subject to the single audit requirements of Circular A-133.

We will engage a licensed Certified Public Accountant to conduct and prepare the audit of our organization's financial statements and components of the single audit pertaining to those financial statements. We acknowledge the audit must be completed no later than nine months after the end of our current fiscal year.

We further acknowledge, that a single audit performed in accordance with Circular A-133 must be submitted to the Federal Audit Clearinghouse. The reporting package, as evidence the audit was completed must contain:

- financial statements,
- a schedule of Expenditure of Federal Awards,
- a Summary Schedule of Prior Audit Findings (if applicable),
- a corrective action plan (if applicable) and
- the auditor's report(s) which includes an opinion upon financial statements and Schedule of Expenditures of Federal Awards, a report of internal control, a report of compliance and a Schedule of Findings and Questioned Costs.

We further acknowledge the auditor and this contractor or subrecipient must complete and submit with the reporting package a Data Collection Form for Reporting on Audits of States, Local Governments and Non-Profit Organizations (SF-SAC).

We further acknowledge a copy of the contractor's financial statements, auditor's report and SF-SAC must be submitted, at the time these documents are submitted to the Federal Audit Clearinghouse, to:

Nebraska Department of Health and Human Services  
Financial Services  
Grants and Cost Management  
P.O. Box 95026  
Lincoln, NE 68509-5026

The foregoing submissions must be made within the earlier of 30 days after receipt of the auditor's report(s), or nine months after the end of the audit period.
EXHIBIT 1

1.1. Overview

DHHS’ objective is to operate an integrated data management system that will warehouse fee-for-service claims data, managed care encounter data, and other health care data. These data will be used to support the administrative needs of the Medicaid agency, which include, but are not limited to, budget forecasting, program management, cost-effectiveness assessment, Legislative requests, MSIS reporting, other regular Federal reporting, audits, fraud detection, and general requests for information. The database will provide the combined functionality of a Decision Support System (DSS), a Management & Administrative Reporting System (MARS), a Surveillance and Utilization Review Subsystem (SURS), and an Executive Information Systems (EIS).

As described in this contract, Contractor shall provide:

- A stable and efficient operational platform
- Powerful query and reporting functionality
- The capability to consolidate claims information from a variety of payment sources
- Clinical and financial data
- Detailed system specifications and training materials including, but not limited to, crosswalks, maps, copybooks, and user manuals
- An adaptive approach to treating database expansion, modification, and aging hardware and software
- A certifiable MARS and SURS which meet CMS requirements for automated systems match

1.2. Project Administration

Contractor shall provide Project administration. Project administration activities include the establishment of all internal management processes for the Contractor, as well as the implementation of all Department and Contractor management processes and reporting requirements. Project Administration includes:

- Formal status reporting procedures and schedules
- A proven methodology for system development
- Issue identification, tracking, reporting, and resolution procedures, including an automated tracking and management system with the information captured and tracked to be subject to DHHS’ approval
- Change management procedures
- Personnel management functions, including hiring, firing, and employee relocation

Where appropriate, the use of automation to facilitate these activities is encouraged. All work plans shall be provided in both hardcopy and electronic format. The State of Nebraska, IMServices, currently uses Niku project management software. Any proposed electronic formats shall be either Niku or Microsoft Project software.

The Contractor shall describe the project management approach for planning, organizing, and managing the personnel and activities throughout the life of the project. The Contractor’s project management approach shall facilitate open and timely communication with DHHS’ and a strong working relationship in order to achieve the overall goal of satisfactory performance within budget constraints.

1.3. Technical Requirements

The following subsections present data processing requirements that the Contractor shall meet during the transfer, design, and development of necessary modifications, implementation, and operation of the DSS/MARS/SURS software package.
1.3.1. Security
The Contractor shall ensure that the system provides for safeguarding of data and for physical security of the DSS/MARS/SURS. The system shall incorporate features for maintaining program integrity. Additionally, the system shall provide for access control to data and system software.

1.3.2. Data Communications
The Contractor shall install dedicated communication lines that shall connect the Nebraska Medicaid MMIS and the DSS/MARS/SURS. All circuits are to be coordinated through the Contractor contact. For the connection to Nebraska Medicaid MMIS, the Contractor shall provide installation (at the State Office Building in Lincoln, NE) of up to a full rate T1 circuit (primary), ISDN circuit (secondary), and voice-grade line for dial up access to equipment. Equipment will be shipped to the State of Nebraska DOC for installation.

1.4. Database Design
The database shall exhibit a balance between efficiency, accuracy, timeliness, availability, and stability. Extraction, transfer, and load processes need to focus on efficiency, accuracy and timeliness. Query and reporting tools shall be accurate and stable.

1.4.1. Data Extraction
The existing MMIS and its archives shall be the primary sources of input data for the DSS/MARS/SURS. In addition, normative data from other sources, such as other state Medicaid programs, commercial health insurance plans, and health statistics indices for Nebraska and other populations, shall be provided by the Contractor. All data shall be provided in the format and media defined during the DSS/MARS/SURS Database Design task.

1.4.2. Data Transfer
Communication between DHHS and the Contractor regarding the receipt and editing of any transferred data shall occur in such a way that inputs and outputs are reconciled, validated, and balanced between the two entities prior to the uploading of any tables.

1.4.3. Initial Data Load
The initial load of the database shall contain only 36 months of MMIS-related records. MMIS records include paid claims and adjustments, encounter records, and demographic and eligibility information for Medicaid providers and eligible persons. An additional 36 months of data shall be loaded 6 months thereafter, with monthly updates until the database is loaded with 120 months.

1.4.4. Content
The database shall be designed to include both MMIS and non-MMIS records. MMIS records include paid claims and adjustments, encounter records, and demographic and eligibility information for Medicaid providers and eligible persons. Non-MMIS records include manual payments and payments made through the Nebraska Family On-line Client User System (NFOCUS), an eligibility determination and claims payment system. The DSS/MARS/SURS shall also accommodate a wide-range of reference data required to make the detailed database content useful to all users. This includes program budgets, data dictionaries, and English-language translation for commonly used code types, such as HCPCS, ICD-9, DRGs, and future mandated code sets, such as NPI and ICD-10.

1.4.5. Database Functionality
Any proposed DSS/MARS/SURS shall be certifiable as part of the MMIS according to the specifications detailed in the State Medicaid Manual, Part 11. If the system fails certification, Contractor agrees to rectify all deficiencies, at no cost to the State, regardless of whether the required changes would have been within the original scope of
work. All software developed to meet said specifications shall be public domain in accordance with 45 CFR 95.617.

The parties agree that the Contractor’s DSS/MARS/SURS is not dependent on the MMIS system currently in place. If DHHS should decide to ever change its MMIS, the DSS/MARS/SURS is completely compatible if the following stay constant:

1. Data feeds and formats, including MSIS data feeds
2. Data elements
3. Valid values and data mapping

If the listed elements do change as a result of a new MMIS or a change to the current MMIS, the DSS/MARS/SURS is flexible and will accommodate these changes through additional design efforts and a possible rebuild to the system. This type of change is understood by DHHS to be out of scope and any associated cost or payment would be negotiated in good faith between the Contractor and DHHS.

1.4.5.1. DSS Functionality

The purpose of the Decision Support System component of the DSS/MARS/SURS is to provide the methodology that enables users to easily and quickly navigate through the system in order to find the information required by the user. Query features shall be versatile enough to support users who wish to access relatively small amounts of data very quickly or generate comprehensive reports utilizing significantly large volumes of data. The Contractor shall design and implement the DSS component of the database in a manner that allows full utilization of the management system and installed tool sets. The Contractor shall provide a solution that makes all data contained in the database available to authorized Department users through a commercially available tool set.

The DSS function shall provide for an Executive Information System (EIS) that is extremely easy to use without extensive training. The EIS should provide users with the capability to compare aggregate and summary-level information.

1.4.5.2. MARS Functionality

The MARS is a comprehensive management tool that provides information on program status and trends and supports users in analyzing program trends and determining the impact of proposed policy changes. The MARS uses inputs from a variety of sources to generate reports. The MARS shall be flexible enough to meet both existing and proposed changes in format and data requirements of Federal statistical reporting without major effort or expense and shall provide maximum flexibility to accommodate future changes in the reporting needs of the Nebraska Medicaid Program. The MARS functionality shall include the creation of quarterly MSIS tapes.

1.4.5.3. SURS Functionality

The purpose of surveillance and utilization review is to use profiles of appropriate health care delivery and utilization to identify potential misuse of the Medicaid program by providers, managed care entities, or recipients. The SURS program shall aid users in defining appropriate health care delivery and utilization, quickly and accurately identifying areas worthy of investigation, and will support investigation of potential fraud or misuse of the Nebraska Medicaid Program by providers and recipients.

1.5. Certification

If either the MARS or SURS fails to obtain CMS certification, the Contractor agrees to rectify deficiencies, at no cost, regardless of whether required changes would have been in or out of original scope.
1.6. User and Technical Staff Training

The Contractor shall be required to provide an initial training session prior to implementation, and all associated documentation, to assist Department staff in becoming proficient and self-sufficient in the use of all tools available for data retrieval, query, analysis, and reporting. The Contractor shall provide technical training in the operations and administration of the DSS/MARS/SURS hardware and software environment. The Contractor is required to schedule training in a manner that allows Department staff to be fully trained prior to implementation of the DSS/MARS/SURS. The Contractor shall provide periodic refresher training for continuing users and initial training for new users.

1.6.1. Description of Users

Users are categorized as follows:

**Administrators:** Users who primarily require access to readily available program information such as that found in an EIS. Most will not require anything more than final query results presented in a summarized, easy to read format. At times, some may seek limited drill down access to data aggregates that resulted in the summary presentation.

**Program Managers:** Users that will require an intermediate level of access to data. Program managers will require a mix of standard and ad hoc queries and reports. Depending on individual program specialty, some users will require drill down access to DSS/MARS/SURS data. These users will also require access to the EIS.

**Program Analysts/Researchers:** Users of the DSS/MARS/SURS whose work requires daily access to data. Program analysts/researchers will utilize both standard and ad hoc system features in developing queries and reports for a variety of program areas and topics including claims payment, cost-effectiveness, budget, Legislative proposals, fraud and abuse, and enrollment. These users will require access to all DSS/MARS/SURS and EIS features will require the greatest degree of training.

1.6.2. Number of Users

There shall be approximately 40 users of the DSS/MARS/SURS. By category, DHHS anticipates an estimated number of users as follows:

<table>
<thead>
<tr>
<th>CATEGORY OF USER</th>
<th>NUMBER OF USERS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrator</td>
<td>10</td>
</tr>
<tr>
<td>Program Manager</td>
<td>15</td>
</tr>
<tr>
<td>Program Analyst/Researcher</td>
<td>15</td>
</tr>
</tbody>
</table>

1.6.3. User Training

In order to facilitate the transition to a new DSS/MARS/SURS, Contractor shall provide all users an overview of the system and hands-on training on the tool set. The Contractor shall not be required to provide basic personal computer skills training. However, with the aid of DHHS, personal computer skills will be assessed and training will be grouped to accommodate the various levels of user computer sophistication and the user categorizations of administrator, program manager, and program analyst/researcher.

DHHS shall provide training facilities and workstations in Lincoln, Nebraska. The Contractor shall provide user training that shall, at a minimum, address the following areas:

- Purpose of the DSS/MARS/SURS
- Advantages of utilizing the DSS/MARS/SURS
- Data validation and editing processes
1.6.4. Technical Staff Training

Contractor shall provide technical training of DAS, IMServices technical staff for the ongoing operations of the DSS/MARS/SURS. At a minimum, three technical staff will require training. The Contractor’s training approach shall address all aspects of operations to ensure that all technical staff have the necessary skills to support the DSS/MARS/SURS.

1.7. Contractor Organization and Staffing

The Contractor is responsible for providing all resources necessary to develop, implement, and operate the DSS/MARS/SURS as specified in the Contract. Notwithstanding this general requirement, DHHS requires that the Contractor commit certain dedicated staff resources that shall act as single “points of contact” as specified below.

Replacement of proposed key staff by the Contractor is subject to the approval of DHHS. DHHS reserves the right to require removal or reassignment of key personnel in exceptional circumstances. If DHHS intends to exercise this right, it shall deliver written notice to the Contractor at least fourteen calendar days prior to the date it desires the staff change to take place.

1.7.1. Key Personnel for Design, Development, and Implementation

The Contractor shall provide a dedicated project/account manager who shall act as the primary representative of the Contractor during the Design and Development and Implementation phases. The term “dedicated” is used to indicate that the project/account manager is committed, full-time, to the development and implementation of the DSS/MARS/SURS and is accessible to DHHS during business hours throughout the Design and Development and Implementation phases. This individual shall be authorized to commit the resources of the Contractor in matters pertaining to performance of the DSS/MARS/SURS contract.

Key personnel for Design and Development and Implementation phases are:

- Project/Account Manager
- Implementation Manager
- Operations Manager
- Database Administrator
- DSS Data Specialist(s)
- SURS Reporting Specialist(s)
- MARS Reporting Specialist(s)
- MSIS Reporting Specialist(s)
- Training Specialist(s)

1.7.2. Key Personnel for Ongoing Operations

The Contractor shall provide a dedicated project/account manager who shall act as the primary representative of the Contractor during the Ongoing Operations phase. The term “dedicated” is used to indicate that the project/account manager is committed to the Nebraska DSS/MARS/SURS and is accessible to DHHS during business hours.
throughout the Ongoing Operations phase. This individual shall be authorized to commit the resources of the Contractor in matters pertaining to performance of the DSS/MARS/SURS contract.
Key personnel required for the Ongoing Operations phase are:
- Project/Account Manager
- Operations Manager
- Database Administrator
- Help Desk Personnel
- Data and Reporting Specialist(s)
- Training and Documentation Specialist(s)

2. Scope of Work

2.1. Overview

The work to be performed by the Contractor shall include all tasks necessary to develop, implement, operate, and maintain the DSS/MARS/SURS system and shall meet all functional and technical requirements identified in this Contract. The project scope of work is divided into three phases: Design and Development, Implementation, and Ongoing Operations. Each phase is described in more detail below where specific tasks, responsibilities, deliverables, and performance criteria are delineated.
In addition, this section includes discussion of DHHS’ anticipated project schedule, the general division of responsibilities between the Contractor and DHHS, the approach to deliverable review, and a description of the organization and staffing requirements that shall be met by the Contractor. Material is presented in an organizational structure that should be duplicated in Contractor responses.

2.2. Critical Project Dates

The Contractor agrees to adhere to critical project dates that appear in the approved Project Management Plan. Any deviation from these dates must be approved in writing by DHHS. Changes to the DSS/MARS/SURS implementation date must be made by contract amendment.

<table>
<thead>
<tr>
<th>Activity</th>
<th>On or Before</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contractor Starts Work</td>
<td>Upon execution of this contract</td>
</tr>
<tr>
<td>Complete Implementation of DSS/MARS/SURS</td>
<td>January 6, 2005</td>
</tr>
</tbody>
</table>

2.3. General Department Responsibilities

The specific responsibilities of DHHS are identified for each of the tasks described later in this section. There are, however, a number of responsibilities that apply to each task.
The following items represent Department responsibilities applicable to each task of the project:
- Review and approve or disapprove the proposed format and content of all deliverables and provide written feedback to the Contractor
- Conduct weekly status meetings with the Contractor to review progress against the work plan
- Review weekly written status reports and weekly work plan schedule changes
- Serve as the final approval authority on scope of work issues

2.4. General Contractor Responsibilities

The Contractor has primary responsibility for the timely and successful completion of each of the tasks identified and for timely implementation of the Medicaid DSS/MARS/SURS system. The Contractor is responsible for clearly specifying and requesting information/data from DHHS in such a manner as not to delay any part of the schedule. The specific responsibilities of the Contractor are identified for each of the tasks described later in this section. There are, however, a number of responsibilities that apply to each task.
The following items represent Contractor responsibilities applicable to each task of the project:

- Prepare an outline and obtain approval from DHHS for the contents and format of each deliverable before beginning work on the deliverable.
- Revise deliverables to meet content and format requirements, if required, using Department review findings.
- Obtain written approval from DHHS on the final deliverables for each task.
- Report the progress of each task via weekly written status reports and at weekly status meetings with DHHS’ representatives.
- Update the project work plan weekly and deliver it and written status reports one State of Nebraska business day before the status meeting.
- Ensure that all system components, including but not limited to, software, telecommunications, and manual procedures, are fully tested and that the test results are formally presented or demonstrated to the satisfaction of DHHS, prior to implementation.
- Identify potential scope of work changes and seek Department approval before commencing work outside the scope of the Contract.
- Submit hard copies of all written materials to DHHS and, where possible, also submit materials in electronic format.
- Provide a monthly status report to DHHS for inclusion in MMIS Federal reporting documentation to CMS.

2.5. General Approach for Deliverables

Deliverables shall be reviewed by DHHS and shall require written approval by a representative of DHHS. In its project work plan, the Contractor shall allow DHHS a reasonable amount of time to review each deliverable.

Upon completion of its review, DHHS may accept, conditionally accept, or reject Contractor deliverables. When deliverables are conditionally accepted or rejected, DHHS will advise the Contractor, in writing, of the reason(s) for rejection or conditional acceptance and the Contractor shall be required to correct and resubmit deliverables within three State of Nebraska business days, or within a time period agreed to by DHHS. DHHS will then have a reasonable length of time to review each revised deliverable. To minimize instances of deliverable rejection and revision, the Contractor may submit draft deliverables prior to the scheduled due dates.

Deliverables are listed for each of the major tasks included in this section. The Contractor shall identify these deliverables and associated targeted completion dates in its work plan. DHHS will rigorously monitor the Contractor’s performance in terms of adherence to the deliverable completion dates identified in the work plan.

The deliverable date for the operational DSS/MARS/SURS may be changed only with Department approval and contract amendment.

2.6. Personnel Requirements

The Contractor’s key personnel for Design and Development and Implementation (DDI) are the Contractor’s designated project/account manager, implementation manager, operations manager, database administrator, data specialist, reporting specialists, and training specialists.

Key personnel for Ongoing Operations include the project/account manager, operations manager, database administrator, Help Desk personnel, data and reporting specialists, and training and documentation specialists.

The Contractor shall ensure that key personnel identified in the proposal are the same key personnel who begin work on the project and remain on the project for the duration of DDI and into the Ongoing Operations phase.

2.6.1. General Requirements for Key Personnel

General requirements for key personnel are as follows:

- All other key personnel shall be employed by, or committed to join, the
Contractor’s organization by the start of the Design and Development phase

- DHHS shall have the right to require key personnel and their immediate staff to be on-site, in Lincoln, Nebraska, during critical phases of the project (Design and Development, Implementation and/or Ongoing Operations)
- DHHS reserves the right to approve or disapprove all initial or replacement key personnel prior to their assignment to this project
- Any proposed replacement personnel shall have equivalent or greater skills than personnel previously identified as filling the subject position
- DHHS shall have the right to require the Contractor to remove any individual (whether or not key personnel) from assignment to this project and replace with an individual of equal or similar skills for reasons of cause and with reasonable notice
- With the approval of DHHS, the Contractor may assign more than one of the required duties to a single staff person

2.6.2. Qualifications for DDI Key Personnel

The qualifications for key personnel are as follows:

- Project/Account Manager
  - At least three years experience managing implementation and operation of decision support systems for Medicaid programs
  - At least two years experience with the proposed tool set
- Implementation Manager
  - At least four years systems design, development and implementation experience
  - At least two years experience in designing applications in a relational database environment
  - At least two years experience with the proposed tool set
- Operations Manager
  - At least two years experience managing DSS/MARS/SURS operations
- Database Administrator
  - At least four years systems development experience in a relational database environment
  - At least three years experience as a decision support system database administrator
  - At least two years data modeling and database design experience
- DSS Data Specialist(s)
  - At least two years experience with implementation of a decision support system
- SURS Reporting Specialist(s)
  - At least two years experience utilizing and/or supporting a SURS for a Medicaid program
- MARS Reporting Specialist(s)
  - At least two years experience utilizing and/or supporting a MARS for a Medicaid program
- MSIS Reporting Specialist(s)
  - At least two years experience working directly with MSIS
- Training Specialist(s)
  - At least two years experience developing training plans and training users
  - At least two years of successful completion of training on all query and analysis tools of the proposed system

2.6.3. Qualifications for Ongoing Operations Key Personnel

The qualifications for key personnel are as follows:

- Project/Account Manager
  - At least three years experience managing implementation and operation of decision support systems for Medicaid programs
• At least two years experience with the proposed tool set
• Operations Manager
• At least two years experience managing DSS/MARS/SURS operations
• Database Administrator
• At least four years systems development experience in a relational database environment
• At least three years experience as a decision support system database administrator
• At least two years data modeling and database design experience
• Help Desk Personnel
• At least two years experience working hands-on with the proposed system
• Thorough familiarity with Nebraska’s unique DSS/MARS/SURS inputs and processing
• Data and Reporting Specialist(s)
• At least two years experience working hands-on with the proposed system
• At least two years experience working directly with MSIS
• Thorough familiarity with Nebraska’s unique DSS/MARS/SURS inputs and processing
• Training and Documentation Specialist(s)
• At least two years of successful completion of training on all query and analysis tools
• At least two years of experience drafting and updating detailed technical documentation for the proposed system

2.7. Technical Requirements

The following subsections present data processing requirements that the Contractor shall meet during the transfer, design, and development of necessary modifications, implementation, and operation of the DSS/MARS/SURS.

2.7.1. Security, Confidentiality, and Auditing

The Contractor shall ensure that the system provides for safeguarding of data and for physical security of the Contractor’s processing facility. The Contractor shall further ensure that the system design facilitates auditing of computer files and paper records and that audit trails are provided throughout the system. The Contractor shall ensure that the DSS/MARS/SURS Design and Development, Implementation and Ongoing Operations are in accordance with State and Federal regulations related to security, confidentiality, and auditing. Relevant publications include:

• Automatic Data Processing Physical Security and Risk Management (FIPS PUB 31)
• Computer Security Guidelines for Implementing the Privacy Act of 1974 (FIPS PUB 41)
• Guidelines for Security of Computer Applications (FIPS PUB 73)
• Federal regulations at 45 CFR 95.621
• Health Insurance Portability and Accountability (HIPAA) Security regulations at 45 CFR 164

In addition, the Contractor shall ensure that the DSS/MARS/SURS operates in accordance with the final rules adopted under HIPAA for security, confidentiality, and privacy, including entering into a Business Associate Agreement with DHHS.

2.7.1.1. Interactive/On-Line and Application Security

The Contractor shall design and implement various levels of security within the DSS/MARS/SURS interactive/on-line applications, including, but not limited to, the following features:
- Unique log-on ID for each user
- Required passwords which expire on a staggered schedule and which can be changed at any time by appropriate Department or Contractor personnel or the use of RSA SecurID technology that utilizes fob passwords that change every 60 seconds
- Security restriction, to specific log-on IDs, at the application level and/or the level of a function within an application
- Audit trails, of all transactions by log-on ID (or batch update identifier), date and time of the change, and source of entry (workstation ID)
- All security features utilized throughout the DSS/MARS/SURS shall be compliant with HIPAA security requirements

2.7.1.2. Audit and Control Requirements

Audit and control considerations are especially important where a large number of staff with diverse skill levels and responsibilities interface directly with the system. Audit and control features apply to all areas of a system and shall, therefore, be considered an integral part of the overall system architecture. The audit and control requirements for the DSS/MARS/SURS are described below in terms of data control, error correction, and audit trails. The DSS/MARS/SURS shall contain a sufficient number of controls to maintain data and information integrity. The DSS/MARS/SURS shall provide three types of controls:

- Preventive controls – Controls designed to prevent errors and unauthorized events from occurring
- Detective controls – Controls designed to identify errors and unauthorized transactions which have occurred in the system
- Corrective controls – Controls to ensure the correction of problems identified by detective controls

These controls shall be in place at all appropriate points of processing. Audit trails shall be incorporated in the system to allow information on source documents to be traced through the processing stages to the point where the information is finally recorded. The ability to trace data from the final place of recording back to its source of entry shall also exist. These audit trails may be supported by listings, transactions reports, update reports, transaction logs, or error logs.

Changes to all data shall be strictly controlled and appropriate audit trails maintained. These audit trails shall contain the unique log-on ID (or batch update identifier), workstation ID, date and time of the change, and identify the changed data. The audit trail data shall display on all on-line inquiry screens and related reports.

2.7.1.3. Security Administration

Security features are only effective if utilized in conjunction with a prescribed security plan. It is DHHS’ intention to monitor the Contractor's security administration to ensure that the features built into the system are continuously effective. In addition, the Contractor shall be required to periodically, no less than annually, test backup and recovery plans through simulated disasters and lower-level failures and provide training to Department staff on security procedures.

2.7.2. Disaster/Backup and Recovery

It is critical that a plan including procedures, physical equipment, and facilities is in place to reconstruct the DSS/MARS/SURS should a disaster strike any processor site. Regardless of the physical architecture of the DSS/MARS/SURS, the Contractor shall develop an adequate backup and recovery plan. At a minimum, there are three types of situations which could arise and which shall be addressed by the Contractor to ensure ongoing operations.
The first situation is a major disaster where the central computer installation and resident software are destroyed or damaged. The Contractor shall identify and provide alternative facilities and backup to ensure continuation of operations as a part of a comprehensive disaster recovery plan.

The second disaster situation results from network failure, software error, or operational errors where one or several days' processing is invalid, making data on the DSS/MARS/SURS also invalid. The Contractor shall provide a plan that addresses the restoration of program and data integrity.

The third disaster situation is caused by system down time. The Contractor shall maximize system availability at the local level. Down time caused by the failure of one or more components of the DSS/MARS/SURS application software shall be resolved and the restoration of services implemented within four hours of the failure.

2.7.3. Hardware and Software

The following subsections detail the hardware and software requirements of the DSS/MARS/SURS.

2.7.3.1. Data Communications

The Division of Communications (DOC) is charged with providing data communication services to all State agencies requiring network services. This Division manages a private statewide transport network to provide telecommunications support. The statewide transport network uses facilities and equipment owned or leased from telephone operating companies and inter-exchange carriers, along with equipment owned or leased by DOC, to provide end-to-end voice, video-conferencing, and data connectivity for those within the network. The technologies available within the transport services include leased data paths for inter-LATA (Local Access Transport Area) transport (POP-to-POP [Point of Presence]), coordination of the leasing of local and intra-LATA facilities and equipment, management of leased service installation and maintenance, and coordination of all billing for services.

The Contractor shall install dedicated communication lines that connect the Nebraska Medicaid MMIS and the DSS/MARS/SURS. All circuits are to be coordinated through the Contractor contact. For the connection to Nebraska Medicaid, the Contractor shall provide installation (at the State Office Building in Lincoln, NE) of up to a full rate T1 circuit (primary), ISDN circuit (secondary), and voice-grade line for dial up access to equipment. Equipment shall be shipped to the DOC for installation.

Transaction data shall be transferred to the Contractor system as part of standard MMIS processing when the weekly or monthly cycle has completed (typically Sunday). DHHS shall use Connect: Direct network data mover to transfer all files to Contractor. Batch files shall be transmitted between the MMIS and the Contractor.

The Contractor shall use a defined report file layout and defined error conditions to return an error report to the MMIS for each file received.

2.7.3.2. Source Data Attributes

DHHS shall electronically transfer source data to the Contractor. Files will be transmitted in multiple formats; DHHS will provide the specifications and layouts for which. It is the intention of DHHS to manipulate the raw data as little as possible prior to transfer. Consequently, the following scenarios may be present in the data provided:
- Packed fields
- Birth dates occurring in the future
- Local (non-HIPAA-compliant) codes
- Data elements specific or unique to the Nebraska Medicaid Program including, but not limited to, provider type, type of service, and therapeutic class code
- Julian dates
- Negative numbers in financial fields
- Financial fields with decimals and characters to the right of the decimal (i.e. dollars and cents)
- Adjusted claims, including both financial and non-financial adjustments
- Zero-pay claims

The Contractor shall provide for an automatic return notification in the event of significant data validity errors. The notification should provide adequate detail to identify the type and location of the data in error. The Contractor should be able to accommodate for the automated receipt of corrected data.

2.7.3.3. Technical Baseline Standards

The Contractor shall comply with established Department product and technical baseline standards for the LAN, Internet, and desktop environment. During the term of the contract, DHHS will consult with the Contractor about Department-proposed upgrades and modifications to baseline standards.

DHHS shall approve of Contractor-proposed upgrades and modifications to baseline standards. DHHS shall make the final decision on all proposed upgrades and modifications to baseline standards including the implementation schedule.

IS&T operates a Local Area Network utilizing a 10 Megabit Ethernet LAN to the desktop and a 100-Megabit Ethernet to the servers. Currently, IS&T operates in a mixed desktop environment of Microsoft Windows NT and Microsoft Windows 2000. IS&T servers operate under Microsoft Windows NT 4.0 and are not using Active Directory. IS&T intends to migrate to Windows 2003 standard for servers and implement active directory in the next 6-12 months. The database software is IBM DB/2 (Versions 7.1 and 8.0 for both server and clients) although limited use of Microsoft SQL Server and Oracle are supported. The application to database connection technology is JDBC but ODBC is acceptable. The Internet Web Server software is Microsoft’s IIS 5.0. The standard Web browser is Microsoft Internet Explorer (currently using Version 6.0). The e-mail system is Lotus Notes V6.0. The Microsoft Office Suite of products (Word, Excel, and PowerPoint) is used for text processing, presentations, spreadsheets, etc. Virus detection software is McAfee VirusScan.

Other baseline standard requirements are that the tool set shall include a control panel add/remove uninstall program which shall remove the tool set entirely except for shared components and data tables and that the tool set shall support SMS (Systems Management Server), DHHS’ software delivery process

2.7.3.4. System Response Time

The Contractor shall monitor and report on response times on a semi-annual basis, including:
- Response time to view valid values
- Response time to save and retrieve subsets and reports
- Response times to run simple and complex custom reports, simple and complex record listings, and time to export reports
The Contractor and DHHS must agree on the format and content of the monitoring reports. There must be at least one report that accesses at least 12 months of claim detail records. Once baselines have been established, the contractor must produce a graphical report of response times, including a six-month trend. Response times will be used by DHHS to assess operational performance over time and indicate if corrective actions need to be taken by the Contractor.

2.7.3.5. System Access, Display and Navigation

The DSS/MARS/SURS shall incorporate user friendly systems navigation technology and a graphical user interface (GUI) that allows all DSS/MARS/SURS users to move freely throughout the system using pull down menus, window tabs, and “point-and-click” navigation. In addition, the navigation process shall be completed without having to enter identifying data more than once. The use of GUI access shall be standardized throughout the DSS/MARS/SURS.

The system shall contain a user-friendly menu system, understandable by non-technical users, that provides access to all functional areas. This menu system shall be hierarchical and provide submenus for all functional areas of the DSS/MARS/SURS. However, the menu system shall not restrict the capability of experienced users to directly access a screen or the capability to access one screen from another without reverting to the menu structure. Menus should reflect the hierarchical structure of the screens. Each menu item may indicate a list of screens or a list of submenus to indicate screen dependencies to the users.

The system should remain available to the user from log on to system log off, without the need for intermediate system prompts. The display shall provide for both upper and lower case alphabetic characters. There may, however, be instances where DHHS will direct the Contractor to limit certain displays to only upper or lower case displays. These system access, display, and navigation requirements shall be standard for all users of the DSS/MARS/SURS.

The DSS/MARS/SURS shall provide for context-sensitive access to a help facility from any screen and any screen field. Drop down lists shall be available to identify options available, valid values, and code descriptions by screen field. The graphical user interface shall not, in any part, consist of what is commonly known as “screen scraped” presentations of the output of the installed system.

2.7.3.6. Consistency of Data in the System

The following standards shall be used for all screens, windows, and reports:

- All report headings and footers shall be standardized
- Current date and time shall be displayed
- All references to dates shall be displayed consistently throughout the system
- Century shall be displayed and the date format shall be mm/dd/yyyy, unless otherwise approved by DHHS during design of specific reports and/or screen display
- All data labels and definitions used shall be consistent throughout the system and clearly defined in user manuals and data element dictionaries
- All DSS/MARS/SURS generated messages shall be clear and sufficiently descriptive to provide enough information for problem correction and be written in full English text
- All DSS/MARS/SURS screens and production reports shall display the generating program identification name and/or number and be consistent from screen to screen and report to report
- All DSS/MARS/SURS reports and generated messages shall have the capability to display data in upper and lower case
2.7.3.7. Software and Hardware Compatibility

All GUI front-end, database, middleware, and communications software shall be written in languages approved by DHHS and compatible with DHHS computing environment. Alternate languages may be proposed with the understanding that shall approve them. At the time of any turnover, the Contractor may take any actions necessary, including software and data conversion, to enable the DSS/MARS/SURS to be fully operational in DHHS’ or successor Contractor’s computer environment. The Contractor’s telecommunications network shall be compatible with Department standards for platforms and interconnections unless there are mutually agreed upon exceptions.

2.7.4. General Operations Requirements

This subsection describes general requirements for Contractor support and related operational activities.

2.7.4.1. Telecommunication Access and Support

The Contractor shall provide access to DSS/MARS/SURS tables/files via telecommunications links. All equipment and network hardware and software required to interface with Department systems shall meet Department telecommunications and interface standards. In addition, the Contractor shall provide general telecommunications technical support through a Help Desk for such issues as trouble shooting, device resets, and network problems.

2.7.4.2. Screen Initiated On-Line Inquiries

The system shall provide for on-line inquiry to all DSS/MARS/SURS tables/files. The use of the same screens for update and inquiry is permitted providing all data fields are protected from update when the screen is in inquiry mode. When users request printing of data from on-line inquiry screens, the system shall be capable of identifying the number of pages that will be produced if the request is activated.

2.7.4.3. System Performance

The system shall meet all performance requirements and standards contained or referenced in this Contract. It shall also be capable of producing samples, reports, and other documentation that may be required for CMS review. If performance requirements are not met, DHHS may require the Contractor to propose a corrective action plan to correct the deficiency. The corrective action plan shall detail the time frame and manner in which the Contractor shall remedy the non-compliance. DHHS reserves the right to accept or reject the proposed corrective action plan.

2.7.4.4. Database Administration

The Contractor shall provide database administration support. The database administrator is responsible for ensuring the ongoing success of all components of the DSS/MARS/SURS. These responsibilities include creating and maintaining physical objects, application and database tuning guidelines, database utility implementation and maintenance, administering security, and implementing ad hoc changes to production data. The objective is to provide timely support and technical expertise to the DSS/MARS/SURS, ensure continuous availability of the DSS/MARS/SURS, and fix performance problems.

Responsibilities of the database administrator include:

- Data modeling and normalization
- Logical database design
- Physical database design
- Database creation and update
- Coordination and consultation with applications software and testing teams
- Database standards identification and compliance monitoring
• Database maintenance, reorganization, and recovery
• Data queries and corrections
• Database performance analysis and improvement
• Database resource utilization and capacity planning
• All other activities that are required to meet the requirements and the performance specifications of the contract

2.7.4.5. System Availability
The DSS/MARS/SURS shall be available for use 7 days a week, 24 hours a day, except during agreed upon downtime.

2.7.4.6. Operational Platform
The Contractor shall provide a server-based/intranet operational platform with a 3-tier architecture, including presentation tier, application tier and database tier. The platform includes a Citrix server that functions to deliver the presentation tier (GUI) to the desktop through a Web browser.

DHHS will minimally provide, if necessary, based on the proposed system:
• Upgrades to existing PCs for managers and other staff with Medicaid operational responsibility
• Upgrades to existing PCs for researchers and analysts
• Additional platform hardware and software required for DSS/MARS/SURS operations, as identified in the Contractor proposal, with the exception of any proprietary tool set(s) and/or applications unique and intrinsic to the Contractor solution.

The Contractor shall outline the specifications for any software or hardware, including PCs, printers, and servers needed for end-users to efficiently operate the DSS/MARS/SURS.

2.7.5. System and User Documentation
The Contractor shall develop, prepare, print, maintain/update, produce, and distribute DSS/MARS/SURS system documentation and DSS/MARS/SURS user manuals during the term of the contract. Distribution of DSS/MARS/SURS user manuals shall take place to designated Department staff. All manuals shall be available in an electronic format that is compatible with Department standards. The Contractor is responsible for developing and providing to DHHS complete, accurate, and timely documentation of the DSS/MARS/SURS.

Requirements of system documentation and user manuals are addressed in Section 2.12.2.4 of this Contract. Once in the Ongoing Operations phase, the Contractor shall continue to update system documentation and user manuals. The Contractor is responsible for preparing and printing all revisions, in final form, for all changes, corrections, or enhancements to the system, prior to Department approval of the system change.

One hard copy and one electronic copy of the DSS/MARS/SURS system documentation shall be provided within thirty calendar days following Department acceptance of the DSS/MARS/SURS. Department acceptance shall not be given and the final system documentation cannot be delivered if portions of the DSS/MARS/SURS are not functioning properly. During the Ongoing Operations phase, updates to DSS/MARS/SURS system documentation and user manuals shall be provided within twenty calendar days following Department acceptance of the change and prior to Department approval of the completion of the system change. User manuals shall also be provided in electronic form as a part of an on-line help facility which shall provide
2.8. Decision Support System (DSS)

The Decision Support System shall be used to enhance the MARS and SURS functions by providing DHHS with the ability to access large volumes of data to produce customized reports and more effective utilization information. The DSS shall also be utilized to perform specialized reporting and analysis, including monitoring and reporting on the services provided.

This function shall be flexible enough to meet both existing and proposed changes in format and data requirements of Federal and State management statistical reporting without major reprogramming or expense, and provide maximum flexibility to accommodate future changes to meet the unique reporting needs of DHHS.

2.8.1. Inputs

The Decision Support System shall, at a minimum, include appropriate data necessary to support the generation of the defined report templates, the Executive Information System, and the query capability for ad hoc reporting. Examples of the data to be stored fall into two categories – required and desirable.

The data that are required include:

- All current and historical adjudicated claims data, encounter data, adjustments, and data from all the claims processing functions
- Claims adjustments and reversal data
- Claim specific and non-claim specific financial transactions data
- Reference data from the Reference File Subsystem (RSS), such as procedure codes, diagnosis codes, and pricing
- Provider data from the Medical Provider Subsystem (MPS), such as eligibility and demographics
- Recipient data from the Recipient File Subsystem (RFS), such as eligibility status, demographics, managed care enrollment, and eligibility program
- Managed Care data from the Nebraska Managed Care subsystem (NMC)
- Coordination of benefits data from the Third Party Liability database (TPL)
- Continuous eligibility and associated claims information for calculation of HEDIS measures
- Budgetary data
- Census data
- Normative data

The data that are desirable include:

- Consolidated accounting ledger data
- Referral and pre-authorization of medical service data
- Long-term care data, including acuity level (Minimum Data Set)
- Immunization data from the Nebraska Immunization Registry and the Lincoln/Lancaster County Health Department
- Vital Records data

Any supplementary data sources needed for proposed analysis capability, such as trend and outcome measures, shall be provided for in the design of the initial load and updating of the database.

The initial release of the database will include 36 months of historical data and be available to DHHS on January 6, 2005. A second build out will include an additional 36 months of data to be implemented and available to DHHS by June 30, 2005.
The Contractor shall implement the following data source inputs in accordance with the associated months of data as shown in the table below.

<table>
<thead>
<tr>
<th>Data Source Input</th>
<th>Source of Feed</th>
<th>Implementation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>M-92</td>
<td>MMIS</td>
<td>01/06/2005</td>
</tr>
<tr>
<td>Medical Provider Subsystem (MPS)</td>
<td>MMIS</td>
<td>01/06/2005</td>
</tr>
<tr>
<td>Recipient File Subsystem (RFS)</td>
<td>MMIS</td>
<td>01/06/2005</td>
</tr>
<tr>
<td>Managed Care Data (NMC)</td>
<td>MMIS</td>
<td>01/06/2005</td>
</tr>
<tr>
<td>Reference data from the Reference File Subsystem (RSS)</td>
<td>MMIS</td>
<td>01/06/2005</td>
</tr>
<tr>
<td>Budget Data</td>
<td>Custom</td>
<td>01/06/2005</td>
</tr>
<tr>
<td>Prior Authorization/Referral Data</td>
<td>MMIS</td>
<td>01/06/2005</td>
</tr>
<tr>
<td>Census Data</td>
<td>Contractor</td>
<td>01/06/2005</td>
</tr>
<tr>
<td>NFOCUS</td>
<td>NE HHSS</td>
<td>06/30/2005</td>
</tr>
<tr>
<td>Nebraska Information System (NIS)</td>
<td>NE HHSS</td>
<td>06/30/2005</td>
</tr>
<tr>
<td>Coordination of Benefits from the TPL Database</td>
<td>NE HHSS</td>
<td>06/30/2005</td>
</tr>
<tr>
<td>Long Term Care Minimum Data Set (MDS)</td>
<td>NE HHSS</td>
<td>06/30/2005</td>
</tr>
<tr>
<td>Immunizations Data</td>
<td>NE HHSS</td>
<td>06/30/2005</td>
</tr>
<tr>
<td>Vital Records Data</td>
<td>NE HHSS</td>
<td>06/30/2005</td>
</tr>
<tr>
<td>Consolidated Accounting Ledger Data</td>
<td>NE HHSS</td>
<td>06/30/2005</td>
</tr>
</tbody>
</table>

Updates shall be applied on a monthly basis, as determined by the Contractor and DHHS. The Contractor should propose an update schedule that best meets the needs outlined in this Contract. For those updates to the MMIS or other source data systems that occur less frequently than the selected update schedule, updates shall be applied based on the periodicity of the update of those pieces of data.

2.8.2. Processing

Decision Support System processing requirements have been split into three categories: data maintenance, functionality, and reports. The following subsections present DSS processing capabilities that shall be included:

2.8.2.1. Data Maintenance

- The DSS shall employ proven database design and data management methodologies to validate, edit, scrub, and transform raw data into an "analytically ready" decision support database. These methodologies shall address:
  - Analyzing completeness of updates based on historical and projected data volume
  - Integrating various data types and formats, such as medical claims, costs, encounters, eligibility information, and provider information
  - Standardizing data into a common format to enable normative comparisons
  - Customizing of database design in accordance with analytical and ad hoc reporting requirements
  - Enhancing data with relevant analytical groupings and classification schemes
  - Assessing and improving the quality of data contained within the database
  - Provide the capability to create and maintain summary level databases from extracts on an incremental basis
  - Provide for storage of cost and expenditure data in signed fields in order to identify negative numbers
  - Archive off specific data to retrievable storage that provides a capability to retrieve and access within one State of Nebraska business day at the user level
  - Claims history roll-off by date of service, paid date or other data element as defined by DHHS.
  - Provide and maintain flexibility in coding structures by use of parameter and
table-oriented design techniques to enable rapid processing modifications in order to support Nebraska Medicaid Program changes

- Maintain all reference data
- Edit all data for presence, format, and consistency with other data in the update transaction and on all DSS processing and data related files
- The DSS function shall accommodate an external interface with any outside data sources needed

2.8.2.2. Functionality of the DSS

The DSS shall utilize a user-friendly system navigation technology that enables the users to navigate through the system, including screens and available data, with descriptions, in order to find the information that is required. The system navigation technology shall allow for the capture and management of information such as the following:

- User profiles
- Data migration management
- Security access
- Event management (such as notifications of extract jobs and/or problems), ability to capture and forward the identified problem to a Help Desk or resource
- Log-on parameters
- Ad hoc report scheduling information
- Search methodology for selecting data and/or subsets of data
- Depiction of data contained in the data repository (overview)
- Report request information

The DSS tool set shall provide query capability that includes the following:

- A user-friendly query language to construct database queries that accommodates varying levels of user skills (from the occasional user to the power user)
- An on-line library/catalog for storage and retrieval of standardized or frequently used queries, with some type of security levels (creator, user, read-only), to eliminate inadvertent changes to the query
- A flexible and easy to use, on-line capability for specifying query selection criteria (data element-specific for ad hoc), query computation, sort, and format (report presentation) characteristics
- Access to the full range of data attributes on the database for building queries
- Capability to save generated data sets automatically in a variety of different formats (.xls, .dbf, .txt, and html) to a specified directory on DHHS’ Local Area Network
- Provide the capability to cancel a query or report after executed
- Provide the capability to print part of a report versus the complete report
- Provide the capability to schedule and prioritize queries, to run multiple queries at once and prompt the user when the query has completed
- Allow for summary by State fiscal year, Federal fiscal year, calendar year, and any combination thereof, and year-to-date, fiscal year-to-date, from any point in time
- The capability to save extracted data, based on storage parameters, and the capability to retrieve the saved extracted data for use at a later time
- Selection parameter capability to have any value, set of individual values, or range of values
- Capability to construct and utilize compound expressions that evaluate more than one comparison at a time, using any valid combination of logical operators (and, or, not), comparison operations (<, <=, >, >=, =, <>), and parentheses
- Calculation capabilities, including sum, average, count, minimum, maximum, subtotaling and grand totaling, and simple and complex cross-tabulation
• Capability to execute queries that perform unduplicated counts (for example, unduplicated count of recipients receiving services), duplicated counts (for example, total number of services provided for a given aid category), or a combination of unduplicated and duplicated counts
• Capability to drill-down to individually-identifiable data
• A selection of report templates that generate a broad scope of information typically sought by Medicaid agencies to assist program management and decision making
• A selection of defined, standardized calculations for use in generating queries such as age, member months, elapsed time, utilization rates, per number of members, and ratios
• Capability to recreate query results previously generated by use of an "as of date"
• Capability to estimate the query processing time to define a maximum query processing time for both on-line and batch retrieval requests
• Capability to override maximum query processing time
• Capture of the user's ID and processing time for each query
• Capability to prompt user with suggestions of query structure for more efficient operation (wizard-type building for queries)
• Capability to preprocess or edit a user-developed query to determine if the reporting parameters need to be changed to improve the efficiency, correctness or timeframe for the extraction effort
• Capability to change saved report parameters and resubmit
• Capability to differentiate fee-for-service claims data from managed care encounter data (and vice-versa) and to apply all DSS functionality to one or both sets of data separately or combined
• Capability to create new queries and reports at the same time another query is running

Desirable query capabilities include the following:
• Options to select query report presentation to be displayed on-line, in multiple media
• Support for stratified random sampling with associated statistics (for example, descriptive statistics, and confidence levels)

2.8.2.3. Reports

The DSS tool set shall provide flexible report formatting/editing capabilities such as:
• Print preview capabilities
• Capability to import, export and manipulate data files from various spreadsheet applications, word processing applications, and database management tools, as well as the database
• Capability to retain query results for access by others
• Capability of sorting in ascending and descending order at a minimum of four levels
• Report writing capabilities that support the efficient use of format, type face/type fonts, screen grid designs, and illustrations to enhance the visual display of information to create presentation quality reports
• Capability for user-defined headers, footers, columns, and rows with header/footer information including items such as date, run time, and page numbers on reports
• Capability to segregate and subtotal data and define page breaks based upon user-defined parameters within reports
The DSS tool set(s) should have sufficiently flexible graphics capabilities to provide the user with the flexibility of reporting query output in a variety of ways. These capabilities include the following:

- Geographical mapping
- A range of graph types for data presentation, including bar chart, pie chart, stacked and side-by-side bar charts, single and multiple line charts, three-dimensional graphs, tree graphs, probability plots, trend lines, and other common-use graphical presentation methods
- Customization of chart attributes, including orientation, legends, tic marks, intervals, and scaling
- Capability to manipulate the type face and font size of any embedded text or numeric information
- Standard editing capabilities as well as optional capabilities for shadowing, mirroring, highlighting, and flipping axes
- Capability to interface with a variety of printers and plotters
- Enhanced graphical representation capabilities that can interface with other programs, such as Microsoft PowerPoint and Web-based applications

The DSS shall provide analytic capability to allow for, at a minimum:

- Tracking of an individual's enrollment within and across health plans, to and from the fee-for-service payment model, and individuals with significant differences in utilization following transition between service models
- Summary and comparison of utilization, costs, expenditures, services, outcomes, and access by the unique characteristics of plans, providers, and clients
- Trend analysis (as related to costs, utilization, expenditures, services, disease categories, service delivery model, etc.) for plans, providers, and clients
- On-line access to public and private sector normative data libraries and internally generated Nebraska Medicaid-specific norms
- Identification of inpatient and preventive ambulatory episodes of care
- Automatic case-mix, age-sex, and severity adjustments
- Generate provider profiles comparing peers based on Department-defined criteria such as provider type, specialty, type of practice, and case mix based on severity of illnesses
- Quality of care measurements, including, but not limited to, admissions, re-admissions, discretionary surgeries, complications of treatment, c-sections, and deaths
- Automatic integration of eligibility data with medical claims data to enable rate calculations (for example, admissions rate, cost per capita, etc.)
- Tracking and reporting claims and encounter information on both a paid and incurred basis
- Subsetting on any field or combination of fields in the database
- Automatic adjustments for incomplete data, if requested
- Forecasting program costs accurately and evaluating cost containment and quality improvement initiatives
- Identifying high-cost cases to better focus utilization review and case management programs
- Evaluating managed care organization network adequacy related to access by primary and specialty care
- Profiling provider performance to support different managed care designs and contracting, such as fully and partially capitated, fee-for-service management, as well as quality and efficiency of care evaluations
- Improving the management of recipient health risk by targeting health assessments, immunizations, and other preventive actions.
- Provide the capability to answer Federal requirements for quality assurance and
waiver requirements for either 1915(b) or 1115(a) waivers and waiver extension requests
- Provide the capability to inquire, analyze (including statistical applications with associated graphing), manipulate, and report on managed care organization HEDIS data
- Provide the capability to utilize the national norms and compare these to Nebraska managed care organization HEDIS data and inquire, analyze, manipulate, and report on this comparison
- Provide the capability to generate HEDIS-like measures for fee-for-service programs
- Provide for physician profiling and comparison of practice patterns to national norms and standards of practice

2.8.3. Decision Support System (DSS) Department and Contractor Responsibilities

The following subsections describe Department responsibilities and Contractor responsibilities for the DSS component of the DSS/MARS/SURS.

2.8.3.1. Decision Support System Department Responsibilities

Department responsibilities are to:
- Determine data to reside in the DSS
- Approve frequency of refreshing the data
- Approve the design of the database and the decision support software
- Monitor the Contractor performance and compliance in the operation of the DSS
- Approve the DSS batch window schedule
- Provide the Contractor with required source data
- Designate Department staff who will work with the Contractor in the development of the DSS
- Approve project quality assurance parameters
- Define the desired content, format, frequency, and media for reports
- Identify users and appropriate security levels for users

2.8.3.2. Decision Support System Contractor Responsibilities

Contractor responsibilities are to:
- Maintain DSS connectivity with DHHS LAN throughout the term of the contract
- Ensure sufficient database specialists and systems developers with skills to meet the requirements of this Contract
- Routinely perform updates to the database on a schedule that does not impact the DSS/MARS/SURS negatively
- Schedule a batch window, in the evenings or on weekends, where users can execute long-running queries without fear of the system being brought down for maintenance
- Be available to assist users with all aspects of system use
- Provide initial and ongoing training to system users and adapt ongoing training to levels of proficiency
- Provide training of new DSS users in basic system use throughout the term of the contract
- Maintain the Decision Support System
- Maintain the tools and data in the DSS
- Provide security for the DSS
- Provide the capability to import various data sets for analysis to compare with Nebraska data
- Provide all DSS reports according to Department specification
- Provide usage reports
2.9. Management & Administrative Reporting System (MARS)

The purpose of the Management & Administrative Reporting System (MARS) is to provide programmatic, financial, and statistical reports to assist the State and Federal government with fiscal planning, control, monitoring, program and policy development, and evaluation of the Nebraska Medical Assistance Program. The Nebraska Medical Assistance Program (NMAP) is the Federally recognized name for the Medicaid, State Disability Medical, and Refugee Medical assistance programs in Nebraska. The MARS component of the DSS/MARS/SURS shall have the capacity to store data from all three assistance programs.

The MARS shall be a comprehensive management tool that provides information on program status and trends, has the capacity to analyze historical trends, and predicts the impact of policy changes on programs. The major inputs to MARS are data from all the claims processing functions, including encounter records, the Reference File Subsystem (RSS), the Recipient File Subsystem (RFS), and the Medical Provider Subsystem (MPS). The major process is the generation of reports and program data and the major outputs are the financial, statistical, and summary reports and data required by Federal regulations, and other reports and data that assist DHHS in the management and administration of the Nebraska Medical Assistance Program.

The MARS shall be flexible enough to meet both existing and proposed changes in format and data requirements of Federal and State management statistical reporting without major reprogramming or expense, and provide maximum flexibility to accommodate future changes to meet the unique reporting needs of Nebraska's Medical Assistance Program.

2.9.1. Inputs

The MARS shall accommodate the following inputs:

- All current and historical adjudicated claims data, encounter data, adjustments, and data from all the claims processing functions
- Reference data from the Reference File Subsystem (RSS)
- Provider data from the Medical Provider Subsystem (MPS)
- Recipient data from the Recipient File Subsystem (RFS)
- Managed Care data from the Nebraska Managed Care subsystem (NMC)
- Coordination of benefits data from the Third Party Liability database (TPL)
- Financial data (including budgetary data) from other sources (electronic, paper, tape, diskette, CD-ROM)
- Electronic data from sources outside DHHS as inputs for the purposes of generating reports and processing, such as data matches

Updates shall be applied on a monthly basis. The Contractor should propose an update schedule that best meets the needs outlined in this Contract. For those updates to the MMIS or other source data systems that occur less frequently than the update schedule, updates shall be applied based on the periodicity of the update of those pieces of data.

2.9.2. Processing

The MARS shall have the following processing capabilities:

- Maintain source data to create State-required and Federally-required reports at frequencies defined by DHHS
- Compile subtotals, totals, averages, variances, and percents of items and dollars on all reports as appropriate
- Generate user-identified reports on a schedule specified by DHHS
- Generate reports to include the results of all Department-initiated financial transactions, by Department-specified categories, whether claim-specific or non-claim-specific
- Identify, separately or in combination as requested by DHHS, the various types of recoupments and collections; for example, third-party liability collections or fraud and abuse recoupments
• Meet all requirements for the Medicaid Statistical Information System (MSIS)
• Report HCFA 2082 type data, on paper or other media specified by DHHS
• Maintain the uniformity, comparability, and balancing of data through MARS reports and between these and other DSS and/or SURS reports, including reconciliation of all financial reports with claims processing reports
• Provide detailed and summary level counts of services by service type, program, and eligibility category, based on Department-specified units (days, visits, prescriptions, or other); provide counts of claims, counts of unduplicated paid participating and eligible recipients, and counts of providers by Department-specified categories
• Perform other types of statistical analyses, as needed by program managers, and prepare reports in media specified by DHHS
• Provide charge, expenditure, program, recipient eligibility, and utilization data to support Department and Federal budget forecasts, tracking, and modeling, to include, but not be limited to:
  – Participating and non-participating eligible recipient counts and trends by program and category of eligibility
  – Utilization patterns by program, recipient medical coverage group, provider type, and both summarized and detailed category of service
  – Charges, expenditures, and trends by program and both summarized and detailed category of service
  – Lag factors between date of service and date of payment to determine billing and cash flow trends
  – Any combination of the above
• Include a description of codes and values on reports
• Provide for user specification of selection, summarization, and unduplication criteria when requesting claim detail reports from claims history
• Produce reports, including the following, which show:
  – Whether processing timeframes for claims, adjustments, and other financial transactions are within the timely processing guidelines specified in Department and Federal regulations
  – Claim filing information based on comparisons of date of service to date of receipt and date of receipt to date of payment
  – Expenditures by service type showing service provided, unduplicated recipients, units of service programmatic group
  – Claims throughput analysis
  – Analysis of variance between the anticipated and actual utilization in various programmatic areas
  – Comparisons of past, current, and future utilization trends by recipient eligibility category, category of service, and programmatic group
  – Current and past provider payment amounts
  – Average cost per eligible and per participating recipient by program, eligibility category, and category of service
  – Historical trends of payments and average costs by program, eligibility category, and category of service
  – Recipient participation analysis and summary, showing utilization rates, payments, and number of recipients by eligibility category and program
  – Provider participation analysis and summary, showing payments, services, category of service, program, and recipient eligibility categories
  – Utilization of services against benefit limitations
  – Expenditure and utilization data, by procedure code, to assist in determining reimbursement methodologies
  – Waiver and special program participation and expenditure data, including services, payments, billed amounts, eligibles, unduplicated participating
recipient counts, and total cost of care by date of service and date of payment, and Federally required waiver reports, by waiver and special program; services provided under each waiver program, presented in such a way that it can be distinguished from information on the same services provided to non-waiver recipients

- Information which compares the cost of providing care to target populations under waiver programs with comparable populations in non-waiver care settings
- Information which supports the identification of comparable populations to which waiver program eligibles may be compared
- Federal and State waiver care reports, including the HCFA 372 and the "lag" report, generated on the schedule and in the format acceptable to the Federal or State agency, with format and frequency adjustable as requirements change
- TPL and cost-settlement analysis, including billings and collections, by program
- Providers ranked by payment amount and other factors, by program and overall
- Recipients ranked by pay amount and other factors, by program and overall
- Paid claim statistics, by provider type, by specialty, by category of service and program
- Monthly aggregate data on units of service by provider type, by specialty, and category of service, and program
- Claims paid by specific procedure, revenue code, NDC, diagnosis, by program and recipient aid category

- In addition to the standard portfolio of Advantage Suite reports and the MARS reports identified in Appendix 2-F of the Contractor’s proposal, the Contractor agrees to work with DHHS to assess what changes or additional reports need to be altered or added to the MARS reporting batch cycle

- Provide DHHS with on-line capability to develop, design, modify, and test alternative reports and maintain an indexed library of such report parameters to control report production
- Generate reports of claims, utilization, and financial data using individual or combined selection parameters which include:
  - Funding source and/or program
  - Amount of Federal Financial Participation (FFP) to be claimed
  - Department financial cost codes and Federal categories of service
  - CMS reporting categories
  - Type of transaction (original/adjustment/financial)
  - Date of service
  - Date of billing
  - Date of payment
  - Date of adjudication
  - Specific recipient eligibility category
  - Geographic area defined by DHHS
  - Programmatic group (waiver, managed care, or other)
  - Provider ID, provider type, and specialty
  - Claim type
  - Place of service
  - Units or quantity of service
  - Service, procedure, drug code, therapeutic class, or revenue code
  - Diagnosis code or code ranges
  - Time period (Federal and State fiscal year, calendar year, month, quarter, cycle, or other)
Financial fields, including submitted charge, amount disallowed, amount reduced, payments from other sources, and net paid along with associated reason codes

- Any combination of the above

- Provide and maintain flexibility in coding structures by use of parameter and table-oriented design techniques to enable rapid processing modifications in order to support the Nebraska Medicaid Program
- Maintain access to data through user-friendly systems navigation technology and a graphical user interface that allows users to move freely throughout the system using pull down menus and "point-and-click" navigation without having to enter identifying data multiple times
- Provide for context-sensitive help on screens for easy, "point-and-click" access to valid values and code definitions by screen field
- Maintain an on-line audit trail of all updates to MARS data, including system-generated updates
- Edit all data for presence, format, and consistency with other data in the update transaction and on all MARS data related files
- Provide processes and data to meet the minimum requirements of Part 11 of the State Medicaid Manual
- Maintain password control, in varying levels of security, of staff making changes to MARS data and/or reports

2.9.3. Outputs

The MARS shall provide the following outputs and support the following information needs:

- All MARS data shall be available for retrieval through the DSS
- All reports shall be made available in data format for export and import purposes and through multiple media including paper, CD-ROM, electronic file, diskette, and tape cartridge
- Audit trail reports showing before and after image of changed data, the ID of the person making the change, and the change date
- All reports necessary to manage and administer the Nebraska Medicaid Program
- All reports to meet all Federal and State reporting requirements, including quarterly submission of MSIS tapes

2.9.4. Management & Administrative Reporting System (MARS) Department Responsibilities, Contractor Responsibilities, and Performance Requirements

The following subsections describe Department responsibilities, Contractor responsibilities, and performance requirements of the MARS.

2.9.4.1. MARS Department Responsibilities

Department responsibilities are to:

- Define required MARS reports, including the content, format, frequency, and media for the reports
- Initiate and/or approve in writing, all report changes, additions, or deletions, to the MARS
- Define State and Federal programs, categories of service, eligibility categories, provider type and specialty codes, geographic codes, funding source codes, and other codes necessary for producing the reports
- Monitor Contractor performance and compliance with regard to operation of the MARS
- Review balancing reports to ensure internal and external report integrity
- Respond to all requests from outside sources for data on the medical assistance programs that require the use of MARS reports
- Provide the Contractor with any data required for complete financial reporting
Designate Department staff who shall work with the Contractor in the development of the MARS

Identify users and appropriate security levels for users

2.9.4.2. MARS Contractor Responsibilities

Contractor responsibilities are to:

- Operate and maintain the MARS component of the MMIS according to current and future Federal MMIS certification requirements, Part 11 of the State Medicaid Manual, and all Department requirements
- Maintain at least 72 months of payment data, claims history, and supporting reference data for use by the MARS reporting component
- Routinely perform updates to the database on a schedule that does not impact the DSS/MARS/SURS negatively
- Produce all MARS reports and other outputs within the timeframes and according to the format, input parameters, content, frequency, media, and number of copies specified by DHHS
- Generate Department-specified reports to be sent to CMS in the Federally-required format
- Generate reports to include the results of all Department-initiated financial transactions by Department-specified categories, whether claim or non-claim specific
- Generate reports to identify the various types of recoupments and collections, for example TPL collections or fraud and abuse recoupments
- Deliver reports on a variety of media, including on-line, hard copy, tape, or diskette as specified by DHHS
- Modify the reports to meet the changing information needs of the Nebraska Medicaid Program and ensure compliance with changes in Federal, State, or Department regulations, procedures, or policies
- Ensure changes made to programs and category of service carry through to MARS reports
- Balance MARS report data to comparable data from other MARS reports to ensure internal validity, and to non-MARS reports to ensure external validity, and provide an audit trail; deliver the balancing report to DHHS with each MARS production run
- Provide training to Department staff in the use of the MARS processing system, initially and on an ongoing basis
- Provide technical assistance as needed to assist users in researching problems, reviewing production outputs, and understanding report formats
- Ensure the accuracy of all reports before delivery to DHHS
- Provide uniform cut-off points for every report to ensure the consistency of all reports
- Make recommendations on any area in which the Contractor thinks improvements can be made
- Support all reporting functions, files, and data elements necessary to meet the requirements in this Contract
- Assure that all MARS data shall be made available through the DSS
- Deliver to DHHS a hard copy and diskette copy of the Medicaid Statistical Information System (MSIS) summarized report; produce, submit, and correct, if necessary, data according to CMS media requirements and timeframes.

2.9.4.3. MARS Performance Requirements

The following MARS performance requirements are in addition to the performance requirements outlined in Contract Subsection 2.13.

- Deliver reports to designated users as described in Contract Subsection 2.13.6.4.
- Respond to Department requests for general information about the reports within
one State of Nebraska business day of the request

- When report deficiencies are identified and substantiated, correct the problem and rerun the report within five State of Nebraska business days of DHHS’ request

2.10. Surveillance and Utilization Review Subsystem (SURS)

The Surveillance and Utilization Review Subsystem supports the investigation of potential fraud, abuse, or misuse, by providers and recipients, of the Medicaid program by analyzing historical data and developing profiles of health care delivery and service utilization patterns.

The SURS serves as a management tool to allow DHHS to evaluate the delivery and utilization of medical care, on a case-by-case basis, to safeguard the quality of care, and to guard against fraudulent or abusive use of the Nebraska Medicaid Program, by either recipients or providers.

The system shall provide user-friendly methods of developing SURS control files, libraries of summary items, report items, and class group criteria. This information should be available to the user utilizing simple “point-and-click” retrieval methods. The system shall also provide a case-tracking tool.

SURS report processing should be performed by SURS staff utilizing table-driven logic. There should be immediate access to reports and the ability to view reports on-line or to save the reports in a format that could be accessed by Microsoft Access or Excel.

The SURS shall be flexible enough to meet both existing and future changes in format and Federal data requirements without major reprogramming or expense, and provide maximum flexibility to accommodate future changes to meet the unique reporting needs of Nebraska's Medicaid Program.

2.10.1. Inputs

The SURS shall accommodate the following inputs:

- All current and historical adjudicated claims data, encounter data, adjustments, and data from all the claims processing functions
- Reference data from the Reference File Subsystem (RSS)
- Provider data from the Medical Provider Subsystem (MPS)
- Recipient data from the Recipient File Subsystem (RFS)
- Managed Care data from the Nebraska Managed Care subsystem (NMC)
- Coordination of benefits data from the Third Party Liability database (TPL)
- User-defined parameters which define report processes and content

Updates shall be applied on a monthly basis, as determined by the Contractor and DHHS. For those updates to the MMIS or other source data systems that occur less frequently than the update schedule, updates shall be applied based on the periodicity of the update of those pieces of data.

2.10.2. Processing

The SURS shall have the following processing capabilities:

- Maintain on-line parameter-driven multiple control files which allow DHHS to specify data extraction criteria, report content, parameters, and weighting factors necessary to properly identify aberrant situations
- Allow the user to modify/override the standard exception control limits
- Provide the capability for flexible maintenance of report parameters to allow customization and addition of files/records
- Accept (and retain until changed) parameters that define whether managed care only, fee-for-service only, or all data are to be included in a report
- Provide the capability to associate all referred services to the referring/admitting/prescribing provider
- Provide the capability to associate individual providers in their practice affiliation, such as a group practice
- Provide the capability to link all services to a single recipient regardless of the number of historical changes in recipient ID
- Provide the capability to cross-reference all provider IDs to a single ID; report selectively and collectively on provider utilization
- Provide the capability to associate services furnished in a clinic setting to both the clinic and servicing provider
- Provide the capability to perform focused reviews
- Provide DHHS with the capability to develop, design, modify, and test alternative report parameters and maintain an indexed library of such report parameters
- Allow users the capability, with help screens, to extract data from SURNS reports, manipulate the extracted data, free-form cut and paste, and specify the desired format and media of the output
- Provide the capability to run a complete SURNS query and report on demand
- Provide the capability to cancel a query or report after executed
- Provide the capability to print part of a report versus the complete report
- Provide the capability to schedule and prioritize queries, to run multiple queries at once and prompt the user when the query has completed
- Provide the capability to analyze treatment patterns across different claim types, such as physician office visits and pharmacy prescriptions to hospital stays, ambulance trips, and equipment rentals
- Provide the capability to perform pattern recognition queries across all data elements in the data selected
- Provide the capability to drill down from on-line reports to analyze underlying data
- Provide the capability to associate individual providers who utilize the same billing service and/or submitter
- Provide and maintain flexibility in coding structures by use of parameter and table-oriented design techniques to enable rapid processing modifications in order to support Nebraska Medicaid Program changes
- Maintain access to data through user-friendly system navigation technology and a graphical user interface that allows users to move freely throughout the system using pull down menus and "point-and-click" navigation without having to enter identifying data multiple times
- Provide for context-sensitive help on screens for easy, "point-and-click" access to valid values and code definitions by screen field
- Maintain an on-line audit trail of all updates to SURNS data and/or reports
- Maintain password control, in varying levels of security, of staff making changes to SURNS data
- Edit all data for presence, format, and consistency with other data in the update transaction and on all SURNS processing and data related files
- Provide on-line, modifiable letter templates for provider or recipient letters with the capability to add free-form text specific to a provider or recipient
- Provide processes and data to meet the minimum requirements of Part 11 of the State Medicaid Manual
- Provide the capability to perform all functions necessary to develop and process required queries, including the following functions:
  - Generate statistical profiles and sampling, by providers and recipients, summarizing information contained in encounter data and claims, for specified periods of time
  - Provide a proven statistical methodology to classify recipients into peer groups using user-defined criteria such as age, sex, race, ethnicity, living
arrangement, geographic region, program, aid category, special program indicator, fund category, placement level, and Long Term Care indicator (or any combination thereof) for the purpose of developing statistical profiles

- Provide a proven statistical methodology to classify private/public providers into peer groups using user-defined criteria such as program, category of service, provider type, multiple specialties, type of practice/organization, enrollment status, facility type, geographic location, billing versus performing provider, size, or any combination thereof, for the purpose of developing statistical profiles

- Provide a proven statistical methodology to classify and reclassify treatment into user-defined groups, by criteria such as diagnosis code, drug code, procedure code, episode of care, groups or ranges of codes, geographical region, or combinations thereof, for the purpose of developing statistical profiles

- Provide for claims data selection, including all adjustments, by date of payment and date of service, for report generation purposes

- Generate statistical norms and statistical samples, by peer or treatment group, for each indicator contained within each statistical profile by using averages and standard deviations or percentiles

- Maintain a process to evaluate the statistical profiles of all individual providers or recipients within each peer group against the exception criteria established for each peer group

- Identify providers and recipients who exhibit aberrant practice or utilization patterns, as determined by an exception process, comparing the individuals' profiles to the limits established for their respective peer groups

- Maintain data necessary to support surveillance and utilization review for special programs or populations, such as various models of managed care, and EPSDT

- Provide the capability to report all services prescribed or referred by a physician or case manager/gatekeeper in the referring providers' profile

- Generate profiles for group billers and individual rendering providers separately, based on group provider claims

- Generate profiles for billing services or other non-traditional providers

- Generate profiles across eligibility programs/benefit packages

- Generate lists of providers and recipients who are found to be exceptional, ranked according to Department-defined variables

- Provide random sampling with appropriate statistics

- Provide a process to select, extract and transmit claims data at the request of the user (on-demand), in such a way that sufficient information is available to make a determination of utilization, and such information is displayed for the user

- Provide for user on-line specification of selection, summarization, and criteria for unduplicating data when requesting claim detail reports from claims history

- Generate frequency distributions, as defined by the users

- Provide a proven statistical methodology to apply weighting and ranking to exception report items to facilitate identification of deviators

- Maintain a process to link all services rendered to Long Term Care residents, while resident in, or on leave days from, a facility

- Provide the capability and methodology to perform pattern analysis of illogical or inappropriate billing patterns across any healthcare setting

- Provide the capability and methodology for development of defined templates, algorithms, and the capability for a user to develop customized pattern-recognition queries

- Provide the capability to generate output files containing data that highlight
patterns and/or practices that fall outside the bounds of predicted norms

- Provide the capability to allow analysis to be iterative, allowing for multiple real-time analysis review cycles
- Provide the capability to search for unmatched complementary services or diagnoses reported within user-defined timeframes
- Provide for comprehensive provider profiling and fraud and abuse detection by any criteria including any combination of the following:
  - Servicing provider
  - Pay-to-provider
  - Referring provider
  - Managed Care plan
  - Primary Care Physician
  - Long Term Care facility
  - Group practice
  - National Provider Identifier (when implemented)
  - Restricted provider
  - Prescriber
- Provide for comprehensive recipient profiling and fraud and abuse detection by any criteria, including any combination of the following:
  - Original recipient ID
  - Recipient ID
  - Managed Care plan
  - Primary Care Physician
- Provide the capability to import and populate data from the claim detail report to Microsoft Access or Excel
- Provide the capability to identify cases with the highest potential for fraud and/or abuse
- Provide the capability to isolate subtle patterns of fraud and adapt to changing fraud schemes
- Provide the capability to produce priority ranked suspect lists
- The SURS shall provide capabilities including:
  - Provide users with extensive and highly flexible capabilities for the visual presentation of information in tabular and graphic/chart form
  - Use modern type face and typographic techniques to provide a high degree of legibility and readability, and to provide the capacity for printing
  - Provide high resolution on-screen multicolor displays of information and shall provide flexible capability for users to print reports, text, tables, maps, and charts/graphs in hard copy form
  - Present all information in well-designed, polished tables and high-quality graphs, charts, and maps
  - Capability to compress reports to electronically transfer either inside or outside the agency in self-executable compressed files
  - Provide capability to identify and maintain client service data for once-in-a-lifetime procedures
- Provide highly sophisticated analysis methods to detect abnormal patterns in utilization, billing practices, procedure coding, diagnosis coding, referral patterns, and provider and recipient identification both within a fee-for-service and/or managed care environment
- Provide capability to run reports, queries, etc., without competing with the DSS or the MARS
- Provide capability to flag claims by individual claim, provider or recipient for retention in database beyond normal roll-off until released by user
2.10.3. Outputs

The SURS shall provide the following outputs and support the following information needs:

- All SURS data shall be available for retrieval through the DSS
- All reports shall be made available in data format for export and import purposes and through multiple media including paper, CD-ROM, electronic file, diskette, and tape cartridge
- Generate audit trail reports showing before and after image of changed data, the ID of the person making the change, and the change date
- Claim detail, from the adjudicated claim record and/or encounter data, with multiple select and sort formats, which shall include, but is not limited to:
  - Summary matrix item totals
  - Frequency distributions
  - Exception report item totals including norms, exception limits, and number of exceptions
- Profile reports, including:
  - Recipient exception profiles
  - Provider exception profiles
  - All recipient summary profiles
  - All provider summary profiles
- Other reports, including:
  - Supporting reports
  - Claim detail reports
  - Report item ranking
  - Control file reports
- Detail of paid services, with sufficient information to facilitate analysis of data for the most recent 72 months (minimum) of paid claims, for selected providers and recipients, reported at time intervals specified by DHHS
- Claim detail, from the adjudicated claim record, with multiple select and sort formats, which shall include, but are not limited to:
  - Provider ID and name
  - Provider specialties
  - Recipient ID, name, and other demographic information
  - Referring/prescribing provider ID
  - Category of service
  - Internal control number/claim number
  - Prior authorization number
  - Service date or date range
  - Payment date or date range
  - Place and type of service (as designated by DHHS)
  - Bill type (as designated by DHHS)
  - Diagnosis codes and descriptions (as designated by DHHS)
  - Procedure/drug codes and descriptions (as designated by DHHS)
  - Therapeutic class codes and descriptions (as designated by DHHS)
  - Drug generic codes and descriptions (as designated by DHHS)
  - Revenue codes and descriptions (as designated by DHHS)
  - Lock-in indicator (as designated by DHHS)
  - Billed, disallowed, reduced, paid by other sources, and net paid amounts and associated reason codes
- Produce a single report containing ancillary, ambulatory, and inpatient services provided to Long Term Care (or other living arrangement, such as hospice, assisted living) residents, while resident in, or on leave days from, a facility
- Summary reports, by living arrangement, which list the following for each
facility:
- Facility identification and data
- Number of recipients served by each performing provider
- Dollars paid, by type of service, to each performing provider for services to recipients, by living arrangement
- Dates of service
- Detail reports, by living arrangement, which include:
  - Names and IDs of recipients using inpatient services during an Long Term Care confinement
  - Hospital stay dates of service
  - Amount billed and paid per hospital stay
  - Internal control numbers/claim numbers of the hospital claims
- Physician detail reports, by provider number, which identify the number of visits to various types of facilities by performing providers, and give details for recipients, including date of service, procedure code, and amount billed
- Annual ranking reports by dollars for the top 5 percent of recipients, by diagnostic group and/or payment amount
- Summary and detail information on hospital stays, including length of stay, room and board charges, ancillary charges, and medical expenses prior to and immediately following the hospital stay by program and medical coverage group
- Reports, as specified by DHHS, which identify all services rendered to recipients who are receiving a specific treatment or drug, are enrolled in Department-specified program groups, have a certain living arrangement, or are receiving services from certain providers or provider groups
- Capability to force profiling of selected providers or recipients
- Weighting and ranking of exceptions
- A narrative description of codes such as procedure, drug, and diagnosis
- Identification of recipients receiving services from different user-selected providers or provider types on the same or overlapping dates of service
- Cross-referencing of multiple provider services rendered to one recipient on the same date of service
- Provide the capability of using a report viewer to enable users to sort, group, regroup, summarize, window by time, and perform other output management functions, including referring back to the original claims data for a more detailed view
- Provide all reports to meet all Federal and Department reporting requirements

2.10.4. Case Tracking Function

The SARS shall include a case management/tracking application to:
- Track cases from identification through the life of this contract
- Open, assign, and track cases, both manually and in an automated fashion
- Provide capability for on-line update of case documentation
- Link all data related to a case by utilizing a unique identifier; shall also allow for manual assignment of identifier
- Provide capability to link and cross-reference cases
- Provide an audit trail of all review activities for each case
- Provide for tracking and reporting of case activity by a number of factors, including status, outcome, and recoveries, to produce management reports
- Provide for varied security levels and privileges

2.10.5. Surveillance and Utilization Review Subsystem (SURS) Department Responsibilities, Contractor Responsibilities, and Performance Requirements

The following subsections describe Department responsibilities, Contractor responsibilities, and performance requirements of the SARS.
2.10.5.1. **SOURS Department Responsibilities**

DHHS’ responsibilities are to:
- Approve the design of the SOURS database
- Monitor Contractor performance and compliance with regard to operation of the SOURS
- Designate Department staff who shall work with the Contractor in the development of the SOURS
- Define the desired content, format, frequency, and media for reports
- Identify users and appropriate security levels for users
- Update on-line control files and parameters for SOURS reports
- Define criteria for extraction of claim data for utilization reports
- Monitor the operation of the case tracking system

2.10.5.2. **SOURS Contractor Responsibilities**

Contractor responsibilities are to:
- Routinely perform updates to the database on a schedule that does not impact the DSS/MARS/SOURS negatively
- Maintain and operate a SOURS to meet or exceed the most current Federal requirements
- Provide technical assistance as needed to assist Department users in researching problems, reviewing reports, establishing report parameters, and analyzing SOURS data
- Develop a weighting and ranking method, subject to Department approval, to assist the Nebraska Medicaid Program in setting priorities for reviewing utilization review exceptions
- Provide a proven, court-tested, statistical methodology to classify and re-classify treatment into user-defined groups by diagnosis code, drug code, procedure code, groups or ranges of codes, geographic region, or combinations thereof, for the purpose of developing statistical profiles
- Provide SOURS usage reports on a Department-approved schedule
- Produce claim detail reports, and provider and recipient profiles, in the timeframe, format, and media requested by DHHS
- Furnish routine SOURS management reports to DHHS in multiple media
- Advise DHHS of any changes needed in the SOURS function to correspond to changes made to other DSS or MARS functions
- Maintain a SOURS case management/tracking system
- Produce Priority Rank Suspect list
- Identify cases with highest potential for fraud
- Make recommendations on any area where the Contractor thinks improvements can be made
- Support all SOURS functions, files, and data elements necessary to meet the requirements in this Contract

2.10.5.3. **SOURS Performance Requirements**

The following SOURS performance requirements are in addition to the performance requirements outlined in Contract Subsection 2.13.
- Produce claim detail reports in the timeframe specified by DHHS
- Produce Priority Rank Suspect lists in the timeframe specified by DHHS
- Maintain access to the SOR subsystem on a schedule defined by DHHS
- Meet all Federal review requirements for SOURS

2.11. **Executive Information System**

The system shall:
- Be extremely easy to use without the need for extensive training
• Provide users with the capability to quickly assimilate and compare aggregate and summary-level information and to quickly identify problems and opportunities
• Be designed to maximize the professional efficiency and effectiveness of managers and professional staff in their access, use, presentation, and reporting of information
• Provide users with an extensive array of executive-level yet powerful and highly flexible capabilities to identify and test assumptions about the program, particularly with regard to budget management, cost containment, utilization management, program operations, and access and quality of care
• Provide high resolution on-screen multicolor displays of information and shall provide flexible capability for users to print report charts/graphs in hard copy form
• Present all information in well designed, polished tables and high-quality graphs, charts, and maps
• Provide users with executive-level features for the statistical and economic analysis of information
• Provide an extensive on-line help feature that contains information on navigating the EIS, data contained in the EIS, and data definitions

2.12. DSS/MARS/SURS Project Tasks

2.12.1. Phase 1: Design and Development

In the project’s Design and Development phase, the Contractor shall distill the scope of work into an organized and manageable work plan, analyze DHHS-specific requirements for the entire DSS/MARS/SURS system, and design the system components necessary to meet all requirements.

2.12.1.1. Work Plan

During this task, the Contractor shall work closely with DHHS to define project management and reporting standards, establish communication protocols, and finalize the detailed work plan submitted as part of the Contractor’s proposal. Once approved by DHHS, the detailed work plan, schedule, and status report format will be used by DHHS as a tool to monitor the progress of all activities throughout the project. Any work plan submitted for approval shall meet the minimum requirements of this Contract.

Department Responsibilities

The following are Department responsibilities related to establishing a work plan:

• Meet with Contractor staff immediately upon award of contract to designate Department staff as primary contacts for the Contractor
• Establish project management protocols, reporting standards, and links of communication sustainable for the duration of the contract
• Review the project work plan developed by the Contractor in accordance with the procedures described
• Review and approve, or request modifications to, the Contractor’s detailed work plan, schedule, and status report format

Contractor Responsibilities

The following are Contractor responsibilities related to establishing a work plan:

• Arrange for work space within the city limits of Lincoln, Nebraska, and such connectivity as required, for any and all Contractor personnel
• Arrange for all office equipment needed by Contractor personnel while assigned to the DSS/MARS/SURS project, including PCs, printers, software, and other necessary office equipment
• Work with DHHS to establish project management protocols, reporting standards, and links of communication
• Work with DHHS to finalize a schedule for completing major tasks for each phase of the project as well as a detailed work plan, defining each task and each
step within a task, with accompanying target dates for completion

- Revise the detailed work plan, if required, to meet content and format requirements based on DHHS review findings
- Finalize the detailed work plan and submit it to DHHS for approval

**Deliverables**

The development of a detailed work plan is the primary deliverable for this task. Secondary to the work plan is the creation of formalized management protocols and status report format. The purpose of the detailed work plan is to reaffirm Contractor delivery dates presented in the Contractor’s proposal, to detail work activities, and to facilitate DHHS’ monitoring of Contractor progress based on milestones and key dates. The work plan shall be updated on a weekly basis. At a minimum, the detailed work plan shall include:

- Identification of key dates and deliverables specific to each phase of the project
- A clearly identifiable structure, such as phase, activity, task, and subtask
- Descriptions at the subtask level which include:
  - Description of the subtask
  - Description of deliverables and associated delivery dates
  - Requisite Department and Contractor resources (personnel and other), summarized by resource type and level of effort, in hours
  - Dependencies
- The Contractor’s staff organization chart
- Assumptions/Constraints
- Risk analysis
- Contingency and recovery procedures at the task level
- Formalized management protocols
- Final status report format

**2.12.1.2. Joint Application Design**

During the Joint Application Design task, the Contractor shall perform an assessment of the requirements of the DSS/MARS/SURS to reaffirm such requirements have been met by the system and to identify requirements which need further analysis. While it is anticipated that a standard DSS/MARS/SURS shall support the majority of the data access and reporting functionality required by this contract, it is also assumed that there will be a need to design and enhance the database model to address certain needs specific to the Nebraska Medicaid Program. The Contractor shall conduct meetings with DHHS to validate the database model and define any unique needs, unique data relationships, and unique reporting and summarization requirements.

The Joint Application Design (JAD) shall be accomplished through review sessions facilitated by the Contractor. Review sessions shall have narrowly defined agendas, be of short duration, and follow a sequential path. Prior to beginning review sessions, the Contractor shall submit a schedule for the first several sessions to DHHS for approval. Subsequent sessions shall be planned and scheduled to provide at least two State of Nebraska business days notice to participants.

**Department Responsibilities**

The following are Department responsibilities related to the Joint Application Design task:

- Clarify program policy, regulations, and procedures, as needed, to support JAD sessions
- Ensure appropriate Department staff participation in sessions
- Provide adequate conference room space for sessions
- Assist the Contractor with prioritizing issues and exercise final decision-making
authority when necessary
- Assist the Contractor with defining and understanding data elements and report formats required for user-defined queries and reports
- Assist the Contractor with identifying the unique types of queries and presentations expected of the DSS/MARS/SURS
- Assist the Contractor in understanding DHHS’ MMIS architecture and the relationships between various data repositories
- Review all task deliverables and request necessary modifications or revisions
- Provide written feedback for all deliverables

**Contractor Responsibilities**

The following are Contractor responsibilities related to the Joint Application Design task:

- Provide a facilitator to lead JAD review sessions
- Document sessions and submit meeting minutes to DHHS for review and approval
- Documentation should include any agreements reached, open issues, or other session outcomes and should be prepared in advance of the next review session
- Provide a qualified database administrator to conduct any data modeling sessions needed
- Document, validate, and refine the requirements for the DSS/MARS/SURS to reflect any changes necessitated as a result of JAD sessions
- Conduct interviews, as necessary, with Department staff to clarify and finalize requirements for the DSS/MARS/SURS
- Assess user familiarity with computer applications and data to be used in the DSS/MARS/SURS
- Analyze the available source data and confirm their intended use
- Determine where and whether all source data should be stored on the database
- Conduct a walk-through of final JAD deliverables to advance Department understanding and facilitate the approval process

**Deliverables**

The Contractor is responsible for the following deliverables:

- Minutes of all JAD sessions
- An outline of the prototype JAD document
- A prototype of the JAD document
- Final JAD document that minimally includes:
  - Contractor's understanding of DHHS’ data, access, and information reporting priorities
  - Description of the approach to initial load of the database
  - Description of the approach to ongoing updates of the database
  - Definition of how Contract requirements shall be met
  - A detailed description of the hardware and software configuration to be used
  - A logical data model that defines all internal and external entities, relationships, attributes and access paths and how such components are integrated to meet Contract requirements
  - Description of unresolved/incomplete issues and corrective action plans

**2.12.1.3. Database Design**

DHHS requires a relational database architecture design. The database should perform in tandem with the hardware platform to array data efficiently and support parallel query processing. The database should function to quickly load data and update tables with a minimal need for reorganization. The database should allow for the use of SQL query tools in order to optimize queries. The database should be
organized is such a way that the data model is adaptable and can support the incremental enhancement of the data model with minimal need for complete database reorganization. Data elements and new tables should be modified or added with minimal effort. The Contractor should describe the database capacity the system can support. The existing history claims database contains approximately 20,000,000 detail lines for two years of history. (Refer to Appendix D for count of claim record sent to the current Contractor.) The database shall support current space requirements with flexibility for growth. The database shall support user-specific field-level security, as necessary. The Contractor shall provide information about the database reliability, stability, and recoverability.

The fully implemented DSS/MARS/SURS shall consist of at least a 72-month rolling database. An initial load of the full complement of data is preferable, however, a staged approach to data load is acceptable provided that the initial load consists of at least 36 months of data and that the database contains the full complement of data within six months of the initial load. Further updates to the database shall occur on a monthly basis.

During the Database Design task, the Contractor shall specify the modifications and/or enhancements necessary to meet the requirements of this Contract and any agreed upon refinements made as a result of the JAD task. The Contractor will also design the data load and update processes, rules for front-end validating, rules for exception handling of non-standard data, and the details of all data enrichment processes.

**Department Responsibilities**

The following are Department responsibilities related to the Database Design task:

- Attend design meetings as necessary
- Review and provide feedback on the prototype outlines and prototypes of the general system design (GSD) and detailed system design (DSD) documents
- Review and provide feedback on the final GSD and DSD documents
- Acquire and install hardware, telecommunications, and a database management system, if the system database is different from the current standard outlined in Contract Subsection 9.7.3.3.

**Contractor Responsibilities**

The following are Contractor responsibilities related to the Database Design task:

- Design query, retrieval and reporting functionality
- Design rules and processes for data aggregation and summarization
- Design user-defined queries and reports
- Design rules for front-end processing
- Design rules for exception-handling of non-standard data
- Design rules for data enrichment processes
- Provide hardware and software requirements for database management system, if different from the current standard outlined in RFP Subsection 1.7.
- Confirm that the design approach will provide the system capabilities to satisfy DSS/MARS/SURS requirements
- Design the delivery, load, storage, and update of data
- Design the physical data model
- Conduct a walk-through of all draft and final task deliverables to advance Department understanding and facilitate the approval process
- Prepare and submit an outline of general system design (GSD) and detailed system design (DSD) prototypes for Department review
- Prepare and submit GSD and DSD prototypes
- Develop and submit final GSD and DSD documents
Deliverables

The Contractor is responsible for the following deliverables:

- General System Design to include, at a minimum, the following elements:
  - General narrative of the DSS/MARS/SURS and a description of the flow of data through the system
  - Draft programming specifications
  - Draft screen mock-ups
  - Draft query and report formats
  - Draft database load procedures
  - Descriptions of inputs and outputs
  - Draft rules for data editing, transformation, and enrichment
  - Draft rules for exception-handling of non-standard data

- Detailed System Design to include, at a minimum, the following elements:
  - Physical data model
  - Programming specifications
  - Screen mock-ups
  - Query and report formats
  - Database load procedures
  - Descriptions of inputs and outputs
  - Rules for data editing, transformation, and enrichment
  - Rules for exception-handling of non-standard data

2.12.1.4. Interfaces/File Exchanges

The DSS/MARS/SURS system shall support regular data transfers between DHHS and the Contractor. The Contractor shall be responsible for identifying the information that is necessary to meet DSS/MARS/SURS requirements. Timing and frequency requirements for data transfer not specifically included in this Contract will be specified by DHHS during the Design and Development phase. All software programming necessary to effect the timely and accurate receipt of the required information shall be the responsibility of the Contractor.

Department Responsibilities

The following are Department responsibilities related to the Interfaces/File Exchanges task:

- Provide the Contractor with information pertaining to MMIS data files
- Specify the timing and frequency of all data transfer processes
- Clarify DSS/MARS/SURS requirements upon Contractor request

Contractor Responsibilities

The following are Contractor responsibilities related to the Interfaces/File Exchanges task:

- Identify all data transfer requirements necessary to support DSS/MARS/SURS operations
- Develop written specifications for any new software or software modifications required to support data transfer
- Develop and test data transfer processing

Deliverables

The Contractor is responsible for the following deliverables:

- Contractor’s documented internal procedures for processing DHHS’ file transfers
- Plans and schedules for coordination with DHHS’ telecommunication systems
- Programming specifications covering DHHS’ file transfers
- Comprehensive test results, demonstrating successful file transfers
2.12.1.5. **Contractor System Acceptance Test (SAT)**

Prior to implementation of the DSS/MARS/SURS system, the Contractor shall be required to perform an integrated System Acceptance Test (SAT) to demonstrate, to the satisfaction of DHHS, that all required system components function successfully as a whole. The Contractor shall be required to develop a System Acceptance Testing plan for Department approval prior to conducting the test. Emphasis in the plan should be placed on comprehensiveness and integration. Sufficient test transactions shall be developed by the Contractor to demonstrate that:

- Production versions of support files can be transferred between the Contractor and DHHS
- All support file interactions are correctly processed
- Valid data is accepted and processed appropriately
- All responses to system-generated messages are correctly processed
- All administrative reports are generated on schedule and reflect the correct format and content

**Department Responsibilities**

The following are Department responsibilities related to the System Acceptance Testing task:

- Provide input and approve the System Acceptance Testing plan
- Authorize initiation of the System Acceptance Testing
- Participate in the review of System Acceptance Testing results

**Contractor Responsibilities**

The following are Contractor responsibilities related to the System Acceptance Testing task:

- Develop and provide a System Acceptance Test plan that includes structured testing of all system components, simulates the passage of time, and provides for formal documentation of input transactions and expected results, thirty calendar days prior to the start of testing
- Incorporate Department-initiated test transactions, if any
- Incorporate Department staff into the process of reviewing test results while maintaining full responsibility for the completion of the review
- Provide documentation of the test results, and formal presentation of the results, to DHHS
- Document all occurrences of unexpected test results
- Fix problems and re-test until expected results are achieved

**Deliverables**

The Contractor is responsible for the following deliverables:

- Documented System Acceptance Test plan
- Documented test results
- Documented test discrepancies
- Formal presentation of test results

2.12.1.6. **Training Plans and Materials**

The Contractor shall be responsible for preparing the training plans and materials for Department staff training. Attendance at a training session will be expected for all Department staff anticipated to use the DSS/MARS/SURS. Training sessions shall be targeted to address the varying needs of the user groups identified in Contract Subsection 1.6.1.

The Contractor shall develop, produce, and distribute all DSS/MARS/SURS training materials to participating Department staff. In addition to the initial distribution of materials, the Contractor shall be responsible for keeping all material up to date and
for making a supply of training material available for new users. All material shall be subject to review by DHHS, revision at DHHS’ request, and shall require final written approval by DHHS prior to distribution.

Training shall include a comprehensive presentation including on-line demonstrations and post-training evaluations. Training and supporting documentation should also cover all messages that may be returned by the system, their meaning, and appropriate responses. Structure, function, and correct use of the Help Desk shall also be covered in detail. Key Contractor staff may be expected to attend initial training sessions. The Contractor shall also be required to provide ongoing training, as outlined in Contract Subsection 2.12.3.3.

**Department Responsibilities**
The following are Department responsibilities related to the Training Plans and Materials task:

- Assist the Contractor in scheduling initial training sessions
- Assist the Contractor in assigning users to appropriate training sessions
- Review and approve all training materials, including post-training evaluation forms
- Provide training facilities

**Contractor Responsibilities**
The following are Contractor responsibilities related to the Training Plans and Materials task:

- Coordinate with DHHS in scheduling initial training sessions
- Develop comprehensive training materials targeted to address each user group identified in Contract Subsection 1.6.1
- Submit training materials for Department review, if requested

**Deliverables**
The Contractor is responsible for the following deliverables:

- Draft and final training materials including, at a minimum, the schedule of proposed training sessions and attendees, training session agendas, and post-training evaluation forms

**2.12.2. Phase 2: Implementation**

**2.12.2.1. Installation**

During the Installation task, the Contractor shall install the DSS/MARS/SURS or components on the Design and Development platform and re-affirm the modifications and/or enhancements that need to be made based on the DSD.

**Department Responsibilities**
The following are Department responsibilities related to the Installation task:

- Assist Contractor with clarification of requirements as needed

**Contractor Responsibilities**
The following are Contractor responsibilities related to the Installation task:

- Install and establish the DSS/MARS/SURS
- Establish the database
- Review and compare the installed system to the DSD to re-affirm the modifications and/or enhancements to be completed
- Develop and submit a development crosswalk identifying system components not needing modification and/or enhancement and those that do need modification and/or enhancement
Deliverables
The Contractor is responsible for the following deliverables:

- Installation of DSS/MARS/SURS system
- Plans and schedules for all software installation

2.12.2.2. User Acceptance Testing
DHHS will conduct User Acceptance Testing, with the support of the Contractor, to ensure that the DSS/MARS/SURS meets all requirements. User Acceptance Testing will not begin until the Contractor’s system test results (see Contract Subsection 2.12.1.5) have been satisfactorily reviewed and approved by DHHS.

Department Responsibilities
The following are Department responsibilities related to the User Acceptance Testing task:

- Coordinate with the Contractor to establish a test environment logically separate from the operational environment
- Coordinate with the Contractor to establish a User Acceptance Test plan
- Provide the Contractor with test data
- Execute User Acceptance Test
- Review and approve disaster recovery test plan
- Develop and execute an operational readiness test plan
- Monitor Contractor response and resolution of test discrepancies and problems

Contractor Responsibilities
The following are Contractor responsibilities related to the User Acceptance Testing task:

- Develop and test programming required to support and accomplish data load and update
- Develop and test programming for user-defined queries and reports
- Provide quality assurance checks that validate testing between the new DSS/MARS/SURS and the current DSS, MARS, and SURS databases
- Complete a performance analysis and/or other testing to benchmark system performance
- Review system test results with DHHS and make corrections and subsequent test plans as necessary
- Submit final system test results to DHHS for review and approval
- Coordinate with DHHS to establish a User Acceptance Test plan
- Support DHHS’ User Acceptance Testing by loading the test environment with sufficient data for users to examine all features of the DSS/MARS/SURS, by performing routine updates, and by having appropriate staff on hand to lend in-depth technical assistance
- Development a disaster recovery test plan
- Assist DHHS’ staff and/or authorized agents with the development and execution of an operational readiness test plan

Deliverables
The Contractor is responsible for the following deliverables:

- Disaster recovery test plan
- User Acceptance Test plan, to include, at a minimum:
  - A description of test situations and expected test results
  - An organization plan showing Contractor personnel responsible for testing
  - Strategies for dealing with delays in the testing effort, back-up plan, back-up personnel
Procedures for tracking and correcting deficiencies discovered during testing
- A plan for benchmarking the performance of the system
- A plan for updating documentation based on test results
- Procedures for notifying DHHS of problems discovered in testing, testing progress, adherence to the test schedule
- A plan for organizing test results for Department review

- User Acceptance Test results, to include, at a minimum:
  - All test results, test inputs, and test outputs, cross-referenced to the expected test results in the system test plan
  - System performance benchmarks resulting from the performance analysis
  - A summary of the status of testing, including numbers of problems identified by type of problem, numbers of problems corrected, any significant outstanding issues, the effect of any findings on the implementation schedule

- User Acceptance Test impacts and resolutions document, to include, at a minimum:
  - Detailed documentation identifying the problem, corrective action plan, impact of change on final product, and impact of change on implementation schedule
  - A summary of the testing process, including number of problems identified and corrected, by type
  - Detailed description of problems outstanding at the end of User Acceptance Testing, the plan for resolution, and the impact on Ongoing Operations

2.12.2.3. Data Acquisition

During the Data Acquisition task, the Contractor will receive data and check it to ensure its validity according to requirements approved in the DSS/MARS/SURS Joint Application Design.

Department Responsibilities
The following are Department responsibilities related to the Data Acquisition task:
- Establish cooperative agreements with all applicable sources related to the transfer of data to the Contractor
- Confirm data verification standards to be used for data validation, transformation and exception handling
- Review and provide feedback on the data load plan and final results of data load testing

Contractor Responsibilities
The following are Contractor responsibilities related to the Data Acquisition task:
- Develop a data load plan
- Load the required data
- Verify the accuracy of data files transferred from the source and provide audit trail reports
- Put into place DHHS-approved plan for the acquisition and accumulation of historical data

Deliverables
The Contractor is responsible for the following deliverables:
- Data load plan
- Final data load testing results
2.12.2.4. System and User Documentation

During the System and User Documentation task, the Contractor shall develop user manuals, system documentation, operating procedure manuals, and otherwise complete any preparation for Ongoing Operations.

Documentation should be constructed in a format that is easily stored and facilitates users’ capability to make modifications between regularly scheduled revisions. For example, 8½" x 11" pages in three-ring binders allow for single page replacements. Pages should be numbered within each section of a manual and a revision date should appear on each page. A table of contents and an index shall be included in each manual. Documentation shall also be available on-line.

Department Responsibilities

The following are Department responsibilities related to the System and User Documentation task:

- Work with the Contractor to determine organization and format of user manuals, system documentation, and operating procedures, including a schedule of revisions
- Review and provide feedback on user manuals
- Review and provide feedback on system documentation
- Review and provide feedback on operating procedures

Contractor Responsibilities

The following are Contractor responsibilities related to the System and User Documentation task:

- Submit user manuals for Department approval and modify as appropriate
- Submit system documentation for Department approval and modify as appropriate
- Submit operating procedures for Department approval and modify as appropriate
- Make all system and user documentation available in both hard copy and electronically

Deliverables

The Contractor is responsible for the following deliverables:

- DSS/MARS/SURS user manuals in electronic and hard copy formats to include, at a minimum:
  - Sufficient detail and organization that users not trained in data processing can learn from reading the documentation how to access the system, perform queries, create reports, and utilize the tool set available to them
  - A table of contents and an index
  - Descriptions of error messages and the necessary steps to correct such errors
  - Consistently applied abbreviations and terms throughout the documentation
  - Specifications of all defined queries and reports
  - Instructions for creating queries and reports
  - Equivalent of the above available via on-line help screens
- DSS/MARS/SURS system documentation in electronic and hard copy formats to include, at a minimum:
  - Descriptions of inputs and outputs
  - Database model in Physical and Logical formats
  - Data mappings of source and target destinations, copybooks, specifications, etc.
  - Data dictionary with data definitions
- Database design description, to include diagrams and narratives describing tables, attributes, indexes, stored procedures, and other pertinent documentation
- Description of the physical database platform, including hardware, software, and networking platform (servers, operating systems, database management systems, network operating systems and protocols, network hardware, client hardware and software, server query software, etc.)
- Description of transformation routines, including source code, system flow diagrams and narratives, source data acquisition routines, transformation routines, and data repository loading routines
- Description of control routines, including source code, diagrams and narratives describing Job Control Language (JCL), and scripts to run transformation routines and daily data repository operations
- Description of system maintenance, including system diagrams and narratives, scheduling, and other information pertaining to regularly scheduled or on-demand updating, daily DSS/MARS/SURS operations, backup and recovery processes
- Description of database administration, including descriptions of database administration procedures (performance monitoring, problem resolution procedures, DASD utilization, capacity planning, etc.)
- Description of the query environment, including descriptions of software (with installation options where relevant), tools and tool use
- Description of defined queries and reports, including library location, how to access the query or report, how to execute the query or report, how to view results, etc.
- Description of query performance, to include descriptions of procedures for providing and monitoring performance for specialized and ad hoc queries and for identifying and resolving problems
- Description of data enrichment and data validation processes
- DSS/MARS/SURS operating procedures in electronic and hard copy formats to include, at a minimum:
  - All procedures for Ongoing Operations of the DSS/MARS/SURS
  - Any internal reports used for balancing updates or production control

2.12.2.5. Telecommunications Components

The Contractor shall submit a telecommunications network plan for approval by DHHS. The Contractor shall install dedicated communication lines, which shall connect the Nebraska Medicaid MMIS and the DSS/MARS/SURS. All circuits are to be coordinated through the Contractor contact. For the connection to Nebraska Medicaid, the Contractor shall provide installation (at the State Office Building in Lincoln, NE) of a full rate T1 circuit (primary), ISDN circuit (secondary), and voice-grade line for dial up access to equipment. Equipment shall be shipped to the State DOC for installation. The Contractor is solely responsible for the cost of telecommunications. DHHS shall bear no costs associated with communications line charges or leased line charges.

The Contractor shall grant DHHS on-line access into the DSS/MARS/SURS system. Existing equipment at DHHS uses Microsoft Windows NT and Windows 2000. The standard Web browser is Microsoft Internet Explorer V6.0.

Department Responsibilities

The following are Department responsibilities related to the Telecommunications Components task:

- Approve all leased lines obtained by the Contractor for support of DSS/MARS/SURS telecommunications
• Approve test results for leased-line arrangements

Contractor Responsibilities
The following are Contractor responsibilities related to the Telecommunications Components task:
• Set up on-line access for specified Department staff to the DSS/MARS/SURS
• Prepare and submit a telecommunications network plan for Department approval
• Conduct formal testing of all telecommunications components installed to support the DSS/MARS/SURS

Deliverables
The Contractor is responsible for the following deliverables:
• Telecommunications network plan
• Telecommunications network test results
• A functional telecommunications network

2.12.2.6. Initial Department Training
The Contractor shall be responsible for delivering an initial training session to Department staff regarding the use of the DSS/MARS/SURS system. Training sessions shall be targeted to address the varying needs of the user groups identified in Contract Subsection 1.6.1. Training shall be implemented according to the plan approved under the Training Plans and Materials task in Contract Subsection 2.12.1.6.

Department Responsibilities
The following are Department responsibilities related to the Initial Department Training task:
• Coordinate and assist in resolving any issues that arise between the Contractor and any other State agency regarding the delivery of training, such as connectivity at training facilities or arranging for Department staff to attend training
• Support the use of post-training evaluation forms as a feedback tool
• Approve modifications to training materials made in response to post-training evaluations

Contractor Responsibilities
The following are Contractor responsibilities related to the Initial Department Training task:
• Conduct training sessions according to DHHS-approved plan and schedule
• Provide forms for post-training evaluation
• Summarize results of post-training evaluations and share with appropriate Department staff
• Analyze post-training evaluation forms and modify training materials to remedy deficiencies
• Conduct up to two training sessions on a “request” basis for Department staff who are unable to attend scheduled sessions

Deliverables
The Contractor is responsible for the following deliverables:
• Targeted training sessions
• Post-training evaluation forms and summarized results
2.12.3. Phase 3: Ongoing Operations

2.12.3.1. Operational Responsibilities

The following subsections describe the Operational Responsibilities of DHHS and Contractor during the Ongoing Operations phase of the DSS/MARS/SURS project.

Department Responsibilities

The following are Department Operational Responsibilities:

- Report database problems/issues to appropriate Contractor staff
- Convey change requests with proper supporting documentation and in a timely fashion
- Process invoices for contractual services by no later than 15th of the month following the month in which services are billed
- Designate appropriate Department staff to attend and participate in regular status meetings

Contractor Responsibilities

The following are Contractor Operational Responsibilities:

- Provide a licensing agreement for the DSS/MARS/SURS which enables usage of all proprietary products and allows for perpetual renewal by DHHS
- Provide analytical support services to Department staff as needed
- Create a process for change management, including regular reporting of the status of change orders
- Create a process for error identification and resolution in the event that significant post-implementation errors are found with the DSS/MARS/SURS
- Designate appropriate Contractor staff to attend and participate in regular status meetings
- Database administration, including:
  - Scheduling and monitoring batch production runs
  - Providing continuous database reorganization/system performance tuning
  - Maintaining system reference data
- Provide continuous documentation updates
- Implement and monitor security plans and procedures
- Create a process to reverse or back-out an update in the event the update is erroneous or corrupted
- All other activities that are required to meet the requirements and the performance specifications of the contract
- Provide software upgrades/new releases

Deliverables

The Contractor is responsible for the following deliverables:

- Licensing agreement
- A proposed schedule for system maintenance/performance tuning
- Documentation and user manual updates
- A proposed change management system
- A proposed schedule for regular status meetings
- Batch cycle scheduling specifications, including job turn-around time monitoring and problem resolution
- Protocols for software release and emergency implementation
- Software upgrades/new releases

2.12.3.2. Help Desk Services

The Contractor shall be responsible for providing Help Desk services during the hours of 8:00 A.M. to 5:00 P.M. CT, Monday through Friday except during agreed
upon system downtime. The Contractor Help Desk shall respond to all Department inquiries within the agreed timeframe.

**Department Responsibilities**

The following are Department responsibilities related to the Help Desk Services task:

- Provide clarification to the Contractor of Department policies, regulations, and other requirements in response to Contractor requests made during regular State of Nebraska business days and working hours

**Contractor Responsibilities**

The following are Contractor responsibilities related to the Help Desk Services task:

- Provide Help Desk services to DHHS during the hours of 8:00 A.M. to 5:00 P.M. CT, Monday through Friday
- Respond to all Department inquiries
- Meet contractual performance standards for responsiveness and timeliness of all Help Desk activities
- Provide Help Desk staff with direct access to the DSS/MARS/SURS
- Provide monthly status reports of Help Desk activity

**Deliverables**

The Contractor is responsible for the following deliverables:

- Prompt and accurate response to inquiries and requests
- Provide monthly status reports of Help Desk activity

2.12.3.3. **Ongoing Department Training**

The Contractor shall be responsible for conducting ongoing training to Department staff for the term of the contract. Ongoing training shall consist of both initial training for new users and training updates for frequent users. The Contractor shall be responsible for identifying training issues based upon continuous evaluation of Help Desk calls and other contacts and for coordinating and conducting training jointly with DHHS.

The Contractor shall be responsible for updating training materials to reflect hardware or software changes that result in new or different functionality of the DSS/MARS/SURS. All material shall be subject to review and/or revision at DHHS’ request, and shall require final written approval by DHHS prior to distribution. Updates to other forms of system documentation are addressed in Contract Subsection 2.12.2.4.

**Department Responsibilities**

The following are Department responsibilities related to the Ongoing Department Training task:

- Assist the Contractor in scheduling training sessions
- Assist the Contractor in assigning users to appropriate training sessions
- Request changes, if necessary, in training agendas and training materials
- Review and approve revisions to training materials
- Support the use of post-training evaluation forms as a feedback tool

**Contractor Responsibilities**

The following are Contractor responsibilities related to the Ongoing Department Training task:

- Coordinate with DHHS in scheduling training sessions
- Monitor and evaluate Help Desk calls and other Department contacts to identify training needs or necessary training material revisions
- Prepare a training agenda for Department review at least thirty calendar days in advance of each training session
• Provide forms for post-training evaluation
• Summarize results of post-training evaluations and share with appropriate Department staff
• Continue to analyze post-training evaluation forms and modify training materials to remedy deficiencies
• Waive tuition for up to three members of DHHS to attend the annual Contractor Connection conference

**Deliverables**
The Contractor is responsible for the following deliverables:
• Draft and final training agendas
• Revised training materials, if requested
• Initial training sessions for new users
• Updated/advanced training sessions for frequent users
• Post-training evaluation forms and summarized results

2.12.3.4. **System Turnover**
The Contractor shall be responsible for supporting system turnover at the completion of this contract, or in the event of contract termination, to ensure that the transition from Contractor operations to operations by a successor Contractor, or DHHS, occurs smoothly and without disruption. System Turnover support shall include planning for the timely transfer of files, software, and documentation specific to the DSS/MARS/SURS as well as training and professional support.

The Contractor shall be required to produce a written statement of operational resources which describes and quantifies the resources dedicated or allocated to the DSS/MARS/SURS. This document is to include, at a minimum, identification of all Contractor staff, in terms of FTEs by category, supporting the DSS/MARS/SURS.

**Department Responsibilities**
The following are Department responsibilities related to the System Turnover task:
• Review and approve or disapprove the statement of operational resources and draft turnover plan produced by the Contractor
• Provide input to the development of the turnover plan
• Provide for the receipt of all materials turned over by the Contractor
• Identify training and support requirements

**Contractor Responsibilities**
The following are Contractor responsibilities related to the System Turnover task:
• Provide a statement of operational resources at least six months prior to contract termination
• Provide a draft detailed turnover plan at least four months prior to contract termination
• Modify the turnover plan based upon the results of Department review
• Transfer files, documentation, software, and other applicable materials, including any archived data, to DHHS and/or a successor Contractor in accordance with the approved turnover plan
• Provide training and professional and technical support to DHHS and/or a successor Contractor in support of the turnover

**Deliverables**
The Contractor is responsible for the following deliverables:
• Statement of operational resources
• Draft and final turnover plan
• Files, documentation, and software pertaining to Nebraska’s DSS/MARS/SURS
• Training, technical support, and professional support to Department and/or a successor Contractor

2.13. Performance Requirements

The following list of performance requirements is not exhaustive. DHHS reserves the right to contract for additional requirements based upon DHHS’ perception of obstacles, weaknesses, and difficulties presented in the Contractor’s bid.

2.13.1. Contract Requirements

The Contractor shall, at all times, comply with all system and operational performance requirements and expectations specified in this Contract. The Contractor warrants that the DSS/MARS/SURS shall meet all requirements of this Contract and shall be fully operational by January 6, 2005. The Contractor further warrants that it shall meet all performance requirements listed below during the term of this Contract. All requirements described in the Contract are subject to monitoring by DHHS. DHHS reserves the right to monitor performance and may exercise such option, at its discretion, without notice. If DHHS elects to not exercise a penalty clause in a particular instance, this decision shall not be construed as a waiver of DHHS’ right to pursue associated penalties for failure to meet that performance requirement in the future.

It is expressly agreed by DHHS and the Contractor that, in the event of a failure to meet the performance requirements listed below, damage shall be sustained by DHHS, and the Contractor may, at the discretion of DHHS, be required to pay to DHHS its actual damages according to the following subsections. Written notice of said failure to perform shall be provided to the Contractor within thirty calendar days of DHHS’ discovery of such failure.

2.13.2. Operational Start Date Performance Requirement

The Contractor shall have the components of the DSS/MARS/SURS fully functional and operational on January 6, 2005. “Fully operational” means maintaining all system files, producing all required reports, and performing all other Contractor responsibilities specified in this Contract for the DSS/MARS/SURS.

If, for any reason, the Contractor does not fully meet the operational start date approved in the detailed work plan and a contract modification delaying this date or start-up of a portion of the processing requirements has not been approved, then the Contractor may, at the discretion of DHHS, be liable for all costs incurred by DHHS to continue current DSS contractor operations.

2.13.3. System and User Documentation Performance Requirement

The Contractor is responsible for providing to DHHS complete, accurate, and timely documentation of the operational DSS/MARS/SURS as installed and all enhancements made to it. Such documentation shall be according to the specifications approved by DHHS. One paper copy and an electronic version of such documentation shall be provided to DHHS in final form within thirty calendar days of the date of start of operations for all DSS/MARS/SURS functions approved by DHHS.

Any changes that occur to the operational system shall be documented according to the standards approved by DHHS, and documentation of those changes shall be provided to DHHS within twenty calendar days of DHHS’ approval of implementation of the change.

If the documentation is unacceptable as to format or completeness of content based on Contract requirements, the State Medicaid Manual, and DHHS’ review, penalties may, at the discretion of DHHS, be imposed until an acceptable document is received.
2.13.4. Deliverables Performance Requirement
Copies of each deliverable, as defined, shall be delivered to DHHS in final form, in the number specified, and on the date specified. DHHS requires up to ten paper copies and an electronic copy of all deliverables. The electronic copy shall be compatible with Microsoft Word or other application software as requested by DHHS and submitted on Department-specified media. All software development deliverables shall be in a format approved by DHHS and meet content requirements specified or as subsequently defined by DHHS.

A penalty may, at the discretion of DHHS, be imposed for a deliverable is late, includes less than the required copies, is delivered on incorrect media, or does not meet minimum content requirements or follow the approved format after its formal rejection by DHHS.

2.13.5. Design, Development and Implementation Phase Performance Requirements
The following performance requirements and penalties relate to critical Contractor responsibilities during the Design and Development and/or Implementation phases.

2.13.5.1. Key Dates Performance Requirement
Accomplishment of certain specified development activities by key dates, as established in the detailed work plan, is necessary to ensure full compliance with the start date of January 6, 2005. If, for any reason, the Contractor is delayed in meeting these key dates and a contract modification to the work plan is not approved, penalties may, at the discretion of DHHS, be assessed. Approval of a contract or work plan modification does not waive DHHS’ capability to impose penalties if warranted by other sections of the Contract.

2.13.5.2. Key Personnel Performance Requirement
Personnel commitments made in the Contractor's proposal for the Design and Development phase, Implementation phase, and Ongoing Operations phase activities shall not be changed without prior written approval of DHHS, unless due to the resignation or death of any named individual.

Except in the case of illness, death, retirement, termination of employment, or leave of absence, no reassignment of more than two key personnel may be made by the Contractor during one calendar month without written consent of DHHS. Replacement of such personnel, if approved, shall be with personnel of equal or greater ability and qualifications. DHHS shall approve in advance, in writing, any permanent or temporary changes to or deletion from the Contractor's named management, supervisory, and key professional personnel. During the course of the Contract, DHHS reserves the right to require the Contractor to reassign or otherwise remove from the project any Contractor employees found unacceptable by DHHS.

DHHS shall retain the right to reject any of the Contractor's employees whose qualifications, in DHHS' judgment, do not meet the standards established by DHHS as necessary for the performance of the services. In considering the Contractor's employee's qualifications, DHHS shall act reasonably and in good faith. The Contractor may not propose individuals for this project who are employees any State of Nebraska agency. Federal regulations prohibit the Federal government from paying twice for any employee.

2.13.6. Ongoing Operations Phase Performance Requirements
The following performance requirements and penalties relate to critical Contractor responsibilities during the Ongoing Operations phase.
2.13.6.1. **System Response Time and Availability Performance Requirement**

Where interactive/on-line access to the system is specified, the Contractor shall ensure that the average response time is no greater than the requirements set forth in Contract Subsection 2.7.3.4.

The Contractor shall ensure that interactive/on-line access to all DSS/MARS/SURS applications is available for all users 7 days a week, 24 hours a day, except during agreed upon downtime. An application is considered unavailable when a user does not get the complete, correct, full-screen response to an input transaction, as specified in Contact Subsection 2.7.3.4, for a continuous period of thirty minutes. DHHS will notify the Contractor when it has been determined that the system is unavailable.

Regular system maintenance shall be scheduled. If additional, unscheduled downtime is necessary during regular business hours, the Contractor shall make a reasonable attempt to obtain prior approval from DHHS for such downtime. The Contractor shall notify users that unscheduled downtime will occur and estimate the length of the outage. The Contractor shall send follow-up notification when system availability has been restored.

All downtime shall be tracked on a monthly basis by the Contractor, who shall be responsible for providing a monthly report to DHHS detailing available time, scheduled maintenance, scheduled downtime, and unscheduled downtime. The report shall clearly show the date and time periods affected by each category. The report of the previous month’s operations is required within ten State of Nebraska business days after the start of the following month.

2.13.6.2. **Contractor Update Processes Performance Requirement**

The MMIS will send files to the Contractor’s system to update critical information necessary for the DSS/MARS/SURS. These files include, but are not limited to, data loads for eligibility, provider, medical claims, and encounter data files.

The Contractor shall be responsible for providing operational reports showing the number and date of receipt of the data extracts. The operational report should also include the date of when the data extracts were loaded to the Contractor's system.

2.13.6.3. **Timeliness and Accuracy of Report Production Performance Requirement**

DSS/MARS/SURS reports shall be produced in the format and type of media approved by DHHS. The Contractor shall be responsible for the accuracy of all reports, including calculations and completeness of data used as input. DHHS shall notify the Contractor, in writing, of any inaccuracies or discrepancies.

The Contractor shall deliver each DSS/MARS/SURS report to the personnel and the location specified by DHHS. The report distribution list, including delivery location, number of copies, and media will be defined during the Design and Development phase. The Contractor shall be required to update and maintain the report distribution list during the Ongoing Operations phase to incorporate any changes to existing reports at no additional cost to DHHS.

The Contractor shall be required to furnish reports on a regular basis agreeable to both DHHS and the Contractor. The schedule is as follows:

- Monthly reports will be generated monthly by noon on the fifth State of Nebraska business day after receipt of all requisite data sources in useable format.
- Quarterly reports will be generated quarterly by noon on the seventh State of Nebraska business day after receipt of all requisite data sources in useable format.
• Annual reports by noon of the tenth State of Nebraska business day following the end of the year and after receipt of all requisite data sources in useable format (whether Federal fiscal year, State fiscal year, waiver year, or other annual period)
• Ad hoc and on-request reports on the date specified in the report request

A penalty may, at the discretion of DHHS, be assessed for each State of Nebraska business day, or part thereof, that any report is delivered late. A report containing incorrect information shall be corrected within five State of Nebraska business days unless otherwise determined between DHHS and the Contractor.

2.13.6.4. **MSIS Performance Requirement**

The Contractor shall submit quarterly MSIS tapes by the required CMS deadlines in the format prescribed by CMS. All MSIS claims tapes will be submitted within 45 days of the end of the quarter. MSIS eligibility tapes will be submitted 3½ months after the end of the quarter. The Contractor shall be responsible for providing reports to DHHS showing control totals and edit errors prior to submission to CMS.

2.13.6.5. **System Maintenance and Modification Performance Requirement**

The Contractor shall provide routine maintenance of the system. The Contractor shall correct any deficiencies by an effective date to be mutually agreed upon between both parties. All system modifications shall be performed in accordance with an agreed-upon schedule.

The Contractor is responsible for notifying DHHS immediately when a system deficiency is present and when there are problems that prevent the system from performing a critical function.

2.13.6.6. **Disaster Recovery Performance Requirement**

The Contractor shall recover from a disaster situation within the allotted time established in the contract, as well as perform a disaster recovery plan test or recover within the allotted times in a disaster recovery test situation.

The Contractor shall perform at least one disaster recovery test each year. The test shall include the full loading of the production Contractor system, will provide connectivity to the production network, and will involve Department staff, Help Desk staff, and Contractor support staff. The Contractor shall schedule the test with DHHS at least thirty calendar days before the actual test to allow for coordination.

The Contractor's performance shall be measured by the time it takes to reestablish the DSS/MARS/SURS in the backup facilities in either an actual or disaster situation.

2.13.6.7. **Compliance with Other Material Contract Provisions Performance Requirement**

DHHS’ staff may identify contract compliance issues resulting from the Contractor's performance of its responsibilities through routine contract monitoring activities. If this occurs, the Contractor will be notified in writing of the nature of the performance issue. DHHS will also designate a date by which the Contractor shall provide a corrective action plan, to be approved by DHHS. The corrective action plan shall detail the time frame and manner in which the Contractor will remedy the non-compliance.

2.13.6.8. **Help Desk Support Performance Requirement**

The Contractor's DSS/MARS/SURS Help Desk shall be available to support DSS/MARS/SURS users during the hours of 8:00 A.M. to 5:00 P.M. CT, Monday through Friday. Calls to the Help Desk shall be answered in a time frame agreeable
to DHHS and the Contractor. The Contractor shall provide monthly status reports of Help Desk activity.

2.13.6.9. System Turnover Performance Requirement

In the event of a system turnover, the Contractor shall transfer files, documentation, software, and other applicable materials, including any archived data, to DHHS and/or a successor Contractor in accordance with the approved turnover plan. The Contractor shall also provide training and professional and technical support to DHHS and/or a successor Contractor in support of the turnover. Failure to perform may result in penalties assessed to the Contractor.