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A. GENERAL INFORMATION

1. Date

August 22, 2017

2. Department

Health Care Services

3. Organizational Placement (Division/Branch/Office Name)

California Medicaid Management Information System (CA-MMIS) Division

4. CEA Position Title

Assistant Deputy Director, Multi-Sourcing Integration and Digital Services Teams, CA-MMIS

5. Summary of proposed position description and how it relates to the program's mission or purpose. (2-3 sentences)

The proposed CEA, Assistant Deputy Director (ADD), Multi-Sourcing Integration and Digital Services Teams, CA-MMIS, will assist the Deputy Director, CA-MMIS, in overseeing the day-to-day operation of the CA-MMIS Division. The CEA will have direct leadership authority for the following operations: the CA-MMIS Project Management Office; the CA-MMIS Digital Services Branch; and, the CA-MMIS Multi-Service Integration Branch. The CEA serves as a principal policy advisor to the Deputy Director, CA-MMIS, and all impacted DHCS programs and stakeholders for the aforementioned operations. The CEA will develop and maintain a centralized framework of policies, procedures, standards and tools to ensure the efficient and effective delivery of the Division's products and services to all impacted customers and stakeholders. DHCS's mission is to provide Californians with access to affordable high quality health care, which is provided through DHCS health care programs, the largest being Medi-Cal. CA-MMIS plays a critical role in fulfilling that mission, by implementing and maintaining a comprehensive framework of policies, processes, systems and tools that facilitates the efficient and effective processing of millions of claims annually and the generation of approximately \$22 billion a year in claims payments.

6. Reports to: (Class Title/Level)

CEA Level C, Deputy Director, CA-MMIS Division

7. Relationship with Department Director (Select one)

- Member of department's Executive Management Team, and has frequent contact with director on a wide range of department-wide issues.
- Not a member of department's Executive Management Team but has frequent contact with the Executive Management Team on policy issues.

(Explain):

8. Organizational Level (Select one)

- 1st
- 2nd
- 3rd
- 4th
- 5th (mega departments only - 17,001+ allocated positions)

B. SUMMARY OF REQUEST

9. What are the duties and responsibilities of the CEA position? Be specific and provide examples.

The CA-MMIS Division is accountable for the overall administration, management, oversight and monitoring of the Medi-Cal Fiscal Intermediary (FI) contract and related contracted services. The Division is also accountable for the design, development, implementation (DD&I) and ongoing maintenance of CA-MMIS, including acquiring a solution to replace the existing legacy CA-MMIS. In addition, the Division is accountable for the re-procurement, and transition to and assumption of operations by new vendors to support FI operations (IT system maintenance and operations [M&O] and business operations services) before the existing FI contract expires.

In April 2016, DHCS and the current FI signed a settlement agreement which included terms and conditions for the termination of the replacement project for the existing CA-MMIS. Under the agreement, the FI suspended all of the system replacement activities, including, DD&I, project management, transition, integration, and testing activities. In order for the CA-MMIS Division to move forward with project closure and to initiate a new system replacement project, all of these activities are being transitioned to DHCS/CA-MMIS Division ownership. The CA-MMIS Division has developed broad plans to move forward with the transition, including plans for a modular approach to the procurement and DD&I of a new system.

The ADD, CA-MMIS, will have sole responsibility for leading the efforts to replace the existing legacy CA-MMIS with a more modernized modular approach. This modular approach is consistent with the policies and guidelines of the Federal Centers for Medicare and Medicaid Services (CMS) - Final Rule 2392-F (December 2015) - which encourages states to adopt a modular approach to new systems development efforts to reduce costs and minimize risks of failure. To further ensure the success of implementing a replacement solution, DHCS contracted with 18F to help with the planning and design of the new modular solution, as well as determining the number and type of resources that will be required to implement the new solution. 18F is an office within the Federal General Services Administration created to assist agencies with the planning, design and development of efficient, easy-to-use technology solutions. Based on the recommendations of 18F, the CA-MMIS Division will pursue a digital services solution that will utilize customer-centric designs and agile approaches to software development. This approach will allow the Division to implement the new system in a manner that allows greater involvement by the users throughout the development process and delivers business value early and often.

This CEA request and proposed organizational structure are consistent with 18F's recommendations. The proposed ADD, CA-MMIS, will be the lead innovator and Director for CA-MMIS digital solutions and opportunities and will oversee all digital service efforts, including the development and implementation of the digital services vision and strategy and the activities of several multi-disciplinary digital services teams. The CEA will work with DHCS, CA-MMIS leadership, and key external stakeholders on the development and articulation of policy governing the development and implementation of the plans to carry-out the vision. The CEA will work with DHCS executives and program managers and key external stakeholders to assess needs, establish priorities, design solutions, acquire and assign resources, and implement and integrate new technologies and tools into the CA-MMIS environment. The CEA will be responsible for all system replacement DD&I and efforts and policy developments guiding project management, transition, integration, testing and organizational change management activities. The CEA will work closely with the Chief Information Officer, EITS Division, in the areas of infrastructure, security, system operations, change control, incident management, and release management to ensure consistency between CA-MMIS and DHCS enterprise infrastructure plans and strategies.

The CEA will serve as a member of the CA-MMIS Division Directorate, and will play a critical role in the overall administration and management of the Division. The CEA will collaborate with the Deputy Director and the ADD, IT System M&O and Business Operations, to develop and implement strategic and tactical plans to promote and facilitate the effective and efficient delivery of the Division's programs and services.

The CEA will serve as a principal policy advisor to the Deputy Director, CA-MMIS, in a variety of administrative and technical areas, including State-level IT policies and standards; federal MMIS policies, mandates and guidelines; and, IT development and project management trends and practices. The CEA will formulate policy and have broad responsibility for ensuring the increased efficiency and effectiveness of CA-MMIS service delivery. The CEA will ensure that CA-MMIS IT policies, procedures and practices comply with state and federal laws, regulations, and practices. The CEA will be responsible for keeping the Deputy Director, CA-MMIS, and DHCS Executive Team members apprised of potential problems and sensitive issues related to CA-MMIS service delivery.

The CEA will oversee and monitor the progress, scope, and costs of projects within the CA-MMIS portfolio, and will establish processes to ensure the effective management and monitoring of projects and for reporting the status and progress of projects and initiatives to appropriate DHCS internal and external stakeholders, including DHCS executive management, California (CA) Health and Human Services Agency executives, state and federal control agencies, and the CA Legislature.

The CEA will represent CA-MMIS to internal and external stakeholders in meetings, briefings, and legislative hearings, as needed. The CEA must establish and maintain credibility among all stakeholders.

B. SUMMARY OF REQUEST (continued)

10. How critical is the program's mission or purpose to the department's mission as a whole? Include a description of the degree to which the program is critical to the department's mission.

- Program is directly related to department's primary mission and is critical to achieving the department's goals.
- Program is indirectly related to department's primary mission.
- Program plays a supporting role in achieving department's mission (i.e., budget, personnel, other admin functions).

Description: DHCS is the single state agency responsible for the administration of California's Medicaid program, known as Medi-Cal. DHCS's mission is to provide Californians with access to affordable, high quality health care, including medical, dental, mental health, substance use treatment services, and long term care. DHCS provides health care services to approximately 13.7 million members through Medi-Cal. CA-MMIS is a key factor in the operation of DHCS's health care programs and service delivery by processing payment of medical services provided to Medi-Cal members.

The CA-MMIS Division plays a critical role in fulfilling DHCS's mission through its maintenance and operations of CA-MMIS. The system receives and processes millions of health care claims annually, submitted by over 130,000 health care providers. The processing of these claims generates over \$22 billion a year in payments to health care providers. The system identifies federal funding associated with claims payments and generates reports; based on this reporting approximately half of claims payments are federally funded. In addition, the system is used to support other health care programs, such as California Children's Services, the Genetically Handicapped Persons Program, the Breast and Cervical Cancer Treatment Program, and the Family Planning and Access to Treatment Program. The system is also integral to supporting Department initiatives such as processing, issuing and tracking Electronic Health Record incentive payments, which have totaled hundreds of millions of dollars in federal funding to California health care providers.

B. SUMMARY OF REQUEST (continued)

11. Describe what has changed that makes this request necessary. Explain how the change justifies the current request. Be specific and provide examples.

A number of factors have led to the need for a second ADD within the CA-MMIS Division:

- Shift to a new modular approach to system development
- Shift in responsibility for the DD&I activities
- Emphasis on enterprise portfolio management
- Expansion of DHCS health care programs
- Strategic emphasis on improving the DHCS's level of MITA maturity

Shift to a new modular approach to system development: In October 2015, the current FI vendor announced that it did not expect to complete SRP DD&I activities. Subsequently, in April 2015, DHCS and the FI vendor reached a settlement to terminate the CA-MMIS DD&I portion of the FI contract. The pace of technological change for health enterprise data systems has significantly accelerated in the years since DHCS began procurement work in 2007 to replace the legacy CA-MMIS. Accordingly, many other states, and CMS, have adjusted their strategies for modernizing MMISs to embrace a modular approach to procurement, design, and implementation. These changes have created an opportunity for DHCS to reevaluate the nearly decade-old DD&I strategies for the CA-MMIS replacement and to reconsider the best course to ensure that CA has a modern-robust, and sustainable system. Based on the recommendations of 18F, a recognized leader in creating efficient digital service solutions, DHCS will implement a modular digital services solution using agile principles to replace CA-MMIS. The proposed ADD, CA-MMIS, will lead the DD&I of the new modular approach and oversee all related projects and initiatives. The CEA will implement policies and plans for the new modular procurements and oversee and monitor multiple vendors responsible for the DD&I and overall integration of the systems and modules that will replace the existing CA-MMIS.

Shift in responsibility for SRP Activities: Under the settlement agreement between DHCS and the FI vendor, all system replacement activities were suspended, including DD&I, project management, transition, integration and testing activities. In order for the CA-MMIS Division to move forward with project closure, and to initiate a new system replacement approach, all of these activities are being transitioned to DHCS/CA-MMIS Division ownership. This is a tremendous undertaking and is critical to the success of the system replacement effort, as well as all future CA-MMIS projects and initiatives. It is critical to the overall DHCS Medi-Cal Program landscape and will require a dedicated high-level executive, with knowledge, skills and abilities commensurate with that of a CEA, to lead the effort. The proposed CEA will be the lead innovator for the new digital services solution that will replace the existing CA-MMIS. In this role, the proposed CEA will develop and implement policies, procedures and strategies and will lead the multidisciplinary digital service teams responsible for the DD&I of the new modular digital service solution and all related activities, including:

- Building a DHCS capacity to assume direct state administration and ownership for activities previously performed by the FI
- Creating a road map for the procurement and implementation of the new modular solution
- Developing the digital services vision and strategy
- Adopting an iterative, agile approach to service delivery that ensures appropriate user and stakeholder involvement throughout the process

Enterprise Portfolio Management (EPM): The CA Department of Technology (DOT) (the State's IT oversight agency) promotes the use of an enterprise approach to IT project and portfolio management in that it allows departments to dynamically manage their project portfolio, more readily respond to changes in priorities, budget, schedule and unfunded mandates, and better leverage IT resources and tools across the enterprise. Toward this end, the CA-MMIS Division has been shifting its emphasis on individual projects managed in silos, to an EPM approach, whereby the catalog or portfolio of all projects within the CA-MMIS environment are managed with a view toward how projects and resources can be leveraged and integrated within the CA-MMIS enterprise and within the DHCS IT portfolio. While this is a necessary step to effectively manage and report on the CA-MMIS program, projects, and assets, it has resulted in an increased workload for the Division's leadership. The leadership team developed the concepts and policies to implement EPM, and is currently implementing the practice of EPM into the CA-MMIS program. The new CEA will be responsible for maintaining, monitoring, evaluating and enhancing CA-MMIS EPM practices on an ongoing basis to enable and support the achievement of Division goals and objectives.

Expansion of Health Care Programs: The Medi-Cal program has grown from approximately 7 million members to over 13 million members over the last several years. In addition, two major health care programs, Mental Health and Substance Abuse, were transitioned from separate departments into DHCS. These changes have increased the operational workload for the Division by expanding the number of Medi-Cal members and aid categories the system processes claims for and the amount and type of services processed. This in turn has impacted staffing and leadership.

MITA Maturity: MITA maturity is essential to DHCS's mission, and to receiving federal funding for CA-MMIS projects and initiatives. If the Department fails to increase its level of MITA maturity, hundreds of millions of dollars in federal funding are at risk. In order to devote the appropriate level of executive oversight to the Division's portfolio of projects while simultaneously ensuring that MITA requirements are addressed, an additional executive resource is needed within the CA-MMIS Division. This new CEA will provide oversight for MITA-related initiatives and implement policies, procedures, and standards to support and enable the achievement of MITA requirements.

C. ROLE IN POLICY INFLUENCE

12. Provide 3-5 specific examples of policy areas over which the CEA position will be the principle policy maker. Each example should cite a policy that would have an identifiable impact. Include a description of the statewide impact of the assigned program.

The ADD, CA-MMIS, will have primary responsibility for the development of a repository of policies, procedures, and standards to facilitate the daily operations of the Division, including enterprise Project Management Office (PMO) policies, procedures and standards, and guidelines for module strategy development and integration.

The CEA will implement and maintain an overall framework of policies, procedures, and standards for IT project DD&I and will support maintenance and operations policy development efforts. The CEA will ensure that policy initiatives are consistent with the State Administrative Manual, Statewide Information Management Manual, Executive Orders, and Budget and Technology Letters.

The CEA will serve as the principal policy maker for the CA-MMIS Division in the areas of enterprise portfolio management, CA-MMIS digital services and module integration, CA-MMIS MITA maturity compliance, and CA-MMIS strategic and transformation planning and implementation.

EPM: The CEA will lead the EPM efforts for the CA-MMIS Division by setting policy direction, establishing project priorities, overseeing the ranking and rating of projects for business value, complexity, and risk. The CEA will also maintain responsibility for allocating CA-MMIS resources to projects within the CA-MMIS portfolio. The CEA will have the primary leadership role and responsibility for developing and maintaining policies, procedures, and standards related to governance, project management, intake and customer relations, and organizational change management and support. The CEA will establish and implement oversight policies and practices to ensure organizational compliance with all State-level and CA-MMIS policies, procedures, and standards.

Digital Services and Module Integration: The CEA will lead the development and implementation of the CA-MMIS digital services and modular solution vision and strategy. The CEA will develop and maintain policies, procedures, and standards for all system and module integration activities. The CEA will be responsible for all services that support the implementation of an end-to-end Medicaid solution, including architecture, configuration management, release management, and testing. The CEA will ensure that all systems within the CA-MMIS enterprise integrate, as necessary, to perform the business functions of CA-MMIS and provide support to DHCS health care programs.

CA-MMIS MITA Maturity Efforts: In order to comply with federal mandates for MITA maturity, and to continue to qualify for the maximum federal funding, DHCS must advance its level of MITA maturity. Projects within the CA-MMIS portfolio, particularly the impending replacement CA-MMIS, will provide opportunities to enhance DHCS's MITA maturity level, by introducing system elements that are flexible, scalable, and built on service oriented architecture. The CEA will provide oversight, leadership, and policy direction for CA-MMIS MITA maturity efforts and responsibilities.

Strategic and Transformation Planning and Implementation: The CEA will provide leadership, oversight, and policy direction for CA-MMIS strategic and transformation planning and implementation activities, including development of the plan for transforming the CA-MMIS enterprise to facilitate the success of all CA-MMIS projects and initiatives. The CEA will develop a plan and oversee all efforts required to assume SRP-related activities previously performed by the FI. The CEA will be responsible for securing required state and federal approvals, resources and funding. The CEA will oversee and monitor the progress, scope, and costs of projects and initiatives for the new modular solution, and related systems, and ensure the successful integration of the new solutions and systems into the CA-MMIS environment.

C. ROLE IN POLICY INFLUENCE (continued)

13. What is the CEA position's scope and nature of decision-making authority?

The proposed ADD, CA-MMIS, will have broad authority to make decisions necessary to provide leadership and direction to the areas of responsibility assigned to the position, including, but not limited to: the Digital Services Team Branch; the Multi-Service Integration Branch; and, the CA-MMIS Enterprise PMO. On initiatives that have wide-ranging departmental impact, the CEA will consult with impacted entities and provide input and recommendations to the Deputy Director, the DHCS directorate, and impacted Deputy Directors.

14. Will the CEA position be developing and implementing new policy, or interpreting and implementing existing policy? How?

The proposed ADD, CA-MMIS, will develop and implement new policies, procedures, standards, and tools for the CA-MMIS enterprise portfolio management program, as well as individual projects within the portfolio. The CEA will review and interpret federal and state policies and standards to ensure the Division's compliance with all applicable federal/state policies and standards. For example, the CEA will develop and implement policies, procedures, and standards for managing the CA-MMIS portfolio of projects. These policies, procedures and standards must be consistent with federal, state, and DHCS policies and requirements. The CEA will establish and maintain policies to implement best practice standards for governance, project management and system development throughout the division. The CEA will also develop policies and strategies to promote and implement innovative digital services solutions that leverage and integrate software development best practices, such as agile design and development principles and practices.

The CEA will implement a practice of continuous process improvement to ensure CA-MMIS policies, procedures, and processes are in-line with state and federal requirements, industry best practices, and standards, as technology trends and practices evolve.