
Mechanized Claims Processing and Information Retrieval Systems Proposed Rule (CMS 2392-P)

April 14, 2015

Q1. What are the Centers for Medicare & Medicaid Services (CMS) proposing?

- A1.** This Notice of Proposed Rule Making (NPRM) proposes to extend the enhanced federal matching rate on an ongoing basis for maintenance and operations, design, development, installation, or enhancement of Medicaid eligibility and enrollment systems. The additional time and funding will allow states to modernize Medicaid enrollment, eligibility, and claims systems.

CMS is also soliciting comments on other key facets of Medicaid information technology. For example, the rule solicits comments on the certification process for Medicaid Management Information Systems (MMIS) to allow for modular certification. As states actively develop and initiate MMIS modules, CMS would certify and allow states to access the enhanced funding for maintenance and operations module by module. In addition, CMS is seeking comment on ways that CMS can encourage more re-use to bring down redundant costs of Medicaid information technology by ensuring federally-funded software is accessible and shared across states.

Q2. How will the proposed rule impact states?

- A2.** The proposed rule will enable states ongoing access to enhanced funding for eligibility for maintenance and operations, design, development, installation, or enhancement of Medicaid eligibility and enrollment systems. It will also facilitate efforts to integrate with human services program systems to support greater efficiency, program integrity, and to enhance the consumer experience.

The move towards modular MMIS certification provides states with earlier access to the enhanced match for system maintenance and operations on an iterative basis, which aligns the Modularity Condition with funding policy.

Availability of the 90 percent enhanced match for Commercial-off-the-Shelf (COTS) software will also further align the Re-use Condition with funding policy. States would be able to design their information technology solutions based upon the most advanced technology.

Q3. Why is CMS proposing to strengthen standards and conditions required for qualifying systems to access enhanced Federal Financial Participation rates?

- A3.** The original 2011 final rule focused attention on the key elements of success for modern systems development and deployment. Since that time, both CMS and states have learned how to improve on those elements of success.

CMS anticipates that strengthened standards will help drive down potentially redundant information technology costs that stem from over-reliance upon duplicative development versus re-use and use of COTS software. Strengthened standards will also provide greater accountability.

Q4. Under the proposed rule, what will the enhanced funding support?

A4. The enhanced funding will support Medicaid eligibility, enrollment, and delivery system needs. It will also support the retirement of remaining legacy systems which will eliminate ongoing expense for maintaining these outdated systems. The funding will support additional staffing and technological efficiencies over time by allowing for a more phased and iterative approach to systems development and improvement. This investment will result in efficiencies for the states and the federal government through reduced duplication and increased technological capability. In order to take advantage of the proposed modular certification for Medicaid Management Information Systems (MMIS), states will need to undertake a modular design approach to MMIS replacement.

Q5. Where can I find additional information?

A5. Additional resources can be found at:

- <http://www.gpo.gov/fdsys/pkg/FR-2011-04-19/pdf/2011-9340.pdf>
- <http://www.medicaid.gov/AffordableCareAct/Provisions/Information-Technology-Systems-and-Data.html>
- <https://www.federalregister.gov/>

Q6. How can I submit comments?

A6. Comments can be submitted online at <http://www.regulations.gov>. Follow the "Submit a comment" instructions. Comments can also be submitted by regular mail, express or overnight mail, or hand or courier. Instructions on these methods are provided in the proposed rule.