Statement of Confidential Treatment

In a letter dated April 18, 2013, the Colorado Department of Health Care Policy and Financing (Department) authorized HP Enterprise Services (HP) to mark as confidential specific sections of our response to Solicitation #HCPFRFPKC13COREMMIS Core MMIS and Supporting Services Request for Proposals (RFP). Pursuant to the Colorado Open Records Act §24-72-200.1, et seq., C.R.S. (CORA), HP asks that the following proposal information be treated as confidential. Under C.R.S. §24-72-204 (1)(a-c), (2)(a)(VII), (3)(a)(III-IV), and (6)(a), certain materials are not required to be disclosed under CORA.

This submission contains the redacted version of our full proposal. Within this redacted version, we mark the redacted material with, "RESPONSE HAS BEEN GRANTED CONFIDENTIAL TREATMENT BY THE DEPARTMENT AND HAS BEEN REDACTED" and it is blacked out.

HP develops the solution, approach, and strategy for each customer based on our proprietary approach to solution delivery, project management, staffing strategy, and project and contract management. Disclosing such material would give our competitors information we consider to be confidential based on technical information, designs, processes, procedures, and improvements.

As such we have marked confidential certain narrative sections and the following:

- Screen captures
- Architectural and workflow diagrams
- Sample deliverables
- Staffing methodology
- Organizational charts
- Training programs

Additionally, per RFP requirement C.4.9.1.1, we also are treating as confidential the names of individuals used as references, their contact information, and key personnel resumes.

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Executive Summary

CLICK ABOVE FOR EMBEDDED VIDEO   **CLICK HERE FOR FULL RESOLUTION VIDEO**

"It is my honor to represent HP in making this proposal for Colorado's new Medicaid Management Information System. Your goals have been the center of our entire approach to provide a systems and services team able to quickly adapt and support the next decade of healthcare administration in Colorado."

Ruth Bryson
Account Executive, CO MMIS

Executive Summary

When people think of Colorado, they think of fresh mountain air and wholesome living. To maintain this reputation and continuously support a climate of health and well-being for the Medicaid population, Colorado has begun to transition from a traditional Medicaid delivery model to the Accountable Care Collaborative (ACC), as depicted in the following figure.

Colorado and healthy living go hand in hand. In the past three years, Colorado has ranked fifth, sixth, and now second in the Gallup-Healthways Well-Being Index.

Colorado's Transition to The Accountable Care Collaborative
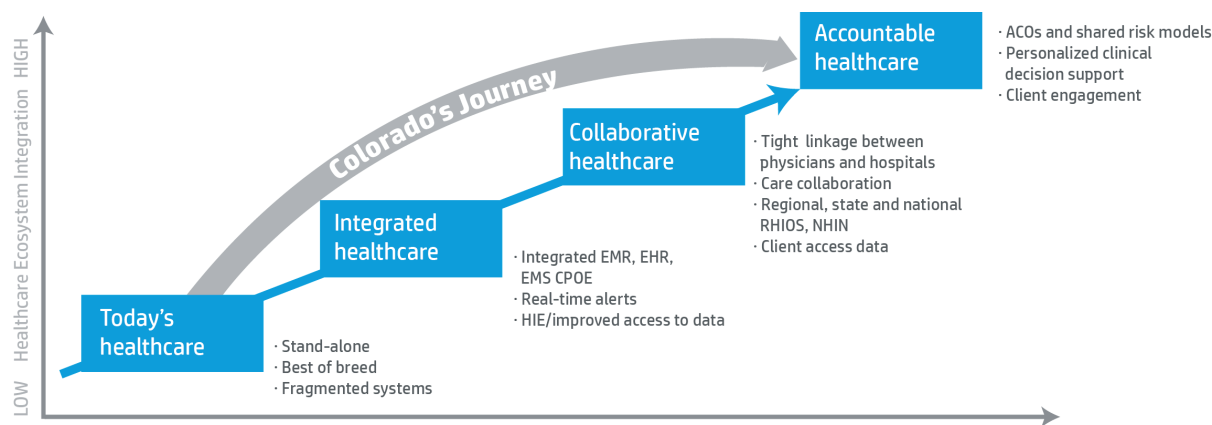
Colorado's Vision for Desired Future State

The State of Colorado, Department of Health Care Policy and Financing, has embarked on a technology transformation journey—the Colorado Medicaid Management Innovation and Transformation Project (COMMIT)—to rid itself of inflexible and restrictive legacy systems. The Department seeks to replace them with proven modern systems with the flexibility and agility to support more cost-effective business processes and improved health outcomes. This journey comprises multiple procurements and will take several years to accomplish. The COMMIT procurement is focused on the implementation and operations of a modern, certifiable Medicaid Management Information System (MMIS) and improved Fiscal Agent services to promote excellent customer service and increased operational automation.

The Department's ultimate goal is to *build out the necessary information technology to support a business model that can quickly adapt and support the next decade of healthcare transformation.* The Department's current MMIS, which is more than 20 years old, is based on a legacy mainframe architecture and system design. This legacy design is difficult to maintain and is strained to quickly meet changing business needs. As such, many workarounds and manual processes have been implemented to overcome IT deficiencies. As is true with many legacy environments, the Department is spending too much time maintaining the system as compared to implementing enhancements. This distracts the Department from focusing on strategic initiatives that will help control costs while improving health outcomes.

Colorado needs a vendor with both the ability to successfully implement and certify an MMIS now and the vision and flexibility to support tomorrow's needs. The healthcare industry may become more *complex*, but you need a vendor who can make Medicaid delivery *simpler*.

Opportunities

As Colorado embarks on this technology upgrade to better support its new delivery model, the Department is faced with the challenges of a successful implementation of three systems by potentially three different vendors across three separate contracts. The following are the typical risks involved in an MMIS replacement project:

- Financial risk of schedule delays/lost opportunity costs
- Delay of state-desired and federal-required functional vision
- Provider, legislature, and federal concerns
- Department resource constraints
- Interim payments reconciliation and recovery

These risks are potentially compounded when considering the need for coordination across three separate contracts. Examples of states where these project risks materialized are Idaho, New Hampshire, and Georgia:

- In Idaho, interim payments of $117 million were issued to providers. The State may never fully reconcile and recover overpayments.

- In New Hampshire, a six-year implementation delay caused untold fiscal issues between the vendor, the State, and the federal government. The implementation delay caused the state to pour additional money into continually remediating the legacy system to meet CMS mandates.

- In Georgia, substantial implementation problems caused Georgia to miss CMS certification back to day one by three months. Provider payment issues, including overpayments, prevented timely audits of the Department in 2003 and 2004, causing a delay in Georgia's annual financial report, which delayed the funding of more than a billion dollars in bonds for critical state projects. This resulted in Georgia immediately rebidding and replacing their MMIS.

HP's Approach

Our approach for Colorado can be summed up in one word: simplicity. We plan to meet your goals by simplifying business processes and system enhancements through the Colorado interChange Medicaid Enterprise system. The SOA-enabled interChange Medicaid Enterprise solution is a browser-based, healthcare administration platform and integrated system that supports payers more efficiently, reimburses providers more quickly, and adjudicates client claims swiftly and fairly. Aligned with MITA principles, interChange provides a single platform that multiple payers can use for program administration. Processing rules are easily configured to match specific plan criteria. Our proposed rules-based solution provides the technical foundation to achieve the Department's project goals. The following table highlights the main tenets of our approach.

System Features	Department Benefits
interChange Medicaid Enterprise System	The Colorado interChange meets the CMS Seven Standards and Conditions to maximize enhanced funding and align with federal standards: • System facilitates the use and reuse of modular solution components • User interface closely aligns with MITA business processes • Support for industry standards including HIPAA (X12 5010, NCPDP D.0), ePrescribing (NCPDP 8.3), HIE (HL7 Continuity of Care Document - CCD) • Modern transfer MMIS with documented, proven processes, and lessons learned from earlier implementations • Enhanced features provide users high efficiency and exceptional productivity to drive business results • Reporting services allow users to publish data through defined APIs to CMS data hubs or repositories • interChange Connections electronic data interchange (EDI)/enterprise service bus (ESB) empowers security, management, control, and transformation of critical healthcare data exchanges
interChange Connections	By combining the workflow engine, rules engine, and ESB, the Department can quickly respond to regulatory, programmatic, and technology changes through the adaptable, rules-based and modular system architecture. Integration with Statewide IT systems such as CBMS, HIX, and HIE is simplified through interChange Connections, which orchestrates interaction of the MMIS with the broader healthcare ecosystem.
Healthcare Provider and Client Portals VITAL Care Management interChange Mobile	A self-service model, 24 x 7 access and an easy-to-use, intuitive design support a service-focused customer experience for providers and clients through Internet-based portal and mobile application. Providers will share information through a one-stop-shop experience for items from provider enrollment, to eligibility verification, to electronic health record and claim submission and history. Clients also have access to electronic health record information, provider location, service coverage, plan selection, and third-party insurance.
interChange inSight Dashboard	The Department will manage to performance-based service levels with transparency into the HP service level and performance measurements. The inSight Dashboard also provides strong business intelligence and data analytics features in real time, with no wait for a data warehouse refresh.
Healthcare Enterprise EDGE	The EDGE SDLC Process Framework improves consistency, quality, and overall business performance for HP by using common processes and

System Features	Department Benefits
SDLC, HP PPM, and ALM	shared, proven practices. Coupling this with the experience of 13 implementations provides the Department with a realistic project schedule.
HP Certification Checklist Tool	Our toolset supports the latest CMS certification checklists. We bring our proven practices to help the Department obtain federal certification in 12 months after go-live.

Proven, Reliable Experience

State agency evaluators have challenging responsibilities. Most vendors write compelling proposals that promise nothing but success—implementations that will be on schedule, state-of-the-art systems and on and on. Words are powerful and convincing,

Nationally, seven of the last 10 MMIS implementations were HP interChange implementations.

but it is important for evaluators to look beyond the words to what is really happening in the marketplace. Do vendors' records of accomplishments align with their compelling proposal promises? Do they have the employees with the right skills and knowledge to deliver on their promises? While HP has been successfully implementing our interChange solution, other vendors have struggled to implement their modern MMIS, as shown in the following table.

Modern Medicaid System Replacement Implementation Status (Since 2002)

Company	Successful	Cancelled/Failed	In Process	Under 32 months
HP	13	**0**	1	8
CSC	0	**0**	1	0
Molina	3	**2**	0	2
Xerox	1	**2**	4	0
CNSI	2	**3**	0	0

The Department needs to consider each vendor's ability to deliver the stated solution based on past projects, as well as current project commitments and their ability to deliver for those customers and Colorado at the same time. What is necessary to bring your goals to reality?

The Department needs a vendor with a proven track record of successful modern MMIS implementations. Since 2002, HP has implemented 13 innovative MMISs—more than all of our competitors combined. Nationally, seven of the last 10 MMIS implementations were HP interChange implementations. HP has a repository of more than 250 best practice assets we use to speed configuration and development. HP's extensive background of successful implementations and 10,000-person strong Healthcare Business Unit allows us to scale and support multiple

simultaneous implementations. This contrasts sharply with vendors whose implementations have overrun their time lines by multiple years, with just one or two implementations at a time. This results in state resources focusing on operations and DDI for much longer periods than desired. In 2008, for example, we successfully implemented five MMIS solutions in a single calendar year, and all five are CMS-certified. No other company can come close to these results or numbers.

HP provides full Fiscal Agent services to 16 state agencies and partial Fiscal Agent services to an additional four states. Many of our contracts are long-term customer engagements. Several states—Florida, Georgia, Kansas, Kentucky, and Tennessee—have come back to HP after being with other vendors.

Colorado seeks a proven and certifiable MMIS. The Department seeks a certifiable MMIS that is successfully supporting multiple state Medicaid programs. HP is using our in-production and proven Wisconsin interChange MMIS for Colorado. It was the first MMIS in the country to be certified back to day one using the new CMS certification checklists. CMS recognized the Wisconsin MMIS and its corresponding business processes for more than 250 industry best practices. Since 2006, HP has continued our success with more MMIS implementations and certifications than all other vendors combined. HP has an unparalleled track record for CMS certification, with each of our interChange MMISs achieving this goal.

The Department needs a flexible and adaptable solution that supports enhanced automation across the program. The interChange MMIS directly addresses the forward-looking needs of the various stakeholders. Using the guiding principles of the CMS Seven Standards and Conditions, the interChange MMIS drives the users to effective business results. From extensive user configuration options to immediate self-service capabilities for clients and providers, interChange is about flexibility and adaptability for your transformative business needs. Highlights of the solution include self-service, workflow automation, program management, and an advanced user interface.

Our Commitment

Our executive summary affirms our ability to provide experienced personnel, HP proven practices, and implementation execution successes unmatched in the industry. HP demonstrates that "there is no substitute for successful experience." We bring the least risk and the greatest capability for success based on the broadest experience of any vendor in the MMIS market. That is why more states serving more program clients have depended on HP's MMISs and fiscal agent services longer than any other company.

HP is a proud part of the Colorado way of life. HP has more than 3,400 employees who call Colorado their home. HP is proud to extend our technology research and development presence to the Silicon Mountains. We have a highly trained and skilled work force performing important work in the areas of research and development in Fort Collins and cloud computing in Colorado Springs. HP looks forward to this opportunity to earn the Department's trust by simplifying healthcare for the next decade and beyond.

Appendix D – Offeror's Response Worksheet

Appendix D – Offeror's Response Worksheet

In the following sections, HP Enterprise Services (HP) provides a complete and descriptive response to SOLICITATION#: HCPFRFPKC13COREMMIS, Core MMIS and Supporting Services. Appendix D contains Responses 1 through 51, structured according to the instructions outlined in Appendix C.

HP offers the State of Colorado, Department of Health Care Policy and Financing (Department) our HP team, which brings honed experience and innovative thinking, our certified interChange Medicaid Enterprise business solution, our MITA aligned processes and tools, and our unparalleled project management experience. This combination will allow the Department and HP to focus beyond just processing claims to focusing on more strategic issues such as health care outcomes, program integrity and cost containment. We have placed icons throughout the document when achievements and differentiators of value are discussed. The icons represent the following:

People
HP offers a team of healthcare business professionals with combined skills that cover decades of experience in the MMIS field and offers Colorado the deepest wealth of proven technical and service expertise to support the next decade of dependability for the Colorado Medicaid Program. HP offers the State of Colorado our HP team, which brings honed experience and innovative thinking.

COLLABORATION	One of the Department's goals for this project is fostering collaborative, mutually beneficial relationships. HP understands that those relationships extend beyond the Department and chosen vendor to other contractors. HP is prepared to collaborate fully with the Department, the incumbent, the BIDM vendor, the PBM vendor, and other agencies and stakeholders.

Federal Standards

M3 MATURITY MITA 3.0	HP was the first vendor to gain successful certification using the MITA checklists and the Medicaid Enterprise Certification Toolkit (MECT). Using the MITA checklists and the MECT as a framework for development, we verify that the enhanced Colorado system will meet all standards and conditions. For Colorado, interChange is modular where it makes business sense. Our solution balances business needs and goals with what MITA prescribes.
CMS 7 STANDARDS	With HP, Colorado doesn't just get a solution that aligns with MITA and CMS' Seven Standards and Conditions (7SC); it gets the people who helped shape them. As your trusted advisor, we will put you on the clearest, most sensible path toward full MITA maturity. HP's solutions, along with our healthcare experts, are best positioned to assist the Department in navigating a clear and productive path along the 7SC. We have proactively evolved the interChange MMIS business functions.

Proven Technology

INNOVATION	Colorado is poised to face a rapidly evolving healthcare delivery model, and ready to work with people who can adapt to it. HP's innovation and agility allow you to change quickly. HP provides Colorado with a proven solution offering innovation, flexibility, and adaptability to support continual health care delivery model evolution. The value of our large national healthcare footprint is evident in the innovation we have developed and transferred to our customer base.
TECHNOLOGY HIGHLIGHT	HP is a demonstrated leader in technology and Medicaid fiscal agent services, a vendor invested in customer-centric business and technology innovation and proven practices. As it embarks on a technology upgrade to better support its new delivery model, the Department can count on HP's unmatched understanding of Medicaid programs and supporting technology.
SOA INTEROPERABILITY	The best way for the Department to reduce risk and enable full SOA interoperability is to select a proven solution successfully implemented multiple times. HP is the only vendor that can provide a system that interoperates with a dozen other CMS-certified systems, is fully configurable, and has integrated business processes.

SCALABLE	Colorado asked for a scalable and open architecture that can interface with other systems on implementation and in the future—an enterprise solution designed at its core to allow COTS products to be installed, integrated, and upgraded through scheduled releases. Our solution incorporates COTS products that have been used and proven in other states, lowering the risk to Colorado and increasing the interoperability between systems for vastly improved data sharing.
CONFIGURABLE	One of the Department's guiding principles for the Colorado Medicaid Management Innovation and Transformation (COMMIT) project is to implement a flexible, rules-based, modular, configurable solution to enhance decision-making and increase management efficiencies. HP will deliver the best-in-class configurable rules engine and a user customizable web-based interface.
WORKFLOW	Making human and automated tasks and workflows repeatable, accurate, and simple is part of improving the efficiency of any business process. HP's proposed Colorado interChange solution offers extensive improvements to core MMIS capabilities, making it easier to streamline repeatable business processes and allow for accurate reporting of detailed metrics.

Results	
HEALTHCARE SIMPLIFIED	Healthcare just got a lot more complex with HIX, MITA, and ACA, but doing your job just got simpler with HP modernizations being delivered. The interChange MMIS leads the state healthcare market in providing self-service features. The service-orientated framework orchestrates staff efficiency and consistency, making training easier and quality management measurable. The advanced business features of the MMIS user interface simplify daily tasks through quick and direct access to information.
	The Department has identified several key goals for the success of this project. Your ultimate goal is to build out the necessary information technology (IT) to support a business model that can quickly adapt and support the next decade of healthcare transformation. Colorado needs to look past the promises of a proposal and look at HP's record and, more important, how that record translates into value for Colorado.
PROVEN PRACTICE	HP maintains a repository of proven practices. The repository is continually enhanced with each new implementation and ongoing operation. With HP, the Department receives a schedule built on proven practices to make certain commitments can be met within timeframes. You also benefit from our proven practices in using tools, designing deliverables, and operating the Colorado interChange MMIS into the future.

	A core principle of the proposed HP solution is the self-service focus for staff members, providers, and clients, which allows for instant access to information, and reduces overhead for the Department. Put succinctly, HP will enable the Department to deliver more healthcare services to the citizens of Colorado for less.
FUTURE VISION	HP understands that the role of the fiscal agent will be different at implementation than it is now. We have a vision of the future fiscal operations and have planned accordingly. The Department needs a vendor that has significantly invested in its own technology and service offerings and that will collaborate with it to support business and technology needs to enable future growth.
IMPROVED OPERATIONS	Delivering services is a core competency for HP. Our service in the Medicaid marketplace has evolved to providing a broad range of sophisticated operations services to meet the demands of state Medicaid agencies nationwide. HP fully understands fiscal agent operations and services, and the health policy context of public sector programs.
MEASURABLE RESULTS	Confidence comes from teaming with the market leader. Our project management approach, refined from delivering 74 healthcare systems in 40 states, has given us the best record in the industry. That gives the Department peace of mind, knowing you will have an on-time, on-budget implementation. HP, through the experience of 13 successful interChange implementations, can help the Department mitigate the typical implementation pitfalls that many of your peers in other states are facing today.
LOW RISK	The Department's strategic goal of implementing appropriate IT and systems to support the next decade will require an ally that has proven solutions for today and a vision for tomorrow that can mitigate risks. Colorado needs HP, which has a record of proven success implementing the proposed solution, backed by implementation proven practices to provide a low-risk approach.

RESPONSE 12

RESPONSE 12: The Offeror shall describe their understanding of the Prime Contractor relationship with any Subcontractors, as provided in Section 2.4.1 of the RFP Body, and detail how they will fulfill the role as Prime Contractor for all Work to be performed under the Contract. Within their description, the Offeror shall:

a. **Provide specific examples of Contracts in which the Offeror acted as the Prime Contractor responsible for Subcontractors and a description of how the Offeror managed their Subcontractors under the contract. Include any lessons learned that will be applied as serving as the Prime under this Contract.**

b. **Provide specific examples of Contracts in which the Offeror acted as a Subcontractor. Including any lessons learned that will be applied to managing Subcontractors under this Contract.**

The following response addresses Unique IDs 1137 and 1138.

HP has worked with subcontractors for decades to provide complete and efficient services to our customers. We understand the importance of managing our subcontractors to produce the best results we can for our customers. We have reviewed RFP Text Section 2.4.1 and provide our response to these requirements in the following table.

Table for RFP Text 2.4; 2.41 Prime Contractor Relationship Expectations

RFP Text	HP Response
2.4.1.1. The Core MMIS and Supporting Services Contractor shall be the Prime Contractor and shall be solely responsible for integration of all Work to be performed under the COMMIT project, regardless of whether Subcontractors are used by the Contractor. The Prime Contractor shall work solely with the Department to perform all contract administration activities for this Contract, including tasks for which a Subcontractor may be responsible.	HP understands that we will be solely responsible for the integration of the work for this contract and the sole contact for the Department. Our subcontractors for this project will be under HP management and will not work directly with the Department but with our management staff for the COMMIT project to verify their work is performed efficiently and within the designated time frames.
2.4.1.2. If the Fiscal Agent Operations role or any other role is subcontracted, the Core MMIS and Supporting Services Contractor shall be the Prime Contractor and shall be solely responsible for integration of all Work to be performed under this Contract.	The Fiscal Agent Operations role will be an HP employee.
2.4.1.3. The relationship with the Department and other Subcontractors shall be based on	HP understands that contractual relationships following contract award for this RFP will be

RFP Text	HP Response
trust, confidentiality, objectivity, transparency, and integrity at all times. Nothing contained within this document or any Contract documents created as a result of any Contract awards derived from this RFP shall create any contractual relationships between any Subcontractor and the Department. All subcontracting relationships require the consent and approval of the Department prior to start of Work under the Contract.	between HP and the Department and that the Department will have no contractual relationship with the listed subcontractors for HP.

In the following subsection, we detail how we will fulfill our role as the prime contractor for the work to be performed within this contract and how our subcontractors will work with us to complete the work under this contract. We also discuss some of our experiences working with other contracts as the prime contractor to demonstrate our ability to manage our subcontractors efficiently.

Prime Contractor Responsible for COMMIT Project

HP will be doing the work on this contract except for the following items that are our subcontractors will provide. We will follow the prime contractor relationship expectations and our subcontractor management plan to fulfill the role as prime contractor for the work performed under the COMITT project.

- **McKesson**—Providing Care Management and Case Management tools: two percent of work
- **Sellers Dorsey**—Providing business process reengineering and strategic planning services: two percent of work

Prime Contractor Responsible for Subcontractors Examples

In the following we provide just a few examples of our relationships with subcontractors for other similar MMIS contracts. We also provide highlights of our typical subcontract management plan. This discussion demonstrates that HP is comfortable with and efficient at managing our subcontractor relationships.

Florida Medicaid

In Florida, Magellan Medicaid Administration serves as an HP subcontractor performing pharmacy benefit management services. It is a valued member of the team contributing a significant portion of service delivery and system functions. We work with Magellan; it co-locates with HP and is an active part of ongoing contract management. Magellan account leadership participates in the key meetings and performance reporting. These include weekly multiple meetings with the customer and HP leadership and staff. Magellan has report card

components that relate directly to its performance, based on negotiated requirements included in its subcontract. Our agreement includes flow-down requirements if its performance results in Agency actions.

Indiana Medicaid

HP acting as the Fiscal Agent for the State of Indiana contracts with several Indiana-certified Minority and Women Owned Business and companies that are industry leaders in their field to provide a best-in-class team that successfully integrates market-leading products and services to deliver a superior solution for Indiana. Together, the HP team brings unsurpassed capabilities, experience, and dedication to the Indiana contract. Our subcontractors are a critical part of the team, and we are committed to their success delivering their respective elements of the solution.

Our approach to effectively managing subcontractor relationships and achieving the mutual goal of high-quality performance for Indiana focuses on three key principles:

- **Single point of contact**—Providing FSSA with a single point of HP contact for service delivery needs. HP serves as the single point of accountability regarding work performed by HP and our subcontractors.

- **The right subcontractors**—Selecting Indiana companies with the delivery strengths and proven work ethic that will deliver the best benefits to FSSA. HP selected subcontractors with business and technical strengths that complement our own. We have worked effectively with some of our subcontractors on many projects, where our combined services and tightly integrated relationships have proven our mutual commitment to the customer's success. It is critical for subcontractors to fully understand the customer, the customer's constituents, including the legislature, provider groups, consumer advocates, and the complexity of the State's programs.

- **Integration with fiscal agent staff**—Fully integrating subcontractor personnel into HP business processes to form a cohesive team focused on the common goal of delivering the best value to FSSA. HP applies the same quality measures to each subcontractor's work as we do our own. We make sure our subcontractors understand and adhere to the same high-quality standards HP demands of our own staff. Our subcontractors are held accountable for producing timely deliverables, meeting expectations, achieving work plan milestones, and satisfying the customer with the work performed.

Oregon Medicaid

During the DDI, HP had a subcontractor engaged for Oregon. Saber Systems—now owned by HP, but at the time an independent company—was contracted to develop and implement the Document Management/OCR function of the new MMIS. HP was responsible for integration of Saber's delivery with HP's overall delivery for the MMIS replacement project. The Saber and HP team successfully implemented a replacement electronic document management system (EDMS) for Oregon in two phases. The first phase replaced the legacy EDMS and interfaced with the legacy Oregon MMIS (and was implemented approximately one year after project start);

the second phase implemented the interface with the new MMIS and introduced additional features.

Pennsylvania Medicaid

HP searches for companies that bring value-added benefits to customer-specific projects such as the Pennsylvania MMIS. Our approach to management and oversight for subcontractor relationships is to provide Department of Public Welfare (DPW) with a single point of contact for its delivery needs. We integrate HP and subcontractor personnel into one team, and work with DPW to work on one plan that smoothly supports the Pennsylvania MMIS and related business.

Wisconsin Medicaid

HP Wisconsin has formal signed statements of work (SOW) with each subcontractor with an attachment that specifically covers each aspect of the HIPAA Security and Privacy provisions at the same responsibility level as HP as the prime contractor. These agreements are reviewed annually for changes and are updated as necessary to match the performed work and regulations.

Subcontractor Management Process

The following table outlines the subcontractor management process to be established with each subcontractor used on the project.

HP Subcontractor Management Process

Activity	Process Component
Establish subcontractor agreement	- Determine scope of subcontractor work - Create subcontractor scope documentation - Determine subcontractor selection criteria - Review the subcontractor selection criteria - Determine potential subcontractors - Evaluate subcontractors and make a selection - Negotiate formal agreement and obtain approvals
Develop subcontractor project plan	Provide information to develop subcontractor project plan
Define subcontractor management activities	- Define tasks necessary to manage the subcontractor activities, monitor critical processes, and transition acquired work products to the project - Integrate these tasks into the project's schedule based on the formal subcontractor agreement - Verify dependencies between the project plan and the subcontractor's project plan are managed

Activity	Process Component
Manage subcontractor performance	• Monitor subcontractor activities • Evaluate subcontractor progress and communicate project status • Resolve documented issues • Assess subcontractor performance and provide feedback • Monitor validity of agreement
Manage subcontractor change requests	• Review and approve changes • Document changes required • Revise and negotiate subcontractor agreement and get approval • Review and update the subcontractor project plan and subcontractor statement of work
Transition acquired work products	• Review subcontractor work products • Transition subcontractor work products to project
Close subcontractor agreement	• Resolve outstanding issues • Verify the satisfaction of the documented deliverables • Terminate the documented agreement • Assess overall subcontractor performance, provide feedback, and store results

Contracts in Which the Offeror Acted as a Subcontractor

California C-IV Eligibility Consortium—HP is the major subcontractor to Accenture, the primary systems integrator for the California C-IV consortium, for about a third of the integrated eligibility transactions in the state. We operate and maintain the infrastructure both in the field and in our own data center for Accenture for this consortium.

RESPONSE 13

RESPONSE 13: The Offeror shall describe their understanding their role as System Integrator with the BIDM Contractor and PBMS Contractor provided in Section 2.4.2 of the RFP Body, and detail how they will fulfill the role as System Integrator for all Work to be performed under the Contract, regardless of whether Subcontractors are used. Within their description, the Offeror shall:

a. Provide specific examples of contracts in which the Offeror acted as the contractor responsible for system and operational integration. Include any lessons learned that will be applied as serving as the System Integrator under this Contract.

b. Provide specific examples of Contracts in which the Offeror worked with another contractor who served as a System Integrator for the Offeror's system or operations. Include any lessons learned that will be applied as servicing as the System Integrator under this Contract.

The Role of Systems Integrator

Creating a cohesive healthcare ecosystem across multiple systems managed by distinct vendors is always challenging, but HP's unparalleled experience through the successful integrations has developed a mature and reliable process to systems integration that the following underscores:

- **Florida MMIS**—HP is the systems integrator that spanned the HP interChange MMIS and the Magellan PBM solutions to create an offering for each claim type for the program.

- **Nevada MMIS**—HP is the systems integrator for the contract that spans the takeover of the MMIS, including the integration of the Truven data warehouse (DW) and decision support system (DSS) offering as well as Catamaran the Pharmacy Benefits Management System (PBM).

- **Georgia MMIS**—HP is the systems integrator and works to coordinate interoperability with the separate DW/DSS and separate PBM contracting vendors.

- **California C-IV Eligibility Consortium**—HP is the major subcontractor to Accenture, the primary systems integrator for the California C-IV consortium, for about a third of the integrated eligibility transactions in the state. We operate and maintain the infrastructure both in the field and in our own data center for Accenture for this consortium.

- **Five-State Translator**—HP is the systems integrator to coordinate the translation of electronic data interchange (EDI) transactions for Alabama, Connecticut, Rhode Island, Vermont, and Wisconsin.

FCW, a company providing federal government third-party analysis, in a September 2012 article, listed HP as the number four federal systems integrator. HP's holistic approach to systems integration minimizes complexity by using MITA 3.0–compliant technology, providing project management transparency and quality assurance.

Minimizing Integration Complexity through interChange Connections

Highlighted in the following figure, interChange Connections is the Enterprise Service Bus (ESB) we use to integrate the healthcare ecosystem. interChange Connections provides the following features to mitigate the complexity of systems integrations and meets the MITA conditions of Modularity, Interoperability, Business Results, and Reporting:

- **Interoperability**—Integration points—inbound and outbound—are abstract from the processing engine, which allows for delivery to be handled by configuration rather than code.

- **Modularity**—Message format changes are managed through translation, which allows message formats to easily be configured without the need to write complex code.

- **Business Results**—Reoccurring records are iterated and mathematical functions are performed with no code.

- **Reporting**—Business Activity Monitoring (BAM) allows for interChange Connections to track and report customer-defined data points in real time.

interChange Connections Diagram

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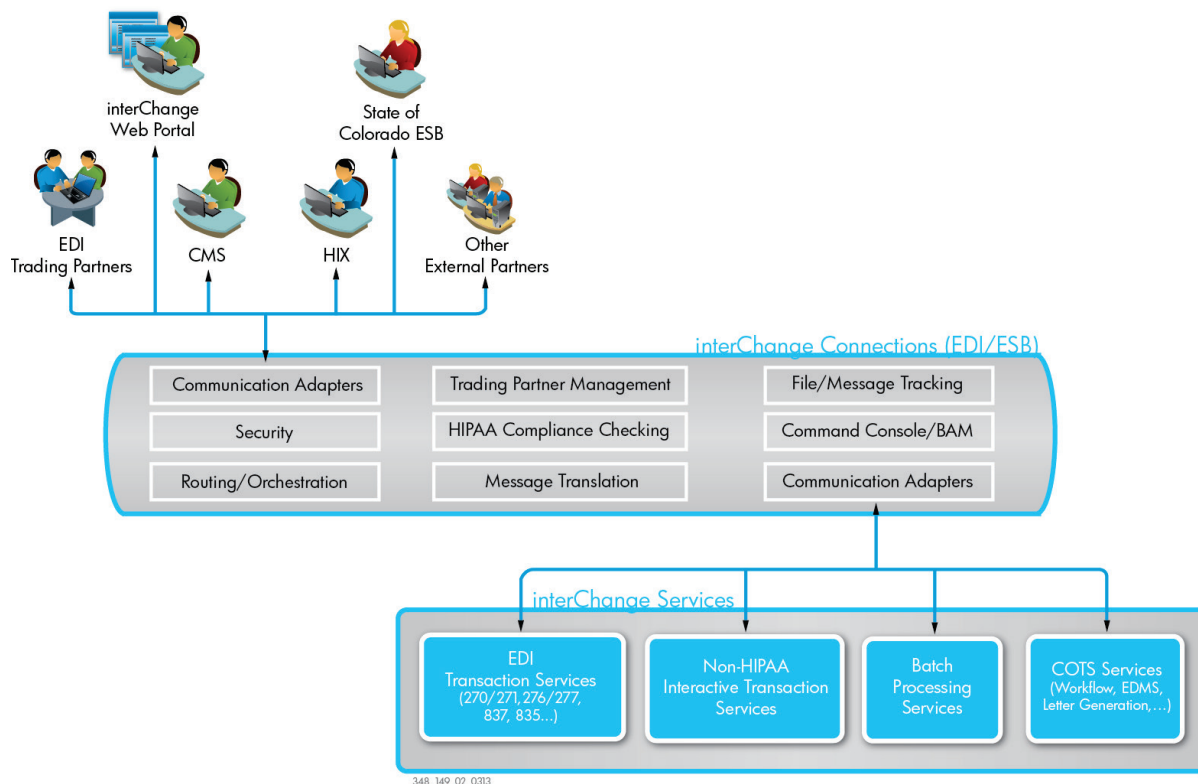
Integration Project Management

HP uses a Systems Design Life Cycle (SDLC) methodology to lead and support enterprise projects. This SDLC is repeatable, refined from decades of hands-on experience and industry-proven practices from organizations including the following:

- Institute of Electrical and Electronics Engineers (IEEE) 12207-2008 – System and Software Engineering—Software Life Cycle Processes

- IEEE 1058-1998, Standard for Software Project Management Plans

- Project Management Institute's (PMI's) *Project Management*

**Lesson Learned—
Configuration Over Code**

Through a framework of configuration, a change in vendors can be minimized by decoupling the data transmission protocols and data exchange formats from the processing engine. This allows HP to send and receive data through any protocol and in any required format, which includes the capability to use a rules policy or database to translate data element values.

Body of Knowledge (PMBOK)

- Alignment to Capability Maturity Model Integration (CMMI[SM]) Level 3 and International Organization for Standardization and International Electro-technical Commission (ISO/IEC) 12207:2008

The best methodologies are not a static set of pedantic tasks that need to be checked off during a project. The HP SDLC serves as an overarching guideline designed to integrate with our project management processes and create visibility to the customer's project team using the following:

- **Customer and vendor relationship management**—We use HP ALM, which tracks and makes visible work orders, status, and modifications to system objects.

- **Project schedule**—HP establishes a project schedule that establishes milestone expectations for each vendor. This enables Colorado staff members to easily monitor the integration between vendors.

- **Scope of work**—HP establishes a scope of work, which defines each vendor's responsibility. Requirements defined in the scope of work might include data exchange contract definitions, data exchange transmission protocols, business processing definitions, and data exchange test cases.

As illustrated in the following figure, the Project Management component of the SDLC ties our PMI PMBOK processes to the SDLC, from planning through turnover. The Infrastructure Engineering and Deployment component of the SDLC comprises the activities that will be used to perform infrastructure architecture development, solution design, maintenance, and deployment. The Software Development component comprises three major processes of the Development Phase—application design, production, and deployment. This is followed by an application release that incorporates testing, installation, training, and start-up support.

> **Lesson Learned—Create Clear Lines of Communication**
>
> The first step in HP's collaborative efforts is defining and documenting clear expectations for participants, which minimizes ambiguities and supports processes to resolve any questions that do arise. Maintaining flexibility to respond effectively to unanticipated changes also is necessary. HP will maintain continual communication with Colorado staff members and vendors through work group meetings and integrated status reporting to enhance awareness and foster collaboration.

The SDLC provides a proven and flexible set of processes, procedures, standards, tools, templates, and training to support the delivery of a premium, efficient solution as illustrated.

Project Management Diagram

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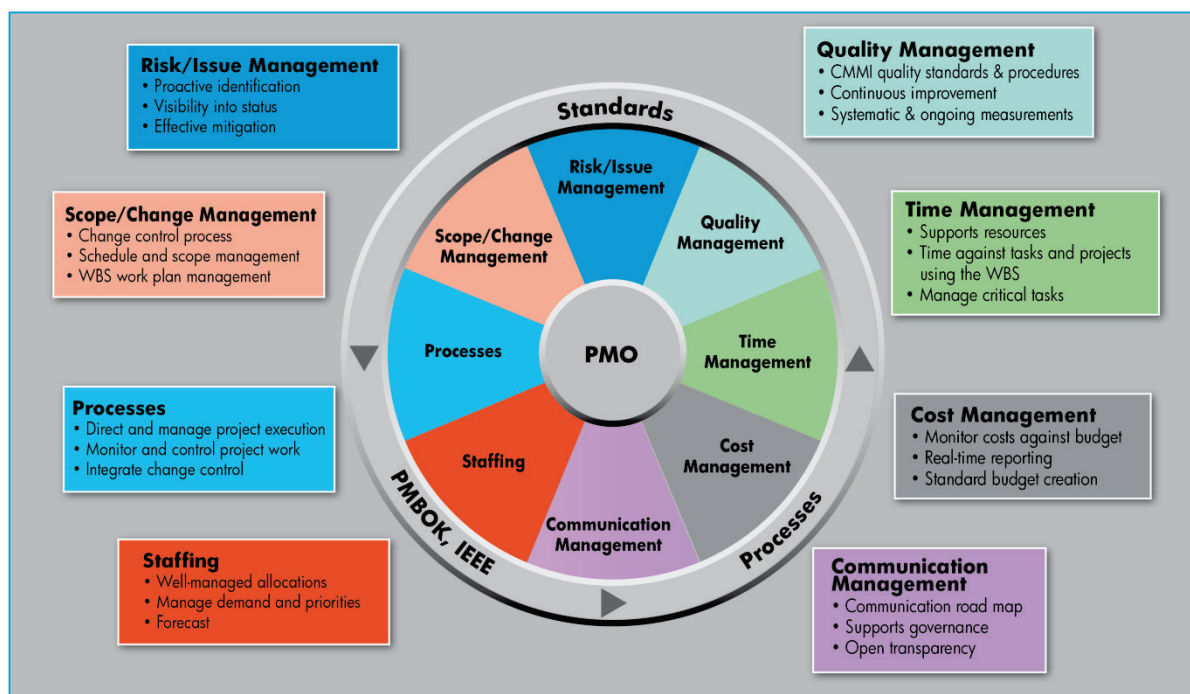
Quality Management

Reviews, audits, and testing provide the foundation for the quality management plan because they provide the guidance for determining if the solution adheres to the correct standards and requirements. Reviews and audits are broken into two categories—product assurance and process assurance. Testing is broken down into multiple phases as the following table details.

Quality Assurance Reviews

QA Review Type	QA Review Activity
Deliverable Review	Provides the framework for iterative and interactive creation, review with the Department, and delivery of contractual deliverables
Work Product Review (WPR)	An HP process that builds into the life cycle a continuous emphasis on quality toward the following: • Identifying and correcting problems early in the life cycle; problems caught and resolved earlier cost less to fix than those caught later • Improving the quality of deliverables, and thereby increasing customer satisfaction and satisfying of requirements • Reducing time and costs resulting from rework Measuring the efficiency of the WPR process eliminates problems before they reach the next stage of work. The WPR captures the results of the

QA Review Type	QA Review Activity
	reviews to identify future process improvements.
Code Review and Service-Oriented Architecture (SOA) Review	Provides guidance on verifying that code meets the requirements in the repository; provides a checkpoint that the solution uses the interChange Business Services Framework SOA as follows: • Providing standardization review of business services and technical services • Providing standardization review of workflow and business rules architecture
Test Plan Review	Provides guidance for assessing adequacy and completeness of verification and validation methods defined in the test plan; helps determine adequacy of test coordination and products—such as scripts, conditions, and scenarios—to begin testing activities
Post-Milestone Project Review (PMPR)	Held at defined milestones and after project to assess development activities on project and to provide recommendations for appropriate actions; where applicable, includes lessons learned while building the new system
Project Health Check	Provides project managers and leadership with means to determine effectiveness of project management practices on their projects; includes templates to audit project to measure process maturity and strength of practices being applied
Operational Readiness Review (ORR)	Provides guidance for assessing project's readiness to leave Test Phase and enter Implementation Phase; includes project leads providing status on teams' readiness to support solution going live; uses deployment checklist to verify completion of deployment activities
Configuration Management Baseline Audit	Verifies that PMO has created a baseline for work products as per plan; must be completed by time specified and for scope defined in plan
Phase Reviews	Includes quality reviews at end of each phase that enable PMO to manage each SDLC phase of project as a discrete and identifiable stage; gathers information needed to move project forward to next phase or decision point; serves as the following: • Quality control checkpoints, where quality of execution is the focus • Successful accomplishment of phase deliverables and milestones • Risks identified with mitigation plans for next phase

The reviews and monitoring provided by the quality management plan verify the following:

- The software life cycle processes comply with the contract and adhere to the plans.

- The internal software engineering practices, development environment, test environment, and libraries comply with the contract.

- Applicable prime contract requirements are passed down to each vendor, and the vendor's software products satisfy applicable prime contract requirements.

- The acquirer and other parties are provided the required support and cooperation in accordance with the contract, negotiations, and plans.

- Deliverables are in accordance with established standards and procedures.

Lesson Learned—Data Conversion

HP performs data conversions early in the life cycle of development. This practice has the important benefits of building quality test data early; the data represents the best value to the business and the data allows for requirements validation.

RESPONSE 14

RESPONSE 14: The Department intends to use industry best practices to the greatest practical extent. This includes best practices in the areas of software development, documentation, project management, technology and security standards, operations, health care, and insurance industries. Offeror shall describe how industry best practices are incorporated into their organization, corporate culture, software development practices, and technical support approach. Offeror shall also describe participation in any organizations devoted to promoting best practices, as well as describe how they will apply these best practices to this Contract.

The Department is poised to face a rapidly evolving healthcare delivery model and is ready to work with people who can adapt to it. HP's innovation and agility allow you to change quickly. The knowledge we gather and share from the market's largest customer base allows you to change wisely. Our delivery culture contains proven practices that connect our accounts to one another and help us develop, share, and transfer innovative ideas for automation and adaptability.

In these budget-conscious times, Medicaid programs are under increasing pressure to rigorously monitor policy, performance, and expenditures and respond rapidly to diverse demands from the provider, legislature, and state and federal regulatory bodies. Because of this, the Department needs an experienced fiscal agent that can provide an advanced, proven MMIS with

"All HP delivery locations have access to uniform best practices and standard operating environments connected through our global services network, so that we can deliver service excellence to our customers."

Mike Nefkens
Executive Vice President
HP Enterprise Services

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the capacity to expand and grow with the Medicaid program—a fiscal agent with the experience and knowledge to respond to changes in healthcare as they emerge. Though our proven practices built into interChange, the Department will have increased visibility of enterprise information, the ability to adapt applications quickly to changing business processes, and access to lower long-term cost of ownership.

Organization and Corporate Culture

One of HP's early innovations was the HP Way, a management style shaped by Bill Hewlett and Dave Packard. It was revolutionary at the time, and the principles still hold true today. As a model for the way we act, the way we treat others, and the way we conduct business, the approach has served us well throughout the years while HP grew to become the world's largest technology company.

The HP Way never stood still—it continuously evolved to reflect the core values and principles of our culture. However, our culture is dynamic and requires ongoing focus and attention to keep it relevant and aligned with the company's vision. To stay relevant, we must document, share, and implement proven practices companywide. Proven practice processes and technologies to reduce costs, mitigate risks, and improve decision-making are shared across our corporate industries. Healthcare can learn from transportation and education; server development and printer services can learn from healthcare. We are multifaceted, yet bound together by the HP Way; that way includes building and using best practice repositories to share, learn, and implement.

Our best practice repositories assist HP as follows:

- Automating processes with proven technologies and tools

- Refining industry-focused solutions to address specific business needs

- Providing a collaborative approach to meet unique needs and challenges

- Consolidating systems and implementing processes to increase flexibility

- Driving innovative solutions

- Providing operational excellence plus dedicated controls and compliance teams to maximize value to our customers

Through more than 40 years of providing solutions for the healthcare industry, we understand the business of state healthcare. This understanding enables us to apply thought leadership and practical innovation that address our customers' business issues and meet our customers' core objectives. HP's business model is focused on relentless innovation—and

QUALITY POLICY

At HP, quality matters and it's everyone's responsibility.

We are committed to continually improving the quality of our products and services.

And we deliver an exceptional customer experience by meeting requirements and embedding quality in everything we do.

Meg Whitman
President and Chief Executive Officer,
Hewlettt-Packard Company

delivering that innovation to our customers. Our healthcare-specific best practice repository houses 257 items, most related to Medicaid business operations and interChange implementation.

We provide industry depth and proven practices, giving us the ability to share our capabilities and expertise to continuously improve our customers' operations. HP's approach includes several programs that are focused on continuously developing our people, products, and services. Our customers in turn benefit. We detail a few of these programs in the following sections:

- HP Quality Program
- Lean Six Sigma Program
- HP Labs
- HP Fellows and Senior Fellows
- Top Gun Program

HP Quality Program

The goal of the HP Quality Program is to develop and deliver a comprehensive strategy that establishes quality as a competitive differentiator for HP. Working with quality leaders across the company, the quality office identifies opportunities for innovation and leadership and aligns business improvements into a single, coordinated effort. This enables HP to focus and accelerate initiatives to maximize individual business and broader cross-HP quality impact to drive effective continuous improvement.

Lean Six Sigma Program

The HP U.S. Public Sector Lean Six Sigma team's mission is to continuously design, improve, and manage world-class, defect-free processes that will exceed the expectations of HP customers. The objective of the program is to support our business operations to continuously improve customer satisfaction with processes that deliver proven services and products.

The team looks at the end-to-end picture across almost any function within the customer's business. The approach comprises an initial assessment of the current points of pain, with a view to identifying the priority areas for improvement. Improvements are then undertaken in an iterative phased sequence, with quick wins being addressed first. Our customers receive higher quality, reliability, and value from the team's engagement.

HP Labs

HP is investing aggressively in the future with an annual research and development budget of nearly $3.6 billion. By investing more money in R&D than any other IT manufacturer in the industry, HP achieves astounding results: on average, HP engineers receive five new patents every business day. HP invests R&D in the business groups to enhance core products, services, and customer experiences while HP Labs innovates "beyond" the roadmaps. HP Labs' proven products were used to upgrade the MMIS hardware in some states, resulting in a significant

positive effect on cycle processing time. For example, we took advantage of these findings to reduce cycle times in some cases 300 percent. This is the kind of innovation we bring to the Department.

HP Fellows and Senior Fellows

The title of HP Fellow is a designation given to HP employees who are leading industry and subject-matter experts (SMEs). These innovative thought leaders are top performers with the proven ability to convert their outstanding knowledge into business solutions for HP and our customers. They encourage creativity and innovation, identify sponsors for new ideas, enhance the company's external image, and promote companywide networking for innovation and thought leadership, including documenting and sharing proven practices.

Top Gun Program

The Top Gun Program is an intensive, three-month development program for top technical talent in HP, providing total immersion into the technology and culture of our Agility Alliance members—such as Microsoft, Oracle, SAP, Symantec, and EMC. Top Guns actively assist in designing and delivering customer-specific and shared solutions, working directly with account and customer teams on problem resolution and quality improvement efforts, and designing proofs-of-concepts. Top Guns also engage customers and portfolio development to provide real-world experience with solutions.

HP appreciates the opportunity to outline some of the innovative best practice opportunities that we have available to share with the Department as mutual allies in transforming Medicaid for Colorado clients.

Medicaid-Specific Initiatives

We communicate regularly between our MMIS accounts. When a new process or procedure is successful on one or more accounts, the account leadership staff will bring these ideas back to the Department for consideration. The account leaders across the country share proven practices and lessons learned to the benefit of other account teams facing similar issues. The following are some examples of the proven practices shared recently among the Medicaid teams:

- Stressing collaboration between states on federal mandates, our accounts worked together on the HP Medicaid Assistance Provider Incentive Repository (MAPIR) solution. This project involved collaboration between our accounts and 13 HP customers on a multistate, shared, vendor-agnostic solution to a federal mandate resulting in overall implementation savings to CMS and the states. The project incorporated an approach addressing the newly published CMS Seven Standards and Conditions (7SC), including Modularity Standard, Industry Standards Condition, Leverage Condition, and Interoperability Condition. This is a solution that each account discussed individually with its customers and then with CMS as a means to reduce the overall cost of compliance for the federal mandate. The National Governors Association presented HP with

the 6th Annual Public-Private Partnership Award at its annual meeting in Washington, D.C., on February 27, 2012, recognizing the collaboration with 13 states to develop the MAPIR application. We are looking into a similar vehicle for the Transformed Medicaid Statistical Information System (T-MSIS).

- Our pharmacy community holds a monthly pharmacy "best practice" peer group meeting. This group comprises HP clinical managers who support our customers throughout the nation. The group discusses newly approved drugs and drug utilization criteria and promptly shares information and insights with our Medicaid customers. We also discuss in detail newly identified fraudulent billing schemes.

  - When Oklahoma implemented the OPEX scanning process, we made other accounts aware of the significant productivity improvement resulting from claims no longer requiring presorting. The process eliminated approximately 85 percent of the prescreening work effort typically expended on our Medicaid accounts.

- Our claims managers meet through biweekly conference calls to discuss new productivity enhancements, automated edits, and audits that have been particularly successful in streamlining claims processing.

  These are just a few examples of our corporate culture that recognizes and shares proven practices as they occur. But our efforts are not just recognized within our own corporate structure. CMS also has paid attention and noticed our innovation and commitment to making Medicaid the best it can be.

During the Wisconsin interChange certification process, CMS recognized HP as a leader in the industry. In Wisconsin's certification approval letter, CMS called out the following specifically as Industry Best Practices (IBPs) over and above its existing defined IBPs:

- Wisconsin's Provider Management business processes are well coordinated with the other MMIS business areas. Particularly, communication and data sharing between the Program Integrity and Claims Processing systems has proven effective in combating fraud and abuse and reducing claims suspension and denials.

  – Best practice—Effective and consistent coordination between and across multiple business areas geared toward cost savings and continuous improvement is a best practice.

- Claims Adjudication checklist—The state has a robust and comprehensive provider outreach/education program to address provider billing errors and other practices that result in denied claims. State field representatives generate "report cards" to target outreach to providers with significant claim denials and other billing problems. The state is promoting provider use of the ForwardHealth portal for claims submission. Partly because of the portal's ability to instantly edit newly entered claims, claims accepted through the portal demonstrate fewer billing errors than claims submitted through other formats.

- Best practice—The state's response to the claim adjudication checklist was superior and can be considered a "best practice."

• Pharmacy Point-of-Service (POS) checklist—The state's exceptional response to the Pharmacy POS checklist can be considered a "best practice" that other states would do well to emulate.

• Program Integrity checklist

- Best practice—The system collects and retains maintenance of ownership and relationship information necessary to comply with 42 CFR 455.104 through 455.106. Many state systems cannot collect and maintain this information. In the reviewer's opinion, this equates to a best practice of the system.

- Best practice—Wisconsin's decision to include Provider Enrollment and Program Integrity under the Program Integrity administration helps verify the Program Integrity requirements are addressed by Provider Enrollment. Effective Program Integrity operations require significant support by the Provider Enrollment operation. This action by the state is a best practice that should be considered by other states.

- Best practice—Wisconsin recertifies 100 percent of its providers at least every three years. Some provider groups, which have had significant concerns in the past, may be recertified more often than every three years. This activity verifies that the provider applications are reviewed to verify licensing and other aspects of their validity. This is a best practice.

HP does not take these compliments lightly. We see this endorsement as a call to improve and innovate further.

Member of Organizations

HP has a long history of participation in groups dedicated to developing proven practices, creating innovative solutions, and improving service to our customers. With our Medicaid customers and individually, we participate in the CMS Technical Advisory Groups (TAG). Many of our systems engineers and developers attend the System Technical Advisory Group (S-TAG) regularly. Many of our operations staff members attend the varied TAG groups devoted to business areas they represent.

Having played an active role in the HL7 SOA Workgroup since its inception, HP has made a continuous commitment to this space for just less than a decade and throughout that time; HP employee Ken Rubin has chaired the effort. This is part of an industry commitment to open, standards-based SOA implementations in support of the health domain and has produced almost 25 SOA services ranging from identity management to record location to clinical decision support.

Additionally, the group has produced an informative document—the "Practical Guide for SOA in Healthcare"—that helps set the stage for the acceptance of this approach into the mainstream of health organizations. This effort, working with the Object Management Group's Healthcare Task Force that also is chaired by HP, has yielded commercial and open-source implementations of these services. Additionally, HP has twice sponsored the SOA in Healthcare conferences, geared toward encouraging what have been traditional healthcare industry technology players into providing SOA offerings.

HP is recognized as a leading contributor to industry standards and proven practices through our active participation in the industry consortia and standards bodies that shape standards and proven practices in several industries. We include a few of these industry consortia and standards bodies relevant to the COMMIT project in the following table.

HP Industry Consortia and Standards Bodies

Standards Bodies	Purpose
HL7 SOA Workgroup	ANSI-accredited standards-developing organization dedicated to providing a comprehensive framework and related standards for the exchange, integration, sharing, and retrieval of electronic health information that supports clinical practice and the management, delivery, and evaluation of health service
Institute of Electrical and Electronics Engineers (IEEE)	Recommend policies and implement programs specifically intended to serve and benefit the members, the profession, and the public in the United States in appropriate professional areas of economic, ethical, legislative, social, and technology policy concern
OpenStack	A global collaboration of developers and cloud computing technologists producing the ubiquitous open source cloud computing platform for public and private clouds, the project aims to deliver solutions for each type of cloud by being simple to implement, massively scalable, and feature-rich.
Object Management Group (OMG)	Develops enterprise integration standards that provide real-world value
Information Systems Audit and Control Association (ISACA)	Centralized source of information and guidance in the growing field of auditing controls
Information Technology Industry (ITI) Council	Navigates the constantly changing relationships between policymakers, companies, and non-governmental organizations

Standards Bodies	Purpose
Internet Engineering Task Force (IETF)	Makes the Internet work better by producing high-quality, relevant technical documents that influence the way people design, use, and manage the Internet
Organization for the Advancement of Structured Information Standards (OASIS)	Promotes industry consensus and produces worldwide standards for security, cloud computing, SOA, web services, the Smart Grid, electronic publishing, emergency management, and other areas
The Open Group (TOG)	Enables the achievement of business objectives through IT standards
TeleManagement Forum (TM Forum)	Focused on enabling service provider agility and innovation
World Wide Web Consortium (W3C)	An international community where member organizations, a full-time staff, and the public work together to develop web standards
American National Standards Institute (ANSI)	Strengthen the U.S. marketplace's position in the global economy while helping to support the safety and health of consumers and the protection of the environment

Software Development Proven Practices

Our tools are a comprehensive suite we developed and configured to the unique complexities of an MMIS project. Industry-leading tools—such as HP Project and Portfolio Management (PPM), HP Application Lifecycle Management (ALM), Corticon Rules engine, and IBM OnDemand—will benefit the Colorado stakeholders. We deploy and execute project management tools, processes, and procedures in the Discovery and Requirements Validation/Requirements Elicitation Phase and continue to use these tools in operations, turnover, and transition. This includes project and system documentation. We provide a fully documented system for the life of the contract regardless of the people on the team or the longevity of the contract.

Two factors are vital in the incorporation of proven practices. HP develops proven practices by repeatedly performing a task and perfecting processes with each performance. Repetition leads to results. With 13 successful implementations of the interChange MMIS and 20 Medicaid services contracts, HP has accomplished the following:

- Developed proven practices for the unique needs of Medicaid
- Implemented proven practices for Medicaid programs across the nation
- Modified and fine-tuned proven practices as time passes

Colorado will benefit directly from these proven practices that are integrated into the Colorado interChange Medicaid Enterprise system solution. The technology and the business must go hand

in hand. To do so, the business results must influence the proven practices within the technology and the technology must facilitate use of business proven practices.

PROVEN PRACTICE We base our Healthcare Enterprise Enabling Delivery and Global Excellence (EDGE) Process Framework for SDLC on a comprehensive systems engineering methodology that we customized to support various work types such as new application development, infrastructure engineering, system maintenance, enhancements, and systems integration. The distinction between standard waterfall system development approaches and the HP approach is that we encompass the work streams across the phases of the software development life cycle and into operations for system enhancements and turnover. Additionally, we bring forward lessons learned from our many prior MMIS implementations. Specifically, we use an iterative approach to of the MMIS data conversion and refinement of the benefit plan administrative configuration activities. We have found these activities within the overall approach leads to a higher quality of testing and delivery of the solution.

Our approach is a comprehensive architecture to systems development including the following:

- Business process model design and development
- Data governance, data management, and data conversion
- Quality management
- Testing
- Training
- Organization change management
- Operational readiness strategy and planning
- Infrastructure architecture of multiple environments

This approach combines the work stream components and activities running in parallel for each software development phase with oversight by the HP Project Management Office (PMO). Another benefit and control feature of our Healthcare Enterprise EDGE SDLC is that the workflow is automated in the HP PPM tool, delivering more standards and consistency across the various steps from enhancement to enhancement. Microsoft Project schedules align to the SDLC workflow, and we upload them into HP PPM. They provide integrated dashboard views of the project status in each SDLC phase. The Department will have complete visibility to the status of modification and enhancement work. We depict the SDLC steps in the following figure.

The Healthcare Enterprise EDGE SDLC
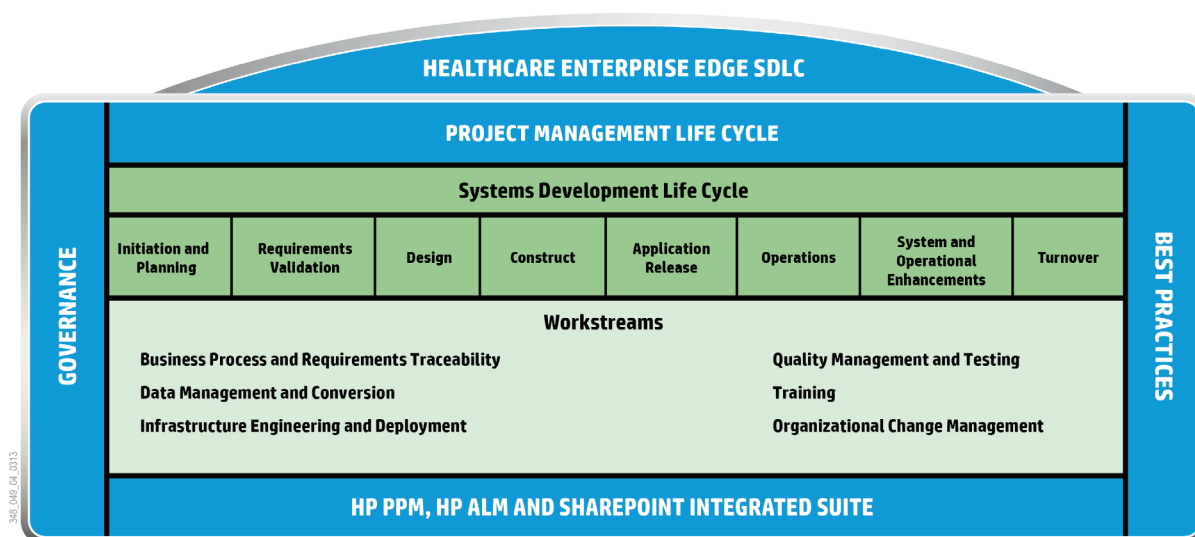
The SDLC methodology is flexible and adaptive, letting one business process function move from the Design Phase and begin construction while another business process function is still in design.

The iterative and incremental approach of the SDLC fosters collaboration with the Department. Validation of data requirements against business policy and rules, data modeling against business rules, and data testing against the business rules is continuous. Proven project management tools HP PPM and HP ALM support the EDGE SDLC framework.

Technical Support Proven Practices

Proven practices in our technical support area originate from the top down. Leadership confirms proper customer focus is established and that requirements are understood. Customer-focused communications and interactions occur to identify clear, explicit customer requirements and expectations. Leaders have overall responsibility for verifying that specified and unspecified requirements are determined, understood, and managed.

Top management commitment is established and communicated to the organization. Quarterly quality management reviews are conducted that review process audit results, corrective and preventive action status, external audit results, service management metrics, and process and other types of improvement projects are reviewed. Processes are in place for planning, implementing and operating, monitoring, and reviewing the Service Management System (SMS).

Processes are in place to control and maintain documents and records by the data center Quality Assurance team (QAT). Documentation management states that we must establish and maintain documents to support effective document planning, operation, and control. The QAT maintains a process library that is controlled by document numbers and version. The change management process is used to manage new and updated process documentation. Annual document reviews

and audits are conducted according to the QAT document review and auditing schedule. Processes and quality records are controlled, identifiable, and retrievable.

Proven practices in technical support include the following:

- **Service continuity and availability management**—The team maintains a business continuity plan to address service recovery processes and procedures to restore services to the widest extent possible in a minimum time frame. HP tests business continuity plans at least annually.

- **Capacity management**—Through rigorous monitoring and assessment, the team verifies IT capacity always exists and that it is matched to current and future identified needs of the business.

- **Information security management**—Each information asset is classified according to its criticality, the level of protection it requires, and assigned ownership. Controls are in place to verify information owned or controlled by HP is adequately protected from the time it is created or acquired, until such time it is destroyed or no longer requires protection. HP employees share the responsibility for protecting physical or electronic information from unauthorized access.

- **Security controls**—HP senior management defines information security policy, communicates it to staff members and customers, and acts to promote its effective implementation. Annual HP corporate security awareness training and code of business conduct training are mandatory for HP employees.

- **Incident and service request management**—The primary objective of incident management is to restore regular service operations as quickly as possible and communicate the resolution to the customer. Incident management is not concerned with "fixing" the underlying problem of the incident; it is simply to restore customers' service in the fastest way possible. This may be accomplished by the use of a final resolution, temporary fixes, or workarounds.

- **Problem management**—Proactive problem management identifies problems that are likely to occur. The mission of problem management is to minimize the adverse impacts of problems on the business that are caused by errors in the IT infrastructure and prevent incidents and their reoccurrence related to these errors.

The technical support proven practices are captured and documented on the proven practice repository. HP provides customers with proven and validated technical solution innovation, flexibility, and adaptability to support continual healthcare delivery model evolution.

Project Management Proven Practices

Our structured project management approach provides clear standards, automated processes, and measured controls to manage activities, tasks, deliverables, work plans, budgets, staffing, issues,

risks, and milestones for each project and the enterprise as a whole. This integrated approach reduces project risk and deploys proven practices to verify adherence to RFP requirements and reinforce agreed-on project standards and disciplines. Moreover, this approach yields the following benefits:

- A common understanding of project responsibilities across the organization
- Consistent use of repeatable processes and documentation
- Verification that critical tasks are monitored and controlled
- Predictable project performance
- Timely, comprehensive project management communication and reporting
- Ability to plan, execute, and monitor enterprise project schedules proactively
- Ability to apply lessons learned across future efforts

HP helps shape the direction of healthcare transformation through the contribution of our industry experts' participation with industry standards boards, such as the CMS TAG, HL7 SOA work group, and others. These organizations affect transactional data standards, operating rules, and security specifications. HP's application of proven standards, tools, and work products will enhance collaboration and control. HP uses industry-leading standards that yield efficient, repeatable processes and deliver quality outputs, such as the PMI's PMBOK®.

To enhance quality management, HP aligns these standards with CMMI for our project, program, and portfolio management approach and ISO/IEEE 12207-2008 System and Software Engineering—Software Lifecycle Processes.

By customizing the correct tools for the Department's needs, HP speeds delivery, verifies quality, and provides information for fact-based decision-making to manage daily activities and give insight to projections for future efforts. For this effort, to continue our proven practices, HP brings our enterprise products—HP PPM and HP ALM—that Gartner and Forrester repeatedly have rated in the top tier of enterprise commercial off-the-shelf (COTS) products as highlighted in the following figure.

Gartner and Forrester Report
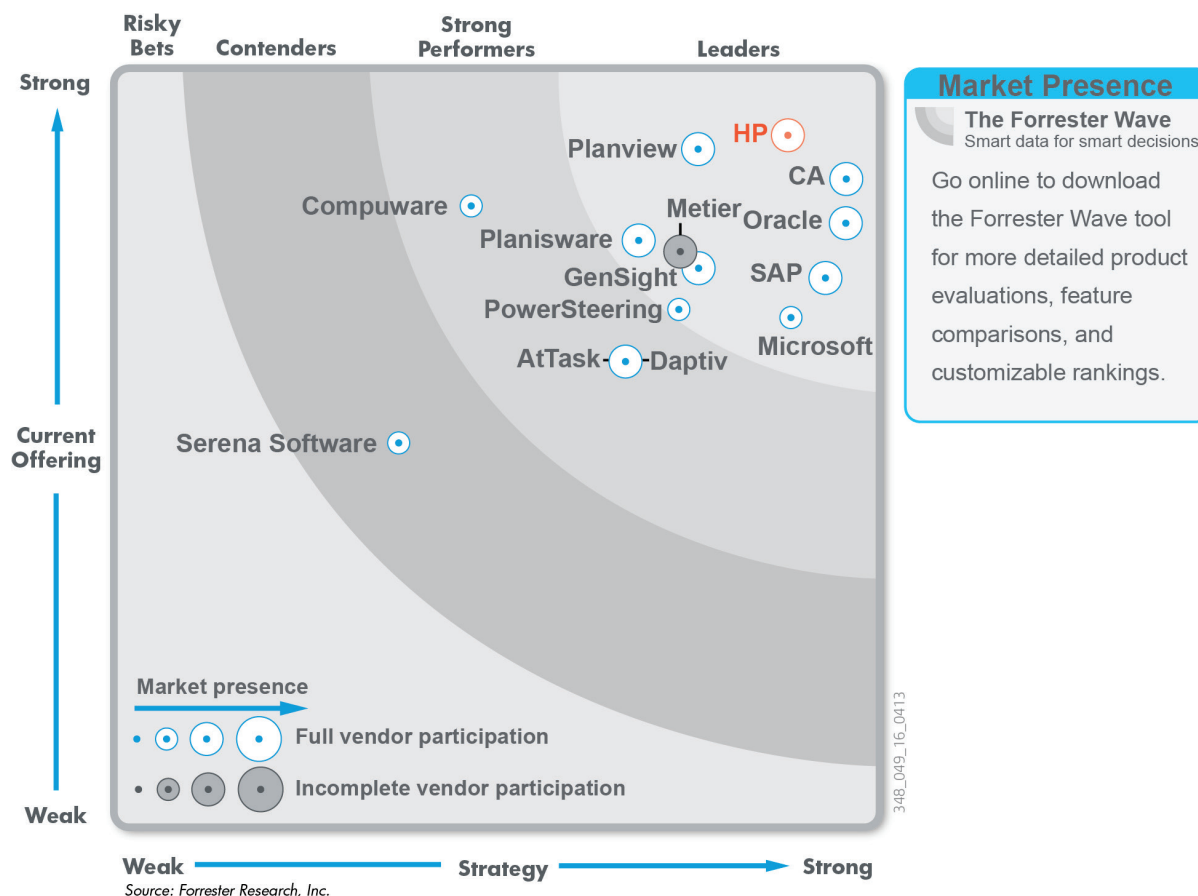
The ability to provide timely, accurate status updates is essential to a collaborative development team. We use automated dashboards in HP PPM and ALM for fast and easy access to the consistent, accurate project information that is required to monitor, manage, and report the project's progress. HP PPM and ALM will enable the Department and HP leaders to virtually "walk through" each aspect of the project with a mouse click. Using these project management tools, the Department and HP will link to critical project information—including complete project work plans and schedules; project planning, guidance, and requirements documents; design and development specifications; test plans, cases, and results; deliverable specifications and sign-off documents; change support; and ongoing project status and progress reports.

The project tools and techniques we bring to the COMMIT project align our solution with the Department's stated goals, especially those of promoting federal standards compliance and gaining CMS certification. Our repeated use of these tools and practices has helped each of our fiscal agent states achieve these same goals. The following is an overview of these tools.

HP PPM

HP PPM provides visibility across program and projects, enabling enterprise management of programs and projects from concept to completion. HP PPM provides real-time access to scope, issues, risks, quality issues, deliverables, schedules, resource management, critical path, and

performance dashboards as seen in the next figure. HP PPM is a web-based system that has the following system attributes:

- Preconfigured work process flows

- Easy-to-use tools and dashboards for IT users at different levels with well-documented HP PPM processes

- Metrics that can measure the overall performance and effectiveness of HP PPM activities

- Ability to view Microsoft Project schedules and see metrics in real time on schedule performance

- Ability to view earned value, critical risks and issues, deliverables, and milestones

- Real-time resource time tracking through HP PPM interface with HP's corporate SAP time system

- Role-based dashboards supporting the Healthcare Enterprise EDGE SDLC

HP PPM
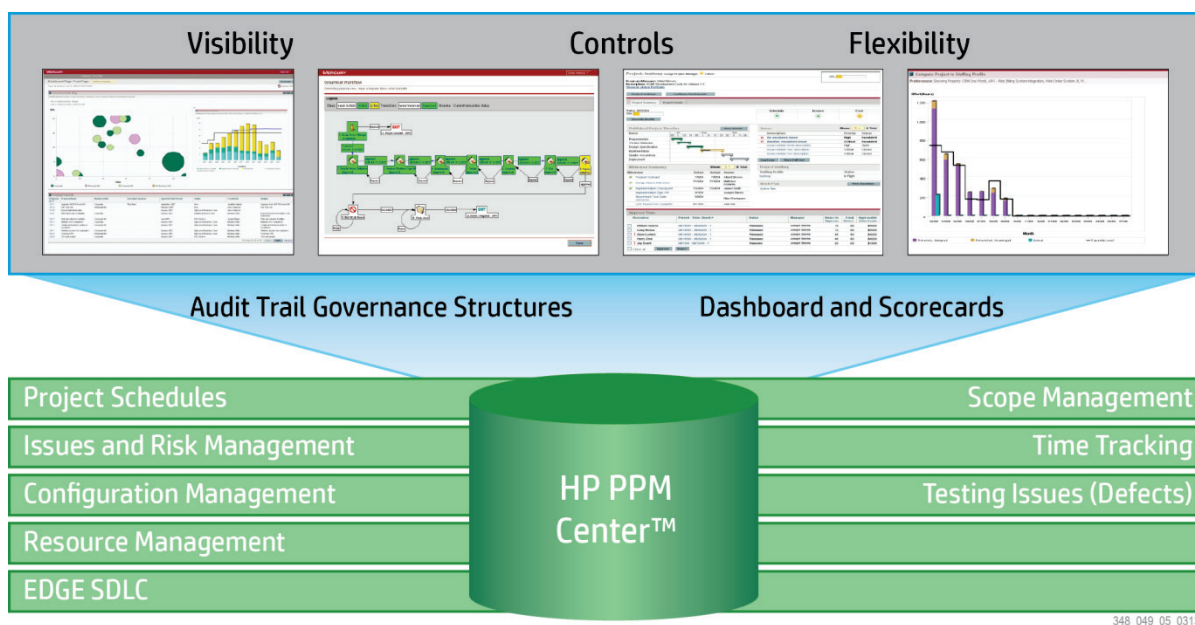
One key aspect of our centralized project management tool is that it provides the Department and HP teams with the information and processes needed to monitor and manage the many complex activities of this type of project. We specifically designed and customized our proposed COTS project management tool, HP PPM, for complex MMIS projects. HP PPM provides the following capabilities using a single-stop, easy-to-reference tool:

- Managing MMIS development and configuration and its array of changes
- Tracking, monitoring, and managing ongoing system development changes
- Tracking companywide project artifacts

- Providing a comprehensive view of project management

HP ALM

Using HP ALM, our Requirements Validation teams deliver value to HP interChange MMIS projects. This tool works as a repository of system requirements documentation that is easy to navigate, interpret, and maintain throughout the project. The HP team also will use HP ALM to document and integrate requirements with the test cases for testing. The Colorado interChange solution objects will be individually linked to the RFP requirements in HP ALM to show how the requirements are associated with the business processes.

HP ALM, an industry-leading tool, is the central repository for the testing activity of projects. We will support the traceability of requirements to test cases directly from this tool. It manages and governs quality processes and facilitates software testing across the entire application environment.

We will use HP ALM to achieve the following:

- Enter, validate, and track the MMIS requirements

- Create a requirements traceability matrix to verify the requirements flow through the system and are tested appropriately

- Offer quality planning, test management, issue tracking, and analysis of defect trends and requirements coverage

- Enable participants to be engaged at the appropriate time with the appropriate information

- Track, document, and manage test case development and execution including defect management

- Reuse requirements or test cases across projects and testing phases

HP Integrated SharePoint Site

A SharePoint site integrated with HP PPM and HP ALM serves as the document repository. The tool enables HP to create and access secure content while automating records management. It provides versioning and streamlines content management. We use these sites for "living" documents—documents that typically require updating and versioning. This collection and integration of collaborative tools provides a complete set of documentation capabilities throughout the project life cycle.

Because we integrate and administer each of the tools previously described for project management, the Department is not at risk of trying to manage and integrate several incongruent tools. Advanced reporting tools such as dashboards and scorecard reporting support timely response for quality-controlled contract deliverables. With defined and documented processes, metrics, quantitative data, and qualitative standards, the Department can gain insight into our progress, continuously improving the quality of project management.

Applying Proven Practices to the COMMIT Project

The Department should recognize by now that our proven practices are not just bullet points in an RFP response. From our corporate culture to our project planning and technical support, we offer superior practices that go beyond industry standards and set the bar for other vendors. We have corroborated success in the real world, positively impacting lives and enhancing Medicaid programs. HP has the best-value MMIS in use today.

These value-added features are rolled into the Colorado interChange and included in the base solution presented. This takes the Department to the next level of productivity, efficiency, and effectiveness, resulting in customer satisfaction and work force retention. The proven practices and value-adds drive process maturity, increase the MMIS flexibility and extensibility, and provide unprecedented ability to report key performance indicators (KPIs) and security auditing.

HP's solution goes beyond the base requirements of an MMIS. Our proven class program management service and our team members will provide Colorado the best long-term solution for supports and services.

Colorado's approach to a new healthcare delivery model focuses on strategic areas such as healthcare outcomes, program integrity, and cost containment. HP will enable the Department to move beyond simple claims processing and shift its investment to these high-value services. We do this by providing the most experienced and innovative thinking, MITA-aligned processes and tools, unparalleled project management, and a certified enterprise business solution.

RESPONSE 15

RESPONSE 15: The Offeror shall provide an example of their most recent experience in performing Business Process Re-Engineering (BPR) activities. If the Offeror does not have applicable experience, please describe the steps that they will take to meet or exceed the BPR Contract Stage requirements through a Subcontractor. (Note: responses to the Offeror's approach to BPR Contract Stage shall be described under RESPONSE 25).

The Department will benefit greatly from the alliance HP is building with Sellers Dorsey for the Business Process Reengineering scope of work for the Core MMIS and Supporting Services. We have chosen to subcontract this piece of the work to provide the Department with a top quality, specialized, focused ally in the BPR Contract Stage. We believe that an external review around our proposed solution provides a better outcome for our customers. Having an unbiased third party perform this piece of the contract gives the Department the best outcome.

Sellers Dorsey provides an industry-leading team of consultants from the arenas of policy, government, and business. It has consulted with more than 30 states on Medicaid issues ranging from financing, policy, and operational improvement projects. Sellers Dorsey has a presence in Colorado, with staff located in Fort Collins. Using Coloradans to serve Colorado's program is a win/win situation for the Department. Its most recent and most relevant experience in the Medicaid industry is consulting on Puerto Rico's Electronic Health Record incentive payment

program and assisting the Territory to launch its first MMIS. Sellers Dorsey also has recent experience in Medicaid consulting in payment methodology and associated changes in business processes in Pennsylvania, South Dakota, and Missouri. The Sellers Dorsey integrated consulting practice approach supports state Medicaid programs in an array of consulting services from policy development to business process reengineering and implementation.

Most Recent Experience

Since 2011 Sellers Dorsey has been providing Puerto Rico with Business Process Reengineering (BPR) services, as the key element in two contracts to assist Puerto Rico as it established the Island's Medicaid Electronic Health Record (EHR) incentive payment program and planned for the implementation of its first MMIS. Puerto Rico became eligible to obtain enhanced federal funding for MMIS in 2009 as a provision of the Children's Health Insurance Program Reauthorization Act (CHIPRA). Puerto Rico and other territories are also eligible for the Medicaid Provider EHR Incentive Program, Section 4201 of the American Recovery and Reinvestment Act (ARRA). Puerto Rico, like other United States Territories, has no MMIS, and limited Medicaid business processes.

> We are an industry-leading team of talented, passionate and forward-thinking individuals who work together to encourage creativity, compassion and collaboration. Everyone at Sellers Dorsey has unique experiences and knowledge that they bring to the table. We are the go-to partner in addressing the ever-changing landscape.
> -Sellers Dorsey

Puerto Rico Medicaid (known as "Mi Salud") is administered by Puerto Rico Department of Health ("PRDOH") and the Puerto Rico Health Insurance Administration; ("Administracion de Seguros de Salud", or "ASES"). These bodies jointly manage the Medicaid program through a sister agency relationship, defined by an inter-agency agreement. Mi Salud is administered by two regional health plan contractors—one under a TPA model, and one under an older MCO model. While Mi Salud serves both the Medicaid and Reform (state-funded) population, the brand "Mi Salud" is synonymous with Medicaid from the provider perspective. Sellers Dorsey initially began work with Puerto Rico by leading several departments within the Medicaid system to develop the Island's State Medicaid Health Information Technology Planning (SMHP) and Implementation Advanced Planning Document (IAPD).

Sellers Dorsey assisted in the development of new business processes and new control procedures, such as provider registration and post payment audit, required as a part of the SHMP and for implementation of the program. Sellers Dorsey used MITA 2.01 as the framework to approach the business process assessment and the development of the "TO-BE" model for the Medicaid Provider EHR incentive program. By adopting a staggered, MITA-based approach, Puerto Rico was able to prioritize and rapidly implement the new program while beginning to define the new business requirements for the Puerto Rico MMIS as required by MITA. Sellers Dorsey used business process straw man techniques to define and document new business processes, based on MITA business processes to support the Medicaid Provider EHR incentive

program. Each of these new processes was reviewed in group sessions with both PRDOH and ASES senior staff.

The straw man technique was especially valuable because PRDOH had no similar business processes for many of the MITA business processes. Sellers Dorsey envisions limited use of this technique for this scope of work because the Department has established current processes for most of the business areas and, with this knowledge, will be better able to evaluate potential alternative future business processes. The BPR team will use straw man review techniques, tailored to Colorado for those processes that are already built into interChange that meet the priority criteria for BPR, such as Provider Enrollment. As with the new business processes in Puerto Rico, each will be examined in the proposed future state review sessions with the Department.

The MITA-driven approach helped Puerto Rico make compliant decisions in designing the new business processes for the SMHP. For example, Puerto Rico made the decision to use the encounter method for assessing the portion of Medicaid volume. This was based on encounter data reporting requirements for the managed care model that have been used for twenty years for contracting services for the Medicaid Program.

Following the Centers for Medicare & Medicaid Services approval of the IAPD, Sellers Dorsey developed a Request for Proposal and Evaluation Manual. After the contract was awarded and executed, Sellers Dorsey participated as part of the Quality Assurance team, assisting Puerto Rico in risk management, quality assurance reviews, and in independent verification and validation. In October, 2012, Puerto Rico became the first U.S. territory to make Medicaid Provider EHR payments.

In early 2012, Sellers Dorsey initiated the Puerto Rico MITA State Self-Assessment, beginning with the establishment of MMIS project governance, through the Puerto Rico MMIS Steering Committee. In working sessions with the Steering Committee, Sellers Dorsey established project goals and objectives and obtained commitment and buy-in from the PRDOH and ASES. The "AS-IS" assessment identifies more than 30 MITA business processes that were not performed by either PRDOH or ASES. With the release of MITA 3.0 in March 2012, Sellers Dorsey followed the release guidance in the development of the "TO-BE" business process model for Puerto Rico. This is one of the first MITA 3.0 State Self-Assessments completed. Sellers Dorsey worked with both PRDOH and ASES to understand and define the process model, set performance requirements and target MITA maturities for each business area. The business process model included the process context, data sharing requirements, business process diagrams, constraints, and performance requirements.

Sellers Dorsey also provided guidance on Medicaid program evolution and new administrative models to improve program oversight and administration. The final State Self-Assessment is under review by the new administration that took office in January 2013. Sellers Dorsey also is providing evaluation and guidance on state partnership options for Puerto Rico in the

development and approval for the MMIS IAPD and the finalization of the requirements and contractor procurement instruments.

Besides Sellers Dorsey's work in Puerto Rico, the proposed team has considerable prior BPR experience in a variety of roles, including consultants, contracted vendors, professional services software provider, and state administrators. It has addressed process issues with MMIS programs, Eligibility and Enrollment programs, Health Benefit Exchanges, and Supplemental Nutrition Assistance Programs. As a firm, Sellers Dorsey has provided BPR services for a variety of projects including:

- **Pennsylvania**—Sellers Dorsey developed a program to obtain Federal Medicaid matching funds for eligible residents of State Veterans Nursing Homes by assisting the State in enrolling the state-operated veterans' homes and eligible veterans into the Medicaid program. The implementation of this program required:

    – Developing a process to assisting nursing homes to obtain Medicaid certification

    – Cost report development

    – Establishing procedures to submit Medicaid claims and necessary clinical data

    – Developing processes to identify veterans who were most likely to become Medicaid eligible and establishing a special needs allowance specific to veterans who reside in nursing homes

    – Sellers Dorsey to collaboratively lead the work group including staff from the Department of Military and Veterans Affairs and the Pennsylvania Department of Public Welfare

- **South Dakota**—Sellers Dorsey has been assisting the State with the development of a health home delivery system for its Medicaid beneficiaries with chronic medical conditions. Our team is providing policy and analytic support for the refinement of the model and developing the business process to attribute health home eligible members to providers.

- **Pennsylvania**—Sellers Dorsey assisted the Commonwealth to develop and implement an assessment for the hospitals located within Philadelphia County. Besides the modeling of the assessment and drafting the required state, city, and federal documents detailing assessment business processes, Sellers Dorsey collaborated with the Commonwealth, the City of Philadelphia, and each hospital within the county to facilitate a smooth initial and ongoing implementation including invoice distributions and collections.

- **Missouri**—Sellers Dorsey is assisting the State of Missouri with a Nursing Home Modernization initiative that includes a public-private Upper Payment Limit (UPL) collaboration program and a strategy to assist nursing homes in diversifying service offerings and better balancing nursing home bed inventory with changing demand. Much like the Philadelphia Hospital Assessment, this initiative requires management of internal and

external stakeholders and extensive coordination with the State and participating nursing homes that will ultimately lead to the establishment of implementation processes.

This combined expertise, along with constant monitoring of federal policy updates and strong relationships with CMS, allows for the development of BPR strategies with an all-encompassing perspective.

Alignment with Seven Standards and Conditions

Sellers Dorsey and its principle consultants have in-depth knowledge and experience with the new CMS regulations for enhanced federal funding for Medicaid systems. In Puerto Rico, Sellers Dorsey adapted the TO BE business model to MITA 3.0 and aligned the business, information, and technology requirements to the Seven Standards and Conditions, most notably in Standard 4, Share, Leverage, and Reuse Technology and in Standard 5, Focus on Business Results. It is through the understanding of the evolution of the Medicaid business areas that Sellers Dorsey will contribute its expertise and knowledge in both business process redesign and in advanced payment methodology so that the Department can determine its readiness to advance its business model to maximize evolved interChange functions and level 3 business processes and performance levels.