



Medicaid Enterprise System (MES) ServiceNow Platform and Applications – Presentation to ITAC

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Presenters

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MES ServiceNow Introduction

Problem Statement

- The strategic goal of AHCCCS is to implement the ServiceNow (SNOW) platform to allow for the automation of manual processes that exist across the agency currently utilizing email, spreadsheets, and other desktop tools to track and manage agency business. There are an estimated 300 workflows covering communications, approvals, and administration in scope for the initial implementation to support the following areas:
 - 10 Medicaid Business Areas with 90 Business Process Areas
 - HR, Grants, Contracts, Project Management Office, Change Management, Asset Management, Financial Management, Governance, Helpdesk, Compliance
- The agency currently has person-centric processes, limited self-service capabilities, a lack of enterprise governance, and an inability to view a full financial picture.

MES ServiceNow Introduction

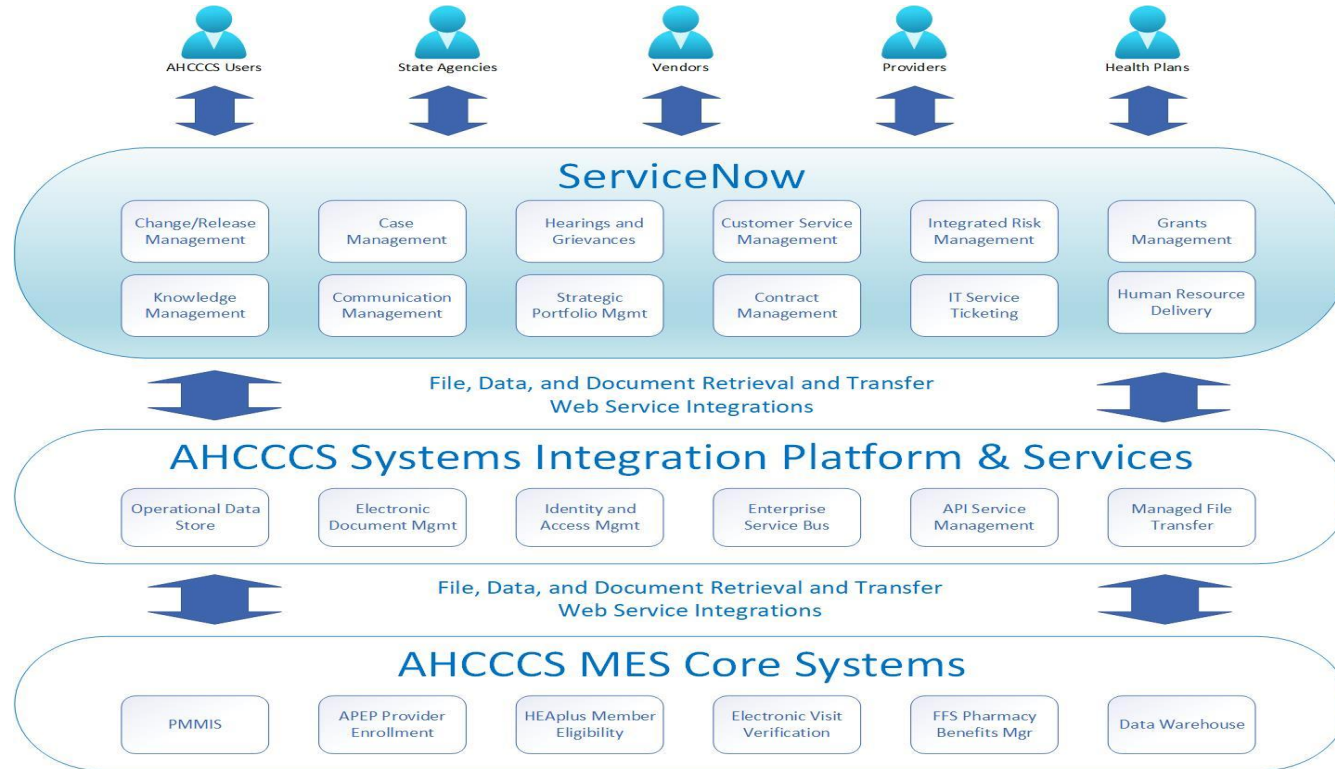
Benefits of New System

- AHCCCS will establish a ServiceNow platform implementing common workflows across the ServiceNow platform and services helping ensure that access to care is prioritized by making data available and systems interoperable with one another in a standardized manner for the AHCCCS enterprises.
- An implementation of the core platform will drive efficiency and accessibility for the business users who support AHCCCS providers, health plans, and members. These systems will also stabilize the supportability of the MES that could affect access to care.
- Consolidation to an Enterprise Business Workflow Management Software platform will help ensure that AHCCCS employees are delivering timely and optimal services to support providers and members.
- Implementation of the ServiceNow platform will meet not only today's needs but allow the flexibility to adapt to the rapid pace of change associated with technology advancement, government mandates, and the needs of members and providers.
- Implementing through cloud hosting and Software as a Service will help drive sustainable infrastructure for AHCCCS.

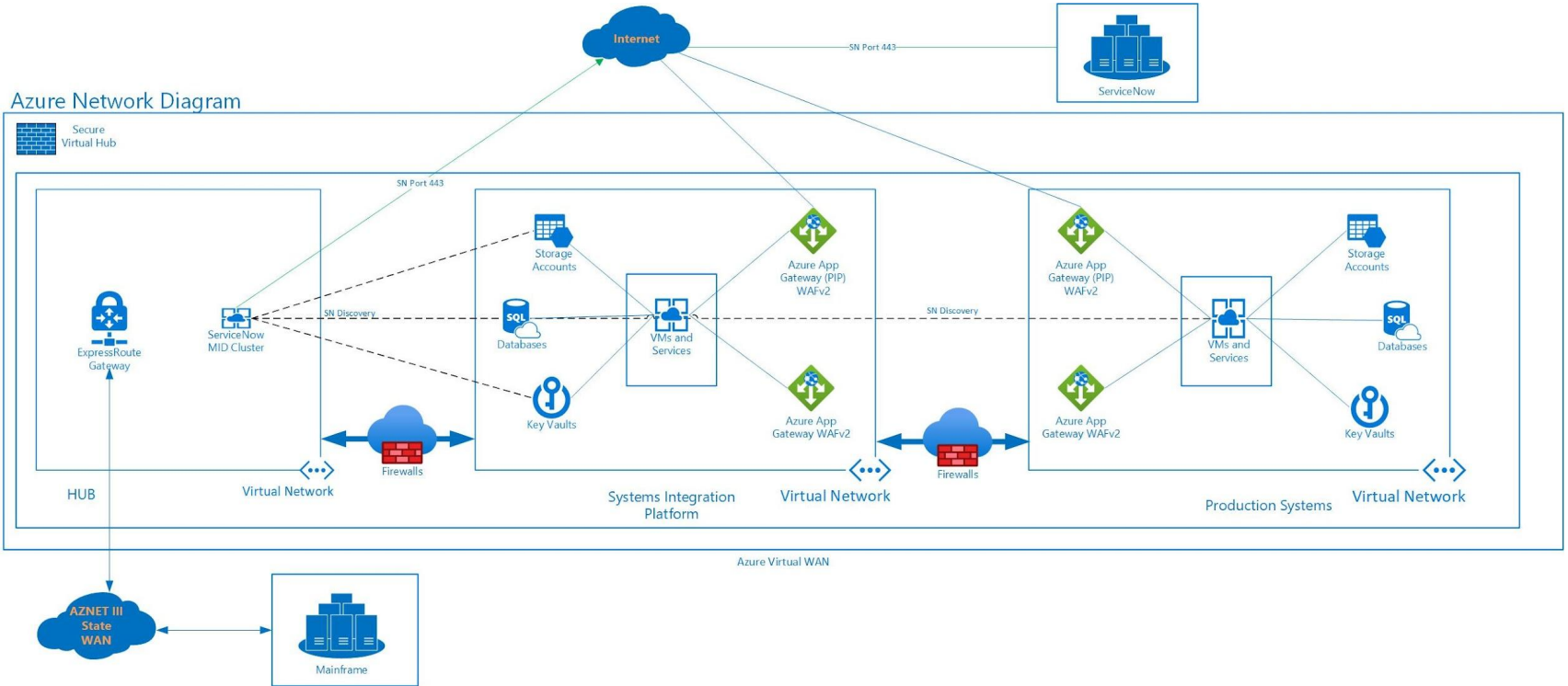
Proposed Solution - Procurement

- Performed and Completed a Current State Assessment
- Developed Medicaid Enterprise System (MES) Modernization Strategy
- Developed Requirements for ServiceNow Implementation Services
- Received software quote from Carahsoft via NASPO, based on consultation with ServiceNow and the requirements
- Published a Request for Quote (RFQ) for ServiceNow Implementation Services and received bids via NASPO
- Received proposals from six offerors
- Conducted Independent individual evaluations and group consensus evaluations
- Scored bids on Mandatory Security Certifications, Pricing, Requirements Matrix, Solution Approach & Contractor Experience
- Selected recommended Vendor and issued contingent Contract award
- CMS approved IAPD for the ServiceNow Implementor for a 90% Federal Match (FFP) on May 9

Proposed Solution – SNOW Platform Diagram



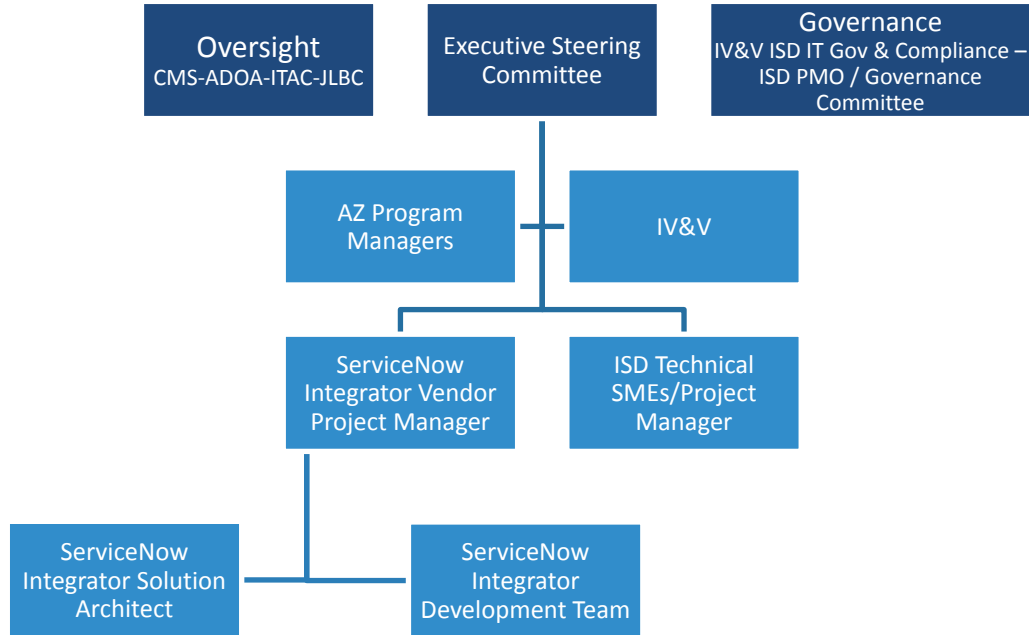
Proposed Solution – SNOW SaaS Network Diagram



Project Responsibilities

AHCCCS	Shared	Vendor
<ul style="list-style-type: none">• Project Contract Oversight• Supply the technology environment and network connectivity• Subject Matter Expert support• Review & Accept Deliverables• User Acceptance Testing (UAT)	<ul style="list-style-type: none">• Participate in project meetings• Project Management• Test Planning & Execution• Training Planning & Delivery• Organizational Change Management (OCM)	<ul style="list-style-type: none">• Deliver Project Management & System Design Documents• Configure and Implement the software solution• Complete application testing• Prepare & Deliver training• Provide on-going application Maintenance & Operations (M&O)

PROGRAM STRUCTURE



Project Costs

OVERALL PROJECT

Costs by Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Prof & Outside	\$ 7,072,000	\$ 2,069,800	\$ 776,600	\$ 698,900	\$ 629,000	\$ 11,246,300
Hardware	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Software	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
License & Maint Fees	\$ 3,736,900	\$ 4,104,000	\$ 4,688,500	\$ 4,829,100	\$ 6,277,800	\$ 23,636,300
Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other (IVV)	\$ 1,000,000	\$ 850,000	\$ -	\$ -	\$ -	\$ 1,850,000
Development Total	\$ 11,808,900	\$ 7,023,800	\$ -	\$ -	\$ -	\$ 18,832,700
M&O Total	\$ -	\$ -	\$ 5,465,000	\$ 5,528,000	\$ 6,906,900	\$ 17,899,900
Total	\$ 11,808,900	\$ 7,023,800	\$ 5,465,000	\$ 5,528,000	\$ 6,906,900	\$ 36,732,600

Project Costs

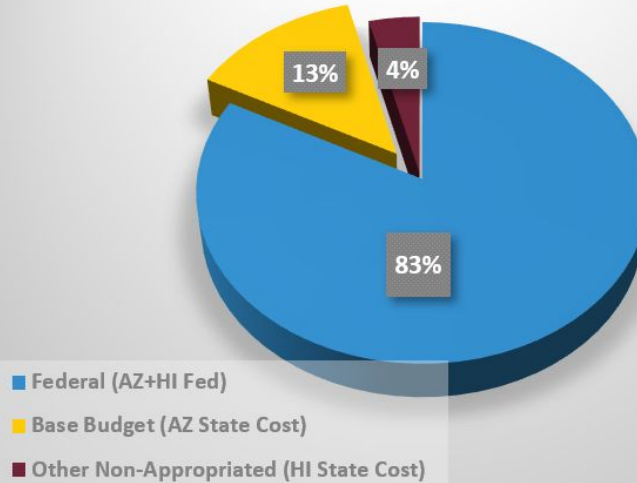
Development Costs	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Federal Share Development Total	\$ 10,628,000	\$ 6,321,400	\$ -	\$ -	\$ -	\$ 16,949,400
Arizona Share Development Total	\$ 804,500	\$ 351,200	\$ -	\$ -	\$ -	\$ 1,155,700
Hawaii Share Development Total	\$ 376,400	\$ 351,200	\$ -	\$ -	\$ -	\$ 727,600
Total	\$ 11,808,900	\$ 7,023,800	\$ -	\$ -	\$ -	\$ 18,832,700

M&O Costs	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Federal Share M&O Total	\$ -	\$ -	\$ 4,098,800	\$ 4,146,000	\$ 5,180,100	\$ 13,424,900
Arizona Share M&O Total	\$ -	\$ -	\$ 1,147,700	\$ 1,160,900	\$ 1,450,400	\$ 3,759,000
Hawaii Share M&O Total	\$ -	\$ -	\$ 218,600	\$ 221,100	\$ 276,300	\$ 716,000
Total	\$ -	\$ -	\$ 5,465,100	\$ 5,528,000	\$ 6,906,800	\$ 17,899,900

Financial Impact

Funding Source	Total
Federal (AZ+HI Fed)	30,374,300
Base Budget (AZ State Cost)	4,914,700
Other Non-Appropriated (HI State Cost)	1,443,600
Total	\$ 36,732,600

Project Cost % by Funding Source



Proposed Solution - Success

- CMDB has been populated with all configuration items (CI) to support the incident management process for all critical systems.
 - AHCCCS currently manages configuration items manually. After ServiceNow implementation, 100% of the CIs for critical systems will be in the CMDB.
- Templates and workflows have been built to accelerate the operationalization of Incident Management, Problem Management, Deliverables Management and Change Management.
 - AHCCCS will be moving workflows from existing ticketing system and standardizing disparate processes. Currently about 10% of the workflows exist. After implementation, 100% of standard processes will be automated within workflows.
- The 6 shared email processes for Human Resources will be transitioned to ServiceNow.
- The ServiceNow Portal will be completed and available to all AHCCCS staff for Ticketing, Service Requests, and Time and Resource Management.
 - Time and Resource Management is currently tracked in SSR, a mainframe system, and will be transitioned and modernized within ServiceNow. The existing ticketing and service request system will be able to be decommissioned.

Questions?

Thank You.