

CMS Divulges Medicaid Health IT Plans at the 2009 MMIS Conference

Posted At : August 24, 2009 8:26 AM | Posted By : Kristina Mulholland
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This year the Medicaid Management Information System (**MMIS**) Conference was held in the windy city and provided a forum for rich dialogue amongst industry stakeholders. The Conference buzzed with interest over funding allocated for Medicaid health information technology (IT) in the Health Information Technology Environmental and Clinical Health Act (HITECH) under the American Recovery and Reinvestment Act of 2009 (ARRA).

On day four, Denise Bazemore, a Project Officer at the Centers for Medicare and Medicaid Services (CMS), provided insights and details on the upcoming state Medicaid directors' letter addressing how to proceed with HITECH. During the presentation, states were advised to seek prior approval from CMS on planning activities, develop a state Medicaid health IT plan (SMHP) as a chapter in the larger statewide plan, start to think about a Medicaid health IT advanced planning document (APD) which will be required, flesh out roles and responsibilities and finally consider the 90% administrative Medicaid health IT federal match when engaging in administration, oversight or encouraging adoption. Going forward, CMS is going to try to differentiate and distinguish between the MMIS APD and the Medicaid Health IT APD as they are two separate pools of money. The agency anticipated requiring separate tracking tools for funding and spending of MMIS dollars and recovery dollars. CMS has already begun to develop funding codes for this initiative, including, 19B Health IT Administration; 19B1 Health IT Planning: Cost of in-house activities; and 19B2 Health IT Planning: Cost of private contractors.

The state Medicaid directors' letter is currently under review with the Office of Management and Budget (OMB) and there may be some editing before the letter is released. Once the letter is released it will be followed by a state call whereby states can ask question and discuss next steps.

Now that CMS has outlined their intended guidelines and requirements for HITECH funding states will jump to action which will enable contractors to better understand where they can play. Some states will utilize contract vehicles to solicit consultant to help develop strategic plans that must illustrate Medicaid's role in the broader statewide health IT plans and incorporate Medicaid Information Technology Architecture (MITA) principles. Contractors will also be called upon to provide assistance with developing APDs which will likely have a similar template to MMIS APDs. Accountability and transparency will be vital as the federal government is expecting Medicaid agencies to track recovery funding spending.