

Exhibit 300 (BY2008)

PART ONE	
OVERVIEW	
1. Date of Submission:	2007-02-05
2. Agency:	009
3. Bureau:	38
4. Investment Name:	CMS Beneficiary Enrollment and Plan Payment for Part C & D
5. UPI:	009-38-01-04-01-1090-00
6. What kind of investment will this be in FY2008?	
Mixed Life Cycle	
7. What was the first budget year this investment was submitted to OMB?	
FY2007	
8. Provide a brief summary and justification for this investment, including a brief description of how this closes in part or in whole an identified agency performance gap.	
<p>The FY08 submission of this investment focuses on a subset of a larger investment that relates to the Beneficiary Enrollment and Plan Payment function. To implement the provisions of both Title I and Title II of MMA- Beneficiary Enrollment and Plan Payment, CMS identified (3) business functions impacted by the legislation that are aligned to the business lines of the CMS Enterprise Architecture and are supported by a single system comprised of (3) system modules: Beneficiary Enrollment & Plan Payment Calculation (Beneficiary level); Premium Withholding (PWS); and Plan Payment Calculation (Plan level). BENEFICIARY LEVEL MODULE: The Medicare Managed Care System (MMCS) and the Risk Adjustment System (RAS) process transactions for 5.8 million enrollees from a little more than 300 plans- under Title I and Title II MMA, the number of enrollees anticipated to increase significantly. Since plan payment is calculated at the beneficiary level, the BENE ENROLLMENT and PLAN PAYMENT CALCULATION FUNCTIONS are closely linked. To implement Title I and Title II MMA, the existing MMCS, now Medicare Advantage Prescription Drug system (MARx), supported ongoing M+C business process-with appropriate business rule updates, functionality enhancements as well as capacity to support Part C & D: calculating beneficiary-level payments and risk-adjusted payments; verifying beneficiary eligibility benefits; and processing notifications of beneficiary enrollment. RAS must compute factors for all beneficiaries that are used by MARx to compute Part C & D payments. PWS MODULE: PWS supports a beneficiary election for premium withhold during enrollment. The PREMIUM WITHHOLDING CALCULATIONS FUNCTIONS: calculate and make proper adjustments for each beneficiary; process premiums ; generate daily enrollment files. PLAN LEVEL MODULE: PLAN PAYMENT CALCULATION FUNCTIONS- monthly plan payments created and paid from prospective payments. Due to the tight time constraints to implement provisions of the MMA statute, modifications were made to APPS, an existing legacy system, enabling it to effectively sum the prospective payments from the Beneficiary Enrollment & Plan Payment . Updates of APPS to Medicare Managed Care Aggregate Plan Payment System (MMCAPPS) occur FY 07-09 with the appropriate business rule updates that streamline functionality enhancements and capacity to calculate and track plan level payments; produce payment reports-audits and payment validations.</p>	
9. Did the Agency's Executive/Investment Committee approve this request?	
yes	
9.a. If "yes," what was the date of this approval?	
2006-06-23	
10. Did the Project Manager review this Exhibit?	
yes	
12. Has the agency developed and/or promoted cost effective, energy-efficient and environmentally sustainable techniques or practices for this project.	
no	
12.a. Will this investment include electronic assets (including computers)?	
yes	
12.b. Is this investment for new construction or major retrofit of a Federal building or facility? (answer applicable to non-IT assets only)	
no	
13. Does this investment support one of the PMA initiatives?	

yes	
<i>If yes, select the initiatives that apply:</i>	
Budget Performance Integration	
Competitive Sourcing	
Expanded E-Government	
Financial Performance	
13.a. Briefly describe how this asset directly supports the identified initiative(s)?	
Improved Financial & Budget Performance Integration -The Beneficiary Enrollment & Plan Payment support this government-wide initiative by strengthening the payment validation and authorization toolset used to confirm Plan payments. This brings CMS closer to its goal of accurate and timely information to manage financial program activities on a day-to-day basis; as well as integral to implementing emerging investment management processes that result in identifying measurable performance goals.	
14. Does this investment support a program assessed using OMB's Program Assessment Rating Tool (PART)?	
no	
14.a. If yes, does this investment address a weakness found during the PART review?	
no	
15. Is this investment for information technology (See section 53 for definition)?	
yes	
16. What is the level of the IT Project (per CIO Council's PM Guidance)?	
Level 3	
17. What project management qualifications does the Project Manager have? (per CIO Council's PM Guidance)	
(1) Project manager has been validated as qualified for this investment	
18. Is this investment identified as high risk on the Q4 - FY 2006 agency high risk report (per OMB's high risk memo)?	
yes	
19. Is this a financial management system?	
no	
19.a.2. If no, what does it address?	
Enrollment of beneficiaries into Medicare Part C and/or Part D plans and calculation of payments to those plans.	
20. What is the percentage breakout for the total FY2008 funding request for the following? (This should total 100%)	
Hardware	7
Software	43
Services	50
Other	0
21. If this project produces information dissemination products for the public, are these products published to the Internet in conformance with OMB Memorandum 05-04 and included in your agency inventory, schedules and priorities?	
no	
22. Contact information of individual responsible for privacy related questions.	
<i>Name</i>	
Maribel Franey	
<i>Phone Number</i>	
410-786-0757	
<i>Title</i>	
Director, Privacy Compliance	
<i>Email</i>	

Maribel.Franey@cms.hhs.gov

23. Are the records produced by this investment appropriately scheduled with the National Archives and Records Administration's approval?

yes

SUMMARY OF SPEND

1. Provide the total estimated life-cycle cost for this investment by completing the following table. All amounts represent budget authority in millions, and are rounded to three decimal places. Federal personnel costs should be included only in the row designated Government FTE Cost, and should be excluded from the amounts shown for Planning, Full Acquisition, and Operation/Maintenance. The total estimated annual cost of the investment is the sum of costs for Planning, Full Acquisition, and Operation/Maintenance. For Federal buildings and facilities, life-cycle costs should include long term energy, environmental, decommissioning, and/or restoration costs. The costs associated with the entire life-cycle of the investment should be included in this report.

All amounts represent Budget Authority

(Estimates for BY+1 and beyond are for planning purposes only and do not represent budget decisions)

	PY-1 & Earlier	PY	CY	BY
	-2005	2006	2007	2008
Planning Budgetary Resources	0.000	0.000	0.000	0.000
Acquisition Budgetary Resources	48.427	20.980	0.000	0.000
Maintenance Budgetary Resources	0.000	27.325	51.147	63.977
Government FTE Cost	0.400	0.410	0.420	0.430
# of FTEs	2	2	2	2

Note: For the cross-agency investments, this table should include all funding (both managing partner and partner agencies).

Government FTE Costs should not be included as part of the TOTAL represented.

2. Will this project require the agency to hire additional FTE's?

no

PERFORMANCE

In order to successfully address this area of the exhibit 300, performance goals must be provided for the agency and be linked to the annual performance plan. The investment must discuss the agency's mission and strategic goals, and performance measures must be provided. These goals need to map to the gap in the agency's strategic goals and objectives this investment is designed to fill. They are the internal and external performance benefits this investment is expected to deliver to the agency (e.g., improve efficiency by 60 percent, increase citizen participation by 300 percent a year to achieve an overall citizen participation rate of 75 percent by FY 2xxx, etc.). The goals must be clearly measurable investment outcomes, and if applicable, investment outputs. They do not include the completion date of the module, milestones, or investment, or general goals, such as, significant, better, improved that do not have a quantitative or qualitative measure.

Agencies must use Table 1 below for reporting performance goals and measures for all non-IT investments and for existing IT investments that were initiated prior to FY 2005. The table can be extended to include measures for years beyond FY 2006.

Table 1

	Fiscal Year	Strategic Goal(s) Supported	Performance Measure	Actual/baseline (from Previous Year)	Planned Performance Metric (Target)	Performance Metric Results (Actual)
1	2004	CS-3: Increase the usefulness of communications with beneficiaries	Provide easy access to information in a clear, culturally, and linguistically competent	MMCS will provide timely and accurate Medicare Managed Care enrollment data to customer service centers for use in answering beneficiaries	Increased satisfaction on the part of both the customer service center staff and the	50%

			manner and in a variety of formats that recognize the needs of the diverse populations we serve	questions, and assist in enrollment/disenrollment issues.	beneficiary population; more timely update of beneficiary info-measured through a beneficiary focus group	
2	2004	CS-4: Increase the usefulness of communications with constituents, partners, and stakeholders	Make quality-oriented payment and coverage policy decisions based on the best available evidence available.	MMCS will provide timely and accurate Medicare Managed Care enrollment data. This allows for more timely and accurate data for use by other CMS internal systems and potentially reducing payments for Medicare bills.	Clear and concise language in the letters of determination for beneficiary appeals process; more timely and accurate enrollment information for the M+COs accommodate better information to the M+COs, the states and the internal CMS stakeholders	50%
3	2004	QC-1: Improve Health Outcomes	Make quality-oriented payment and coverage policy decisions based on the best available evidence available.	Beneficiary correction, enrollment, and disenrollment transactions will be processed as they are received, allowing for improved timeliness of data; best available data will be used for policy decisions and improved payment accuracy.	Use the data submitted by the M+COs for risk adjustment calculation to impute improvement or degradation of the managed community; assess the HEDIS data on periodic basis.	50%
4	2004	PA-3: Maintain and improve CMS' position as a prudent program administrator and an accountable steward of public funds	Develop, test, and implement flexible and innovative approaches to purchasing health care services, including the prospective payment system and risk adjustment authorized by the Balanced Budget Act of 1997. Ensure that provider and plan payment schedules and rates accurately reflect the appropriate payment for services rendered	Improved, flexible prospective payment system will be developed to allow for improved accuracy and timeliness of payments; as well as improved monitoring of the risk adjuster rates.	Decrease in the need for reprocessing of data based upon system error; less erroneous overpayments to the M+CO's based upon strengthened payment validation and audit processes.	50%
5	2005	CS-3: Increase	Provide easy	MMCS will provide timely	Increased	52%

		the usefulness of communications with beneficiaries	access to information in a clear, culturally, and linguistically competent manner and in a variety of formats that recognize the needs of the diverse populations we serve	and accurate Medicare Managed Care enrollment data to customer service centers for use in answering beneficiaries questions, and assist in enrollment/disenrollment issues.	satisfaction on the part of both the customer service center staff and the beneficiary population; more timely update of beneficiary info-measured through a beneficiary focus group	
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All new IT investments initiated for FY 2005 and beyond must use Table 2 and are required to use the FEA Performance Reference Model (PRM). Please use Table 2 and the PRM to identify the performance information pertaining to this major IT investment. Map all Measurement Indicators to the corresponding "Measurement Area" and "Measurement Grouping" identified in the PRM. There should be at least one Measurement Indicator for at least four different Measurement Areas (for each fiscal year). The PRM is available at www.egov.gov.

Table 2

	Fiscal Year	Measurement Area	Measurement Grouping	Measurement Indicator	Baseline	Planned Improvement to the Baseline	Actual Results
1	2006	Mission and Business Results	Health Care Administration	Percentage of legislative requirements met	85%	90%	TBD
2	2007	Mission and Business Results	Health Care Administration	Percentage of legislative requirements met	90%	95%	TBD
4	2006	Processes and Activities	Efficiency	Accuracy of beneficiary-level withholdings; plan-level payments; beneficiary-level payments	80%	85%	TBD
5	2007	Processes and Activities	Efficiency	Accuracy of beneficiary-level withholdings and LICS; plan-level payments; beneficiary-level payments	85%	90%	TBD
7	2006	Mission and Business Results	Access to Care	Number of enrollment of eligible beneficiaries to the program	97%	90%	TBD
8	2007	Mission and Business Results	Access to Care	Number of enrollments of eligible beneficiaries to the program	97%	95.9	TBD
10	2006	Technology	Internal Data Sharing	Data sharing ability	90%	90%	TBD
11	2007	Technology	External Data	Data sharing	95%	95	TBD

			Sharing	ability			
13	2006	Customer Results	Delivery Time	Number of payments calculated verse number of complaints received.	85%	90%	TBD
14	2007	Customer Results	Response Time	Number of payments calculated vs. # of complaints received	90%	95.9%	TBD
28	2005	Mission and Business Results	Population Health Management and Consumer Safety	Percentage of legislative requirements met	Modifications in progress	90%	85%
29	2005	Processes and Activities	Efficiency	Automation of business functions	Modifications in progress	80%	80%
30	2005	Mission and Business Results	Population Health Management and Consumer Safety	Enrollment of eligible beneficiaries to the program	Gap between those beneficiaries who are enrolled and those beneficiaries who should be enrolled, but are not in progress	95%	95%
31	2005	Technology	External Data Sharing	Accessibility of major functionality via the internet	Modifications in progress	90%	90%

EA

In order to successfully address this area of the business case and capital asset plan you must ensure the investment is included in the agency's EA and Capital Planning and Investment Control (CPIC) process, and is mapped to and supports the FEA. You must also ensure the business case demonstrates the relationship between the investment and the business, performance, data, services, application, and technology layers of the agency's EA.

1. Is this investment included in your agency's target enterprise architecture?

yes

1.a. If no, please explain why?

Not Applicable.

2. Is this investment included in the agency's EA Transition Strategy?

yes

2.a. If yes, provide the investment name as identified in the Transition Strategy provided in the agency's most recent annual EA Assessment.

CMS MMA Title 1 and Title II Applications. In order to provide HHS more detail and insight into our investments, last year's major initiative was split out into a separate investment.

3. Identify the service components funded by this major IT investment (e.g., knowledge management, content management, customer relationship management, etc.). Provide this information in the format of the following table. For detailed guidance regarding components, please refer to <http://www.whitehouse.gov/omb/egov/>.

Component: Use existing SRM Components or identify as NEW. A NEW component is one not already identified as a service component in the FEA SRM.

Reused Name and UPI: A reused component is one being funded by another investment, but being used by this investment. Rather than answer yes or no, identify the reused service component funded by the other investment and identify the other investment using the Unique Project Identifier (UPI) code from the OMB Ex 300 or Ex 53 submission.

Internal or External Reuse?: Internal reuse is within an agency. For example, one agency within a department is reusing a service component provided by another agency within the same department. External reuse is one agency within a department reusing a service component provided by another agency in another department. A good example of this is an E-Gov initiative service being reused by multiple organizations across the federal government.

Funding Percentage: Please provide the percentage of the BY requested funding amount used for each service component listed in the table. If external, provide the funding level transferred to another agency to pay for the service.

	Agency Component Name	Agency Component Description	Service Type	Component	Reused Component Name	Reused UPI	Internal or External Reuse?	Funding %
1	Data Exchange	Exchanging data needed for coordination of benefits that is in CMS, employer, plan, and state databases.	Data Management	Data Exchange			No Reuse	4
2	Meta Data Management	For interoperability of the data models from providing/using systems.	Data Management	Meta Data Management			No Reuse	4
3	Data Integration	Combining data from MMA mainframe and mid-tier applications.	Development and Integration	Data Integration			No Reuse	4
4	Ad Hoc	Real-time access to beneficiary, enrollment, premium, and payment data and eligibility data for MMA and business partners.	Reporting	Ad Hoc			No Reuse	4
5	Standardized / Canned	Access to beneficiary, enrollment, premium, and payment data and eligibility data for MMA and business partners.	Reporting	Standardized / Canned			No Reuse	10
6	Audit Trail Capture and Analysis	Track when updates were done and by whom to ensure integrity of the data and resolve disputes.	Security Management	Audit Trail Capture and Analysis			No Reuse	4
7	Identification	Modification and	Security	Identification	Identification	009-38-	Internal	25

	and Authentication	enhancement of existing MMA benefit program applications to support the new processes/data required for Drug Benefit eligibility.	Management	and Authentication	and Authentication	01-09-02-1500-00		
8	Access Control	Ensure that only authorized users have access to systems and data.	Security Management	Access Control			No Reuse	10
9	Software Development	Modification and enhancement of existing MMA benefit program applications to support the new processes/data required for Drug Benefit eligibility.	Development and Integration	Software Development			No Reuse	25
10	Network Management	Combining data from MMA mainframe and mid-tier applications.	Organizational Management	Network Management			No Reuse	5
11	Call Center Management	Ensure that most up-to-date data is available to Customer Service Reps at the desktop	Customer Relationship Management	Call Center Management			No Reuse	5

4. To demonstrate how this major IT investment aligns with the FEA Technical Reference Model (TRM), please list the Service Areas, Categories, Standards, and Service Specifications supporting this IT investment.

FEA SRM Component: Service Components identified in the previous question should be entered in this column. Please enter multiple rows for FEA SRM Components supported by multiple TRM Service Specifications.

Service Specification: In the Service Specification field, Agencies should provide information on the specified technical standard or vendor product mapped to the FEA TRM Service Standard, including model or version numbers, as appropriate.

	SRM Component	Service Area	Service Category	Service Standard	Service Specification (i.e., vendor and product name)
1	Software Development	Component Framework	Business Logic	Platform Dependent	IBM Mainframe
2	Software Development	Component Framework	Business Logic	Platform Independent	IBM Mainframe
3	Data Exchange	Component Framework	Data Interchange	Data Exchange	Connect:Direct, MQ Series, FTP or HTTPS
4	Data Exchange	Component Framework	Data Management	Database Connectivity	Connect:Direct, MQ Series, FTP or HTTPS
5	Ad Hoc	Component Framework	Data Management	Reporting and Analysis	Microstrategy

6	Call Center Management	Service Access and Delivery	Delivery Channels	Internet	Internet Explorer
7	Call Center Management	Service Access and Delivery	Delivery Channels	Intranet	Internet Explorer
8	Software Development	Service Access and Delivery	Service Requirements	Legislative / Compliance	Section 508
9	Software Development	Service Access and Delivery	Access Channels	Web Browser	Internet Explorer
10	Standardized / Canned	Component Framework	Presentation / Interface	Static Display	Microstrategy, Websphere
11	Network Management	Service Interface and Integration	Integration	Enterprise Application Integration	N/A
12	Software Development	Service Platform and Infrastructure	Software Engineering	Test Management	Not automated (no tools used)
13	Meta Data Management	Service Interface and Integration	Interoperability	Data Format / Classification	MARx UI Application
14	Meta Data Management	Service Interface and Integration	Interoperability	Data Types / Validation	MARx UI Application
15	Software Development	Service Platform and Infrastructure	Software Engineering	Software Configuration Management	Endevor, MKS
16	Identification and Authentication	Service Access and Delivery	Service Requirements	Authentication / Single Sign-on	IACS, EUA
17	Access Control	Service Access and Delivery	Delivery Channels	Virtual Private Network (VPN)	MDCN
18	Audit Trail Capture and Analysis	Component Framework	Security	Certificates / Digital Signatures	IACS, EUA
19	Data Integration	Component Framework	Data Management	Reporting and Analysis	Microstrategy

5. Will the application leverage existing components and/or applications across the Government (i.e., FirstGov, Pay.Gov, etc)?

yes

5.a. If yes, please describe.

At this time, this investment has no plans to leverage existing components or applications across the government. In the future, it is anticipated that CMS infrastructure will integrate with E-Gov initiatives as they are identified.

6. Does this investment provide the public with access to a government automated information system?

yes

6.a. If yes, does customer access require specific software (e.g., a specific web browser version)?

no

PART TWO

RISK

You should perform a risk assessment during the early planning and initial concept phase of the investment's life-cycle, develop a risk-adjusted life-cycle cost estimate and a plan to eliminate, mitigate or manage risk, and be actively managing risk throughout the investment's life-cycle.

Answer the following questions to describe how you are managing investment risks.

1. Does the investment have a Risk Management Plan?

yes

1.a. If yes, what is the date of the plan?
2005-03-31
1.b. Has the Risk Management Plan been significantly changed since last year's submission to OMB?
no
1.c. If yes, describe any significant changes:
Not Applicable.
2.b. If no, what is the strategy for managing the risks?
Not Applicable.
3. Briefly describe how investment risks are reflected in the life cycle cost estimate and investment schedule: (O&M investments do NOT need to answer.)
<p>Program risk management is an ongoing part of project management on the Beneficiary Enrollment and Plan Payment program. We have a very robust risk management capability in place that requires biweekly meetings with active participation spanning all aspects of the Beneficiary Enrollment and Plan Payment program. The systems integrator and CMS actively work together to identify, manage and track risks that could adversely impact the program. Costs associated with the risk capability are captured in individual task orders and included in the cost estimated throughout the lifecycle of Beneficiary Enrollment and Plan Payment . Due to the complexity of the Beneficiary Enrollment and Plan Payment program there are several identified areas of high risk. Schedule and cost risks are continuously monitored and mitigated through our established processes. In some cases, scope and/or schedule must be adjusted to avert cost overruns. Risks associated with added functionality to Beneficiary Enrollment and Plan Payment are assessed and mitigation and/or contingency plans are developed as necessary. Risks relative to government mandates are managed within existing risk management processes.</p>
COST & SCHEDULE
Does the earned value management system meet the criteria in ANSI/EIA Standard 748?
no
2.a. What is the Planned Value (PV)?
45.268
2.b. What is the Earned Value (EV)?
45.088
2.c. What is the actual cost of work performed (AC)?
46.005
What costs are included in the reported Cost/Schedule Performance information?
Contractor Only
2.e. As of date:
2006-12-11
3. What is the calculated Schedule Performance Index (SPI= EV/PV)?
1
4. What is the schedule variance (SV = EV-PV)?
-0.180
5. What is the calculated Cost Performance Index (CPI = EV/AC)?
0.98
6. What is the cost variance (CV = EV-AC)?
-0.917
7. Is the CV or SV greater than 10%?
no
7.b. If yes, explain the variance.
Cost and schedule variances are less than 10%
7.c. If yes, what corrective actions are being taken?

No corrective actions necessary.

7.d. *What is most current Estimate at Completion?*

46.372

8. *Have any significant changes been made to the baseline during the past fiscal year?*

no