



Stage 4 Project Readiness and Approval

California Department of Technology, SIMM 19 D.2 (Rev. 3.0.8, 2/28/2022)

4.1 General Information

1. **Agency or State Entity Name:** 5225 - Corrections and Rehabilitation, Department of
If Agency/State entity not in the list, enter here with the [organization code](#).

[Click or tap here to enter text.](#)

2. **Proposal Name:** [Medi-Cal Reimbursement System](#)
3. **Department of Technology Project Number (0000-000):** [5225-184](#)
4. **S4PRA Version Number:** [Version 1](#)
5. **CDT Billing Case Number:** [CS0061508](#)

Don't have a Case Number? [Click here to get one.](#)

4.2 Submittal Information

1. Contact Information

Contact Name: [Meena Kumar](#)

Contact Email: Meena.kumar@cdcr.ca.gov

Contact Phone: [\(279\) 800-1932](#)

2. Submission Type: [New Submission](#)

If Withdraw, select Reason: [Choose an item.](#)

If Other, specify reason here: [Click or tap here to enter text.](#)

Sections Changed if an updated or resubmission (List all the sections that have changed.)

[Click or tap here to enter text.](#)

Summary of Changes (Summarize updates made.)

[Click or tap here to enter text.](#)

3. Attach [Project Approval Executive Transmittal](#) to your email submission.
4. Attach Final [Procurement Assessment Form](#) to your email submission.
5. **Conditions from Stage 3 Approval** (Enter any conditions from the Stage 3 Solution Analysis approval letter issued by CDT):
[Click or tap here to enter text.](#)

4.3 Contract Management

The Contract Manager must be a State Employee and should not be the Project Manager. Please complete the questions below in reference to the **primary solicitation**.

Is the Contract Management Plan complete, approved by the designated Agency/state entity authority, and available for the Department of Technology to review? **Choose:** 'Yes,' 'No,' or 'Not Applicable.' If 'No' or 'Not Applicable,' provide the artifact status in the space provided.

1. [Contract Management Plan \(Approved\)](#): Yes

Status: [Approved](#)

2. **Has the role of Contract Manager been assigned, and has the Contract Manager reviewed and gained an understanding of the scope, activities, tasks, and deliverables of the contract?** Yes

If "No," briefly explain below why both have not been accomplished:

[The system is being built in-house; therefore, there is no primary solicitation. We have an ancillary contract for Project Management Consulting Services.](#)

3. **Does the assigned Contract Manager understand the processes for post-award contract activities, including contract amendments, contract work authorizations, terms and conditions, and contract escalation/resolution?** Yes

If "No," briefly explain below why this has not been accomplished:

[The system is being built in-house; therefore, there is no primary solicitation. We have an ancillary contract for Project Management Consulting Services.](#)

4. **Has a post-award kickoff meeting between the Contract Manager and state project team members been scheduled to align state and contractor expectations related to contract, budget, invoicing, requirements review, and contractor incentives?** No

If "No," briefly explain below why this has not been accomplished:

[The system is being built in-house; therefore, there is no primary solicitation. We have an ancillary contract for Project Management Consulting Services.](#)

5. **Does the Contract Manager understand the Agency/state entity and federal processes, policy, and applicable procedures?** Yes

If "No," briefly explain below why this has not been accomplished:

The system is being built in-house; therefore, there is no primary solicitation. We have an ancillary contract for Project Management Consulting Services.

6. **Does the Contract Manager have a plan to collect and assess contractor and project performance information on a regular basis (e.g., establish meetings with Project Managers, communication techniques)?** No

If “No,” briefly explain below why this has not been accomplished:

The system is being built in-house; therefore, there is no primary solicitation. We have an ancillary contract for Project Management Consulting Services.

4.4 Organizational Readiness

Is the Implementation Management Plan draft complete, approved by the designated Agency/state entity authority, and available for the Department of Technology to review? **Choose:** ‘Yes,’ ‘No,’ or ‘Not Applicable.’ If ‘No’ or ‘Not Applicable,’ provide the artifact status in the space provided.

1. **Implementation Management Plan (Draft):** Yes

Status: [Approved](#)

2. **Does the Agency/state entity currently have a mature release management process with a repeatable and scalable testing methodology that supports all stages of testing (system, integration, security, performance, interfaces, regression, user acceptance, and accessibility)?** Yes

If “No,” briefly describe below the release management process that will be used to manage, plan, schedule, and control a software release through the different phases and environments, including testing and deploying software releases:

[Click or tap here to enter text.](#)

3. **Does the project team have a clear understanding of the areas of business (identified in Stage 1) that will be impacted by the project?** Yes

If “No,” briefly explain below how the Agency/state entity plans to educate the project team to ensure all members have a clear understanding of the impacted business areas by the project:

[Click or tap here to enter text.](#)

4. **Does the Agency/state entity have processes and methodologies in place to support Organizational Change Management (OCM) activities identified in Stage 2, Section 2.9 Organizational Change Management?** No

If “No,” briefly describe below how the Agency/state entity will perform OCM activities for this proposal:

CCHCS is committed to supporting the implementation of the MCRS Project. CCHCS projects are made up of different program SMEs to assist with project needs such as training and Organizational Change Management (OCM). OCM will drive what and how much training is required for each program area. The MCRS Project team will work with Medical, Mental

Health, Nursing, and Pharmacy program leads to identify SMEs within each program area to assist with OCM and training specific to each program area along with developing any required supporting documentation. The MCRS Project will utilize an OCM methodology to assist each program area in the identification and mitigation of any business process changes and customer impacts.

- 5. Does the Agency/state entity have dedicated knowledge transfer resources assigned to business process improvement or business process reengineering activities resulting from the new solution?** No

If “Yes,” specify the areas of business process improvement:

[Click or tap here to enter text.](#)

If “No,” briefly explain below how the Agency/state entity will perform business process improvement or business process reengineering activities resulting from the new solution:

The project does not include business process reengineering as part of its scope.

- 6. Attach** Updated Project Organization Chart to your email submission.

4.5 Project Readiness

- 1. Select the system development methodology you plan to use to design and develop the new system:** Hybrid

Provide a brief description of your methodology and reason for selecting it below:

The application development team at CCHCS has been using the Agile SCRUM development methodology for several years. In addition to the core application development sprints, the project schedule will also include sequential tasks/milestones following the Waterfall style for planning phases, final testing during the Execution phase, and the implementation of new user processes in the field, thus combining both methodologies in a Hybrid approach.

Describe below the Agency/state entity’s past project experience using the system development methodology selected. If this methodology has never been used before, describe the training and staff development that will be provided to prepare staff to utilize this methodology.

Around five (5) years ago, the application development teams at CCHCS switched from using a Waterfall development methodology to an Agile SCRUM methodology. This meant that all active and new projects working with those teams also transitioned to a Hybrid approach with Waterfall tasks/milestones preceding development and following development activities.

- 2. Has the Agency/state entity engaged the Office of Technology Services (OTech) for capacity planning and the development of the solution delivery timeline?** Not applicable

If “No,” and data center capacity planning and alignment services are needed, explain below the reason OTech has not been engaged and what is the alternative plan:

[Click or tap here to enter text.](#)

3. Have resource commitments been obtained for all those identified in the Resource Management Plan? Yes

If “No,” explain below why commitments have not been obtained and the plan to mitigate this risk:

[Click or tap here to enter text.](#)

4. Does the Resource Management Plan ensure resources are sufficiently committed to perform project activities if they are also committed to other responsibilities? Yes

If “No,” explain below how sufficient resource levels will be maintained for all project activities:

[Click or tap here to enter text.](#)

5. Have all identified project leads received at a minimum basic project management training? Yes

If “No,” explain how the Agency/state entity will educate the project team leads on project management basics:

[Click or tap here to enter text.](#)

4.6 Business Objective Valuation

- 1. Attach** the Requirements/Backlog Baseline and/or Deliverables Baseline to your email submission. [Included with Stage 4.](#)
- 2. Insert your Objectives (ID, Objective, Metric, Baseline, and Target Result) from Stage 1 Section 1.7, along with changes and reason for changes, and assign a percent score value to each. The total of all scores should be 100%.**

Objective ID: 1

Objective: [CCHCS proposes to develop a new billing system, MCRS that enables CCHCS to submit claims for Medi-Cal eligible services to DHCS for federal reimbursements.](#)

Change and Reason for Change from Stage 1: [No Change](#)

Metric: [The MCRS will submit claims for all eligible Medi-Cal services within six months following the month in which services were rendered.](#)

Baseline: [90-day pre-release process as mandated by AB 133.](#)

Target Result: [Develop a billing system that successfully identifies and submits claims for reimbursement](#)

Valuation: 50

Objective ID: 2

Objective: CHCS proposes to develop a new notification system, MCRS that performs the following: Notify County SSDs of eligible residents' "Release Date" and notify DHCS and County SSD's of the resident's Medi-Cal eligibility.

Change and Reason for Change from Stage 1: No Change

Metric: MCRS will verify resident's Medi-Cal eligibility and submit eligible claims for medical services and prescriptions that are provided to the justice-involved residents to DHCS and County SSD's within the 90 days of release.

Baseline: 210 day pre-release process as mandated by AB 133.

Target Result: Develop a notification protocol that notifies DHCS and County SSD's of eligible residents' release dates and Medi-Cal eligibility

Valuation: 50

4.7 Schedule Baseline

1. Schedule Summary

Project Execution Start Dates

Proposed Project Start Date (from most recently approved schedule/roadmap):
7/1/2023

Baseline Project Start Date: 7/1/2023

Variance: [Click or tap here to enter text.](#)

Project End Dates

Proposed Project Finish Date (from most recently approved schedule/roadmap):
4/24/2026

Baseline Project Finish Date: 10/31/2026

Variance: DHCS delayed its implementation date by six (6) months which in turn delayed the MCRS implementation date by six (6) months.

2. Reason(s) for Variances

Provide reasons for any date variances: DHCS delayed its implementation date by six (6) months which in turn delayed the MCRS implementation date by six (6) months.

3. Master Schedule and Key Milestones

Attach Master Schedule with highlighted Key Milestones to your email submission.

Included with Stage 4.

4.8 Cost Baseline

Is the Cost Management Plan complete, approved by the designated Agency/state entity authority, and available for the Department of Technology to review? **Choose:** 'Yes,' 'No,' or 'Not Applicable.' If 'No' or 'Not Applicable,' provide the artifact status in the space provided.

1. **Cost Management Plan (Approved):** Yes

Status: *Approved*

2. **Cost Summary**

Total Planning Cost (One-Time)

Estimated Proposed Cost (from most recently approved FAW): \$3,310,264

Baseline Cost: \$3,307,000

Variance: \$3,264

Total Project Cost (One-Time)

Estimated Proposed Cost (from most recently approved FAW): \$9,070,982

Baseline Cost: \$8,176,018

Variance: \$894,964

Total Future Operations IT Staff and OE&E Cost (Continuing)

Estimated Proposed Cost (from most recently approved FAW): \$2,683,608

Baseline Cost: \$2,727,312

Variance: \$43,704

Total Cost

Estimated Proposed Cost (from most recently approved FAW): \$14,237,288

Baseline Cost: \$14,210,331

Variance: \$26,957

Annual Future Operations IT Costs (Annual M&O)

Estimated Proposed Cost (from most recently approved FAW): \$2,683,608

Baseline Cost: \$2,727,312

Variance: \$43,704

TIP: Baseline costs should match the submitted Financial Analysis Worksheet for Stage 4.

3. **Reason(s) for Variances**

Provide reasons for any cost variances: The implementation date for the project was postponed due to a delay by the Department of HealthCare Services. As a result, the team re-evaluated the current FAWs to ensure they aligned with the new implementation dates, which led to a cost variance. The team then adjusted the costs for each fiscal year based on the new dates. The Baseline Cost for each category will be revisited and updated based on any feedback provided by the California Department of Technology.

4. Budget Change Proposal (BCP) Summary

Budget Request ID: 5225-318-BCP-2023-MR

Budget Request Year (0000-00): FY 2023-24

Requested Amount (specific to the project): \$11,483,000

Status: Supported

Budget Bill Language (if supported): “California Advancing and Innovating Medi-Cal (CalAIM) Justice-Involved Initiative – Medi-Cal Billing System—It is requested that Item 5225-002-0001 be increased by \$207,000 and 12 positions one-time in 2023-24, \$4,454,000 one-time in 2024-25, and \$3,722,000 one-time in 2025-26. It is also requested that reimbursements be increased by \$3,100,000 one-time in 2023-24. These adjustments are needed for the Department to develop an information technology-based Medi-Cal billing system to support the implementation of CalAIM. Additionally, it is requested that provisional language be added to Item 5225-002-0001 to recognize potential grant funding that will become available to the Department in 2023-24 (see Attachment 2).”

5. Financial Analysis Worksheets (Baseline)

Attach Final FAWs to your email submission. Included with Stage 4.

4.9 Primary Solicitation Results

1. **Attach** the approved Evaluation and Selection Report for the primary solicitation to your email submission. The system is being built in-house; therefore, there is no primary solicitation. We have an ancillary contract for Project Management Consulting Services.
2. **Attach** the proposed contract resulting from the primary solicitation to your email submission.
3. **Was one of the viable solutions in Stage 2 selected for final contract award?** Yes
If “No”, please describe:
The system is being built in-house; therefore, there is no primary solicitation. We have an ancillary contract for Project Management Consulting Services.
4. **Selected Vendor Name:** No Vendor was selected as this is an in-house development.
5. **Contract Number:** NA
 - a. Contract Start Date: Click or tap to enter a date.
 - b. Contract End Date: Click or tap to enter a date.

6. **Total Contract Cost (without optional years):** NA

a. Optional Years (Number of Months): [Click or tap here to enter text.](#)

7. **Total Cost of Optional Years:** NA

8. **Total Contract Cost (with optional years):** NA

Are the following Project Management Plan Drafts approved by the designated Agency/state entity authority and available for the Department of Technology to review? **Choose:** 'Yes,' 'No,' or 'Not Applicable.' If 'No' or 'Not Applicable,' provide the artifact status in the space provided. These plans may be completed with the selected primary vendor.

1. [Configuration Management Plan \(Draft\)](#): Yes

Status: Draft

2. [Data Management Plan \(Draft\)](#): Yes

Status: Draft

3. [Maintenance and Operations Transition Management Plan \(Draft\)](#): Yes

Status: Draft

4.10 Risk Register

Attach Risk Register to your email submission. [Included with Stage 4.](#)

End of Stage 4 Project Readiness and Approval Document.

Please ensure ADA compliance before submitting this document to CDT.

When ready, submit Stage 4 and all attachments in an email to ProjectOversight@state.ca.gov.

TIP: Use the Gate 4 Project Readiness and Approval Evaluation Scorecard ([SIMM Section 19-D](#)) as an internal tool to ensure a quality submission.

Department of Technology Use Only

Original “New Submission” Date: 1/17/2024

Form Received Date: 1/17/2024

Form Accepted Date: 1/17/2024

Form Status: Completed

Form Status Date: 02/28/2024

Form Disposition: Approved

Form Disposition Date: 02/28/2024