



# From Replacement to Reinvention

**Uncovering the Keys  
to People-Centric,  
Technology-Enabled  
Medicaid Transformation  
in New Mexico**

## By Paula Morgan, Anil Sharma, and Mike Wirth

### Unlocking the Puzzle of Effective Medicaid Delivery Enabled by a Modern Medicaid Enterprise System (MES)

New Mexico Medicaid faces multiple challenges enabling health care services to more than 43 percent of state residents today.<sup>1</sup> Some challenges are faced by other states, some unique to the “Land of Enchantment” state. These challenges include:

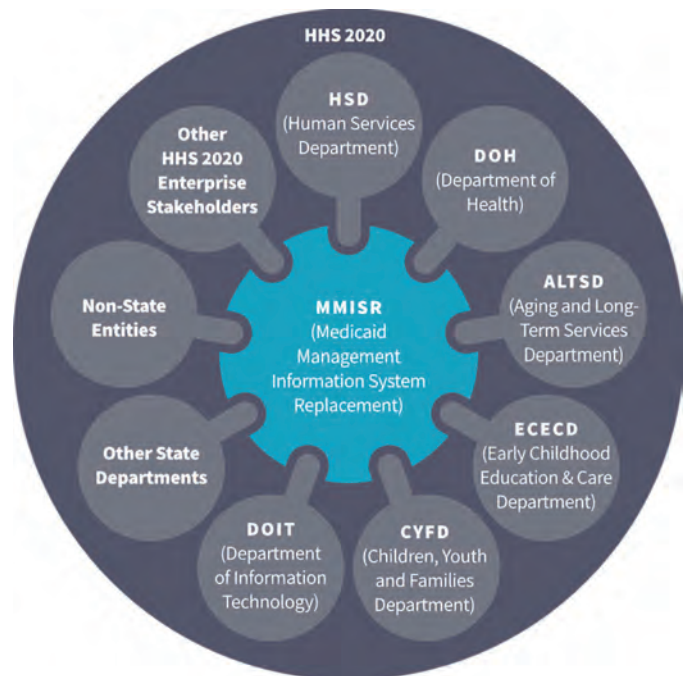
- With nearly half of the state population covered, maintaining existing disconnected systems is financially and resource challenging.
- Three out of five New Mexicans are enrolled in multiple human services programs and coordinating services across programs is expensive and manual resource-intensive.
- It is increasingly difficult to identify skilled resources to enhance and support aging systems when Medicaid program changes occur.
- A lack of integrated human services data hinders strategic decision making.
- The ability to change technical modules as business needs evolve is critical, as is avoiding vendor lock-in.
- As unplanned business needs occur, the Medicaid system capacity needs to scale up.
- There is a need to reduce future Medicaid system operating and administrative costs.

The New Mexico Human Services Department (HSD) mission is “to transform lives. Working with our partners, we design and deliver innovative, high-quality health and human services that improve the security and promote independence for New Mexicans in their communities.” A mission that HSD tirelessly delivers for New Mexico’s residents today, despite the challenges. However, the dependence on workforce heroics to support complex human services programs is financially and operationally unsustainable over the long term.

### Our Path Forward

To meet these challenges, we elected to modernize our approach to service delivery holistically. The HSD is leading the New Mexico Medicaid Management Information System Replacement (MMISR) project, an initiative launched to

**Figure 1. New Mexico Medicaid Management Information System Replacement (MMISR) Project Ecosystem**



replace our more than 20-year-old Medicaid Management Information System (MMIS) with a modular solution following guidance from the Centers for Medicare and Medicaid Services (CMS).

It is part of New Mexico’s Health and Human Services 2020 (HHS 2020) initiative, which aims to establish a highly responsive and effective systematic approach to service delivery to improve the health and well-being of all New Mexicans (see Figure 1).

HHS 2020 is transformational, repurposing human services delivery and putting people and their needs for care first, with a focus on modernizing business processes while improving inter-agency collaboration and coordination. The fully integrated MMISR suite will better enable New Mexico to focus on a 360-degree view of care to support a “no wrong door” approach for members, while easing the provider administrative burden and reducing the state’s operating costs.

## Leading the Charge

In New Mexico, there is a shared commitment across the state to the strategic role that technology plays in enabling people-centric business transformation and resident health outcomes. That commitment fuels the MMISR and broader HHS 2020 approach. It is sustained because of the executive buy-in and support the HSD team has garnered—earning the influence and commitment to challenge the status quo, make critical decisions, and overcome resistance to business process changes.

## Assembling the Pieces

We set out on an ambitious plan for our MMISR journey, with the objective to align with the modularity requirements established by CMS.



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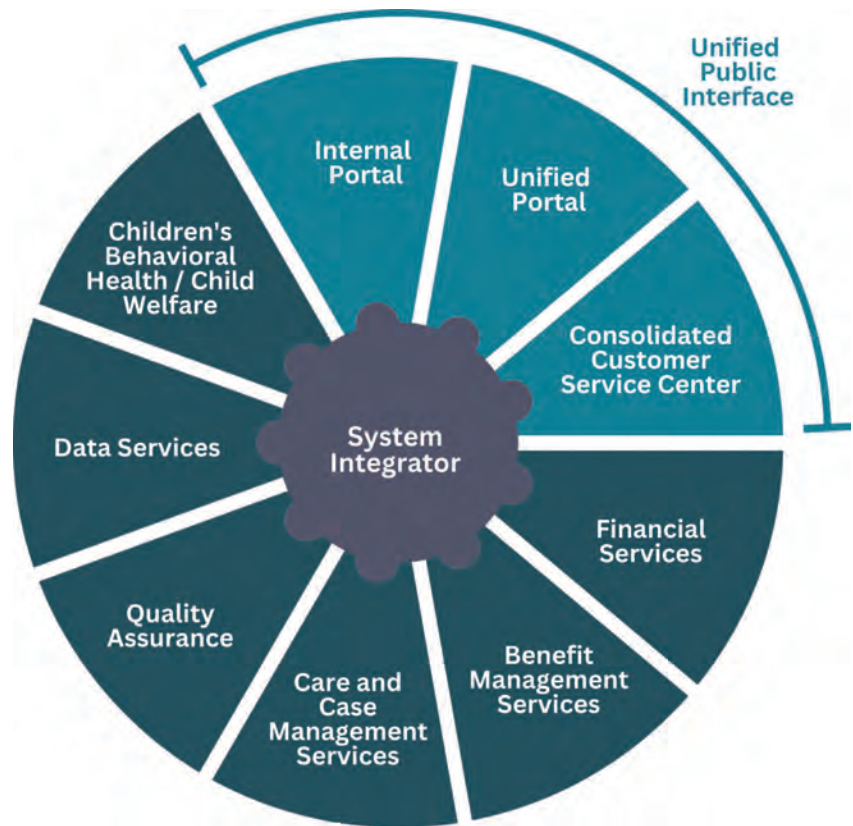


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**Figure 2. New Mexico Medicaid Management Information System Replacement modules**



We are moving from a monolithic, single-vendor system to a modular approach, with most modules managed by separate vendors. With this approach, we can launch individual modules as they are made available and sequenced as part of our overall launch plan approach, promoted by CMS. We can also replace and upgrade modules over time without having to impact the entire system. The challenge then becomes integrating the planned eight functional modules into a functioning and robust delivery system.

To date, the HSD has successfully implemented the Consolidated Customer Service Center (CCSC) module, an enterprise contact center. It leverages new customer service technology and consolidates 150 published phone numbers into two toll-free phone numbers that help provide services to more than four million contacts.<sup>2</sup> We are proud to share that HSD has received certification from CMS for the CCSC following the Medicaid Enterprise Certification Toolkit (MECT) guidance.

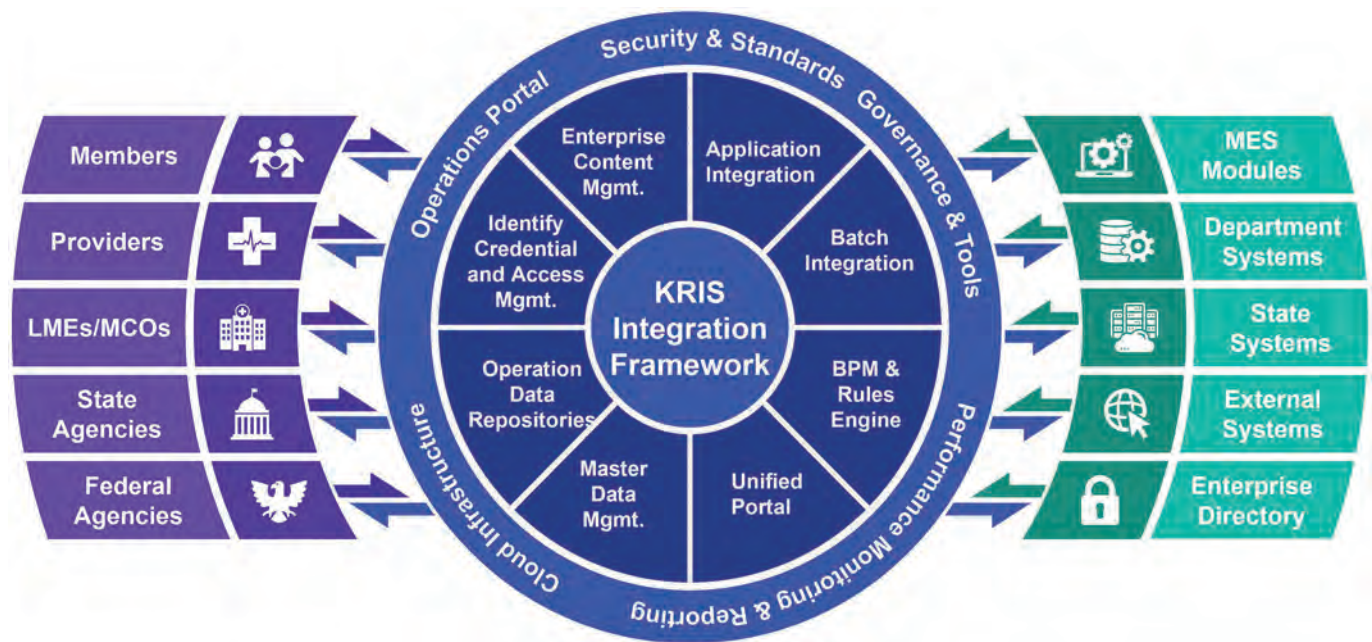
The upcoming Unified Portal module will further improve ease of access and enhance our ability to reach customers, providers, and other stakeholders through a consistent, streamlined public facing mobile and web interface. Both CCSC and the Unified Portal are designed with improved customer experience at the forefront and are informed by the unique needs of New Mexicans (see Figure 2).

## Bringing it All Together—“Integration”

New Mexico turned to Spruce Technology (Spruce) and KPMG LLP (KPMG) to help us make MMISR a reality. As the System Integrator (SI) team, they were charged with bringing the business and technical capability, along with tools and techniques to integrate the modules and drive the transformation effort (see Figure 3).

The KPMG Resource Integration Suite (KRIS) Connected Platform helps accelerate the development and delivery of business solutions, reduces risk, and aids in reducing cost by

**Figure 3. KPMG Resource Integration Suite (KRIS) Connected Platform**



simplifying integration. Key considerations we made in this selection were:

- The cloud-based deployment of KRIS gives us the scalability and dependability to support our growing Medicaid needs.
- KRIS is flexible and the Spruce-KPMG team replaced several standard services in the platform with HSD-specific services to promote IT reuse.
- KRIS can support integration capacity, increasing capacity automatically if unplanned Medicaid transactions occur.
- The modular and flexible architecture of KRIS, using industry-leading commercial-off-the-shelf products, helps empower MMISR with key capabilities.
- The Spruce-KPMG team understands the person-centric goals of MMISR, and KRIS includes project accelerators, like pre-defined interface patterns, to make cross-agency data connections possible.
- The Spruce-KPMG team understood the specific New Mexico economics of the project and the KRIS platform and services work within the state's budget.

As the SI, the Spruce-KPMG team is the glue that brings all the modules together into a functioning and robust system to aid our customers. Aligned with the Medicaid Information

Technology Architecture (MITA) Framework v3.0 principles, the KRIS platform is designed to seamlessly connect multiple vendor technology modules, enabling Medicaid Concept of Operations services to members, providers, and the department alike.

### Risks and Challenges Ahead—Lessons Learned

As with most enterprise transformation projects, the MMISR project has not been without its share of hurdles. Navigating these challenges has required proactive measures and adaptive strategies to persevere. What follows are the steps we took, and lessons learned to mitigate the MES implementation challenges.

- **Pivot, pivot, pivot:** Be prepared to pivot again and again. MES project pivots come in all shapes and from all directions.

The COVID-19 pandemic, which required virtually everyone to pivot, hit us during the early stages of planning for MMISR deployment. As we were dealing with the pandemic at the launch, we learned a lesson from other states that had moved their human services systems to the cloud safely and securely. This lesson helped project leadership gain confidence in the security and maturity of cloud solutions. It served as a catalyst for HSD's refocus and move

to cloud-based software-as-a-service (SaaS) modules for the MMISR.

In another pivot, during April 2020, MMISR project leadership decided to replace the SI vendor originally selected to implement MMISR. Project leadership turned to the Spruce-KPMG team to take on the challenge of restarting integration activities to implement MMISR.

- **Prioritize collaboration:** As a modern government, New Mexico must be connected to residents, powered by the latest technological advancements, and trusted to securely maintain the data we have pertaining to the health and well-being of residents. We also must collaborate internally and with other agencies to drive enhanced operational efficiency. These are cornerstones of the MMISR project.

To foster and promote a culture of collaboration, early in the project, we created the Business Transformation Council (BTC). The BTC is made up of business staff from multiple divisions—formed to help guide these modernizations. The diverse groups have been closely involved since the beginning, providing input into the development of requests for proposals, serving on evaluation committees, participating in

*See New Mexico on page 41*

requirements sessions, supporting user acceptance testing, and more. And with the Spruce-KPMG team joining the project, their strong Medicaid business experience has further energized the on-going BTC discussions.

■ **Proactively tackle data sharing and information security:** Without effective data sharing and governance, the MMISR vision would be for naught. We are proactively tackling data-sharing challenges such as lack of standardization, the sheer volume and complexity of health care data, and security considerations. We place the highest priority on information security and the privacy of New Mexicans' sensitive health information.

■ **Turning information into insights:** HSD has also established a Data Governance Council, with members from across departments, providing leadership and oversight of data related tools and processes supporting HHS 2020 initiatives. The upcoming implementation of the MMISR Data Services module will provide human services departments and agencies access to a single, authoritative source regarding their collective customers, and the ability to access, analyze, share data, and empower stakeholders in making informed decisions.

■ **Embrace business process transformation:** While data play a

**As a native New Mexican, I am grateful for the opportunity to contribute to the transformation of Medicaid that will positively impact so many lives.**

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crucial role in informing decision making and optimizing outcomes, the transformation of business processes across the New Mexico human services ecosystem has been equally significant. We are seizing the opportunity to reevaluate and transform processes to align with the goals of enhancing inter-agency collaboration while leveraging the capabilities and potential of modern technologies.

### Cracking the Code

The next two pivotal years will bring the continued rollout of the SI platform and integration of the CCSC, Financial

Services, and Benefit Management Services modules.

In the connected Medicaid and human services enterprise, the impacts of each incremental MMISR advancement will have far-reaching benefits for our customers. New Mexico human services employees and partners are looking forward to bringing the last decade of hard work to fruition to drive improved health outcomes for the more than 43 percent of New Mexicans served by HHS 2020 supported programs.<sup>3</sup>

Acknowledging that we have a lot of work to do, and realizing that change is never easy, New Mexico HSD and the entire HHS 2020 ecosystem are unraveling the puzzle and investing for tomorrow, while delivering today. 📌

#### Reference Notes

1. New Mexico Human Services Department, Health and Human Services Data Book 2022.2, Program and Services Data, Section 4, <https://www.hsd.state.nm.us/2022-data-book/>
2. New Mexico Human Services Department, HHS 2020/MMISR Project Update for the Legislative Science, Technology and Telecommunications (STT) Committee, October 27, 2022, <https://www.nmlegis.gov/>
3. New Mexico Human Services Department, HHS 2020/MMISR Project Update for the Legislative Science, Technology and Telecommunications (STT) Committee, October 27, 2022, <https://www.nmlegis.gov/>