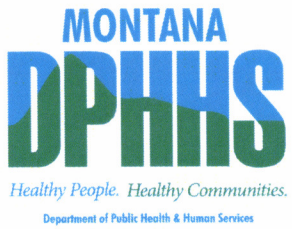
EXHIBIT 2
DATE 2/21/2013



63rd Legislative Session: Report to the Joint Appropriations Health and Human Services Subcommittee regarding CHIMES EA problem solving session held on 2-7-13.

The Department of Public and Health and Human Services (DPHHS) and its contractor provide this report in response to concerns raised to address issues identified with the Combined Healthcare Information and Montana Eligibility System (CHIMES) Enterprise Architecture (EA).

On February 7, 2013 a problem-solving session was held related to CHIMES EA at the request of the Joint Appropriations Health and Human Services Subcommittee. Participants included state Legislators, DPHHS staff (including Offices of Public Assistance (OPA) field staff), Deloitte (CHIMES EA contractor), Work Readiness Component (WoRC) contractors, family members, and the Montana Public Employees Association (MPEA). The meeting provided a forum to hear overall challenges with the implementation and use of CHIMES EA, in addition to obstacles local OPA are facing. Finally, the meeting was solution-focused in which participants were able to identify priorities that would provide improvements in the efficiency of the operation of the system while supporting CHIMES EA users.

The three-hour meeting identified numerous issues involving many aspects of the implementation of the CHIMES EA. For every issue identified, the department is either actively seeking solutions, has implemented a solution, or has determined that making the change would compromise the integrity of the system or the accuracy of eligibility determinations. The comments and issues identified in the three-hour meeting are organized under four major topics. In turn, the topics are organized by the particular issue, with a brief description of present and future efforts to address the issue. Below are four major topics discussed at the meeting:

1. **SYSTEM**
   A. Data Conversion
   B. Design
   C. System Performance
   D. Defect
   E. Medicaid Integration with CHIMES EA

2. **MANAGEMENT**
   A. Policy
   B. Procedure

3. **COMMUNICATION**
   A. Help Desk
   B. Inter-Stakeholder groups (OPA and WoRC)
   C. Clients

4. **TRAINING**
   A. System
   B. Policy/Procedure

1A. SYSTEM: Data Conversion

Issue: The data conversion is complex with two source systems and the process for working converted cases is challenging and time consuming for staff.

Efforts to Resolve: DPHHS has implemented numerous post conversion initiatives to resolve defaults and make other updates to relieve some of the challenges in working a converted case.

Plan Forward: Significant progress is being made in converting cases. As of Feb. 19, 2013, 71% of cases are now fully converted. DPHHS continues to communicate to the field how to access and interpret the conversion of case notes. DPHHS continues to work on full conversion of all remaining cases.

1B. SYSTEM: Design

Issue: Case workers find the driver flows restrictive and would like them to be more free form/easy to navigate.

Efforts to Resolve: Driver flow intentionally guides the user through a pre-defined path in Data Collection to make sure all appropriate data is reviewed and updated as relevant to the needed case action. Following the driver flow assures all critical and mandatory eligibility

related criteria is entered into the system so an accurate determination is made. When data is updated or questions are changed, the screen flow dynamically changes. A significant amount of data is changed at the time a case converts. As the Department moves beyond initial conversion and implementation, workers will have all current information in CHIMES EA resulting in a more expedited processing of cases since less converted data will need accessed.

Plan Forward: The Department will continue to review the driver flow processes to assure accurate determinations are made with the most efficient data entry.

Issue: The language used in some of the client notices is not understandable to the clients, e.g. using the term "group" rather than "family."

Efforts to resolve: DPHHS will form a work group that will include one or more family members to focus on updating notice language to assure it is clear, concise, easily understandable, and meets federal and state notice criteria. These changes can then be prioritized and planned for system implementation.

Plan Forward: Once specific changes are identified, organized and prioritized, they will be assigned to system build plans to ensure they are tested and implemented.

Issue: The process for changing an address on CHIMES EA is complex and takes too much time.

Efforts to Resolve: The system design requires eligibility to be run and finalized when addresses change, because some business rules react differently dependent upon the client's residence.

Plan Forward: DPHHS is reviewing options that would allow eligibility assistant staff to change addresses.

Issue: There are issues with CHIMES EA correctly interfacing the Electronic Benefits Transfer (EBT) system. SNAP benefits can be authorized, but the benefits don't show on the client's card.

Efforts to Resolve: DPHHS is working with both the EBT vendor, Northrup Grumman, and Deloitte to improve this interface.

Plan Forward: A meeting was held on 2/20 with WoRC representatives and Public Assistance staff to identify next steps.

Issue: Staff commented that client notices were being issued with incorrect information.

Efforts to Resolve: During a focus group in the Billings OPA office, the issues around notices were identified. Staff stated they needed to send out general correspondence notices in order to provide correct information to clients. An interim strategy was created to allow staff to delete notices and to create notices with correct information for clients.

Plan Forward: DPHHS will establish a workgroup to sort through the notices processes and procedures. The workgroup will also identify client friendly language. Further actions will be determined as a result of the feedback.

Issue: WoRC contractors expressed concern related to Montana's compliance with federal TANF WoRC participation requirements and possible federal penalties if standards aren't met.

Efforts to Resolve: DPHHS is working to address system (legacy system and CHIMES EA) and data issues that impact WoRC participation rates.

Plan Forward: DPHHS is in close communication with our federal TANF partners. A meeting was held on 2-20 with WoRC representatives and Public Assistance staff to identify next steps.

Issue: Staff requested updated organizational flow chart in regards to Offices of Public Assistance and central office in Helena.

Efforts to Resolve: Updated organizational charts have been posted online and shared with field managers.

Plan Forward: A detailed document will be forwarded to all staff identifying reporting relationships and roles of the Human and Community Services Division and their public assistance position functions.

Issue: Client Service Eligibility staff needs some relief.

Efforts to Resolve: DPHHS established a special team (internally referenced as a SWAT team) to assist statewide OPA staff to assist on case backlog, difficult cases, and cases called into the toll free hotline. Automated system fixes were instituted to roll cases forward when applicable. DPHHS has used overtime and hired short term workers. Recruitment of retired staff to assist with backlog of cases has occurred.

Plan Forward: DPHHS is currently scanning documents in a centralized location for some OPA offices. This service will be available statewide as soon as possible. The Department is implementing the long term care specialization unit within the next 6 months to provide efficiency and accuracy in determining eligibility for nursing home Medicaid cases. Service First planning and implementation remains a top department priority.

3A. COMMUNICATION: Help Desk

Issue: The help desk is not responsive enough; users feel they do not get a reply and that the help desk staff need to be trained before they can be helpful.

Efforts to Resolve: DPHHS continues to monitor the responsiveness of the CHIMES Help Desk. The CHIMES Help Desk has increased the number of help desk staff, improved communication with end users, and resolved the users' issues more quickly. The CHIMES EA Help Desk now provides a maximum of three day turnaround on all problem reports and is providing regular feedback to help desk callers on the status of their problem report resolution. CHIMES EA Help Desk now offers a live interactive function (webinar) with an OPA worker to immediately address a unique case's issue. (Please refer to training category as well). Help desk staff are shadowing Lewis and Clark OPA workers to get a firsthand experience with local office issues.

Plan Forward: DPHHS will continue to track improvement in response time, resolution rate and effective communication.

Issue: Staff express they are not aware of when fixes are being implemented and how changes to the system are prioritized.

Efforts to Resolve: DPHHS recognizes the need to do a better job communicating system changes to the field. Daily meetings detailing tips and updates for users are held via webinars. Tips and updates are also documented in a daily email. Tips are in the process of being categorized and stored on an internal website for easy access and navigation. Bi-weekly meetings are held with field management to share information and receive feedback.

Plan Forward: DPHHS will establish a communication schedule. Changes will be communicated to field users so they are aware of system changes and updates and the resolution of individual problem reports and/or system defects.

3B. COMMUNICATION: Inter-Stakeholder Groups

Issue: A lack of communication between DPHHS administration, Offices of Public Assistance and WoRC operators is a problem and negatively impacts clients.

Efforts to Resolve: OPAs receive high volumes of phone calls, making it difficult for anyone to connect with caseworkers. A toll free number was established to assist clients in getting questions answered. This should alleviate some of the volume in local offices. Many of the concerns from WoRC operators related to CHIMES EA have been shared and logged as system issues. WoRC contractors are included in additional meetings to identify specific CHIMES EA issues.

Plan Forward: Conference calls will be set up with WoRC contractors to assure the Department is hearing concerns expressed by WoRC operators. A problem solving meeting will be held with WoRC contractors and some OPA field managers to identify the best way to assure communication occurs regularly between WoRC offices and local caseworkers.

3C. COMMUNICATION: Clients

Issue: DPHHS was encouraged to communicate with clients about what is happening with the OPAs.

Efforts to Resolve: A toll free number was established for clients to call regarding case questions. Attached to this report is a distribution list of notified parties regarding toll free number. When client case numbers were changed, DPHHS notified clients. Talking points were shared with local staff related to CHIMES EA. Initially, DPHHS did not proactively communicate with clients related to new system implementation. DPHHS recognizes this could've been better handled.

Plan Forward: DPHHS will consider current and future needs related to communication with clients related to CHIMES EA and future service changes.

4A. TRAINING: System

Issue: Staff reported that system training was insufficient and numerous new hires have not had system training.

Efforts to Resolve: Since CHIMES EA implementation in November 2012, DPHHS has offered 26 different web-based training courses. They range from refresher training to more complex system processing issues. In addition, there is a regularly updated user manual.

Plan Forward: The Department intends to make courses more widely available in a variety of formats.

4B. TRAINING: Policy/Procedure

Issue: Staff reported training has been suspended and there is no opportunity to provide training to new staff. Supervisors are not consistently able to do on the job training as they are focused on CHIMES EA challenges and staff needs.

Efforts to Resolve: DPHHS recognizes that training time is in direct competition with time needed for application processing. However, DPHHS took several steps including extending post implementation site support, focusing training on expedited SNAP applications, and informal on-the-job training as time allowed.

Plan Forward: DPHHS is developing a concentrated training course for eligibility staff to be completed by March. These courses will be available for newly hired staff and/or existing staff. This is part of the planned cross training of all staff on all programs and policies under the Service First implementation. Long term plans include a comprehensive six week training institute. Once staff is trained, cases will be assigned and monitored by local supervisory staff to assure equitable distribution and accurate determination.

In summary, DPHHS appreciates the honest and constructive feedback shared during the problem-solving session. The format of the meeting allowed for identification of issues and problem solving. DPHHS remains committed to soliciting feedback from field staff, clients, and contractors as we continue to refine our business processes and CHIMES EA. The implementation of CHIMES EA has been complex. Progress continues. The Department is committed to a high functioning eligibility system that best supports our staff in statewide local offices while also retaining our strong commitment to quality customer service. While challenges are present, the meeting was evidence that stakeholders are working together to improve the experience with CHIMES EA.