



---

# **Dell Development and Implementation of 834 Enrollment Files (VOTE)**

JASON HETHERINGTON

Director of Technology Strategy and Services

LAUREN RIPLEY

Assistant General Counsel

Board of Directors Meeting, February 13, 2014

# Overview



- The 834 is an industry standard format used by health insurers to communicate enrollment information (including new enrollments, changes and disenrollments). This standard format is used between insurers and providers, insurers and insurers and, under the ACA, Marketplaces and insurers
  - 834 standards were first proposed in 1991 and are currently maintained and updated by the American National Standards Institute (ANSI)
- Historically, the Health Connector has transmitted 834 files for both the Commonwealth Choice, via SBSB, and Commonwealth Care, via MMIS, programs
- Significant changes were made to the 834 format as part of the ACA implementation:
  - The inclusion of detailed financial information (Advanced Premium Tax Credits (APTC), State Wrap and Premium details)
  - An update from the ASC X12 4010 to ASC X12 5010 file standard
  - Together these changes rendered both of the existing systems unable to produce ACA compliant 834 files

# Delivery History

- Originally the design, development and implementation of the 834 was part of CGI's scope for the HIX/IES project
  - Initially the 834 was scheduled to be delivered on October 1, 2013
  - CGI then indicated that delivery was delayed until October 29, 2013
  - Delivery was subsequently delayed several additional times
- Due to the critical nature of communicating enrollment information to carriers the Health Connector officially de-scoped the 834 from the HIX/IES project under CGI and is seeking to enter into an agreement with Dell Services to complete this work effort

# Transition to Dell



- The ability to support enrollment activities, potentially including the production and transmission of 834 files, is a capability included in the Customer Service Contact Center and Business Operations Request for Proposals (RFP)
- Additionally Dell has existing connections to the carriers to send 820 (Financial) files, these existing connections can be leveraged and extended to include 834 files
- Dell plans to extend an existing 834 process and service already in place with several other clients which will enable them to quickly develop and test the customized 834 files required by the Connector, the ACA and our Carriers
- Dell has assembled a dedicated team consisting of personnel to perform project management, architecture, quality assurance, business analysis, engineering, implementation and testing

# Scope and Timeline

- The scope of the proposed project includes
  - Daily files for 10 Non-Group Medical Carriers
  - Daily files for 2 Non-group Dental Carriers
  - Development of a “baseline” 834 map and three customized 834 maps (two carrier-specific maps and a map for CMS)
  - Transmission of 834 files daily to all carriers (Tuesday-Saturday) and receipt and processing of “acknowledgement” files from carriers
  - Handling of all exceptions and errors
- In the meantime, Dell is currently producing and sending Interim Enrollment Reports (“IER”) to the carriers
  - The IERs contain the most of the same enrollment information as an 834
  - Dell and the Connector are working with the Carriers to improve and automate the IER process (file improvements, increased automation etc.) to help carriers enroll higher volumes during the end of open enrollment

# Project Costs: Overall

- Payments will be made on a milestone basis for the development phase. Payments will not be made unless the criteria for that particular invoice are met. The anticipated milestones and associated payments are as follows:
  - Completion of design document and approval of project plan – \$300,000
  - Successful deployment of the 834 solution in production – \$400,000
  - Successful exchange of 834 and related files for the period of one month after deployment – \$400,000
  - Ongoing: \$0.20 per member per month (PMPM) from the start of production through June 2017
- In order to maintain accountability in the development and production of the 834 file exchange, as well as ongoing error-free file transmission, we instituted a series of penalties and incentive payments

# VOTE



Health Connector staff recommend that we enter into a Work Order with Dell for an initial cost of \$1,100,000 plus a monthly cost of \$0.20 per member per month (PMPM) from April 2014 through June 2017. Funding for the initial costs and the PMPM payments through the end of 2014 is provided exclusively through federal funds from the Level 2 Exchange Establishment Grant.