

**Exhibit 300 (BY2008)**

| <b>PART ONE</b>  |                           |
|--|---------------------------|
| <b>OVERVIEW</b>  |                           |
| <b>1. Date of Submission:</b>  | 2007-02-05                |
| <b>2. Agency:</b>  | 009                       |
| <b>3. Bureau:</b>  | 38                        |
| <b>4. Investment Name:</b>   | CMS Medicaid Data Systems |
| <b>5. UPI:</b>   | 009-38-01-04-01-1060-00   |
| <b>6. What kind of investment will this be in FY2008?</b>  |                           |
| Operations and Maintenance   |                           |
| <b>7. What was the first budget year this investment was submitted to OMB?</b>   |                           |
| FY2001 or earlier  |                           |
| <b>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.</b>  |                           |
| <p>Medicaid Data Systems includes the MSIS system as well as data storage (flat files, data warehouse, and data marts). This investment satisfies the core business function for the information needs of Center for Medicaid and State Operations (CMSO). It is critical for CMS to develop the State Phased-down contribution by States for full dual eligibles entitled to Part D benefits. The latter supports CMS' strategic goal of promoting fiscal integrity of the MMA Part D drug benefit for dual eligibles. Besides being the core information system for CMSO, MSIS supports much of the Medicaid research and analysis performed by the Congressional Budget Office and the Congressional Research Service. MSIS and the accompanying data storage is also a key resource for other Federal agencies and research projects involving Medicaid. The first business driver is the Balanced Budget Act (BBA) of 1997. The BBA requires all States to submit MSIS files containing eligibility and claims utilization information to meet the program needs of CMS and to provide required information for congressional staffs and other Federal agencies and researchers. The second business driver is the Medicare Modernization Act (MMA) of 2003. MMA created a new drug benefit as Part D of Medicare. One of the provisions of MMA was to use MSIS data to develop a per capita payment amount for full dual eligible beneficiaries that each State will pay to CMS on a monthly basis under the State phased-down contribution provision of the MMA. If this investment was not funded, legislative mandates would not be able to be met. This investment is in the CPIC control phase. It was last reviewed by the ITIRB in May of 2006.</p> |                           |
| <b>9. Did the Agency's Executive/Investment Committee approve this request?</b>  |                           |
| yes  |                           |
| <b>9.a. If "yes," what was the date of this approval?</b>  |                           |
| 2006-06-23   |                           |
| <b>10. Did the Project Manager review this Exhibit?</b>  |                           |
| yes  |                           |
| <b>12. Has the agency developed and/or promoted cost effective, energy-efficient and environmentally sustainable techniques or practices for this project.</b>   |                           |
| no   |                           |
| <b>12.a. Will this investment include electronic assets (including computers)?</b>   |                           |
| yes  |                           |
| <b>12.b. Is this investment for new construction or major retrofit of a Federal building or facility? (answer applicable to non-IT assets only)</b>  |                           |
| no   |                           |
| <b>13. Does this investment support one of the PMA initiatives?</b>  |                           |
| yes  |                           |
| <i>If yes, select the initiatives that apply:</i>  |                           |
| Budget Performance Integration   |                           |
| Expanded E-Government  |                           |

|  |    |
|--|----|
| 13.a. Briefly describe how this asset directly supports the identified initiative(s)?  |    |
| MSIS captures information that is relevant & critical to the organizational mission. Data collected is used to estimate the financial effects of reform proposals. This investment helps provide the cornerstone to reduce costs while providing the maximum benefit. This collaborative effort with the States relies on electronic transmissions and data sharing. MSIS is a data source for calculating performance measures. |    |
| 14. Does this investment support a program assessed using OMB's Program Assessment Rating Tool (PART)?   |    |
| 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)?   |    |
| no   |    |
| 19. Is this a financial management system?   |    |
| no   |    |
| 19.a.1. If yes, which compliance area:   |    |
| Not Applicable   |    |
| 19.a.2. If no, what does it address?   |    |
| Not Applicable   |    |
| 19.b. If yes, please identify the system name(s) and system acronym(s) as reported in the most recent financial systems inventory update required by Circular A11 section 52.  |    |
| Not Applicable   |    |
| 20. What is the percentage breakout for the total FY2008 funding request for the following? (This should total 100%)   |    |
| <b>Hardware</b>  | 10 |
| <b>Software</b>  | 60 |
| <b>Services</b>  | 30 |
| 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?   |    |
| n/a  |    |
| 22. Contact information of individual responsible for privacy related questions.   |    |
| Name   |    |
| Maribel Franey   |    |
| Phone Number   |    |
| 410-786-0757   |    |
| Title  |    |
| Director, Privacy Compliance   |    |
| Email  |    |
| 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  |    |
| <b>SUMMARY OF SPEND</b>  |    |
| 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  |
| <b>Planning Budgetary Resources</b>    | 0.000          | 0.000 | 0.000 | 0.000 |
| <b>Acquisition Budgetary Resources</b> | 0.000          | 0.000 | 0.000 | 0.000 |
| <b>Maintenance Budgetary Resources</b> | 3.330          | 6.241 | 5.487 | 4.417 |
| <b>Government FTE Cost</b>             | 0.300          | 1.230 | 1.230 | 1.250 |
| <b># of FTEs</b>                       | 1              | 4     | 4     | 4     |

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

3. If the summary of spending has changed from the FY2007 President's budget request, briefly explain those changes.

Not applicable

### 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 | 2003        | Effectively manage CMS' information systems and technology | infrastructure availability | 90%                                  | 92%                                 | 92%                                 |
| 2 | 2004        | Effectively manage CMS' information systems and technology | infrastructure availability | 92%                                  | 94%                                 | 95%                                 |
| 3 | 2005        | Effectively  | infrastructure              | 95%                                  | 97%                                 | 98%                                 |

|    |      |  |  |     |     |     |
|----|------|--|--|-----|-----|-----|
|    |      | manage CMS' information systems and technology                     | availability                             |     |     |     |
| 4  | 2006 | Effectively manage CMS' information systems and technology         | infrastructure availability              | 98% | 99% | TBD |
| 5  | 2007 | Effectively manage CMS' information systems and technology         | infrastructure availability              | 99% | 99% | TBD |
| 10 | 2006 | Foster appropriate and predictable payments and high quality care. | Percent of claims containing Part D data | 0%  | 99% | TBD |
| 11 | 2007 | Foster appropriate and predictable payments and high quality care. | Percent of claims containing NPI         | 0%  | 99% | TBD |

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](http://www.egov.gov).

Table 2

|   | Fiscal Year | Measurement Area             | Measurement Grouping                     | Measurement Indicator                                | Baseline | Planned Improvement to the Baseline | Actual Results |
|---|-------------|------------------------------|--|--|----------|-------------------------------------|----------------|
| 1 | 2005        | Customer Results             | Accuracy of Service or Product Delivered | Accuracy rate  | 85%      | 90%                                 | 89%            |
| 2 | 2005        | Technology                   | Data Reliability and Quality             | Percentage of files with complete data               | 90%      | 95%                                 | 96%            |
| 3 | 2005        | Processes and Activities     | Innovation and Improvement               | Percentage of files included in EL file              | 0%       | 100%                                | 100%           |
| 4 | 2005        | Mission and Business Results | IT Infrastructure Maintenance            | Infrastructure availability                          | 95%      | 97%                                 | 98%            |
| 5 | 2006        | Customer Results             | Accuracy of Service or Product Delivered | Accuracy Rate  | 89%      | 90%                                 | TBD            |
| 6 | 2006        | Technology                   | External Data Sharing                    | Percent of files transferred by direct data transfer | 0%       | 25%                                 | TBD            |
| 7 | 2006        | Processes and Activities     | Innovation and Improvement               | Percentage of files containing part D data           | 0%       | 100%                                | TBD            |
| 8 | 2006        | Mission and Business Results | IT Infrastructure Maintenance            | Infrastructure availability                          | 98%      | 99%                                 | TBD            |
| 9 | 2007        | Customer Results             | Accuracy of Service or Product           | Accuracy Rate  | TBD      | 91%                                 | TBD            |

|    |      |                              |                               |  |     |     |     |
|----|------|------------------------------|-------------------------------|--|-----|-----|-----|
|    |      |                              | Delivered                     |  |     |     |     |
| 10 | 2007 | Technology                   | External Data Sharing         | Percent of files transferred by direct data transfer | TBD | 50% | TBD |
| 11 | 2007 | Processes and Activities     | Innovation and Improvement    | Percent of claims containing NPI                     | 0%  | 50% | TBD |
| 12 | 2007 | Mission and Business Results | IT Infrastructure Maintenance | Infrastructure availability                          | TBD | 99% | TBD |

**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?

no

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

New major initiative that is being added to the target architecture and will appear in the next transition plan.

2.b. If no, please explain why?

Not Applicable.

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 | Program / Project Management | Improve availability and accessibility to data  | Management of Processes | Program / Project Management |                       |            | No Reuse                    | 10        |
| 2 | Data Classification          | Provide integrated data access to Medicaid data | Data Management         | Data Classification          |                       |            | No Reuse                    | 20        |

|   |                               |   |                 |                               |                               |                         |          |    |
|---|-------------------------------|---|-----------------|-------------------------------|-------------------------------|-------------------------|----------|----|
| 3 | Data Exchange                 | Provide integrated data access to Medicaid data | Data Management | Data Exchange                 | Data Exchange                 | 009-38-02-00-01-1150-00 | Internal | 20 |
| 4 | Data Mart                     | Provide integrated data access to Medicaid data | Data Management | Data Mart                     | Data Mart                     | 009-38-02-00-01-1150-00 | Internal | 20 |
| 5 | Extraction and Transformation | Provide integrated data access to Medicaid data | Data Management | Extraction and Transformation | Extraction and Transformation | 009-38-02-00-01-1150-00 | Internal | 30 |

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 | Information Sharing | Service Access and Delivery         | Access Channels      | Web Browser          | Microsoft Internet Explorer   |
| 2 | Information Sharing | Service Access and Delivery         | Delivery Channels    | Intranet             | Microsoft Internet Explorer   |
| 3 | Information Sharing | Service Access and Delivery         | Service Requirements | Hosting              | AT&T  |
| 4 | Knowledge Capture   | Service Platform and Infrastructure | Support Platforms    | Platform Independent | Cognos Powerplay, Transformer, Impromptu, and Reportnet   |
| 5 | Data Mart           | Service Platform and Infrastructure | Database / Storage   | Database             | Oracle: CMS Enterprise License; COGNOS: CMS Enterprise License; Informatica: CMS Enterprise License; BMC: CMS Enterprise License; NDM: CMS Enterprise Solution; Connect:Direct: CMS Enterprise License; IBM TSO/IOF |

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

no

5.a. If yes, please describe.

Not Applicable

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

no

6.a.1. If yes, provide the specific product name(s) and version number(s) of the required software and the date when the public will be able to access this investment by any software (i.e. to ensure equitable and timely access of government information and services).

Not Applicable.

### PART THREE

### 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

|  |
|--|
| <i>investment's life-cycle.</i>  |
| <i>Answer the following questions to describe how you are managing investment risks.</i>   |
| <i>1. Does the investment have a Risk Management Plan?</i>   |
| yes  |
| <i>1.a. If yes, what is the date of the plan?</i>  |
| 2006-05-01   |
| <i>1.b. Has the Risk Management Plan been significantly changed since last year's submission to OMB?</i>   |
| no   |
| <i>1.c. If yes, describe any significant changes:</i>  |
| Not Applicable   |
| <i>2.b. If no, what is the strategy for managing the risks?</i>  |
| Not Applicable   |
| <b>COST &amp; SCHEDULE</b>   |
| <i>1. Was operational analysis conducted?</i>  |
| yes  |
| <i>1.a. If yes, provide the date the analysis was completed.</i>   |
| 2006-11-30   |
| <i>What were the results of your operational analysis?</i>   |
| The operational analysis was performed by reviewing all deliverables (including schedule and cost reporting) as well as stakeholder/customer surveys. The analysis verified the investment was meeting cost and schedule milestones in addition to achieving the minimum performance parameters. |