Medical Services (701) 328-2321 Toll Free 1-800-755-2604 Fax (701) 328-1544

TTY (701) 328-3480 Provider Relations (701) 328-4030

John Hoeven, Governor Carol K. Olson, Executive Director

March 28, 2006

To All Prospective Medicaid System Replacement Project Vendors And Interested Parties:

On March 8, 2006, the Budget Section of the North Dakota State Legislature instructed the Medicaid Systems Project Team to return to the full state Legislature for increased spending authorization. This step is required due to the significant difference between our Legislatively approved budget and the projected cost of the project. Because the North Dakota Legislature meets biennially, we will not be able to request the enhanced authorization until January 2007; the earliest potential approval date will be April 1, 2007.

The Budget Section has authorized the Project to move forward in a limited manner to produce some of the work effort and associated deliverables that are needed in order to support our request to the Legislature. We have forwarded our plan to the Centers for Medicare and Medicaid Services (CMS) for review and, upon their approval, will begin this limited work.

We appreciate the cooperation and assistance of all the prospective vendors. We could not have reached this point without their support.

Our current plan is to complete this limited scope of work before the 2007 Legislative Session, and pending Legislative approval for increased spending authority, to continue design, development, and implementation efforts early in the second quarter of 2007. At that time, we would expect full participation from all vendors selected through our procurement process.

Please direct any questions you may have to our Procurement Officer who is listed at the end of this letter.

Sincerely,

Maggie Anderson

Director, Medical Services

Geoffrey D. Lowe, Procurement Officer

RFP# 325-05-10-016 (MMIS/POS/DSS-DW RFP)

RFP# 325-05-10-018 (Audit RFP)

RFP# 325-06-10-002 (IV&V RFP)

Information Technology Services, North Dakota Department of Human Services

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