

Exhibit 300: Capital Asset Summary

Part I: Summary Information And Justification (All Capital Assets)

Section A: Overview & Summary Information

Date Investment First Submitted: 2010-03-17
Date of Last Change to Activities: 2012-07-23
Investment Auto Submission Date: 2012-02-27
Date of Last Investment Detail Update: 2012-02-27
Date of Last Exhibit 300A Update: 2012-07-23
Date of Last Revision: 2012-07-23

Agency: 009 - Department of Health and Human Services **Bureau:** 38 - Centers for Medicare and Medicaid Services

Investment Part Code: 01

Investment Category: 00 - Agency Investments

1. Name of this Investment: CMS 5010 Conversion Initiative

2. Unique Investment Identifier (UII): 009-000163785

Section B: Investment Detail

- Provide a brief summary of the investment, including a brief description of the related benefit to the mission delivery and management support areas, and the primary beneficiary(ies) of the investment. Include an explanation of any dependencies between this investment and other investments.**

5010/D.0 will update and enhance existing Medicare FFS claims transactions by January 1, 2012; this project ends in FY 2012, so no FY 2013 funds will be needed. The project comprises updates to HIPAA versions 4010A1 and NCPDP 5.1 in addition to modernization activities to improve efficiency & data quality as well as reduce errors in claims processing, accommodates subsequent implementation of ICD-10 codes required for claims processing systems. HIPAA mandated that all covered entities (providers, payers, clearing houses, etc.) that submit and/or receive claims, and associated administrative transactions electronically, use ASC X12 N version 4010A1 and NCPDP version 5.1 industry-standard formats for these transactions. The new 5010 and D.0 formats contain more clearly defined data enabling better qualitative analysis of risk and outcomes, and clearer, more consistent instructions to providers for the use of the transactions. A significant change included in this HIPAA version upgrade is expanding the field size of diagnosis and procedure codes in claim transactions, which will allow for implementation of ICD-10 codes. HIPAA 5010 also allows for HL7 (Health Level 7) clinical data attachments, such as electronic health records. This project funds HIPAA/NCPDP version upgrades across the agency, and will coordinate the testing and implementation of the changes. The systems impacted are categorized in three groups: 1) Front End systems used by the MACs to receive, edit, translate, account for, balance and

return the claims, 2) The core systems that adjudicate the claims, cross them over to secondary payers, and send payment data, and 3) Downstream systems that use or house claims data. In addition to the HIPAA version upgrades, the projects will 1) minimize the number of invalid or incomplete claims from entering the adjudication systems, 2) implement accounting processes to ensure all claims can be followed throughout their life cycle and 3) standardize MAC front ends to significantly improve consistency in their processing and error handling of claims. This investment supports the Health Domain IT Principle: Management of data as an enterprise asset and the Federal Health IT Policy Principle: Share health information between providers to enable better care.

2. How does this investment close in part or in whole any identified performance gap in support of the mission delivery and management support areas? Include an assessment of the program impact if this investment isn't fully funded.

The CMS 5010 Conversion Initiative has been responsible for determining the systems impacted by the replacement of HIPAA claim standards throughout all of CMS' Medicare systems. The systems impacted can be categorized in three groups: 1. Front End systems used by the MACs to receive, edit, translate, account for, balance and return the claims; 2. The core systems that adjudicate the claims, cross them over to secondary payers, and send payment data; and 3. Downstream systems that use or house claims data. The CMS 5010 has been responsible for determining the scope of the impact on those systems; what changes are necessary to those systems to successfully implement these changes; the time and resources needed to accomplish the task; and planning and overseeing that those changes were implemented. For the last several years, the CMS 5010 Conversion Initiative has been working with all affected CMS systems to implement all changes necessary for the implementation of Version 5010 codes in preparation for the use and implementation of ICD-10 codes at CMS. Most of the work has been completed. The project is scheduled for completion in 2012 (Any loss of funding now would inhibit CMS' ability to fully convert from version 4010 codes to the new 5010 codes. This in turn would delay or prevent the use of ICD-10 codes at CMS).

3. Provide a list of this investment's accomplishments in the prior year (PY), including projects or useful components/project segments completed, new functionality added, or operational efficiency achieved.

In FY2011, the CMS 5010 Conversion Initiative oversaw and coordinated efforts to make the necessary changes and enhancements to the CMS' Medicare systems to replace existing inbound and outbound HIPAA transaction formats with new HIPAA standards formats and data elements, conforming to updated standards versions NCPDP D.0 and ASC X12N 5010. Data repositories with historical data that were converted from 4010 to 5010 include: CWF (CORE FFS), HCIS, IDR, NCH, NDB, NMUD, OCSQ, ORDI and ZPIC. Major 5010 changes for Core and Downstream Systems included: Addition of Indicator Code to differentiate between ICD-9 and ICD-10 codes; Expanded fields for Diagnosis and Procedure Code positions in preparation for ICD-10; Increased the number of occurrences of Diagnosis and Procedure Codes; Increased number of POA indicators; Increased size of several amount fields; Additions of new fields to claims format; and Increased size of Prescription Service Reference Number field for NCPDP D.0.

4. Provide a list of planned accomplishments for current year (CY) and budget year (BY).

FY 2012 activities will focus on continued monitoring and testing as well as conducting fixes as needed. Each application will continue to perform its required security control assessments on a yearly basis in order to obtain and/or maintain their Authority to Operate (ATO). These ongoing assessments will assure that any possible HIPAA 5010/D.0 impacts are considered in a timely and effective manner. HIPAA 5010/D.0 will become a part of each production application's processing as they transition from development to maintenance. Closeout 614 Cost Center (Oct 2012).

5. Provide the date of the Charter establishing the required Integrated Program Team (IPT) for this investment. An IPT must always include, but is not limited to: a qualified fully-dedicated IT program manager, a contract specialist, an information technology specialist, a security specialist and a business process owner before OMB will approve this program investment budget. IT Program Manager, Business Process Owner and Contract Specialist must be Government Employees.

2008-10-31

Section C: Summary of Funding (Budget Authority for Capital Assets)

1.

Table I.C.1 Summary of Funding

	PY-1 & Prior	PY 2011	CY 2012	BY 2013
Planning Costs:	\$0.0	\$0.0	\$0.0	\$0.0
DME (Excluding Planning) Costs:	\$85.5	\$18.9	\$8.6	\$0.0
DME (Including Planning) Govt. FTEs:	\$3.0	\$1.5	\$1.5	\$0.0
Sub-Total DME (Including Govt. FTE):	\$88.5	\$20.4	\$10.1	0
O & M Costs:	\$0.0	\$0.0	\$0.0	\$0.0
O & M Govt. FTEs:	\$0.0	\$0.0	\$0.0	\$0.0
Sub-Total O & M Costs (Including Govt. FTE):	0	0	0	0
Total Cost (Including Govt. FTE):	\$88.5	\$20.4	\$10.1	0
Total Govt. FTE costs:	\$3.0	\$1.5	\$1.5	0
# of FTE rep by costs:	28	13	12	0
Total change from prior year final President's Budget (\$)		\$-1.5	\$-4.2	
Total change from prior year final President's Budget (%)		-6.90%	-29.23%	

2. If the funding levels have changed from the FY 2012 President's Budget request for PY or CY, briefly explain those changes:

Slight modifications have been made to more closely reflect project resources and spending; additionally, estimated costs for 2012 have been added.

Section D: Acquisition/Contract Strategy (All Capital Assets)

Table I.D.1 Contracts and Acquisition Strategy

Contract Type	EVM Required	Contracting Agency ID	Procurement Instrument Identifier (PIID)	Indefinite Delivery Vehicle (IDV) Reference ID	IDV Agency ID	Solicitation ID	Ultimate Contract Value (\$M)	Type	PBSA ?	Effective Date	Actual or Expected End Date
Awarded	7530	HHSM500T000 3	HHSM5002000 9000011	7530							
Awarded	7530	HHSM500200 8M0003Z									
Awarded	7530	HHSM500200 8M0002Z									
Awarded	7530	HHSM500200 6M0005Z									
Awarded	7530	HHSM500200 7M0001Z									
Awarded	7530	HHSM500200 7M0002Z									
Awarded	7530	HHSM500200 8M0008Z									
Awarded	7530	HHSM500200 9M0004Z									
Awarded	7530	HHSM500200 8M0001Z									
Awarded	7530	HHSM500200 8M0004Z									
Awarded	7530	HHSM500200 9M0002Z									
Awarded	7530	HHSM500201 0M0002Z									
Awarded	7530	HHSM500201 0M0001Z									
Awarded	7530	HHSM500201 0M0002Z									
Awarded	7530	HHSM5000001	HHSM5002007 00026I	7530							

Table I.D.1 Contracts and Acquisition Strategy

Contract Type	EVM Required	Contracting Agency ID	Procurement Instrument Identifier (PIID)	Indefinite Delivery Vehicle (IDV) Reference ID	IDV Agency ID	Solicitation ID	Ultimate Contract Value (\$M)	Type	PBSA ?	Effective Date	Actual or Expected End Date
Awarded	7530	HHSM500200500021C									
Awarded	7530	HHSM500200500013C									
Awarded	7530	HHSM500T0001	HHSM5002000700021I	7530							
Awarded	7530	Not a Contract - Interagency Transfer of Funds - CMM-9-0614-01									
Awarded	7530	HHSM500200900008I									
Awarded	7530	HHSM500200800027I									
Awarded	7530	Not a Contract - Interagency Transfer of Funds									
Awarded	7530	HHSM5000001	HHSM500200700004B	7530							

2. If earned value is not required or will not be a contract requirement for any of the contracts or task orders above, explain why:

Exhibit 300B: Performance Measurement Report

Section A: General Information

Date of Last Change to Activities: 2012-07-23

Section B: Project Execution Data

Table II.B.1 Projects

Project ID	Project Name	Project Description	Project Start Date	Project Completion Date	Project Lifecycle Cost (\$M)
297424	5010 Coversion Project Implement Systems Updates	<p>The 5010 Conversion Project includes replacing existing inbound and outbound HIPAA transaction formats with new HIPAA standards formats and data elements, conforming to updated standards versions NCPDP D.0 and ASC X12N 5010. The project addresses inbound and outbound claims, remittances, eligibility and status inquiries and responses processed by MAC Front End Systems. The project also includes the expansion of diagnosis codes from 5 to 7 positions in preparation for ICD-10, and is considered the pre-requisite project for ICD-10. This expansion affects all Medicare FFS applications and data repositories where diagnosis codes are part of processing.</p>			

Activity Summary

Activity Summary

Roll-up of Information Provided in Lowest Level Child Activities

Project ID	Name	Total Cost of Project Activities (\$M)	End Point Schedule Variance (in days)	End Point Schedule Variance (%)	Cost Variance (\$M)	Cost Variance (%)	Total Planned Cost (\$M)	Count of Activities
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Roll-up of Information Provided in Lowest Level Child Activities

Project ID	Name	Total Cost of Project Activities (\$M)	End Point Schedule Variance (in days)	End Point Schedule Variance (%)	Cost Variance (\$M)	Cost Variance (%)	Total Planned Cost (\$M)	Count of Activities
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297424 5010 Coersion Project Implement Systems Updates

Key Deliverables

Project Name	Activity Name	Description	Planned Completion Date	Projected Completion Date	Actual Completion Date	Duration (in days)	Schedule Variance (in days)	Schedule Variance (%)
297424	297424: National Provider conference calls 1st half of 2010.		2010-07-03	2010-07-03	2010-07-03	180	0	0.00%
297424	297424: National Provider conference calls 2nd half of 2010.		2011-01-03	2011-01-03	2011-01-03	183	0	0.00%
297424	297424: Project Management Planning Phase.		2011-02-21	2011-02-21	2011-02-21	183	0	0.00%
297424	297424: National Provider conference calls 1st half of 2011.		2011-07-03	2011-07-03	2011-07-03	180	0	0.00%
297424	297424: Project Management Development Phase.		2011-08-21	2011-08-21	2011-08-21	180	0	0.00%
297424	297424: National Provider conference calls 2nd half of 2011.		2011-09-30	2011-09-30	2011-09-30	88	0	0.00%
297424	297424: Project Management Validation Phase.		2012-02-21	2012-02-21	2012-02-21	183	0	0.00%
297424	297424: National Provider conference calls last qtr of 2011		2012-03-31	2012-03-31	2012-03-31	182	0	0.00%

Key Deliverables								
Project Name	Activity Name	Description	Planned Completion Date	Projected Completion Date	Actual Completion Date	Duration (in days)	Schedule Variance (in days)	Schedule Variance (%)
297424	and 1st qtr of 2012. 297424: Project Management Implementation Phase.		2012-08-21	2012-08-21		181	-10	-5.52%

Section C: Operational Data

Table II.C.1 Performance Metrics

Metric Description	Unit of Measure	FEA Performance Measurement Category Mapping	Measurement Condition	Baseline	Target for PY	Actual for PY	Target for CY	Reporting Frequency
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NONE