

5.B. CAPITAL BUDGET PROJECT INFORMATION
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/20/2010
 TIME: 4:29:50PM

Agency Code:	529	Agency name:	Health and Human Services Commission
Category Number:	5005	Category Name:	ACQUISITN INFO RES TECH.
Project number:	1	Project Name:	Data Center Consolidation

PROJECT DESCRIPTION

General Information

On November 22, 2006, DIR executed a contract with International Business Machines Corporation (IBM) to provide data center services for Texas state agencies. The contract commenced on March 31, 2007, and expires on August 31, 2014, with three optional, one-year extensions. The agreement includes management of services in 31 legacy data centers, consolidation of these services to the Austin and San Angelo Data Centers, and ongoing operations. The state retains ownership of all assets until end of life and retains ownership of all data on the in-scope systems. The state's goals for the data center services (DCS) contract include effective management of in-place services, migration of services to the consolidated data centers, and improvements to services, security, and disaster recovery capability.

Texas Government Code §2054.375, Subchapter L. Statewide Technology Centers requires DIR to manage a statewide data center consolidation and identify agencies for participation.

Exceptional item represents request to fund monthly DIR billings for DARS (\$713K in FY2012 and \$669K in FY2013 for a total of \$1.4M) and HHSC (\$5.9M in FY2013) [identified with OOE 2001].

Additionally, the Informational category includes a request for transformation and remediation costs in FY2012 for DADS (\$1.1M), DFPS (\$423K), DSHS (\$5.7M) and HHSC (\$4.2M).

Exceptional item also includes request to fund DCS related costs for new FTEs requested in all HHSC exceptional item requests [identified with OOE 2009].

Number of Units / Average Unit Cost	0						
Estimated Completion Date	Contract ends 8/31/2014						
Additional Capital Expenditure Amounts Required	<table border="0"> <tr> <td></td> <td align="center">2014</td> <td align="center">2015</td> </tr> <tr> <td></td> <td align="center">0</td> <td align="center">0</td> </tr> </table>		2014	2015		0	0
	2014	2015					
	0	0					
Type of Financing	CA CURRENT APPROPRIATIONS						
Projected Useful Life	Ongoing operations						
Estimated/Actual Project Cost	\$0						

Length of Financing/ Lease Period

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

	2012	2013	2014	2015	Total over project life
	0	0	0	0	0

REVENUE GENERATION / COST SAVINGS

<u>REVENUE COST FLAG</u>	<u>MOF_CODE</u>	<u>AVERAGE AMOUNT</u>

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Explanation: Costs incurred by the HHS agencies for these data center services and billed by DIR have are projected to exceed initial estimates.

Project Location: Austin Data Center and San Angelo Data Center

Beneficiaries: HHS Agencies along with several state agencies are involved in the project. A list is available on the DIR Web site.

Frequency of Use and External Factors Affecting Use:

Most agencies use data center services all day every day. Some contracting issues have prevented smooth operations of the consolidated data center.

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Agency Code:	529	Agency name:	Health and Human Services Commission
Category Number:	5005	Category Name:	ACQUISITN INFO RES TECH.
Project number:	2	Project Name:	Seat Management

PROJECT DESCRIPTION

General Information

HHSC Seat Management Services provides leased computer equipment and software licenses for all HHSC state staff, contract staff, and training rooms. During FY10 and continuing through FY11, the quantities of leased PCs and laptops are increasing due to the growth in staff, primarily in the Eligibility Services and for support of the TIERS rollout through FY13. This project will cover maintenance and lease payments for the existing leased equipment, and allow for replacement of PCs that have reached the end of their 4-year life cycle and no longer adequately support the business needs of the agency. The goal of the project is to provide HHSC with a repeatable and accurate forecasting methodology for future budget cycles. Development and implementation of a repeatable planning process will reduce the budget preparation cycle, improve systems reliability through the provision of current technology, achieve economies of scale, and provide a basis for improved cost management. Standardization will make state staff more productive through delivery of consistent tools and applications so that data can be shared and collaborated. Providing a refresh plan for HHSC equipment will enable HHSC to reduce infrastructure costs and to improve management, administration, and reliability processes. It will also allow for centralized planning and allocation of resources to ensure that HHSC receives maximum utilization and cost benefits.

Number of Units / Average Unit Cost	\$450 to \$1,162 per seat per year
Estimated Completion Date	Seat management is ongoing
Additional Capital Expenditure Amounts Required	
	2014 2015
	11,795,301 11,795,301
Type of Financing	CA CURRENT APPROPRIATIONS
Projected Useful Life	4 years
Estimated/Actual Project Cost	\$0
Length of Financing/ Lease Period	

<u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u>	Total over project life			
2012	2013	2014	2015	
0	0	0	0	0

<u>REVENUE GENERATION / COST SAVINGS</u>		
<u>REVENUE COST FLAG</u>	<u>MOF_CODE</u>	<u>AVERAGE AMOUNT</u>

Explanation:

Project Location: Statewide.

Beneficiaries: All HHSC employees who require the use of a computer and software licenses to perform their duties.

Frequency of Use and External Factors Affecting Use:

Daily.

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Agency Code:	529	Agency name:	Health and Human Services Commission
Category Number:	5005	Category Name:	ACQUISITN INFO RES TECH.
Project number:	3	Project Name:	HIPAA Compliance

PROJECT DESCRIPTION

General Information

HHS system-wide projects to comply with federal Health Insurance Portability and Accountability Act of 1996 (HIPAA). Medicaid, CHIP and related systems are "covered entities" and are required to comply with HIPAA regulations and standards. HHS projects are directed by HHSC HIPAA office. Compliance with federal HIPAA applies to business systems & information technology systems that operate Medicaid, CHIP, and related health plans and providers. Compliance was required by 4-20-05 for security rules and by 5-23-07 for National Provider Identifier (NPI) rules. Activities include systems assessment, analysis, requirements, specifications, remediation, testing, and implementation. HHS contractors who operate Medicaid or CHIP systems are required to comply with HIPAA.

5010 rule mandates an upgrade from EDI standard transaction 4010A to 5010. This version allows the use of ICD-10 codes and removes some ambiguity from the 4010A legislation. This rule has a compliance date of January 1, 2012. Analysis has been completed and CMS has approved the Implementation project.

The ICD-10 Code set rule mandates an upgrade from ICD-9 to ICD-10 for diagnosis and procedure codes. These code sets allow for a more thorough detail identification. These code sets are used in 95% of health care related systems and are required for paying claims. Compliance date is October 1, 2013. HHSC has posted an RFP for review of business process and is currently reviewing bids.

Additional HIPAA Initiatives

-Claims Attachments – Standard for requesting and supplying additional health care information in an electronic attachment.

Includes ambulance, rehabilitative services, emergency department, laboratory, medications, and clinical reports. It's anticipated this rule will not be published until after the ICD-10 compliance date.

-National Plan ID – It is anticipated that the HIPAA National Plan ID rule will not be published until after the ICD-10 compliance date.

Number of Units / Average Unit Cost	N/A				
Estimated Completion Date					
Additional Capital Expenditure Amounts Required		2014		2015	
		0		0	
Type of Financing	CA CURRENT APPROPRIATIONS				
Projected Useful Life	Until federal regulation changes				
Estimated/Actual Project Cost	\$0				
Length of Financing/ Lease Period					
<u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u>					Total over project life
	2012	2013	2014	2015	
	0	0	0	0	0

<u>REVENUE GENERATION / COST SAVINGS</u>		
<u>REVENUE COST FLAG</u>	<u>MOF CODE</u>	<u>AVERAGE AMOUNT</u>

Explanation:

Project Location: State Offices and provider community.

Beneficiaries: Providers and recipients.

Frequency of Use and External Factors Affecting Use:

Daily.

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Agency Code:	529	Agency name:	Health and Human Services Commission
Category Number:	5005	Category Name:	ACQUISITN INFO RES TECH.
Project number:	5	Project Name:	Enterprise Telecom Mgmt Services

PROJECT DESCRIPTION

General Information

HHSC's approach for the TMS services program originated with a study conducted in 2004 that demonstrated:
 -over 14 different types of telephone systems deployed throughout HHS offices with no centralized planning or coordination
 -the average age of HHS phone systems at the time was 11 years, some as old as 24 years
 -many systems were no longer supported by their manufacturers resulting in longer downtime during system outages; and HHS needed to establish an enterprise wide approach to telecommunications to reduce costs, improve services to clients and improve synergies between HHS agencies.

HHS secured funding for the project during the 2008-2009 and awarded a 5 year contract to AT&T to provide a consistent model of service and support with a tiered approach:

- Category 1 Seat based pricing for equipment and services (vendor owns equipment) \$36/seat per month
- Category 2 Seat based pricing for services (agency owns equipment) \$16/seat per month
- Category 3 Time and Materials support (agency owns equipment)

The contract provides reliable support for all users; enhanced support to meet specialized requirements; scheduled upgrades to keep category 1 and 2 systems current; dedicated support and move, add and change credits to minimize additional charges to HHS. HHS has successfully migrated 76% of users to the seat based pricing model.

Current systems are at or near end of life and additional capacity/functionality are needed by users. Federal mandates for Homeland Security Essential Functions and emergency response/preparedness are dependant on communications systems being reliable and cross-functional with other technology. Considerable number of the telecom systems are classified as obsolete systems, and if repairable, repairs are costly and dependant on refurbished parts being available. Failure to replace these systems will jeopardize the effective delivery of services and impede the critical task of integrating offices into a coherent voice network.

Number of Units / Average Unit Cost	\$16 to \$39 per seat per month				
Estimated Completion Date	Telecom seat management is ongoing				
Additional Capital Expenditure Amounts Required		2014		2015	
		12,438,386		12,391,063	
Type of Financing	CA CURRENT APPROPRIATIONS				
Projected Useful Life	5 years				
Estimated/Actual Project Cost	\$0				
Length of Financing/ Lease Period	N/A				
<u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u>				Total over project life	
	2012	2013	2014	2015	
	0	0	0	0	0

<u>REVENUE GENERATION / COST SAVINGS</u>		
<u>REVENUE COST FLAG</u>	<u>MOF CODE</u>	<u>AVERAGE AMOUNT</u>

Explanation: Consolidated, interoperable services could enhance efficiently; included are centralized voice mail, a cross-agency dial plan, voice mail broadcasts, and toll bypass. New switch technology can be leveraged to contain costs and expand services. Estimated average annual savings is \$500,000 to \$1,000,000.

Technology will decrease time spent by staff providing manual support to clients, decrease time spent by support staff repairing these aging systems, and decrease of repair costs.

Project Location: Statewide.

Beneficiaries: HHSC, DSHS, DFPS and DADS and recipients of state services.

Frequency of Use and External Factors Affecting Use:

Daily for over 32,000 users.

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Project Location: Statewide.

Beneficiaries: All HHS agencies with initial focus on Medicaid related program area analytics and operational utilization.

Frequency of Use and External Factors Affecting Use:
Daily by various members of HHS agency staff and management.

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Agency Code:	529	Agency name:	Health and Human Services Commission
Category Number:	5005	Category Name:	ACQUISITN INFO RES TECH.
Project number:	7	Project Name:	TIERS

PROJECT DESCRIPTION

General Information

The Health and Human Services Commission (HHSC) delivers eligibility services to clients for the state and federal programs administered by HHSC including Food Stamps, Temporary Assistance for Needy Families (TANF), Children's Health Insurance Program (CHIP), Medicaid for children and adults, and Medicaid for the Elderly and People with Disabilities (MEPD). Consumers access the eligibility services in person at local eligibility offices, by phone, mail, fax, or through the internet. Eligibility services are provided through a network of HHSC Benefits Offices in 254 counties in Texas. This project implements the enhanced eligibility system to increase access to services, implement efficient and simplified business processes, reduce fraud, and ensure compliance with federal law. HHSC has defined the project scope for the enhanced eligibility system to include the following areas:

- TIERS and Eligibility Supporting Technology
- Self Service Portal
- State Portal
- Task List Manager
- CHIP into TIERS
- TIERS Training
- SAVERR
- SAVERR Conversion
- Telephony
- Voice over Internet Protocol (VoIP)

Number of Units / Average Unit Cost	N/A			
Estimated Completion Date	08/31/2013			
Additional Capital Expenditure Amounts Required		2014		2015
		0		0
Type of Financing	CA CURRENT APPROPRIATIONS			
Projected Useful Life	On-going			
Estimated/Actual Project Cost	\$0			
Length of Financing/ Lease Period				
<u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u>				Total over project life
	2012	2013	2014	2015
	0	0	0	0

<u>REVENUE GENERATION / COST SAVINGS</u>		
<u>REVENUE COST FLAG</u>	<u>MOF_CODE</u>	<u>AVERAGE AMOUNT</u>

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Explanation: Benefits will include increased client service and internal efficiencies.

Project Location: Statewide.

Beneficiaries: Clients applying and receiving benefits, caseworkers, and support staff will benefit from these applications.

Frequency of Use and External Factors Affecting Use:

Caseworkers and Support Staff will use these tools daily. Clients will access the systems at times of application, renewals, and changes in circumstances.

<u>REVENUE GENERATION / COST SAVINGS</u>		
<u>REVENUE COST FLAG</u>	<u>MOF CODE</u>	<u>AVERAGE AMOUNT</u>

Explanation:

Project Location: Statewide.

Beneficiaries: Texas Medicaid clients, providers, and the Medicaid program.

Frequency of Use and External Factors Affecting Use:

This project will support daily Medicaid service delivery to over 3 million eligibles per year. The Medicaid program operates under Title XIX of the Social Security Act and is funded by legislative appropriations and must comply with applicable legislative mandates.

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Agency Code:	529	Agency name:	Health and Human Services Commission
Category Number:	5007	Category Name:	ACQUISITN CAP EQUIP ITEMS
Project number:	11	Project Name:	Facility Supp Services - Fleet Ops

PROJECT DESCRIPTION

General Information

This project will allow HHSC to stay on track with the goals of the comprehensive HHS 10-yr vehicle replacement plan, as well as provide safe efficient transportation for staff and programs to ensure the agency's mission and goals are met. As the HHSC fleet ages, more money and time is spent on maintaining older vehicles, which puts a strain on program budgets and takes staff away from normally assigned duties. Without safe and efficient vehicles, the agency's ability to perform services would be jeopardized.

Number of Units / Average Unit Cost	\$22,000						
Estimated Completion Date	N/A (vehicle replacement is ongoing)						
Additional Capital Expenditure Amounts Required	<table border="0"> <tr> <td></td> <td align="center">2014</td> <td align="center">2015</td> </tr> <tr> <td></td> <td align="center">0</td> <td align="center">0</td> </tr> </table>		2014	2015		0	0
	2014	2015					
	0	0					
Type of Financing	CA CURRENT APPROPRIATIONS						
Projected Useful Life	6-10 years based on the type of vehicle						
Estimated/Actual Project Cost	\$0						
Length of Financing/ Lease Period							

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

2012	2013	2014	2015	Total over project life
0	0	0	0	0

REVENUE GENERATION / COST SAVINGS

<u>REVENUE COST FLAG</u>	<u>MOF_CODE</u>	<u>AVERAGE AMOUNT</u>

Explanation: The vehicles that will be replaced are included in the comprehensive 10-yr plan and will help the HHSC regions and other divisions work towards clearing the backlog of vehicles meeting or surpassing replacement criteria currently in service.

Project Location: Statewide.

Beneficiaries: All HHS agencies and their customers.

Frequency of Use and External Factors Affecting Use:

The vehicles purchased through this project will be used on a daily basis. Vehicles are required in order for the agency to operate efficiently and provide services as required.

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Agency Code:	529	Agency name:	Health and Human Services Commission
Category Number:	5008	Category Name:	LEASE PAYMENT/MST LSE PRG
Project number:	12	Project Name:	TIERS MLPP

PROJECT DESCRIPTION

General Information

Project is the repayment of principle, interest and administrative fees to the Texas Public Finance Authority for Texas Integrated Eligibility Redesign System (TIERS) project costs financed through the Master Lease Purchase Program (MLPP).

Number of Units / Average Unit Cost	N/A		
Estimated Completion Date	8/1/2015		
Additional Capital Expenditure Amounts Required		2014	2015
		2,822,731	1,524,017
Type of Financing	CA	CURRENT APPROPRIATIONS	
Projected Useful Life	20 years		
Estimated/Actual Project Cost	\$0		
Length of Financing/ Lease Period			

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

2012	2013	2014	2015	Total over project life
0	0	0	0	0

REVENUE GENERATION / COST SAVINGS

<u>REVENUE_COST_FLAG</u>	<u>MOF_CODE</u>	<u>AVERAGE_AMOUNT</u>

Explanation:

Project Location: Statewide.

Beneficiaries: HHSC staff utilizing this system to provide access and eligibility services to clients as well as other agencies.

Frequency of Use and External Factors Affecting Use:

Daily.

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Agency Code:	529	Agency name:	Health and Human Services Commission
Category Number:	5005	Category Name:	ACQUISITN INFO RES TECH.
Project number:	18	Project Name:	Technology Support for SH and SSLC

PROJECT DESCRIPTION

General Information

Aligns with the overall vision of the state to provide services and support to persons in State Hospitals and State Supported Living Centers by providing essential client systems 24 hours per day/7 days per week without interruption due to hardware and software failures. To provide specialized assessment, treatment, and medical services in state mental health facility programs.

Postponing this project will have the following consequences: Complete patient information is not readily accessible to help clinicians make critical decisions in a crisis; the risk to patient health and safety is increased. Information from the separate systems cannot be easily meshed: giving an incomplete picture of a patient's status and improper drug combinations may be given if systems are not available to detect issues with drugs. Surveyors from Joint Commission and Medicaid will not get the reports they request in their required timeframes. Reports will require manual compilation. Information from providers outside the state is not always available and must be accessed manually.

The existing Client Trust Fund (CTF) application is running on a hardware platform that is no longer manufactured nor is it supported. CTF fails increasingly with memory errors, printing problems, and application errors. This is impacting essential functionality with an alarming rise in data corruptions and loss of application availability due to the frequent data restores.

The CTF platform does not meet the software requirements for the Data Center Services (DCS) contract, thus HHSC cannot migrate the existing application.

The inventory management system is out-of-date by multiple versions and no longer receives support, patches/fixes or maintenance, and is no longer upgradeable, nor does it meet the software requirements of the DCS contract.

Number of Units / Average Unit Cost	N/A				
Estimated Completion Date	12/31/2012 thru 8/31/2013				
Additional Capital Expenditure Amounts Required	<table border="0"> <tr> <td>2014</td> <td>2015</td> </tr> <tr> <td align="right">0</td> <td align="right">0</td> </tr> </table>	2014	2015	0	0
2014	2015				
0	0				
Type of Financing	CA CURRENT APPROPRIATIONS				
Projected Useful Life	5 to 15 years				
Estimated/Actual Project Cost	\$0				

Length of Financing/ Lease Period

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

2012	2013	2014	2015	Total over project life
0	0	0	0	0

<u>REVENUE GENERATION / COST SAVINGS</u>		
<u>REVENUE COST FLAG</u>	<u>MOF CODE</u>	<u>AVERAGE AMOUNT</u>

Explanation:

Project Location: Statewide.

Beneficiaries: DADS State Supported Living Centers, DSHS State Hospitals, HHS Central Warehouses, clinical staff (both professional and direct care workers), facilities management staff, and regulatory agencies.

Frequency of Use and External Factors Affecting Use:

Frequency: Daily use.

Factors; ICF-MR certification and the Joint Commission require a standard of access to electronic health information that cannot be satisfied unless systems are available when needed.

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Agency Code:	529	Agency name:	Health and Human Services Commission
Category Number:	5005	Category Name:	ACQUISITN INFO RES TECH.
Project number:	19	Project Name:	IT Security Enhancements

PROJECT DESCRIPTION

General Information

HHS agencies provide client services and benefits to citizens based on financial need. The enterprise maintains and processes significant personal confidential information, including health information, about its clients. This project will enable compliance with state and federal laws and policies for protecting this data. The agencies can be fined significant penalties for failure to comply with these protection policies. Funding will increase the ability for the information security to provide technical solutions to protect the privacy, confidentiality, security, integrity, and relevance of electronic health and personally identifiable information as required and defined by state and federal privacy requirements. Without this technology, security weakness may go undetected due to failure to perform data monitoring.

Across HHS, several departments, including Legal, Records Management, and IT, need functionality that allows for storage, indexing, and search capabilities on staff emails for a rolling 10-year period. Manual search required for either an open records request or in response to litigation make demands upwards of 15-20 hours per staff member who is required to search e-mail for any relevant correspondence. Also, HHSC legal has worked multiple Medicare fraud cases with the Attorney General's office that have resulted in awards being made to State. This functionality would provide for:

- compliance with state and federal regulations
- efficiencies in fulfilling Open Records requests
- avoidance of litigation penalties when records cannot be located and provided.

Number of Units / Average Unit Cost	N/A				
Estimated Completion Date	12/1/2012 to 8/31/2013				
Additional Capital Expenditure Amounts Required	<table border="0"> <tr> <td>2014</td> <td>2015</td> </tr> <tr> <td align="right">0</td> <td align="right">0</td> </tr> </table>	2014	2015	0	0
2014	2015				
0	0				
Type of Financing	CA CURRENT APPROPRIATIONS				
Projected Useful Life	10 plus years				
Estimated/Actual Project Cost	\$0				
Length of Financing/ Lease Period					

<u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u>					Total over project life
2012	2013	2014	2015		
0	0	0	0		0

<u>REVENUE GENERATION / COST SAVINGS</u>		
<u>REVENUE COST FLAG</u>	<u>MOF_CODE</u>	<u>AVERAGE AMOUNT</u>

Explanation: In "E-Discovery: Project Planning and Budgeting 2008-2011," Gartner cites a study that demonstrates a typical lawsuit costs \$1.5 million to defend. At an estimated 10% savings per lawsuit shows potential savings to agency. In addition, electronic document processing can cut manual attorney review costs by 89% alone.

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Project Location: Austin for Security Roadmap. E-Discovery application is web based so io can be accessed Statewide.

Beneficiaries: All areas of the agency including external customers and business partners will benefit from security monitoring. HHS Legal departments and recipients of information will benefit most from E-Discovery tools.

Frequency of Use and External Factors Affecting Use:

Daily.

The federal HITECH law provides for penalties in the event of a data breach where data is not encrypted. This will ensure discovery and encryption of confidential data and adherence to TAC 202 and audit findings/recommendations.

An E-Discovery product would be used for all Open Record Requests and for need to search email archives for information regarding litigation cases. HHS processed more than 2,000 open records requests in 2009.

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Agency Code:	529	Agency name:	Health and Human Services Commission
Category Number:	5003	Category Name:	REPAIR OR REHABILITATION
Project number:	20	Project Name:	Security Improve: Winters Data Ctr

PROJECT DESCRIPTION

General Information

Winters Data Center infrastructure work would enable the replacement of aging Power Distribution Units (PDUs) and Computer Room Air Conditioning (CRAC) units; the units in existence are original to the building and several are nonfunctioning. The project would also allow for dedicated chillers to be installed for use exclusively by the Computer building data centers (the 4 data centers currently operate on the main building's single chiller system). The chiller provides the cooled water to the CRACs that supply air conditioning to the data centers. There is also an increased concern these older units will begin to fail more frequently after TFC replaces the UPSs and ATS switch (scheduled for Fall 2010). This request had previously been held due to the expectation that agency applications would migrate to the new data center under the DCS contract (original target completion date was April 2008; last target date was December 2010 - neither date was or will be achieved). This effort has not come to fruition and current plans indicate it will be at least 18-24 months before some of these system begin to retire. Failure to replace this equipment may result in increased down time for systems affected by the failing building components (PDUs, CRACs, or chillers). Timelines will be coordinated with TFC and HHSC would expect this project to be completed by August 2012.

Additionally, an Internal Audit identified several Winters Data Center physical security vulnerabilities which are strongly suggested to be remedied given that DCS transformation activities are not progressing as planned. These findings include adding security cameras throughout the data centers, increasing the number of security guards for the Winters C building, replacement of all data centers' locks every five years, adding environmental controls to the data centers, and adding monitoring of the additional environmental controls. HHSC would expect this project to be completed by August 2013.

Number of Units / Average Unit Cost	N/A				
Estimated Completion Date	8/31/2012 thru 8/31/2013				
Additional Capital Expenditure Amounts Required	<table border="0"> <tr> <td>2014</td> <td>2015</td> </tr> <tr> <td align="right">0</td> <td align="right">0</td> </tr> </table>	2014	2015	0	0
2014	2015				
0	0				
Type of Financing	CA CURRENT APPROPRIATIONS				
Projected Useful Life	20 to 25 years (based on lifecycle of current equipment)				
Estimated/Actual Project Cost	\$0				

Length of Financing/ Lease Period

ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS

	2012	2013	2014	2015	Total over project life
	0	0	0	0	0

REVENUE GENERATION / COST SAVINGS

<u>REVENUE COST FLAG</u>	<u>MOF_CODE</u>	<u>AVERAGE AMOUNT</u>

Explanation:

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Project Location: Austin, John H. Winters Computer Building, 701 W. 51st Street, Building C.

Beneficiaries: Several state agencies - HHSC, DADS, DFPS, DSHS, CIRA, OIG, TIERS, DIR and TFC.

Frequency of Use and External Factors Affecting Use:

Daily - 24 hours per day / 7 days per week.

5.B. CAPITAL BUDGET PROJECT INFORMATION
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 8/20/2010
 TIME: 4:29:50PM

Agency Code:	529	Agency name:	Health and Human Services Commission
Category Number:	5005	Category Name:	ACQUISITN INFO RES TECH.
Project number:	21	Project Name:	MEPD Asset Verification System

PROJECT DESCRIPTION

General Information

This project is to accommodate equipment, service and maintenance, and development of a federally-mandated electronic asset verification system for Medicaid Eligibility for the Elderly or People with Disabilities client applications, redeterminations, and verification requests.

The Centers for Medicare and Medicaid Services (CMS) released guidance on the specifications. Federal requirements must be met through developing an in-house system or contracting for a vendor to implement and conduct the interfaces. The system must be electronic, matches are run for applications and redeterminations, verification requests must include financial institutions other than those reported by clients, verification requests may need to be for open and closed accounts for a five year look-back, and the state must generate reports required by CMS. The Supplemental Appropriations Act of 2008 added section 1940 to the Social Security Act (Sec. 1940. [42 U.S.C. 1396w]). This section requires all states to implement an electronic system to obtain information from financial institutions for verification of the assets of MEPD applicants and redeterminations.

Internal/external factors include the potential impact associated with the rollout schedule, as the federal fiscal year for implementation is 2013 and their is no schedule for MEPD TIERS rollout at this time. There are also potential impacts associated with workload growth, re-procurements for contracted services, and federal and state review and oversight. As for workload growth, their may be timing issues related to the matching of data. Regarding the the re-procurement of contracted services, it is unknown at this time whether it will be handled under the Data Broker or through a new procurement. Further, there are factors relating to oversight, as the federal mandate includes meeting CMS timeliness and non-compliance requirements.

Number of Units / Average Unit Cost	N/A		
Estimated Completion Date	8/31/2012		
Additional Capital Expenditure Amounts Required		2014	2015
		0	0
Type of Financing	CA	CURRENT APPROPRIATIONS	
Projected Useful Life	Ongoing software use.		
Estimated/Actual Project Cost	\$0		

Length of Financing/ Lease Period	
<u>ESTIMATED/ACTUAL DEBT OBLIGATION PAYMENTS</u>	Total over project life
2012	2013
0	0
2014	2015
0	0

<u>REVENUE GENERATION / COST SAVINGS</u>		
<u>REVENUE COST FLAG</u>	<u>MOF_CODE</u>	<u>AVERAGE AMOUNT</u>

Explanation:

5.B. CAPITAL BUDGET PROJECT INFORMATION
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DATE: **8/20/2010**
TIME: **4:29:50PM**

Project Location: Statewide.

Beneficiaries: Medicaid Eligibility for the Elderly or People with Disabilities (MEPD) clients.

Frequency of Use and External Factors Affecting Use:

Daily.