



# The Implementation of Medicaid Enterprise Systems Environment - Challenges and Opportunities

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States routinely need to rethink their strategy for Medicaid Enterprise Systems due to the landscape of changing regulations; the need to offer a superior, wider set of services through vehicles, such as waivers and state plan amendments; the demand for better analytics to evaluate policies and inform interventions; and the instance of emergency events, such as health pandemics and disease outbreaks.

States developed large monolithic Medicaid Management Information Systems (MMIS) decades ago to manage Medicaid operations. These systems support all aspects of Medicaid administration, including provider enrollment, program integrity, and claims adjudication and payments. While these systems are crucial in supporting complex Medicaid operations, required modifications to functionality over time have transformed them into unwieldy and costly systems. In 2016 the Centers for Medicare and Medicaid Services (CMS) began encouraging states to replace these burdensome systems with smaller modules that support discrete business functions, such as provider management and claims management.

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