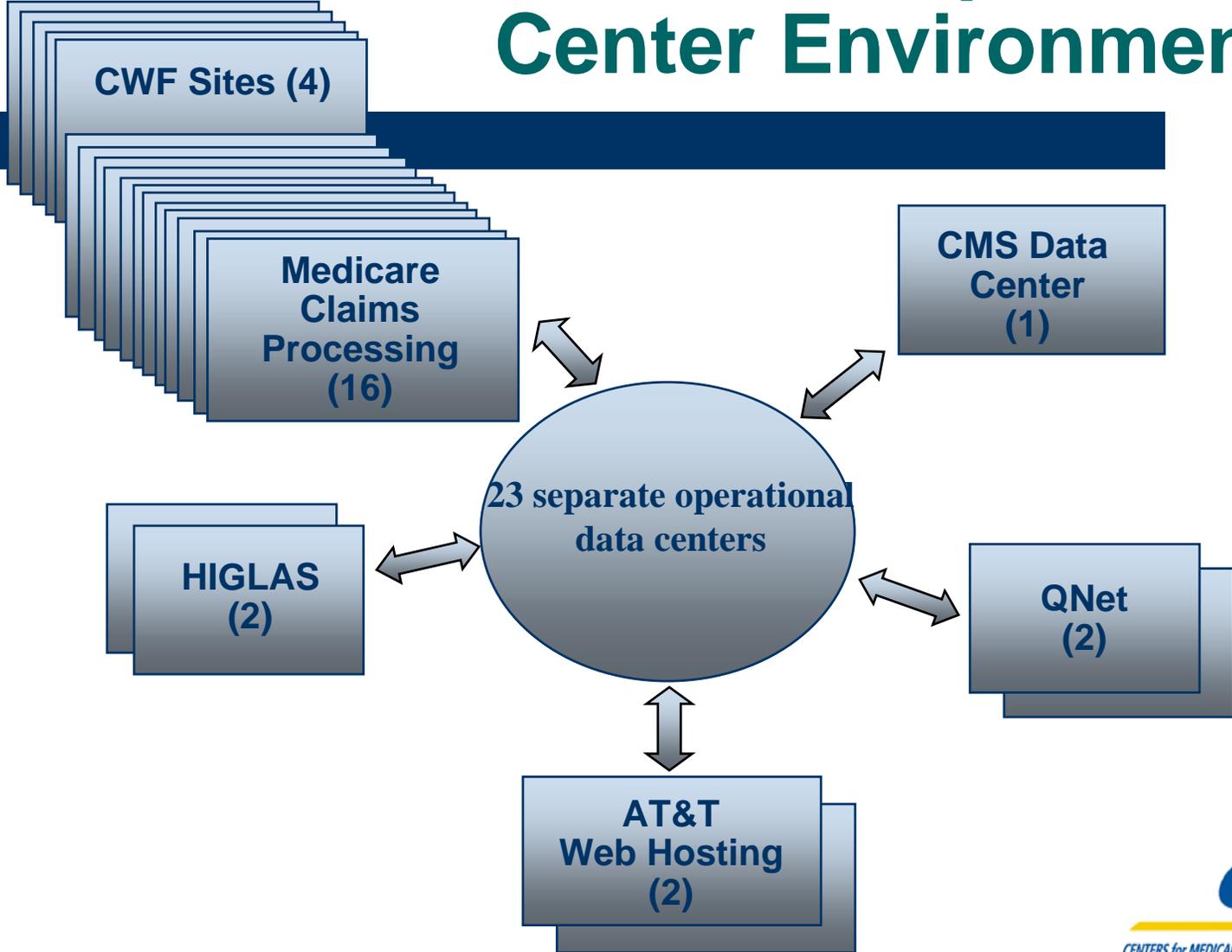


CMS DATA CENTER STRATEGY

**Office of Information Services
Medicare Contractor Executive
Conference**

May 2004

Current Enterprise Data Center Environment



Business Drivers

Additional Capacity Needed for:

- Medicare Modernization Act
 - Part D Implementation
 - Medicare Beneficiary Database Expansion
 - Medicare Advantage and Health Plan Management System
 - Contracting Reform
- HIPAA
- Enterprise Data Warehouse Growth
- Internet

The Enterprise Computing Vision

- **Enterprise-wide data centers running all CMS applications requiring computing capacity**
- **Headquarters-specific functions remain at CMS Woodlawn Data Center**
- **Applications/data at each enterprise-wide data center may vary**
- **Sufficient standardization to support workload balancing and disaster recovery between data centers**

Benefits to Enterprise Approach

- **Fiscal**
 - Increased control of costs
 - Reduced costs for system changes
 - Reduced interface costs

- **Service to Beneficiaries and Providers**
 - Improved service through advanced technology (Internet)
 - Improved security and privacy
 - Improved data access

- **Claims Processing**
 - Stabilizes environment for contractor transitions
 - Support for increased/decreased claims volumes
 - Improved shared system maintenance

EDC Transition Strategy: A Phased Approach

- **Phase 1 – Initial EDCs**
- **Phase 2 – End State EDCs**

Phase I – Initial EDCs (FY 2004-2007)

- **Conduct interim competition for CMS controlled enterprise data centers**
 - “General purpose” data centers
 - Available for any/all CMS work
 - CMS dedicated environment
 - Direct contracts with CMS

Phase II – End-State EDCs (Migration 2007-2009)

- **Assess results of Phase I**
- **Conduct end-state Enterprise Data Center procurement and build-out, if necessary**

Next Steps

- Finalize procurement strategy
- Announce procurement strategy
- Award contracts
- Begin implementation