OPTIMETRA
Optimizing Business Capture for Healthcare

Creating the Winning Implementation Plan:

for
the proposal AND the contract

Optimetra, Inc. • 4420 Red Rock Ranch Road • Monument, CO 80132 • info@optimetra.com • http://www.optimetra.com

Creating the Winning Implementation Plan: for the proposal AND the contract

White Paper
February 2005
Author: David C. Kumpf

Abstract

Developing a good implementation plan as part of your proposal response is a daunting task that requires accurate resource assignment and strong collaboration. There is so much other work to be done and deadlines are always looming on the horizon. As a result, many healthcare organizations do not give their implementation plan the attention it requires and end up either losing the contract, or what may be worse, winning the contract and having to redevelop or use an inadequate plan to implement the business.

This paper suggests that organizations should develop a realistic and credible implementation plan as part of the proposal response. Such an effort not only increases the probability of winning, but also forms a solid baseline plan that can be expanded, refined, and actually *used* during implementation.

A winning implementation plan demonstrates an understanding of and ability to meet or exceed contract and resource requirements. It establishes credibility, which is achieved through experience and a realistic presentation of what needs to be done, how much time and how many resources it will take. A winning plan must be clear and organized. Most plans are too brief and confusing. It must provide a clear description of each activity and what will be accomplished. The plan should be organized in a way that best suits the contract and your implementation team.

A winning implementation plan helps you win in three ways. First, it increases your chances of winning the contract. Second, it ensures that you have adequately considered all of the work required for implementation and know the effort and cost involved. Lastly, it improves and expedites the actual contract implementation when you do win.

Table of Contents

Optimetra, Inc. • 4420 Red Rock Ranch Road • Monument, CO 80132 • info@optimetra.com • http://www.optimetra.com

What is the Implementation Plan?

The definition of an implementation plan varies widely among procuring agencies.

Most state MMIS (Medicaid Management Information Systems) and managed care contract RFPs or procurement solicitations require that you submit a detailed implementation plan with the proposal. Various federal procurements will usually require an implementation plan as well.

The definition of an implementation plan varies widely among procuring agencies. It may include various components of a full project plan as defined by the Project Management Body of Knowledge (PMBOK). The usual requirement, though, is for a work plan, which is really the work breakdown structure of all of the implementation program elements and tasks required to create those elements, along with assignment of resources needed to do that work, and the dependencies between the work.

Some procurements may also require one or more of the following:

- Risk management plan
- Issue resolution plan
- Communications plan – of particular importance is communications with the state and stakeholders such as members or providers
- Status reporting plan (part of communications, but there is often special emphasis on this)
- Resource allocation plan

These are not addressed here, but are topics for future Optimetra publications.

Understanding Implementation Plan Challenges

In any healthcare organization that competes for new business through procurement, key decision makers should consider two important questions about implementation: what happens when the plan is inadequate, and why does it seem so difficult to develop a realistic and sustainable plan?

When the Implementation Plan is Inadequate

There are numerous scenarios here, but the worst case is that evaluators read the plan and conclude that your company does not understand how to do the work, causing you to be eliminated. Even if your company does win with an inadequate plan, the implementation manager may look at the plan, laugh, cry, and then

Optimetra, Inc. • 4420 Red Rock Ranch Road • Monument, CO 80132 • info@optimetra.com • http://www.optimetra.com

waste valuable project time completely redeveloping it (most procuring agencies provide a very short amount of time to submit the plan). Finally, an implementation manager may attempt to actually use the inadequate plan, which carries a high probability of a derailed project, including schedule slips, budget overruns, and low-quality work products being delivered to the customer.

Why Developing Implementation Plans Seems Difficult

A strong implementation plan results from a well-coordinated, collaborative effort. Unfortunately, plan authors are often people who don't understand the entire scope of work. All implementations have both a technology and a business aspect, and many people take an IT-centric or business-centric approach, ignoring the other half of the work.

A strong implementation plan results from a well-coordinated, collaborative effort.

Another challenge is assigning the right people to the right sections of the plan. For example, if you assign the claims manager to develop a plan for the entire managed care implementation, the plan will reflect that manager's claims knowledge, but will likely be lacking in every other area. Again, implementation is a collaborative effort, so the implementation plan must be a collaboration, too.

Lastly, staff members assigned to develop implementation plan sections often lack critical knowledge of project planning concepts (work breakdown structure and scheduling, independent of tools), putting them at a distinct disadvantage.

Characteristics of a Winning Implementation Plan

A good implementation plan wins in two ways. It convinces evaluators that your organization will be confident, capable, and superior to your competitors when the time comes to implement. But, it also wins because you will have a baseline from which you can manage the actual implementation of the contract. This simplifies the initial contract startup, since the procuring agency usually requires that you submit the implementation plan for review and approval shortly after contract award.

So, how do you create a winning implementation plan for the proposal? To win, your plan must, at a minimum, do the following:

- Demonstrate how you will meet all the contract requirements
- Be credible and realistic
- Be clear and easy to follow
- Be detailed enough to show that you have thought through the issues, but not so detailed as to completely lose the reviewer
- Demonstrate resource needs

Optimetra, Inc. • 4420 Red Rock Ranch Road • Monument, CO 80132 • info@optimetra.com • http://www.optimetra.com

Contract Requirements

You will need to account for all contract requirements in the project plan, unless they simply don't have any particular implementation requirements – but be sure. If you omit items for which the evaluators believe there is implementation effort (even something as simple as a meeting), then you may lose points on scoring. If you already perform a required function, and don't need to exert any implementation effort to do that for the new contract, you may simply include a task with zero effort as a placeholder and explain this in the accompanying narrative. But, even most existing processes will require work for a new contract; example tasks might include "review existing process," "update existing process for new contract requirements," "update process documentation," and "obtain approval on revised process documentation." This, of course, will depend on the context of the item in question.

Credibility

Evaluators will want the plan to seem tangible. Show that you know exactly what needs to be done and in what order, and that the time and resources allocated to each activity are believable for getting the work completed. You address the first item by doing the following:

- Choosing the right tasks to implement the work – this, of course, is dependent on knowing how to do the work
- Making it clear what is to be done (see Clarity below)
- Including the right level of detail in your plan (see Detail below)
- Including the appropriate predecessor and successor links between dependent activities

Addressing the second item can be harder, and it is helpful to have metrics from previous projects that can help you estimate the effort and resources required to perform each task. Failing that, you can use appropriate estimating models for the work (for example, function point analysis, COCOMO, or other methods for software development).

If your company has done this kind of work before, having a credible plan simply enhances any description of experience that you have in the proposal narrative. If not, having a credible plan is doubly important to help convince the evaluators that you have considered all aspects of the problem and know how to solve it.

Optimetra, Inc. • 4420 Red Rock Ranch Road • Monument, CO 80132 • info@optimetra.com • http://www.optimetra.com

Clarity

Many plans that we review are too brief and confusing. Good writing applies just as much to selection of proper names for activities as it does to the proposal body itself. The name needs to set context, if not already set by the enclosing WBS element, and it needs to give a reasonably clear indication of what will be done during this activity. If there isn't enough room to explain all the details, further elaboration might go into a notes field. That is not always needed at the proposal stage, but it may very well be needed during implementation. Note that in Microsoft Project, you can easily set the global row height, which will give you more room for task names without making the Name column wider.

Organization

How should you organize the plan? The work breakdown structure for the work plan can be organized in a variety of ways. A great deal of discussion has gone on within PMI and other organizations as to whether a particular WBS organization is correct or whether it is possible to have a particular WBS that is correct for all projects of a certain type. The conclusion: no. The organization of the WBS is dependent on a number of factors. These include:

The organization of the WBS is dependent on a number of factors.

- **Specifications in the RFP mandating the organization of the WBS.** These might include pronouncements that you separately indicate activities occurring for each phase, suggesting that phases be the highest level of WBS organization (or that you have some other method of marking phases, perhaps using a custom field).
- **Organization of the scope of work (SOW) statement in the RFP.** This can be a good way of organizing the WBS, but you will need to make some judgments about which things are relevant and which are not. And, there may be fundamental project management activities that need to be reflected in the implementation plan, but are not found anywhere in the SOW.
- **Organization of the bidding company**. Making the top level of the WBS correspond to company business functions can be very useful, particularly when the implementation program manager will delegate responsibility for managing various parts of the implementation directly to functional managers.
- **Organization by subsystem.** If the contract is particularly oriented toward information systems, it may make sense to create a primary organization by the subsystems that must be delivered for the contract. This usually has some reasonable correspondence with the organization of the scope of work.
- **Preferences of the project or program manager.** For the plan to be useful during implementation, the plan should be organized in a way that works best with the preferences of the implementation manager.

Optimetra, Inc. • 4420 Red Rock Ranch Road • Monument, CO 80132 • info@optimetra.com • http://www.optimetra.com

Resource Needs

The plan needs to show you have thought through the level of resources necessary to complete the implementation. This is partly dependent on the effort estimates (see Credibility above), but also requires that you not overload resources, and have sufficient numbers of each resource type in the resource database (or resource pool) to perform all the required work within the implementation period.

The plan needs to show you have thought through the level of resources necessary to complete the implementation.

Decide whether you need to show actual names of resources or simply titles of roles in the resource database for the submitted plan. Some contracts will require that you name and commit to providing certain key contract personnel, and it's a good idea to enter those specific names on the plan to show you have been thorough. For the rest, because circumstances will often change between submission of the proposal and contract award, it is usually better to simply include role titles; for example, Utilization Management Nurse, Software Engineer, or Trainer. Where you will have multiple people on the project with the same role, simply differentiate with numbers; for example, Trainer 1, Trainer 2, and Trainer 3.

Other Planning Considerations

In creating an implementation plan, there are some other issues you should consider. These include:

- Choice of tools for creating the plan
- Separation of plans by major contract part, such as implementation versus operations
- Planning of unknown or ill-defined elements
- Planning for customer responsibilities

Tools

Most agencies require that you submit files in electronic format as well as paper. Some agencies do request that the files be submitted in MS Project, which is the most common tool; however, other tools like Primavera TeamPlay (which will export to MS Project) might also be considered. Sometimes procuring agencies don't care about the format so long as it is electronic, in which case you can create a PDF file from the project plan. Using simple tabular task lists, in a tool such as Microsoft Excel, is discouraged; it's likely to give the impression that you have little sophistication in project planning and management. There are exceptions: some managed care contracts want much more information on prior implementation experience and either do not require an implementation plan or only request that you provide a list of key milestones and dates.

Optimetra, Inc. • 4420 Red Rock Ranch Road • Monument, CO 80132 • info@optimetra.com • http://www.optimetra.com

Implementation versus Operations versus Turnover Plans

State agencies sometimes require different plans for what is sometimes called Design/Development/Implementation (DDI) Phase, Operations Phase and Turnover. Project scheduling tools really are not operations scheduling tools, and the challenge is to determine the level of detail to be shown during contract operations. However, it usually suffices to show the primary events that exist during operations – for example, when reports are due, annual auditing cycles, perhaps monthly reconciliations, and so on.

Turnover really is a separate project – how will you hand over all of the existing contract information if you are not the winning contractor in a future recompete? An exhaustive plan is often not as necessary here – simply identify all of the things that you will need to give to the incoming contractor and the state, as well as activities associated with winding down your operations.

Planning for Unknowns

Often the planning process will involve trying to plan for things that simply cannot or will not be known until contract award.

Often the planning process will involve trying to plan for things that simply cannot or will not be known until contract award. Unfortunately, a common reaction by proposal teams is to simply avoid putting anything into the plan, under the fear that this will create a contract commitment to which the bidder will be held. This is a mistake, because the evaluators will note the absence of those sections and may deduct points accordingly – either concluding that you plan not to perform those requirements, have not given any thought to how to implement them, or do not have any experience in implementing them. A better solution is to incorporate plan elements for some scenario that you believe will be most likely. Then, either in a notes field on the plan, or in a separate narrative introduction, indicate that those elements are subject to change based on the business environment at contract award. You will then resolve these issues during contract negotiation and submission of the final work plan for approval by committing to a specific course of action.

Planning for Customer Responsibilities

Most plans should incorporate those activities that the procuring agency is expected to complete. These are sometimes called out specifically in those RFPs that tend to be more technology-oriented (e.g. MMIS or ASO procurements), but are not often as well-specified in managed-care procurements. You may have to make some assumptions and qualify them in narrative.

Optimetra, Inc. • 4420 Red Rock Ranch Road • Monument, CO 80132 • info@optimetra.com • http://www.optimetra.com

Conclusions

Creating a winning implementation plan to submit with the proposal will benefit your company in three ways. First, it will help you win the contract. Second, it will ensure that you have thought through all of the work required for implementation and know the effort and cost involved. Third, it will serve as the blueprint for managing the actual work once you are awarded the contract.

To create a winning plan, you need to make sure the plan addresses all of the appropriate contract requirements, that it is believable to the evaluators, that it is easy to read and understand, and that you have accounted for all of the resource needs necessary to do the work. By doing these things, you help convince the evaluators that you know how to solve the implementation problem, and that your solution is the one that best meets the procuring agency's needs.

When developing the plan, don't overlook the following details:

- Use the right tools for the job - choosing true project scheduling tools, especially those with workgroup capabilities, shows that your company is sophisticated in project management and improves the credibility of the plan.
- Include all of the different plans required by the Customer.
- Plan for all of the unknown elements in the project, even if you need to indicate that those work breakdown elements are subject to change as more information becomes available.
- Plan for the responsibilities of your customer - what will you expect them to do on the project, and how does it fit into the schedule?

Optimetra, Inc. • 4420 Red Rock Ranch Road • Monument, CO 80132 • info@optimetra.com • http://www.optimetra.com

Copyright, Trademark, and Statement of Opinion Notices

About Optimetra

Founded in 1997, Optimetra, Inc. is a nationwide leader in business capture management and implementation solutions focused on serving the needs of public sector and commercial healthcare companies. Customers enhance their competitive advantage by calling upon Optimetra to provide healthcare proposal expertise and implementation leadership.

Optimetra leverages B&P budgets by conducting early and intelligent RFP analysis; quickly and effectively guiding proposal teams to consensus throughout the proposal development process; and providing seasoned proposal developers with many years of healthcare business development experience.

Using project management tools and controls created expressly for healthcare organizations, our team of implementation specialists helps you achieve efficient, profitable, and sustainable integration for new healthcare business.

Optimetra has worked on winning implementation plans for several recent winning proposals, as well as for various Medicaid, CMS, and TRICARE contracts.

To find our more about how Optimetra can help you win and successfully implement new business, call or e-mail us, or visit http://www.optimetra.com.

Optimetra Contact:
Optimetra, Inc.
4420 Red Rock Ranch Road
Monument, CO 80132
Phone: 719-964-2323
Fax: 719-487-0920
info@optimetra.com
http://www.optimetra.com

About the Author

Dave Kumpf is President and founder of Optimetra. He is also a key consultant for the firm, focusing on public sector healthcare business capture, including RFP analysis, proposal strategy development, and project management for proposals and new business implementation. Dave's current and past engagements include:

- Medicaid managed care proposal leadership and development
- TRICARE proposal leadership and development
- MMIS proposal development
- Acquisition integration project management
- Development and deployment of healthcare project management methodologies & training

Dave is responsible for all aspects of Optimetra's continued growth and key decision making, including: corporate strategy, client relationship building, and hiring decisions.

Dave is a certified project manager (PMP) and is Director of Events for the Project Management Institute Healthcare Special Interest Group. He is also an active member of the Association of Proposal Management Professionals.

Prior to leading Optimetra, Dave held positions as Director of Process Engineering and Director of Business Projects at Foundation Health Systems, Inc. He was also President and co-founder of Lexicon Systems, Inc., a consulting firm that focused on engagements in information development, software engineering, and project management.

Optimetra, Inc. • 4420 Red Rock Ranch Road • Monument, CO 80132 • info@optimetra.com • http://www.optimetra.com