

# AGING AND LONG TERM SUPPORT ADMINISTRATION



ProviderOne

## 2015-17 BIENNIAL BUDGET

ML Request	FY15	FY16	FY17	15-17
FTE	13.4	20.5	20.5	20.5
GF-State	\$733,000	\$1,119,000	\$1,116,000	\$2,235,000
<b>Total</b>	<b>\$1,466,000</b>	<b>\$2,238,000</b>	<b>\$2,232,000</b>	<b>\$4,470,000</b>

### DECISION PACKAGE SUMMARY

The Aging and Long-Term Support Administration (AL TSA) requests resources to ensure timely implementation of the ProviderOne Phase 2 project. This implementation will increase payment integrity and timeliness of payments affecting about 70,000 Medicaid providers that serve AL TSA and Developmental Disabilities Administration (DDA) clients. The new staff will assist providers with submitting their claims for payment, facilitating timely payments, and resolve the IT system and accounting issues associated with an IT project of this magnitude. Providers play an integral role in our success and ability to serve our clients and it is important that providers receive timely and accurate payments.

### PROBLEM STATEMENT

Additional resources are needed to assist 70,000 providers transitioning to ProviderOne Phase 2 with claim submittal and ensure that the system is operational and making timely and accurate payments. Many providers, particularly Adult Family Homes, will not continue to be viable if payments are delayed. This could result in clients being transferred on short notice, most likely to more expensive nursing homes given the average high acuity of Adult Family Home clients.

A significant increase in provider calls is expected due to the large number of providers shifting to ProviderOne Phase 2. These providers are accustomed to using a phone-in and paper claiming system, and English is a second language for many. This provider population will need more intensive support than the Phase 1 medical providers. The Health Care Authority requested funding for Phase 2 operations and maintenance in the 2014 session, but it was not funded. We propose that AL TSA be responsible for resolving customer issues for Adult Family Homes, Assisted Living Facilities, DDA Community Residential, skilled nursing services, Adult Day Health, and homecare agency and Individual Providers (IPs). Based on our experience with Phase 1, which only had 235 nursing home providers, many providers will need ongoing assistance with their claims and payments under the new payment system.

Due to the size and complexity of these new payment systems, additional AL TSA IT staff are needed to monitor system integrity reports; address Provider Compensation SubSystem (PCSS) vendor issues; resolve application interface problems that result in a provider not getting paid; process change requests for PCSS potentially involving more than 50 interfaces; resolve DSHS Contracts Database changes that affect PCSS processes; address situations when the PCSS vendor does not meet their contractually required deliverables; provide quality control and vendor oversight to ensure deliverables address changes due to legislation, labor negotiations, and interface with providers; and support a large number of complex interfaces with state systems to ensure that the PCSS system functions properly.

There are new fiscal and contracting tasks as well, including oversight to ensure paid services do not exceed authorizations; design complex account coding logic; ensure all payments for services and benefits comply with state



**DSHS VISION**

People are healthy • People are safe • People are supported • Taxpayer resources are guarded

**DSHS MISSION**

To transform lives

**DSHS VALUES**

Honesty and integrity • Pursuit of Excellence • Open Communication • Diversity and Inclusion • Commitment to Service

# AGING AND LONG TERM SUPPORT ADMINISTRATION

ProviderOne

## 2015-17 BIENNIAL BUDGET

Transforming  
Lives

and federal regulations; capture payment, career hours and paid time off for over 35,000 Individual Providers (IP); track additional processing of employee/employer taxes, training and health costs for IPs; develop processes to pay the PCSS vendor rapidly upon receipt of completed AFRS-ready files to make payroll and tax/benefits payments timely; and manually bill managed care organizations for IP paid personal care hours.

### PROPOSED SOLUTION

AL TSA requests 14 FTE beginning September 1, 2014 for the direct provider assistance in order to be in place in time for the October 2014, 1099 provider (Residential facilities, skilled nursing services, ADH, and home care agencies) go-live date. It is most efficient to assign payment support staff exclusively to assist AL TSA and DDA clients and providers. DSHS will hire, train, and manage these staff in order to be more responsive to client and provider needs, and coordinate with the DSHS fiscal and IT staff that will also be coordinating the operations of the PCSS payroll system for the W-2 providers (IPs).

Beginning July 2015, 1.5 FTE are requested for IT operations and reporting. Knowledgeable oversight is necessary to protect state resources by ensuring that the vendor fulfills their responsibilities and managing the impacts of technical changes resulting from PCSS system changes or upgrades, DSHS system changes or upgrades, tracking down the sources of errors to make sure they are addressed so that IPs are paid accurately and on time, and supporting mobile implementation for providers to report hours with smartphones or other mobile devices. There is also a need to design and update batch reporting for the Internal Revenue Service (IRS) requirement to match IP tax identification numbers with names in IRS and Social Security databases, taking over for the decommissioned Social Services Payment System.

Fiscal operations and contracts request five staff, three beginning January 1, 2015 to manage the initial design, complex rules development for coding, and data conversion, adding two more in FY15 after the system is fully implemented to develop internal controls to ensure payment integrity for the 35,000 IPs, ensure payments are coded correctly to the multiple federal funding sources and spread correctly between DDA and AL TSA, correct errors, manually bill back the managed care organizations, check name and TIN matches for IRS requirements, and research problems.

### EXPECTED RESULTS

This budget request supports the following objectives:

- DSHS Goal 5: Public Trust: Strong management practices will be used to ensure quality and efficiency.
- AL TSA Strategic Objective 5.1: Implement an electronic payment system (known as ProviderOne Phase 2) that will significantly increase overall payment integrity for social services organizations and IPs that contract with DSHS to provide long-term services and supports to DSHS clients.
- Results Washington Goal 5: Effective, efficient and accountable government.

### STAKEHOLDER IMPACT

Implementing ProviderOne Phase 2 with full operational support is a priority for CMS and the various 1099 providers, and other representative groups, including the Washington State Residential Care Council. SEIU 775NW has made a new payment system a subject of collective bargaining for many years, and an independent arbitrator has ruled that the state must supply a new payment system with the features to be included in the new PCSS.



#### DSHS VISION

People are healthy • People are safe • People are supported • Taxpayer resources are guarded

#### DSHS MISSION

To transform lives

#### DSHS VALUES

Honesty and integrity • Pursuit of Excellence • Open Communication • Diversity and Inclusion • Commitment to Service