

FY2019 Supplemental Capital Budget Amendment Errata Sheet

Department	Remove	Insert
Health and Social Services	N/A	Project Review Listing
Health and Social Services	N/A	New Project AMD 62599

Project Review Listing (1160)

_FY2019 CapSup Amend to Date

Health Social Svcs Only

Department of Health and Social Services

<u>Page</u>	<u>AP/AL</u>	<u>Project Title</u>	<u>Fund Source Total</u>
	AP	Electronic Visit Verification System Implementation	
		1002 Fed Rcpts	\$4,272,900
		1004 Gen Fund	\$680,200
		Unrestricted General (UGF) Total:	\$680,200
		Designated General (DGF) Total:	0
		Other Total:	0
		Federal Total:	\$4,272,900
		Department Total:	\$4,953,100

Unrestricted General (UGF) Grand Total:	\$680,200
Designated General (DGF) Grand Total:	0
Other Grand Total:	0
Federal Grand Total:	\$4,272,900
Grand Total:	\$4,953,100

* Indicates an appropriation with allocations (amounts not included in totals)

Electronic Visit Verification System Implementation

FY2019 Request: \$4,953,100

Reference No: AMD 62599

AP/AL: Appropriation

Project Type: Information Technology / Systems / Communication

Category: Health/Human Services

Location: Statewide

House District: Statewide (HD 1-40)

Impact House District: Statewide (HD 1-40)

Contact: Sana Efird

Estimated Project Dates: 06/30/2018 - 06/30/2023

Contact Phone: (907)465-8691

Brief Summary and Statement of Need:

Senior and Disabilities Services will implement an Electronic Visit Verification System that will improve recipient care and enhance provider payment efficiencies. The Electronic Visit Verification System could eventually phase out and replace paper timesavers and paper claim submissions. This project is also anticipated to prevent fraud. The system will track when home care professionals are in a recipient's home, reducing the likelihood of receiving billings for time not spent serving elderly and disabled Alaskans.

Funding:	<u>FY2019</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>Total</u>
1002 Fed Rcpts	\$4,272,900						\$4,272,900
1004 Gen Fund	\$680,200						\$680,200
Total:	\$4,953,100	\$0	\$0	\$0	\$0	\$0	\$4,953,100

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
Totals:	0	0

Prior Funding History / Additional Information:

No Prior Funding History.

Project Description/Justification:

The 21st Century Cures Act ("Cures"), signed into law on December 13, 2016 requires the State to implement electronic visit verification systems to more closely monitor in-home service delivery. Electronic Visit Verification systems electronically verify the delivery of in-home personal care and home health service visits and document the precise time the service begins and ends. The United States Congress passed legislation that requires every state to deploy an electronic visit verification system (EVV). An EVV system helps ensure patients are getting the care they need while reducing the possibility of fraud. Electronic Visit Verification implementation will provide the Department the confidence needed to ensure that care is actually taking place and for the prescribed amount of time. Implementing a secure electronic visit verification solution delivers proof of presence, accountability, and accuracy to reduce billing fraud. The electronic verification ensures that individuals receive the

services authorized for their support. The Cures Act requires that the Electronic Visit Verification system must electronically verify the following:

- Type of service performed,
- Individual receiving the service,
- Date of the service,
- Location of service delivery,
- Individual providing the service, and
- Time the service begins and ends.

What is the purpose of the project?

Senior and Disabilities Services will implement an Electronic Visit Verification option that will improve Recipient care and enhance Provider payment efficiencies. The Electronic Visit Verification solution could eventually phase out and replace paper timesheets and paper claim submissions.

- 1) The system is designed to prevent fraud. EVV can and should cut down on fraudulently documented home visits, and is the means of electronically verifying that a caregiver is physically present with the patient. EVV geo-tracks the locations of caregivers. By adding this level of compliance to the Senior and Disabilities Services related home visits, it is anticipated that the state will achieve savings through the decrease of fraudulent activities such as submitting claims for time not spent working at the client's home.
- 2) Electronic Visit Verification: Personal Care Services, Community First Choice-Personal Care Services and Home Health Services Providers would be required to implement an Electronic Visit Verification system, via telephone, mobile phone or other device in the Recipient's home, to capture when they begin and end providing a service. Electronic verification would serve two purposes: (1) document the provision of personal care services and home health services for the Recipient; and (2) capture the time a Provider begins and ends their shift for payroll purposes. Any proposed Electronic Visit Verification solution must include the ability to verify a Provider's location and time stamp for every visit and allow a Recipient to confirm the Provider's hours.
- 3) The Electronic Visit Verification system would have the capacity to transmit information with Medicaid Management Information System (MMIS) and Harmony regarding Recipients, Providers and authorized services.

At a minimum, an Electronic Visit Verification solution shall:

- a. Capture all data elements necessary to verify a visit:
- b. The date of service
- c. The start and end times of the service
- d. The type of service performed
- e. The individual receiving the service
- f. The individual providing the services by name and provider enrollment number if applicable
- g. Location of the service delivery
- h. Accommodate multiple programs with varying lists of services
- i. Track time in hours and minutes
- j. Track other types of information such as paid time off and travel time between Recipients
- k. Be accessible to individuals with disabilities
- l. Permit Recipients to be linked to multiple programs and Providers
- m. Allow for review and signature/approval of both the Provider and Recipient

- n. Allow for submission of daily hours for payment (“timesheet”)
- o. Provide multiple devices/methods for Provider check in/out
- p. Allow Providers to modify or “fix” information (i.e., if they forget to check in/out)
- q. Provide real time prompts in multiple languages
- r. Provide alerts (e.g., when a Recipient hasn’t received services for specified time periods)
- s. Create a file and interface with the current MMIS system and Harmony system
- t. Track status of timesheet payment processing
- u. Produce reports of all information captured Visit Verification and Digital Document

Is this a new systems development project? Or, an upgrade or enhancement to existing department capabilities?

This is a new systems development project

Specifically, what hardware, software, consulting services, or other items will be purchased with this funding? Include a line item breakdown.

Electronic Visit Verification Data Aggregator:

The State would collect the data from Provider agencies Electronic Visit Verification solution through an Electronic Visit Verification aggregator. The aggregator contractor would certify each provider system meets the requirements to transmit data to the aggregator. The aggregator must review and identify corrections needed to the transmitted data. The Aggregator Electronic Visit Verification solution must connect with MMIS to submit claims and provide data for State oversight and audit. The System must be able to capture and validate hours worked and service delivered.

State Administered Electronic Visit Verification System:

The State would offer an Electronic Visit Verification solution for Agencies who, due to size, are not able to implement an independent Electronic Visit Verification solutions. The Electronic Visit Verification system will collect data for hours worked and record services provided. The Electronic Visit Verification sends time reporting information to MMIS through a data interface. The Individual Provider and Provider Agency will review and correct hours worked through Electronic Visit Verification system prior to interface transmission to MMIS.

Independent Verification and Validation:

Implementation of a system change must include a second party review. In the case of projects that meet certain criteria, Center for Medicare and Medicaid requires that Independent Verification and Validation efforts must be conducted by an entity that is independent from the State. The Independent Verification and Validation contractor develops a project work plan, reviews technical aspects of the project and makes recommendations, provides risk management, etc.

FY2020 Capital Budget Request: Electronic Visit Verification

Annual Expenditure	FFP	Projected	Federal Share	State Share

Electronic Visit Verification System Implementation**FY2019 Request: \$4,953,100**
Reference No: AMD 62599

Electronic Visit Verification Contractor	90%	\$ 1950.0	\$ 1755.0	\$ 195.0
Independent Verification and Validation Contractor	90%	\$ 1056.0	\$ 950.4	\$ 105.6
MMIS Modification	90%	\$ 800.0	\$ 720.0	\$ 80.0
Other Contractor	90%	\$ 400.0	\$ 360.0	\$ 40.0
Hardware and software	75%	\$ 100.0	\$ 75.0	\$ 25.0
M&O/Hosting	75%	\$ 550.0	\$ 412.5	\$ 137.5
Capital Administration		\$ 97.1	\$ 0.0	\$ 97.1
Total		\$ 4,953.1	\$ 4,272.9	\$ 680.2

How will service to the public be measurably improved if this project is funded?**Outcome of project:**

The State of Alaska will see improved Recipient care and enhanced Provider payment efficiencies. The Electronic Visit Verification solution will eventually phase out and replace paper timesheets. The State will have the capacity to validate claims and ensure that authorized hours of care are provided to recipients of services.

Service Providers would be required to implement an Electronic Visit Verification system, via telephone, mobile phone or other device in the Recipient's home, to capture when they begin and end providing a service. Electronic verification would serve two purposes:

1. Document the provision of personal care services and home health services for the Recipient; and
2. Capture the time a Provider begins and ends their shift for payroll purposes.

Any proposed Electronic Visit Verification solution must include the ability to verify a Provider's location and time stamp for every visit and allow a Recipient to confirm the Provider's hours. The Electronic Visit Verification system would have the capacity to exchange information with MMIS and Harmony interface. MMIS or Harmony would provide the Electronic Visit Verification system with information about Recipients, Providers and authorized services. The Electronic Visit Verification system would send MMIS or the Agency Provider information about the number of hours worked and services provided.

Will the project affect the way in which other public agencies conduct their business?

Impact the Division of Health Care Services as they are the oversight entity for the Medicaid Management Information System and the service of Home Health.

What are the potential out-year cost implications if this project is approved? (Bandwidth requirements, etc.)

M&O projected expenditures total 550,000 annual (75% Federal Financial Participation).

What will happen if the project is not approved?

If this proposal is not approved the Department will be out of compliance with the 21st Century Cures Act and risk a reduction in the State's Federal Financial Participation rate. States are required to implement Electronic Visit Verification for personal care services by January 1, 2020 or otherwise be subject to Federal Medical Assistance Percentage reductions as follows:

Year	Personal Care Services	Home Health
2020	0.25 percentage points for calendar quarters	
2021	0.50 percentage points for calendar quarters	
2022	0.75 percentage points for calendar quarters	
2023	1.0 percentage point for calendar quarters in 2023 and each year thereafter	0.25 percentage points
2024	1.0 percentage point for calendar quarters	0.25 percentage points
2025	1.0 percentage point for calendar quarters	0.50 percentage points
2026	1.0 percentage point for calendar quarters	0.75 percentage points
2027	1.0 percentage point for calendar quarters	1.0 percentage point thereafter