Senate Ways and Means Committee

KanCare Update

Secretary Shawn Sullivan

Kansas Department for Aging and Disability Services

January 29, 2014

Waiver Update

- The State of Kansas and federal Centers for Medicare and Medicaid Services (CMS) are continuing to work towards bringing Long Term Support Services (LTSS) into KanCare.

- Working towards an agreement by Feb. 1.

- **CMS gave approval to start preparing for the February 1 roll-in on January 16.**
  - ✓ Conference call with stakeholders and providers on January 22 to get feedback.

  - ✓ Final approval is imminent.

Key Reasons for the delay:

Allow time for CMS and the State to review comments left during the federal comment period regarding the waiver.

- The CMS website for public comment experienced technical difficulties

- As a result, CMS extended the comment session until December 24.

Key Reasons for the delay:

CMS concerns with the "Underserved Waiting List"

- The list was brought to the attention of CMS earlier this fall during preparation for the I/DD transition into KanCare.

- After working with the State on plans to address the list, CMS in late December indicated a more detailed course of action would be required.

Quick Facts about the "Underserved" Waiting List

- "Underserved" list was established over a decade ago and has been maintained by previous administrations.

- **Currently:**
  - 1,399 currently waiting for a requested additional service
  - 345 requested an additional service for the future

- Individuals who have been on the "underserved" wait list have always had their immediate needs met.

"Underserved" Waiting List

Remediation Efforts:

- CMS provided the State with a formal *Request for Additional Information* on December 27, 2013.

- **State plan submitted to CMS on January 9, 2014.** Key areas of focus include:
    - Eliminating the Underserved waiting list within 6 months of the start of LTSS for IDD in KanCare.

    - Updated assessment that includes integrated service plan

- **Talks continue between CMS and the State and an agreement is expected by February 1, 2014.**

I/DD Transition into KanCare

- Delay was not related perceived lack of readiness to transition LTSS into KanCare on January 1.

- State **is ready to go** with this transition.

- CMS is committed to KanCare framework.

- **How KDADS has used extra time:**
  - continued to educate consumers, families, stakeholders, and the general community about this LTSS transition.

  - Ensure billing systems and other administrative procedures are meeting expectations.

Key Lessons learned from DD Pilot Project

The KanCare Pilot has allowed us to identify four common claims and billing issues.

Missing Authorizations
- Complex pilot billing system led to Plans of Care files not being transmitted in a timely fashion to MCOSs.

- To avoid payment delay, MCOS will not deny claims for HCBS/DD Plans of Care authorizations that they have not received.
  - Instead, there will be review processes in place to ensure a valid authorization is on file.

- Once authorization system is validated by MCOs, the state and MCOS will work to reinstate the requirement that plans of care must be provided to the MCOs in order to authorize payments.

Key Lessons learned from DD Pilot Project

Date Span Billing

- Providers need to ensure that the number of units billed matches the date span.

- Each MCO is offering training opportunities for providers who need clarity around date-span billing.
  - *During implementation, MCOs will be relaxing their span edit to allow for units billed that do not match billing dates.*

- In the future, all MCOs will provide provider education and work with the state to phase this requirement back into the process.

Key Lessons learned from DD Pilot Project

Third-Party Liability

- KDHE is currently reaching out to insurance carriers to secure blanket denials for service codes in order to assist providers in submitting claims in which third-party liability is involved.

    - Efforts have been successful in obtaining some blanket denials, but the state cannot obtain blanket denials from all carriers.

- KDHE is asking providers who are able to get a blanket denial from a carrier or service(s), to please share those with the state.

Key Lessons learned from DD Pilot Project

Client Obligation

- Issues around the appropriate deduction of client obligation amounts from payments were identified.

- The MCOs have made appropriate process changes to accurately assign client obligation amounts to claims in line with the state's HCBS process.

- In addition, MCOs will adjust claims for retroactive client obligation changes made by the state.

Billing: Key Points of Consideration

- The I/DD pilot billing denied claim rate for providers is **8 percent,** and has trended downwards as system fixes have been established around third-party liability, date-span billing, client obligation and plan of care authorizations.

- *The billing denial rates for KanCare as a whole are comparable to what they were in the old Medicaid system.*

- With that said, KDHE and KDADS continue to work through both system and localized billing issues with the MCOs and providers.

Key Lessons learned from DD Pilot Project

<u>Additional Lessons Learned:</u>

- Billing education opportunities are being provided to providers.

- MCOs have added staff to specifically provide outreach and help monitor I/DD-specific billing issues.

- Additionally, each MCO has developed a billing guide to address common billing issues and provide basic billing information.
  - Those documents will be shared with providers on the state websites.

- MCOs and the state will be monitoring payments to proactively identify any potential cash flow issues that may be on the horizon.

I/DD Pilot
Claims Update

DD Pilot Claims Update - 01/17/14				
	Amerigroup	Sunflower	United	Total
Week Ending	1/17/14	1/17/13	1/17/14	
Total Claims Received YTD	2,060	2,339	1,318	5,717
Total Claims Paid YTD	1,838	2,194	1,091	5,123
Total Claims In Process YTD	-	25	104	129
Total Claims Denied YTD	222	120	141	483
Total Amount Paid YTD	$1,679,592	$1,939,545	$1,316,553	$4,935,691

**Majority of denials in the last few weeks are due to duplicate claims by providers as well as the plan of care authorization processes that were pilot specific and which will not carry over to the DD inclusion into KanCare.

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