

State Agency – Project Status Report



Reporting Period Ending on February 28, 2015

**Alabama Medicaid Agency
501 Dexter Avenue
Montgomery, Alabama 36104**

**HP Enterprise Services
301 Technacenter Drive
Montgomery, Alabama 36117**

Document Information Page

Required Information	Definition
Document:	Alabama Monthly State Agency Status Report
Document ID:	
Version:	0.1
Approval Date:	08/30/2013
Location:	iTRACE
Owner:	HP Enterprise Services
Author:	John Evans
Approved by:	Clay Gaddis

Amendment History

CR#	Document Version #	Approval Date	Modified By	Section, Page(s) and Text Revised
	0.1	08/30/2013	John Evans	Initial Version.

Projects Status

The projects depicted below represent changes that potentially impact State Agencies:

1. **Project/Change Order:** Affordable Care Act (ACA) Operating Rules – Phase III

2.1 Overview: Phase III Operating Rules apply to Claim Payment/Advice (835) transactions, Electronic Funds Transfer (EFT), and Electronic Remittance Advice (ERA) data. Phase III continues to build on the Phase I and II rules. Phase III is made up of the following rules:

Rule 350 – 835 Retrieval

Enhances Phase II by adding an additional transaction for 835 data file retrieval and addresses dual delivery of 835 and Proprietary Paper Claim Remittance Advices.

An additional requirement added by the Agency will require 835s (Electronic Remittance Advice – ERA) to be generated for every provider. Therefore, every provider, or their designated representative, will need to register for a trading partner ID so that ERAs can be produced and distributed appropriately.

Rule 360 - Uniform Use of Claim Adjustment Reason Codes (CARC) and Remittance Advice Remark Codes (RARC)

Dictates the combination of codes that can be used for certain business scenarios. Working with their members and other large healthcare systems, CAQH CORE defined four common business scenarios that impact claim payment and processing. For each of these scenarios, CAQH CORE defined specific code combinations that **MUST** be used by Healthcare Systems on the v5010 X12 835 electronic RA. Business scenarios that are encountered beyond these four are left to the discretion of the Healthcare System to determine the code combination to use.

Rule 370 – EFT and ERA Re-association Rule (CCD+/835)

Standardizes the Re-association Data by specifying the location where the data should be stored in both the CCD+ EFT transaction and the 835 ERA transaction. Specifically, Re-association Data is to be placed in the:

- Addenda Record for the CCD+ transaction
- BPR and TRN Segments of the 835 Transaction

Rule 370 additionally specifies:

- The maximum allowed lag time between receipt of an ERA and its corresponding EFT
- Requirements for elapsed time auditing
- Requirements for resolving late or missing EFTs and/or ERAs

Rule 380-382 - ERA/EFT Enrollment

- Rule specifies the maximum data that may be collected to enroll a provider or trading partner for receiving an Electronic RA (ERA/835) or payments via EFT
- Only data elements specified by the rule may be collected.
- The rule specifies the names of the all data elements. These names must be used exactly on paper or electronic enrollment forms.
- The data elements must be presented in a specific order on paper or electronic forms.
- The rules specify which data elements are mandatory and which are optional.
- Related data elements are put into Data Element Groups. The groups must also be presented in a specific order and may be either mandatory or optional.
- The data elements and data element groups are similar, but not identical, for the two rules.

- **Current Status:**

- System testing of Rules 350 and 370 is nearly complete.
- Construction has been completed on Rule 360. Construction deliverables were reviewed with the Agency 02/25/2015. Updated design and meeting minutes were delivered 02/28/2015. Rule 360 moved to Model Office 02/25/2015.
- Construction is completed on Rules 380/382 with internal walkthroughs being finalized. Construction walkthrough on Rules 380/382 is anticipated to occur in early March, with Model Office implementation scheduled for 03/11/2015.
- CAQH CORE released updated code combinations 02/01/2015. The code updates will be included in the code update process as part of Rule 360 system testing. All EOB maps have been completed, reviewed and approved. All approved maps have been loaded to iTRACE on the ACA III project page.
- As of the end of February, seven (7) VANs are processing exclusively through Safe Harbor. Two (2) additional VANs are testing in our UAT environment. An additional three (3) VANs have not met the Agency deadline of 03/01/2015 to move to Safe Harbor. Next steps are being discussed. We are working with VANs to ensure they complete the new Port Closure Authorization Form so that VPN charges can be stopped. Safe Harbor construction for Phase III started in February.
- Communication: Created Provider Insider article and updated the Alabama Medicaid website to communicate receipt of CAQH CORE Certification for ACA Phase I/II. Created RA banner message and Broadcast e-mail message to remind providers to contact their banks to receive EFT & ERA Reassociation information and to enroll for Electronic Remittance Advice (ERA); Preparing additional communication to coincide with the April Provider Insider.
- Meeting to discuss Lessons Learned for the Build/Construction phase of the project has been requested and will be scheduled early March. HPES and the Agency meet together to review and discuss Lessons Learned upon completion of each major phase of the project.

2.2 Potential Impact: During the Agency kickoff meeting HP reviewed the requirements and solutions for all Rules with the Agency PMO and FPOs. Initial external entity and operational impacts have been assessed and are documented in the proposal and designs. As new impacts come to light throughout the construction and testing process, they will be documented, communicated, and included in the project implementation plans. Project risks are being identified, assessed, and documented. HP will work closely with impacted areas to mitigate the project risks.

Model Office implementations are occurring in three stages – mitigating the risk to the overall project schedule as a result of late approvals on Rules 380/382 design and additional work required for Rule 360.

2.3 Anticipated Implementation Date: Utilizing the staged approach for Model Office implementation, UAT and Vendor testing will occur mid-May – mid-July 2015, with final implementation occurring mid-July 2015. Two months of post-implementation support will follow – to be concluded mid-September 2015.

Phase III certification testing will begin after integrated system testing and before the end of User Acceptance / Vendor testing. Certification is anticipated September 2015.

During the 2-month period of UAT/Vendor test, HPES plans to prepare and deliver training to internal staff, Operations staff, and the Agency regarding changes occurring for ACA Phase III. Training items will be pulled from the Implementation Plan 'Training' worksheet. An extensive overview of the enhanced Provider Enrollment Portal is planned to help Provider Enrollment better serve the provider community.