

PROCEDURE



Procedure Number & Title:	F04-08 OneCare Vermont Population Health Management Payment Distribution Process
Responsible Department(s):	Finance
Author:	Kimberley Douglas, ACO Finance & Accounting Manager
Original Implementation Date:	January 1, 2017
Revision Effective Date:	January 1, 2021

- I. **Purpose:** The purpose of this Procedure is to ensure a uniform and systematic process for the calculation and distribution of the Population Health Management Payments (“PHMP”) from ACO programs to eligible participants who are in good standing as an ACO Participant
- II. **Scope:** This procedure applies to PHMP (all payers) earned by eligible participants under the programs that the OneCare Vermont Accountable Care Organization, LLC (“OneCare”) participates in.
- III. **Definitions:** Capitalized terms have the same definition as defined in OneCare’s *Policy and Procedure Glossary*. For purposes of this procedure, the terms below have the following meanings:
- Population Health Management Payments** means the budgeted \$3.25 per member per month (“PHMP”) payment to all attributing Participants in the network for all payers prospectively attributed to Participants each month during the Performance Year.
- IV. **Procedure:** PHMPs will be calculated for each program individually and paid out separately to each eligible participant on a monthly basis.

Initial Monthly Calculations: The following calculations are used to generate a list of amounts for all payment methods (ACH Batch and Check)

#	Task	Owner
a.	An estimated attribution for the performance year will be calculated and used as the basis for a consistent monthly payout. <ul style="list-style-type: none">• Upon receipt of final attribution from the payer and the finalization of the program network, create a spreadsheet containing:• An initial list of all program attributed members by Tax Identification Number (“TIN”) for all Primary Care Participants.• Perform a calculation to estimate the average attribution expected for the performance year.• Perform a calculation for each Primary Care Participant TIN multiplying the calculated average program attribution by TIN by the \$3.25 PMPM PHMP payment amount.	Director of Payment Reform – ACO
b.	Review/approve the proposed calculations and the calendar/schedule of payments (See <i>Appendix A</i>) that is to be shared with the Finance Committee.	Vice President Finance, ACO
c.	Share the proposed calculations and calendar/schedule with the OneCare Finance Committee and Board of Managers (“BOM”). Incorporate any recommendations from Finance Committee and/or BOM.	Vice President Finance, ACO

d.	Present final dollar impact and calendar/schedule to Finance Committee and BOM.	Vice President Finance, ACO
e.	Batch preparation: Provide Accounting with a list of eligible TINs and payment amounts.	Director of Payment Reform – ACO

Distribution Method #1: Electronic Funds Transfer Account Set Up – ACH: The following outlines the batch preparation and testing process and execution of the initial payments.

#	Task	Owner
	Batch Preparation and Testing	
a.	Perform outreach via telephone and email to the financial contacts of each eligible participant to obtain (or confirm) ACH banking information for an electronic funds transfer based on the list of eligible TINs supplied by OneCare Finance.	Contracting
b.	Eligible participants will send ACH banking information (bank name, routing number, account number) as well as a valid W-9 to OneCare Operations.	Contracting
c.	Follow-up on any missing or outstanding information until complete.	Contracting
d.	Consolidate account information and payment information and provide to the ACO Finance & Accounting Manager	Contracting
e.	Build ACH Templates.	ACO Finance & Accounting Mgr
f.	Validate all participant TINs and ACH batch information on the TD Bank website once consolidated list is uploaded by OneCare Finance.	ACO Finance & Accounting Mgr
g.	Initiate a test ACH batch transfer with token amounts (<\$0.10 per eligible TIN) and the Director of Finance will approve the test batch for disbursement.	ACO Finance & Accounting Mgr
h.	Confirm receipt of funds with all participants from the test ACH batch transfer, and will follow up on any discrepancies.	ACO Finance & Accounting Mgr
	Initial Batch Transfer - Execution	
i.	Lead Staff Accountant provides Approval Packet to the ACO Finance & Accounting Manager for Review. Approval packet then goes to the Vice President Finance – ACO and Chief Operating Officer for approval.	ACO Finance & Accounting Mgr
j.	Staff Accountant will enter the payment batch information into the TD Bank website, using hash totals. Lead Accountant will review the entered information and confirm that funds are sufficient in the operating account. The ACO Finance & Accounting Manager will approve/release the batch for disbursement.	ACO Finance & Accounting Mgr
k.	Staff Accountant notifies Operations when the payments have been approved and the location of the statements, which the administrative assistant posts to the portal.	ACO Finance & Accounting Mgr
l.	Prepare an email notification for eligible participants detailing the calculation of the initial FPP for their TIN.	ACO Finance & Accounting Mgr
m.	Send email notification to eligible participants	ACO Finance & Accounting Mgr
n.	Confirm receipt of funds with all participants from the initial ACH batch transfer.	ACO Finance & Accounting Mgr

o.	Confirm that all funds have moved appropriately on the TD Bank website.	ACO Finance & Accounting Mgr
p.	Track all ACH Batch transfers by year and keep on file	ACO Finance & Accounting Mgr

Subsequent Calculations/Payments:

#	Task	Owner
a.	Should attribution be found to have changed dramatically mid-year, a calculation should be performed to see if a change to the payments should be made. Provide new data	Director of Payment Reform – ACO
b.	Once the payments are incorporated into the batch, continue with steps I – P above.	ACO Finance & Accounting Mgr

V. Review Process: Procedure will need to be considered for update mid-year review due to circumstances relating to payer program updates, network contracting changes, federal or state law and regulations, or other related changes.

VI. References:

- OneCare's Policy and Procedure Glossary
- Program Agreements and Participation Agreements

VII. Related Policies/Procedures: None.

Location on Shared Drive: S:\Groups\Managed Care Ops\OneCare Vermont\Policy and Procedures

Management Approval:

Kimberley Douglas

Manager, ACO Finance & Accounting

8/19/21

Date