

PROCEDURE



Procedure Number & Title:	F04-05 OneCare Vermont Fixed Prospective Payment Distribution Process
Responsible Department(s):	Finance
Author:	Kimberley Douglas, ACO Finance & Accounting Mgr.
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 Fixed Prospective Payments (“FPPs”) from ACO programs to eligible participants who are in good standing as an ACO Participant.
- II. **Scope:** This procedure applies to FPPs earned by eligible participants under the programs that the OneCare Vermont Accountable Care Organization, LLC (“OCV”) 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:

Fixed Prospective Payments: Budgeted reimbursement for certain Participants for all services provided to prospectively attributed members during the Performance Year.
- IV. **Procedure:** FPPs will be calculated for each program individually and paid out separately to each eligible participant.

Distribution Method #1: Electronic Funds Transfer: Initial Payment to TIN

#	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 Contracting.	Contracting
b.	Eligible participants will send ACH banking information (bank name, routing number, and account number) as well as a valid W-9 via confidential fax to (802)847-6213 or secure email to: OneCareContracting@OneCareVT.org .	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.	Using the spreadsheet containing account information, update the TD Bank website to set up an ACH batch for the initial FPPs to eligible participants.	Finance
f.	Validate all participant TINs and ACH batch information on the TD Bank website once consolidated list is uploaded.	Finance
g.	Initiate a test ACH batch transfer with token amounts (<\$0.10 per eligible TIN). The ACO Finance & Accounting Manager will approve the test batch for disbursement.	Finance
h.	Confirm receipt of funds with all participants from the test ACH batch transfer, and will follow up on any discrepancies.	Finance

	Initial Batch Transfer - Execution	
a.	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.	Finance
b.	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.	Finance
c.	Staff Accountant notifies Operations when the payments have been approved and the location of the statements	Finance
d.	Post the statements on the portal.	Operations
e.	Send email notification to eligible participants.	Finance
f.	Confirm that all funds have moved appropriately on the TD Bank website.	Finance
g.	Perform post payment batch responsibilities, including updating of the tracking sheet for the subsequent month, required monthly/quarterly reporting and other tasks as needed.	Finance

Distribution Method #2: Subsequent Batch Transfers to TIN:

#	Task	Owner
a.	<p>Review the monthly membership accounting reports from the payer and will determine if any changes to the FPP calculation are appropriate on the next monthly cycle. Changes of greater than 1% will be presented to the Finance Committee. Detailed instructions for the FPP calculation are included within the calculation spreadsheet.</p> <ul style="list-style-type: none"> • Receive monthly attribution from DVHA by MEG category. • Multiply attribution for each MEG by each hospital's FPP PMPM by MEG to get the FPP \$\$ for each hospital. • Calculate cumulative changes in attribution and FPP \$\$ vs. initial expected amounts for each hospital. • Calculate VBIF withhold. • Produce quantitative statements of these impacts for each hospital. 	Finance – Pmt Reform Team
b.	Once the payments are incorporated into the batch, continue with steps I – O above.	Finance

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.

VIII. 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