



Office of Developmental Programs (ODP)

Payment Cycle Differences for Targeted Services Management (TSM) and Waiver-Funded Supports Coordination Services

Informational Packet # 017-09

PURPOSE: This Office of Developmental Programs (ODP) Informational Memo is intended to provide clarification to Supports Coordination Organizations (SCOs) to better understand the payment cycle differences between Targeted Services Management (T1017) and Supports Coordination Services (W7210).

The Home and Community Services Information System (HCSIS) has been submitting claims for Targeted Services Management (TSM) services on behalf of ODP SCOs since the implementation of Phase 2.0 release in HCSIS, which took place in August of 2002. As of July 1, 2008, Supports Coordination services became a discrete service from TSM and, as a result, HCSIS has been submitting claims for both services. Prior to July 1, 2009, when Supports Coordination and TSM claims were submitted to PROMISe™ on the same billing date, they were both processed and paid through the same financial cycle and also appeared on the same Remittance Advices (RAs) since both services were subject to the “Prudent Payment of Claims” policy.

Prudent pay is defined by Federal regulation, *42 CFR Part 447 – Payment for services § 447.45(d)*. The regulation sets forth that states are permitted to hold payments for the prudent management of taxpayer’s money. Prudent pay impacts the length of time in which a claim is held before it is released to the financial cycle. Once a claim is released from “prudent pay” it processes through the next financial cycle. If the claim is released from prudent pay on a Sunday through Friday, it will process through the financial cycle the Saturday that follows. Once the claim processes through the financial cycle, beginning early Saturday morning and through the weekend, the Remittance Advice is generated and the release of funds is initiated.

Although TSM and Supports Coordination services undergo claims processing at the same time in the PROMISe™ system, the timeframe for the release of funds for payment and RA generation is currently different from each other as a result of “prudent pay”. Beginning July 1, 2009, ODP providers who render services found in the approved Consolidated and P/FDS Waivers became exempt from the “Prudent Payment of Claims” policy for a period of two fiscal years. The decision to exempt ODP waiver providers from “prudent pay” was made in order to give ODP Waiver providers time to adapt to the new prospective cost based system and to ensure their cash flow is maintained by allowing payments to be made weekly for “clean claims”. **Supports Coordination service, procedure code W7210, is an approved Waiver service and, therefore, is exempt from “prudent pay” until June 30, 2011. TSM (procedure code T1017), on the other hand, is not an approved Waiver service and will continue to be subject to the “Prudent Payment of Claims” policy. Please note,**



beginning July 1, 2011, all ODP waiver services will be subject to the “Prudent Payment of Claims” policy detailed in Bulletin number 99-06-04.

Supports Coordination Organizations may view claim’s status data, along with other claim inquiry capabilities; via the PA PROMISe™ Internet application, between 1 - 4 days after the Billable Service Notes are swept in HCSIS. The **Provider Claim Inquiry** window, found on the PA PROMISe™ Internet, is used to search claims, view original claims by ICN, verify recipient eligibility, or check the status of one or more claims. Supports Coordination Organizations may find it useful to review TSM or Supports Coordination service claims after they have been submitted and adjudicated in PROMISe™. A search can be performed in the PA PROMISe™ Internet by provider number and service location(s) to identify the claim status for TSM or Supports Coordination service claims prior to the RA being generated.

To access the PA PROMISe™ Internet application, click on the following link:

<http://promise.dpw.state.pa.us/>

If you have questions regarding this Informational Memo or ODP billing inquiries, please contact the ODP Claims Resolution Section at:

E-mail: ra-odpclaimsres@state.pa.us

Phone: 1-866-386-8880 Monday – Thursday 8:30 am - 12:00 pm and 1:00 pm - 3:30 pm

The next two pages contain the different payment schedules for TSM and Supports Coordination services effective July 1, 2009.

Payment Cycle
TARGETED SERVICES MANAGEMENT (TSM)
Procedure Code T1017

Steps	Step Description	Approximate # of Days
1	Billable Service Notes are “swept” in HCSIS on the 4 th and 19 th of every month. As HCSIS is being “swept”, the Billable Service Notes are converted to a HIPAA compliant 837 format in preparation for the batch claim submission to PROMISE TM .	1
2	The 837 transaction batch claim file is sent to dedicated DPW personnel who are responsible for loading it to PROMISE TM . Depending on staff workload, this process may take between 1-3 days <u>after the “sweep”</u> to complete. Once the 837 batch claim transaction file is loaded to PROMISE TM , the file awaits claims processing. Please note: When the 4 th or 19 th of the month is a Friday the claim file is typically loaded to PROMISE TM the following Monday.	1-3
3	PROMISE TM processes the claims found in the 837 batch claim transaction. Once the 837 enters PROMISE TM , it is processed the same day. After the claims undergo claims processing and are approved for payment step 4 will occur next.	1
4	All claims enter the PROMISE TM Financial subsystem early Saturday morning. The PROMISE TM Financial subsystem determines if the claims are subject to “prudent pay”. If so, the system determines if the claims have already been held for “prudent pay” for a period of 12 or more days. If the claims have been held for 12 or more days, then they are released into the financial cycle. TSM is a Medical Assistance (MA) service that is provided to Individuals who are not enrolled in one of the ODP approved Waivers. Since TSM is a non-waiver service, it is subject to “prudent pay”. Non-Waiver claims are held in PROMISE TM for 11 calendar days and released from “prudent pay” on the 12 th day. The claims released from “prudent pay” will be processed through the next financial cycle, which may be up to 6 additional days after the claims were released from being held for “prudent pay”.	11-18 days
5	Claims process through the Financial cycle. The Financial cycle runs once a week early Saturday morning.	1
6	The Remittance Advice (RA) is generated. RAs are generated the Monday following the Financial Cycle which is once a week beginning early Saturday morning.	2
7	PROMISE TM payments (Electronic Funds Transfers and checks) are released 10 calendar days (Wednesday) from the day the RA is generated. If you typically receive payments via check, time should be added for the check to be delivered to your “Pay to” address through the United States Postal Service. Additional time should also be added to deposit the check into your account and for the check to clear.	10
It may take between 27-36 days from the day TSM Billable Service Notes are “swept” to receive payment for those services because these claims are subject to “prudent pay”.		

Payment Cycle
SUPPORTS COORDINATION SERVICE
Procedure Code W7210

Steps	Step Description	Approximate# of Days
1	Billable Service Notes are “swept” in HCSIS on the 4 th and 19 th of every month. As HCSIS is being “swept”, the Billable Service Notes are converted to a HIPAA compliant 837 format in preparation for the batch claim submission to PROMISe™.	1
2	<p>The 837 transaction batch claim file is sent to dedicated DPW personnel who are responsible for loading it to PROMISe™. Depending on staff workload, this process may take between 1-3 days <u>after the “sweep”</u> to complete. Once the 837 batch claim transaction file is loaded to PROMISe™, the file awaits claims processing.</p> <p>Please note: When the 4th or 19th of the month is a Friday the claim file is typically loaded to PROMISe™ the following Monday.</p>	1-3
3	PROMISe™ processes the claims found in the 837 batch claim transaction. Once the 837 enters PROMISe™, it is processed the same day. After the claims undergo claims processing and are approved for payment, then step 4 will occur next.	1
4	All claims enter the PROMISe™ Financial subsystem early Saturday morning. The PROMISe™ Financial subsystem determines if the claims are subject to “prudent pay”. If not, the claims are released into the financial cycle. Supports Coordination services are not subject to “prudent pay” and are; therefore, released into the financial cycle immediately.	1 - 7
5	Claims process through the Financial cycle. The Financial cycle runs once a week early Saturday morning.	1
6	The Remittance Advice (RA) is generated. RAs are generated the Monday following the Financial Cycle which is once a week beginning early Saturday morning.	3
7	PROMISe™ payments (Electronic Funds Transfers and checks) are released 10 calendar days (Wednesday) from the day the RA is generated. If you typically receive payments via check, time should be added for the check to be delivered to your “Pay to” address through the United States Postal Service. Additional time should also be added to deposit the check into your account and for the check to clear.	10

It may take between 18-26 days from the day the Billable Service Notes for Supports Coordination Services are “swept” to receive payment for those services.