

Alabama Medicaid Agency
Integrated Provider System Guidance
Updated July 20, 2016

Given the volume of funding requests reflected in the LOIs, AMA realizes the importance of clarifying its funding parameters so that RCOs and providers are aware of the limits of the IPS funding, and particularly the IPS projects that AMA does not intend to approve.

General Comments

- The IPS program’s focus is on the implementation of projects that will produce direct, sustainable clinical improvements in the RCO program objective areas through changes in the way care is delivered and accessed (e.g., care redesign to integrate primary care and behavioral health services, intensive and evidence-based disease management programs, intensive interventions to prevent chronic disease). The primary focus is not to pay for buildings, equipment, physicians or to supplement or enhance current operating costs and business lines.
- All IPS applications must describe and certify how the project will be sustainable after IPS funding ends and how the project will provide a return on investment (ROI) to the Medicaid program. AMA will carefully consider this information when it makes decisions on which IPS projects to fund, as the available IPS funding is limited.
- Provider collaboration is critical to the IPS program’s success. AMA will not approve duplicative projects in an RCO Region and encourages providers to work together when developing IPS applications instead of having multiple applications for similar topics.
- When developing IPS applications, providers should only select one RCO that will implement their project in a particular region, and work with that RCO to develop the IPS application for that project. If the project has the potential to impact RCO-eligible beneficiaries beyond the beneficiaries enrolled in the selected sponsoring RCO, the applicant may count these beneficiaries as being impacted by the IPS project in the IPS application; however, in order to count Medicaid beneficiaries enrolled in RCOs in the region other than the sponsoring RCO, the participating providers must have a contract with those RCOs.
- Due to strict CMS limitations around duplication of federal funding, IPS projects that match or supplement program elements that are part of a current federally funded program will not be considered for IPS funding.

The following table identifies additional concerns and related guidance based on AMA’s review of the IPS LOIs.

Table 1: LOI Concerns and Guidance

Concern	Guidance
Duplication of Service Covered by the RCO Capitation Payment or Existing AMA Program	
Care Coordination Services - Projects provide for care coordinators or other staff to assist Medicaid beneficiaries to visit primary medical providers, offer care coordination services by phone or in-person, or assist with transition of care across settings.	Through the RCO program, RCOs are responsible for providing these types of care coordination and transition of care functions. AMA will not consider projects for IPS funding unless they offer care coordination services that are a significant enhancement to RCO contractual requirements.
Existing Covered Services - Projects propose to offer Medicaid covered services (e.g., family planning case management services, prosthetics/orthotics).	AMA will not approve IPS projects that request funding to pay for or enhance the payment for covered services already covered through the Alabama Medicaid program (either through the fee-for-service program or the RCO program).
Development of Call Centers - Projects propose to develop call centers.	Call centers may be duplicative with the functions that the RCO member and provider services telephone lines will cover. AMA will not approve projects that are duplicative with services provided by an RCO and covered by an RCO's capitation payments.
Non-Emergency Transportation - Projects propose providing non-emergency transportation (NET) options and services to assist Medicaid beneficiaries in attending medical appointments.	AMA will not consider IPS projects that solely provide services related to NET (e.g., purchasing or operating vehicles, paying driver salaries), as RCOs are responsible for providing these services and these services are covered by an RCO's capitation payments, through both the medical and administrative components.
Electronic Health Records - Projects related to Electronic Health Records (EHRs), including identifying providers that do not have EHRs and assisting with the purchase and implementation of EHRs.	AMA will not approve IPS projects that pay for the identification of providers that do not have EHRs or assist with the purchase and implementation of EHRs. RCOs are expected to support and track provider adoption of EHRs as a RCO Contract requirement and implementation of EHRs can be covered through other funding opportunities (e.g., EHR Incentive Program).
Health Information Exchange - Projects propose to develop a Health Information Exchange (HIE) system.	AMA will not approve IPS projects that propose to develop HIE systems. Alabama encourages providers to connect to the State's

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	central HIE, Alabama One Health Record, and applicants may propose to use IPS funding to connect to the Alabama One Health Record as part of their overall IPS project.
Software - Projects propose the purchase of software to assist in care management activities or tracking of quality data.	Care coordination is the responsibility of the RCO and administrative costs are covered in the RCO capitation payments. Therefore, requests for software related to care management are generally seen by AMA to be the RCO's responsibility to pay for, particularly if the RCO delegates care coordination responsibilities to a provider organization. In addition, RCOs will be eligible to apply for funding through an RCO pool, which allows AMA to provide payments to RCOs for start-up costs, which could include care coordination systems. While software may be considered as part of a larger IPS project, it must be accompanied by a comprehensive clinical improvement project that goes beyond what is required of RCOs and any provider's current activities.
Projects Requesting Funding for Construction/Renovation and Medical Equipment and Supplies	
Construction/Renovation - Projects request funds to build new facilities (e.g., freestanding urgent care center, primary care clinic, crisis residential unit) or renovate existing facilities.	While IPS funding may be awarded for these types of projects, the focus of the IPS program is on clinical improvements that are sustainable and that will lead to direct improvements in the RCO program objective areas in the short term, rather than construction/renovation projects.
Medical Equipment and Supplies - Projects request funds for medical equipment (e.g., ultrasounds, monitors, CT scanners). Projects also request funds for medical supplies and devices not covered by Medicaid, such as injection ports and insulin pumps.	IPS funding will not be granted to purchase medical equipment unless the IPS application successfully demonstrates that the medical equipment is necessary as part of a larger clinical improvement project that will lead to direct improvements in the RCO program objective areas. In addition, AMA will not approve IPS funding to pay for medical supplies or other

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	<p>medical or ancillary services (e.g., durable medical equipment, drugs, specialty services) not currently covered by the Medicaid program. While an RCO may choose to provide non Medicaid covered services or supplies under its capitation payments, AMA will not approve IPS funds to enhance Medicaid covered services not otherwise available to all Medicaid beneficiaries.</p>
Other	
<p>Beneficiary Incentives - Projects are focused on providing incentives to Medicaid beneficiaries.</p>	<p>While incentives to Medicaid beneficiaries may be included as part of a comprehensive evidence-based clinical improvement project, AMA will not consider projects that solely provide incentives to Medicaid beneficiaries with no other significant interventions, especially if those incentives are used to market to beneficiaries to select an RCO or provider.</p>
<p>Provider Salaries - Projects propose to use IPS funds to cover the salaries of various types of providers who will provide billable Medicaid services.</p>	<p>AMA will consider IPS projects that use IPS funds to supplement salaries for providers who will provide billable Medicaid services at the beginning of an IPS project, however the IPS application should clearly illustrate a return on investment and sustainability post implementation. AMA will want to see a clear path for how funding for the provider's salary will be sustainable over the long-term without any support from the IPS program.</p>
<p>School-Based Services - Projects propose delivery of services in school-based settings.</p>	<p>Projects related to the provision of school-based services (e.g., wellness visits in schools) are excluded from IPS funding, per CMS requirements.</p>
<p>Projects Impacting a Small Number of Medicaid Beneficiaries and Costs - A number of projects focus on specific populations or diseases that impact a proportionally smaller number of Medicaid beneficiaries.</p>	<p>While these may be important projects, with limited federal and state funds, AMA must make it a priority to fund initiatives that have a significant potential to improve health care delivery and outcomes for a large number of beneficiaries or impact areas with significant costs. Applicants must make a good case for how a project impacts a large number of beneficiaries and/or the total cost of care.</p>

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<p>Telehealth - There are numerous proposed telehealth projects in each region and across the State.</p>	<p>Telehealth projects must be coordinated across RCO Regions and the State so as not to duplicate technology and must demonstrate sustainability.</p>
<p>“Other Providers” - Projects propose to include many providers in the IPS project.</p>	<p>While an IPS project may include a wide variety of roles, to qualify as a participating provider (i.e., a contracted provider that will receive payment from an RCO for implementing an IPS project approved by AMA), a provider must be:</p> <ul style="list-style-type: none"> • A Medicaid provider • A contracted RCO provider at the time an IPS award is made <p>In addition, a provider should be able to show a likely potential to have a significant impact on reducing the average total cost of care for a significant number of Medicaid beneficiaries and have direct ability to improve a region’s overall performance on at least one of the DSHP target measures and at least one of the four RCO target improvement areas.</p> <p>Some “other providers” listed in the LOIs are not able to be Medicaid providers (e.g., care coordinators, clinical social workers, paramedics, etc.)</p>