

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT201937 JULY 9, 2019

IHCP announces EVV annual fee and one-time vendor setup fee

The Indiana Health Coverage Programs (IHCP) continues to work to implement an electronic visit verification (EVV) system for documenting personal care services by January 1, 2020. As announced in *IHCP Bulletin* [BT201855](#), the Sandata system is the State-sponsored solution for implementing the federal EVV requirements as outlined in the *21st Century Cures Act*. Providers may also select an alternative EVV vendor/business partner that integrates with the Sandata solution.



To support sustainability for the EVV solution, the IHCP will be instituting two fees associated with EVV:

- An annual fee for providers that utilize the State's solution, Sandata (*Note: There is no transaction cost or per-employee-per-month cost for providers using Sandata.*)
- A one-time setup fee for alternative EVV vendors/business partners to enable integration with the State's solution

IHCP annual fee

Providers that select the Sandata system to meet the EVV requirements will be required to pay a \$450 fee annually. The fee is assessed each July to align with the state fiscal year (SFY). On January 1, 2020, a prorated fee of \$225 will be assessed to providers using the Sandata system by establishing an accounts receivable (AR) for collection from claim payments.

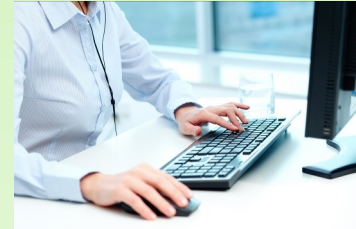
At the beginning of each SFY, a new annual fee is established for any provider using the Sandata system after the first visit is entered. The AR (fee) is not established until the first visit occurs for the SFY. See Table 1 for the fee breakdown for the prorated annual fee.

Table 1 – Annual Fee Breakdown

State fiscal month	AR claim percentage	Prorated fee
1 – July	20%	\$450.00
2 – August	20%	\$412.50
3 – September	20%	\$375.00
4 – October	30%	\$337.50
5 – November	30%	\$300.00
6 – December	30%	\$262.50
7 – January	40%	\$225.00
8 – February	40%	\$187.50
9 – March	40%	\$150.00
10 – April	50%	\$112.50
11 – May	50%	\$75.00
12 – June	100%	\$37.50

[Table 1](#) details the prorated fee by month and percentage of recoupment of claims by week. To ensure providers have adequate time to pay off the fee by the end of each SFY, the percentage of the recoupment will increase depending upon the month the provider selects the Sandata system.

Following are two examples of a provider using the Sandata system.



Example 1:

Provider A begins using Sandata on January 7, 2020. An AR is created for \$225. The provider bills claims on January 31, 2020, for a total amount paid of \$873.27.

The weekly financial cycle runs January 31, 2020, and collects 40% of the AR setup amount, but no more than is needed to cover the AR balance. In this example, 40% of the AR setup amount (\$90) is available to apply to the AR balance. The new AR balance would be \$135. The provider would be paid \$783.27. The collection process will continue each financial cycle until the AR is paid in full.

Example 2:

Provider B begins using Sandata August 31, 2020. An AR is created for \$412.50. The provider bills claims on September 15, 2020, for a total amount paid of \$627.37.

The weekly financial cycle runs September 18, 2020, and collects 20% of the AR setup amount until the AR is satisfied. In this example, if 20% of the AR setup amount is applied (\$82.50), the AR balance would be \$330. The provider would be paid \$544.87. The collection process will continue each financial cycle until the AR is paid in full.

Any aged AR will be decremented before the AR established for the Sandata system.

Vendor setup fee

New EVV vendors/business partners integrating with the Sandata aggregator for the first time will be asked to pay a one-time amount of \$3,360. This setup fee will be used to cover the cost of time and effort to assist with testing integrations between the vendor and the aggregator. If a vendor has already integrated with Sandata in any other state, that fee will be waived. The fee will be collected before testing credentials being delivered to the vendor.

Further information regarding the Sandata system is available on the [Electronic Visit Verification](#) page at in.gov/medicaid/providers. Questions regarding the Sandata system, as well as the EVV requirement, may be emailed to EVV@fssa.in.gov.

QUESTIONS?

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