

Mary Lee Fay
Authorized Signature

Number: SPD-IM-06-062
Issue Date: 8/1/2006

Topic: Developmental Disabilities

Subject: Cash Advance Recovery in eXPRS

Applies to (check all that apply):

- | | | | |
|-------------------------------------|-------------------------------|-------------------------------------|--|
| <input type="checkbox"/> | All DHS employees | <input checked="" type="checkbox"/> | County Mental Health Directors |
| <input type="checkbox"/> | Area Agencies on Aging | <input type="checkbox"/> | Health Services |
| <input type="checkbox"/> | Children, Adults and Families | <input type="checkbox"/> | Seniors and People with Disabilities |
| <input checked="" type="checkbox"/> | County DD Program Managers | <input checked="" type="checkbox"/> | Other (please specify): DD Residential and DD Employment Providers |

Message:

The Cash Advance Recovery will begin August 2006 as described in [SPD-IM-06-012](#) Cash Advance Recovery – Begin August 2006 and will be recovered from claims paid on and after August 1, 2006.

The purpose of the cash advance was to provide the Counties with short-term assistance to mitigate challenges facing DD providers as they transitioned to eXPRS ([SPD-AR-05-027](#) eXPRS-Managing Cash Flow.) eXPRS has been processing DD payments for a year and the concerns relating to the learning curve as well as the shift from an allotment payment model to a fee-for-service payment model have been ameliorated. There are no cash advances planned for future biennia.

Information Memorandum Transmittal [SPD-IM-06-012](#), dated January 27, 2006, described when the Cash Advance Recovery would begin. The transmittal explained the recovery process would be made in six separate transactions for 1/6th of the cash advance amount. The process of recovering the cash advance will be made in 1/6th increments from August 2006 through December 2006 for a total of 5/6th of the cash advance amount. The final 1/6th will not be recovered until May 2007. Cash advance funds will not be recovered for the period of January 2007 through April 2007.

Action Request Transmittal [SPD-AR-05-027](#), dated May 2, 2005, described how the counties and the Department would work together to assist DD providers in maintaining cash flow during the transition to the eXPRS payment system. The transmittal explained the kind of problems DD providers might experience and the

reasons for them. It also explained how a cash advance would be used to provide assistance.

The recovery will be accomplished by creating a series of Provider Liability Accounts (PLAs). Each PLA will have an effective date that corresponds to the first day of each month August through December 2006 and May of 2007. PLA adjustments will show on your Remittance Advice for each payment run on or after the PLA effective date until the amount has been recovered completely.

Example:

XYZ Provider was advanced \$6,000 in August 2005. There will be the following PLAs created to recover that advance:

Acct Id	Provider	Effective	Recovery Type	Balance
6867093	XYZ Provider	8/1/2006	Lump Sum	\$1,000.00
6867095	XYZ Provider	9/1/2006	Lump Sum	\$1,000.00
6867097	XYZ Provider	10/1/2006	Lump Sum	\$1,000.00
6867099	XYZ Provider	11/1/2006	Lump Sum	\$1,000.00
6867101	XYZ Provider	12/1/2006	Lump Sum	\$1,000.00
6867103	XYZ Provider	5/1/2007	Lump Sum	\$1,000.00

When XYZ Provider submits their claims in August 2006, those claims will be used to recover 1/6th (\$1,000.00) of the funds advanced in August 2005.

The summary on the Remittance Advice will look something like this:

Remittance Advice Report
SFMA Interface Run Summary
08/1/06 3:30:00PM

	Claim Count	Amount Submitted	Amount Paid
Original	10	\$7,500.00	\$7,500.00
Adjusted	0	\$0.00	\$0.00
Approved Subtotal	10	\$7,500.00	\$7,500.00

Suspended	0	\$0.00	\$0.00
Denied	0	\$0.00	\$0.00
Claims Processed Total	10	\$7,500.00	\$7,500.00

Provider Adjustment	\$1,000.00
Total	\$6,500.00

In this example, the August 2006 PLA amount has been fully recovered. If the provider had less than \$1,000.00 in Approved claims, then the Provider Adjustment would have equaled the Claims Processed Total. The remainder of the \$1,000.00 would be recovered the next time approved claims were paid.

If you have any questions about this information, contact:

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