



# **South Dakota Medicaid Invitation to Discuss and Demonstrate (IDD)**

**South Dakota Department of Social Services (DSS)**

**Division of Medical Services**

**Request to Apply and Register Submission Date:  
Friday, 9/8/17, 5pm CST**

**Planned Discussion and Demonstration Meeting  
Dates:  
October 2017**

## **Purpose**

The State of South Dakota, Department of Social Services (DSS), Division of Medical Services is issuing this “Invitation to Discuss and Demonstrate (IDD)” to review and research third-party administration of certain types of Medicaid claims (transportation, durable medical equipment - DME, and vision). The third-party administration does not include fiscal administration but may include technology services, business services, or any combination of technology and services which support timely receipt and processing of Medicaid claims payments. The State is seeking information to select vendors to present and demonstrate the maturity of their claims payment solutions, customer service solutions, cost-sharing and service limit applications, and program integrity efforts.

The information received through this IDD will be used to assist the State in determining the next steps in claims processing administration. The State’s current claims payment business and system solutions may benefit from enhancements or best practices utilized within the industry and the information gathered by this IDD may be used by the State in developing any necessary procurement documents to facilitate any changes to the current claims payment processes.

The State’s current claims payment operations and system solution include electronic 837 capture and processing, manual data entry of paper claims submission, return of electronic 835 and 277 files, PDF of remittance advices available through Medicaid Portal, customer service inquiry by telephone, policy review and rules requirement, and claims appeal processes.

Transportation, DME, and vision claim volume during State Fiscal Year 2017 was approximately 371,000 (35% of which were submitted electronically). These claims represent approximately 61,000 recipients and 940 submitting providers.

Challenges faced in the existing environment include provider inability to file claims electronically, inability to file claims electronically with attachments, and inability to efficiently determine service coverage limits. Recipient challenges with the existing system are the inability to garner consistent and accurate coverage of services and products based on current Medicaid Management Information System (MMIS) edits and the inability to receive EOB information. The State would benefit from increased program integrity monitoring and education of the providers offering these services and products.

Provider enrollment, non-emergency medical transportation, and federal reporting such as T-MSIS, data analytics, and rate setting are not within the scope of this IDD.

Should the State move forward with making changes to its current claims payment processes, DSS would be seeking a third-party administrator that meets or exceeds the current solution and would include the items listed below. Any systems demonstrated would need to include online claims submission capability, cost-share information, and service limit information for providers.

- Utilizes claim submission from enrolled providers both through a secure web application and through an 837 file.

- Claim receipt acknowledgement and other EDI reporting mandated and recommended through CORE operating rules.
- Process and pay claims based on business requirements documented in the current MMIS such as claims paid or denied based on aid category or specific service limits.
- Ability to coordinate with State's provider enrollment records to ensure proper payment of claims.
- Provides business rule driven requirements that enable additions or changes to be made quickly to account for changes to business needs.
- A solution that already meets the Centers for Medicare and Medicaid Services (CMS) Seven Standards and Conditions.
- Support MITA 3.0 initiatives that provide a common framework to focus on opportunities to build common services by decoupling legacy systems and processes, liberating data previously stored and contained in inaccessible silos, and increasing the State's ability to keep up with changing business landscape of health care delivery and administration.
- Ensure alignment with, and incorporation of, industry standards: the Health Insurance Portability and Accountability Act of 1996 (HIPAA) security, privacy and transaction standards; accessibility standards established under section 508 of the Rehabilitation Act, or standards that provide greater accessibility for individuals with disabilities, and compliance with federal civil rights laws; standards adopted by the Secretary under section 1104 of the ACA; and standards and protocols adopted by the Secretary under section 1561 of the ACA.
- Provide shared enrollment functions, including but not limited to a common portal that allows for User Accounts, notices, reporting, account, and workflow management.
- Integrate and share data between other South Dakota systems, including but not limited to South Dakota MMIS.

**All vendors must be able to travel to Pierre, South Dakota, to meet with State stakeholders, respond to specific questions regarding the vendor's proposed solution and as requested demonstrate their current, operational, ACA-compliant solution.**

### **Target Timeline for Discussions and Demonstrations**

The State would like to hold discussions and demonstrations with vendors in October 2017.

The State intends to schedule a meeting with each selected vendor that lasts approximately three hours and covers the system capabilities at the operational level and questions regarding implementation strategies, testing, training, and ongoing support. A high level discussion or handout regarding claims payment operations and lessons learned from other similar projects.

Chosen vendors will receive a list of specific questions and information to be provided as part of the meetings.

The State will provide a meeting room that can accommodate up to 5 vendor representatives and will have Internet connectivity and a projector available.

**TO APPLY AND REGISTER FOR A MEETING DATE AND TIME, PLEASE FOLLOW THE STEPS BELOW. APPLICATIONS ARE DUE **BY FRIDAY, SEPTEMBER 8, 2017 AT 5PM CENTRAL STANDARD TIME (CST).****

The State will not pay for any information requested in this demonstration nor is it liable for any cost incurred by the vendor. Procedural, administrative, technical, requirement, or contractual questions and answers may be directed to the Point of Contact listed below.

Email responses to the official contact from the State of South Dakota – Lori Lawson [lori.lawson@state.sd.us](mailto:lori.lawson@state.sd.us) - please note the subject as “Third Party Administrator IDD” and include the following information within the body of the email:

**Section 1 Vendor Profile**

- Please provide a brief description of your organization - including company name, address, company contact name, email and phone number, as well as a very brief (no more than a paragraph) about your company’s most recent implementation of claims payment solution.

**Section 2 Past Experience**

Please explain your qualifications for receiving, processing, and paying healthcare claims for a Payor:

- Please indicate which State you have implemented a claims payment solution that is similar in nature to the goals and objectives listed in this invitation. When did you implement this solution(s)? List by each State the start and end dates of the implementation project.
- Please provide a contact name and an email or phone number from each State that you have implemented an ACA-compliant claims payment solution that South Dakota can speak with prior to scheduling a meeting time with your company.
- How long did it take you to implement your solution and what provider types were included in the initial implementation? If you used a Phased Approach to implementation, what provider types were implemented in what phase(s) and how long was each phase? (Respond for each State that you indicated in previous response)
- What were the general costs for implementation by State and what did the costs include? If the solution includes both technology services and business services, please include the breakdown of each, where possible. If the solution has not been implemented by other State Medicaid agencies, please include an approximate cost for similar types of services.
- What are the common service level agreements with other State’s and how do the service level agreements affect pricing?
- Please indicate your preferred meeting day in September 2017 that you would like to present your solution if selected to do so by South Dakota. The State is targeting meeting dates beginning on Monday, September 4th.

- Please indicate in your response the ability to receive claims electronically and how. Will electronic claims be able to accept attachments and how will those be stored and relayed for documentation at DMS.
- Please indicate your ability to determine service coverage limits and how this is communicated to providers and potentially recipients.
- Does your solution allow for customer service to not only providers, but recipients also? How is that ombudsman function operationalized? Are recipients able to obtain Explanation of Benefits (EOBs)?
- Describe program integrity monitoring and educational outreach for providers and recipients.

**The State will review the registrations and requests for IDD and will contact vendors to schedule an onsite meeting. Vendors will receive additional background information guidelines in advance of the on-site meetings.**