Invoice Processing Workflow

About the Application:

Delaware Department of Health and Social Services - Division of Substance Abuse & Mental Health (DHSS DSAMH) has implemented a document management and workflow solution in DocuWare to gain better control of processes for submitting, approving and storing invoices. DocuWare automation replaces the previous manual solution where invoices were either physically scanned or being monitored from an email inbox and tracked in multiple spreadsheets from ingestion through approval.

DocuWare for Invoice Processing provides a seamless solution for invoice management by digitizing paper invoices, capturing other electronic invoices, and subsequently triggering approval workflows based on business rules to ensure accurate and rapid processing and payments.

The solution delivers many productivity benefits to the DSAMH, including the following:
- Capture, sort and archive invoices from any device or any format (scanned paper, email, mobile captures and more) in an easily searchable file structure.
- Extract details from all invoices, easily enter your GL accounts and cost centers with DocuWare's Intelligent Indexing.
- Approve workflows to accelerate the process based on your business rules.
- Record notes directly on the invoice image with annotation functionality.
- Maintain compliance and a complete audit trail with transparent approval history, automatic document filing and encryption.
- Maintain a secure, organized, and searchable invoice archive for audits and budget planning.

Beginning with FY24:
- CR, Fixed Rate, Fixed Rate SUDS NARR (1-3), FFS-IMD, FFS-SUD, FFS-PROMISE invoices will be uploaded via FTP to DocuWare and then processed for payment
- Operational and GSS Invoices will continue to be emailed to the Business Operations Mailbox and manually uploaded into DocuWare by OSEC staff.

Terms and Definitions:

Fee-for-Service (FFS): A payment model is one in which a specific amount is paid when a particular service is delivered. The term FFS is often short for FFS Medicaid but should not be limited to Medicaid billable services. For this training, "FFS Medicaid" refers to a payment for an individual who is enrolled in Medicaid but not assigned to a Managed Care Organization (MCO), so the Division of Medicaid and Medical Assistance (DMMA) is paying for the service. This could be for a service provided and service paid (aka FFS) or a daily rate (aka per diem).

Fixed-Rate: A payment model is one in which a specific amount is paid when a particular service is delivered. This term is used for services that are NOT Medicaid billable. For example, the new transportation (service) with PTSDel provides transportation from the ER to the Institution for Mental Disease, or an IMD, for patients on an involuntary hold. We pay the provider mileage to transport the patient, and then a fixed rate if they go over the county line.

Per Diem Rate: A payment rate that is made for each calendar day on which one or more services are provided to a particular patient. For example, if a payer pays a hospital for inpatient care on a per diem basis, the total payment to the hospital for an individual patient would depend on how many days the patient spent in the hospital before being discharged, but not on how many services were delivered on any of those days. Another example is for intensive outpatient programs (IOP) where several services are provided for a set amount of time and all the services are covered by a single payment.

Room and Board is a payment that is paid per diem which covers the costs of the living environment, food, living incidentals, heat, etc.

Cost Reimbursement: Services or supports provided and/or incidentals to run a program for which the provider is reimbursed for the actual and allowable costs, included but not limited to staffing, rent, heating, etc. For example, Targeted Case Management is not a Medicaid billable service. This program serves SMI/SUD under and uninsured clients to support them leaving the IMDs and to support their transition to a provider. DSAMH pays for the cost to maintain this program from the rent for the building to staff working with the clients and may pay all or a portion of the cost. Cost reimbursement covers the cost of the program and not individuals served.

Deliverable-Based Payment: An activity established in a contract that has been completed, or a product that has been delivered. (for example: an education campaign product, completion of a report)

Invoice Cover Letter: The invoice cover letter is a template generated by DSAMH for each provider and includes information that helps DocuWare build Intelligent Indexing to help drive the workflow. This information includes the invoice type, contract number, fiscal string (state), fiscal string (federal), and the invoice amount, date, and type.

Ingestion: When providers upload an invoice via FTP, the invoice is verified by OSEC Administration staff where it is then stored into the processing workflow. This is the point of 'ingestion'. 'Ingestion' will trigger a confirmation email to providers which begins the approval process.

Service Examples and Submission Requirements:

Service Examples	Payment Methodologies	Submission Status
Community Behavioral Health Outpatient Treatment PROMISE SUDS (ASAM 1.0, 2.0-3.7) IMD* Integrated Housing *	Fee for Service *paid on service per diem rate	*DocuWare*
Consultant Contracts GSS Operational Invoices	Deliverable Based Payment	*Resource Mailbox*
Transportation NARR (Sober Living)	Fixed Rate	*DocuWare*
Peer Recovery Centers	Cost Reimbursement	*DocuWare*

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Policies:

Delaware State Code is a systematic selection of statutes/laws arranged by subject and titles. The State Code governs all that we do and the following sections contain specific information related to policies and procedures for this project: https://delcode.delaware.gov/

Policy Memorandums are the Department of Health and Social Service (DHSS) clarifications to and links between specific state and federal codes. For this training, the PM of note is the PM37: https://www.dhss.delaware.gov/dhss/admin/policy/files/pm37.pdf

DSAMH Provider Policies can be found on the DHHS website at: https://dhss.delaware.gov/dsamh/policies/ProviderPolicies.html

DocuWare

DocuWare provides the ability to upload invoices using a unique FTP link to ensure confidentiality and security. The FTP link will replace the current process of emailing invoices to the DSAMH Business Operations Mailbox. This will require initial configuration and assistance and support is available through the DSAMH consultant ISW. Once the initial configuration is complete, the upload is a simple drag & drop. The invoice numbers MUST be included in the filenames of BOTH the invoice cover letter and the invoice spreadsheet.

Configuration of DocuWare FTP Ports (Outgoing Traffic Only) - See ISW Documentation
This requires the provider to have some initial configuration to be set up, but it is expected to be minimal and documentation and training is available.

*Windows Explorer and the built in FTP client for Windows do not allow any type of secure FTP and Windows built in tools only allow unencrypted FTP.

To upload to DocuWare FTP without encryption:
Copy/paste supplied URL into Windows File Explorer – not a browser such as Chrome or Edge.

To upload to DocuWare FTP with TLS encryption:
For the use of FTPS or FTEPS, a dedicated FTP client will be needed.
All FTP clients are supported, but here are some free versions that are commonly used: CuteFTP and FileZilla.

Uploading Invoices

UPLOAD using FTP: Providers will upload invoice materials to DocuWare using their unique FTP link. The invoice numbers MUST be included in the filenames of both the invoice cover letter and the invoice.

Open the Site Manager from the drop-down menu and select the site.

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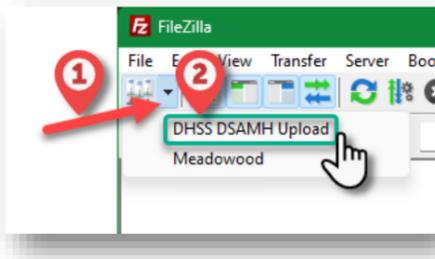
To upload files, you can either right-click the file or drag & drop the document. The document will be displayed in the right hand window on the Remote Site until it is picked up by DocuWare within seconds.
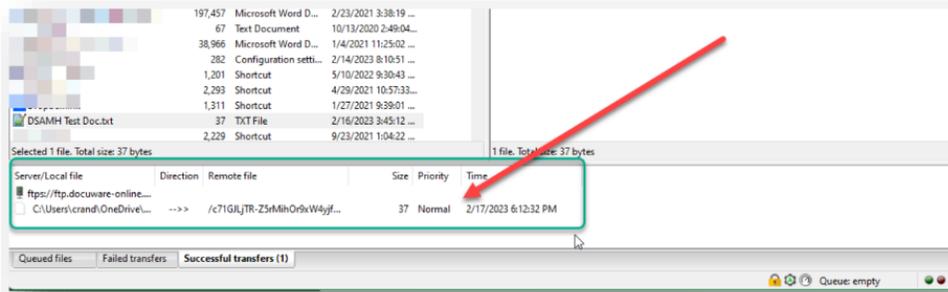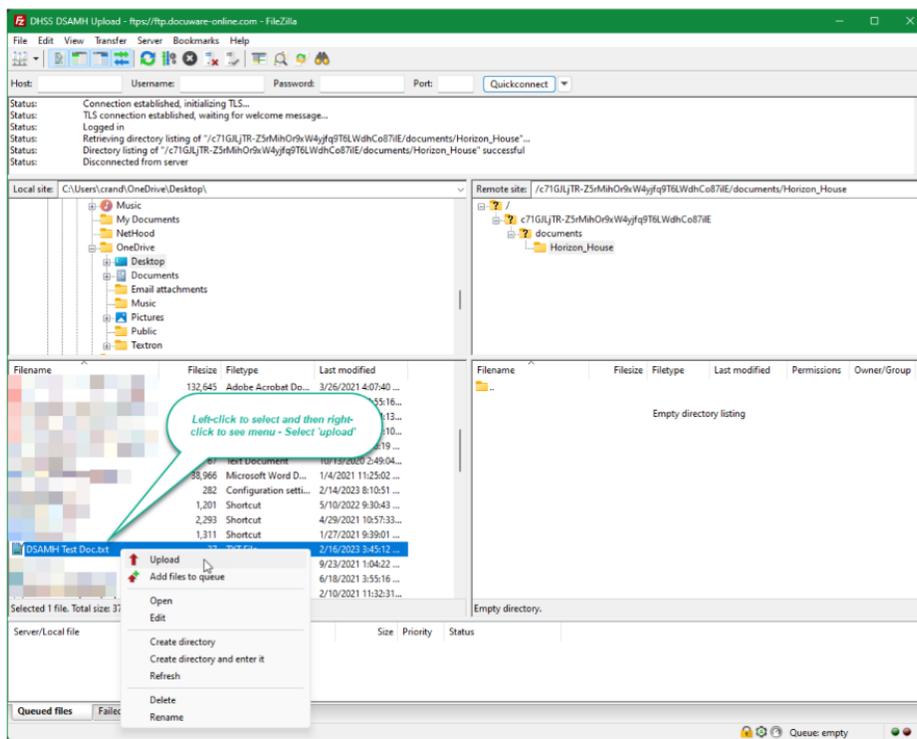
Note: When uploading documents to FTP, please ensure that your document is not open in another viewer, such as Microsoft Word, or you may receive an error message preventing you from uploading documents.

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INGEST into DocuWare: Providers using DocuWare will get an email notification when the invoice is "ingested/accepted" into the system. This may be up to 2 business days after the upload to FTP.

Sample DocuWare Email:

> **From:** DocuWare Notification <noreply@docuware.cloud>
> **Sent:** Tuesday, May 23, 2023 1:03 PM
> **To:** <email notification group on file>
> **Subject:** Invoice Confirmation Receipt - Invoice # 12345
>
> Your invoice has been successfully ingested and has entered the Invoice Approval Process - this does not imply that the Invoice has been reviewed, approved or extracted for payment.
>
> Invoice Information:
> Invoice Number: 12345
> Contract Number: 678910
> Invoice Date: 5/23/2023
> Invoice Amount: $$$$
> Provider Name: ABC Inc.

For Operational and GSS invoices, providers do not get a confirmation email when the invoices are ingested.

Invoice Overview

The following invoices and required documentation will be submitted via FTP to Docuware:
- For Cost Reimbursement invoices, submit invoice cover letter and invoice spreadsheet.
- For Fixed Rate invoices, submit invoice cover letter and invoice spreadsheet.
- For PROMISE invoices, submit invoice cover letter and invoice spreadsheet.
- For IMD invoices, submit invoice cover letter, invoice, final authorization form, and EOB or underinsured justification (if applicable)
- For Substance Use Disorder (SUDS) Residential, submit the invoice cover letter, invoice, final authorization form, and EOB or underinsured justification (if applicable)

The following invoices and supporting documentation will be submitted with no change in process to the Resource Mailbox:
- For GSS or Operational invoices, no change, no cover letter.

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Filename Requirements: When submitting the invoices and supporting documentation, use the following filename requirements:

- Invoice Number = 'Contract Year_Provider name_service type_location_payment methodology_mmyyyy_document type'
- InvoiceNumber_CL (doc or pdf) = *FY24_RI_CAPAC_NCC_CR_042023_CL*
- InvoiceNumber_INV (xls) = *FY24_RI_CAPAC_NCC_CR_042023_INV*

*Both the Invoice Cover Letter and the Invoice Spreadsheet MUST include the invoice number.

Components of a Cover Letter

<u>Invoice Cover Letter: Horizon House (ICM-EMPOWER - New Castle County) Fee for Service</u>

Invoice Submission must include this cover letter with the following:

- On Line 1.a, add the month and year of service.
- On Line 1.e, add the invoice amount.
- On Line 2, add an authorized signature.
- On Line 3.b, add the total expenditures to date.
- On Line 3.c, add the remaining balance of the budget.

*Do not change any other information

1. Certification Letter
   a. Invoice Number: FY23_HH_ICM_FFS-PROMISE_LOCATION_ (MONTH_YEAR OF SERVICE)
   b. Contract Number: 35-06-23-042
   c. Fiscal String (State)
      i. **Bud Ref***: 2023
      ii. **Fund Code***: 100
      iii. **Department*** : 350620
      iv. **Appropriation*** :00583
      v. **Account Code*** :55010
      vi. **OPU (Operation Unit)*** :35062902
      vii. **Project****
      viii. **Activity****
      ix. **Percent Allocation:** 93%
      x. **Start Dates for Billing to Fiscal String (State):** 07/01/2022
      xi. **End Date for Billing to Fiscal String (State):** 06/30/2023
   d. Fiscal String (Federal)
      i. **Bud Ref***: 2022
      ii. **Fund Code***: 225
      iii. **Department*** :350620
      iv. **Appropriation***: 40394
      v. **Account Code***: 55361
      vi. **OPU (Operation Unit)*:**
      vii. **Activity*** MH_SERV
      viii. **Percent Allocation:** 7%
      ix. **Start Dates for Billing to Fiscal String (Federal):** 07/01/2022
      x. **End Date for Billing to Fiscal String (Federal):** 06/30/2023
      Note*: required field for all invoice submissions
      Note**: optional field, only required for invoices that are receiving federal funds
   e. Invoice Amount: _____
   f. Invoice Type: CR
   g. Certification statement: "I hereby certify that the information reported herein is true, accurate, and complete. I understand these reports are made in support of claims for government funds."
2. Approved Signature Authority:
   Sign here: _____
3. Approved budget
   a. Line-Item expenditures for the period being invoiced
   b. Total Expenditures to date: _____
   c. Remaining Balance of the Budget: _____

Each provider will receive an invoice cover letter pre-populated with the contract number as well as fiscal data and the invoice type. Do not modify these fields as they are required to properly process the invoice.

Providers need to fill out: 1.a: invoice number, 1.f: invoice amount, 2.a-c: approved budget items, and 3: Approved Signature Authority.

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Invoices

In addition to the invoice cover letter, DSAMH will provide Excel invoice spreadsheets specific to the type of program or contract the invoice is being submitted under. For example:

Invoice spreadsheet A is an example of the Cost Reimbursement invoice and will include line items as listed in the budget.

Invoice spreadsheet B is an example of Fee for Service invoices and includes monthly charges per client.

Spreadsheet A

Name of Provider:									
Invoice Number:									
Month of Service									

	Approved Budget	Jul	Aug	Sep	Oct	Nov	Dec	Jan
TOTAL SALARIES								
BENEFITS:								
PAYROLL TAX								
HEALTH BENEFITS								
OTHER FRINGE BENEFITS								
TOTAL BENEFITS								

Spreadsheet B

Name of Provider:	
Contract Number:	Change names of to FY/provider/program type/location/type of contract
Invoice Number:	Contract Number/invoice date month/date/year
Month	6/1/2022	6/30/2022
Month	June

Consumer Name	MCI #	Medicaid (Y= Yes) (N= No)	Admission Date	Discharge Date	Promise Tier Level (3, 4 or 5)	Procedure Code
John Doe		Y	5/20/2022	6/14/2022	3	T2033
John Doe		Y	5/22/2022	6/22/2022	4	T2033
John Doe		N	5/29/2022	7/1/2022	4	T2033
John Doe		N	6/1/2022	7/9/2022	4	T2033
John Doe		N	6/5/2022		5	T2033

Invoice Errors

Per provider contracts, payments will be issued to suppliers within 30 days of ingestion. In the event that an error is discovered the following actions may apply:

- **CR/FR** - The invoice will be rejected and the provider will need to correct and resubmit the invoice through the FTP upload to DocuWare. In this case the 30 days starts again upon ingestion of the corrected invoice.
- **IMDs and SUDS Residential** - Confirm that prior auth is submitted and identified and, if not found

or incorrect, the claim on the invoice will be rejected. Invoice will be approved for payment minus the rejected claim. Providers will be notified that they need to resubmit the claim. Kris will send notification via email distribution list that is associated with the notification email in Docuware.

- **FFS -** Once an error rate is established, the invoice will be paid minus the previously calculated error rate.

Calculating the Error Rate

DHSS is initiating a new error rate process for all invoices. This process is meant to help simplify the invoice submissions by requiring less documentation and encouraging submission of whole, error free invoices and is as follows:

1. **Determine sample size**: Calculate the sample size (minimum of one invoice or 20%) and select invoices to review using a randomizer.

2. **Review Invoices** for errors and mark on the invoice. (OSEC Billing). Error examples:
   - Ineligibility (third party billing eligible)
   - No prior authorization, if applicable
   - Incomplete and/or incorrect invoice
   - Coding errors/incorrect billing rates (i.e., provider used the wrong billing code or rate)
   - Missing supporting documentation, if applicable

3. **Calculate the Error Rate** from claims submitted by each provider/service.

4. **Apply Error Rate** for coming quarter:
   - Total Approved Amount divided by Total Invoice Amount = % Approved Amount,
   - Error Rate = 1-% Approved Amount

Invoice Number	Invoice Received Date	Invoice Approved Amount	Total Invoice Amount
651897	1/4/2023	$ 89,945.00	$ 89,945.00
765465	1/28/2023	$ 26,578.00	$ 40,000.00
876546	2/27/2023	$ 6,789.00	$ 7,250.00
325465	3/15/2023	$ 27,777.00	$ 30,000.00
	Total	$ 151,089.00	$ 167,195.00
	% Approved	90.37%	
	Error Rate	9.63%	

EXAMPLE:
Total Invoice Amount = $120,000
Total Error Rate = 9.63%
Total Approved Invoice Amount = $120,000*0.9037 = $108,444

Exception: For providers submitting invoices for group homes or residential services, rather than calculating the error rates based on invoiced claims, the invoices will be reviewed and the error rate will be determined by dividing the number of patients who were erroneously billed by the total number of patients on the invoice.

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Quarter Sample Size Selection criteria:
1. Q1FY (July 1 start): January - March submitted invoices
2. Q2FY (October 1 start): April - June submitted invoices
3. Q3FY (January 1 start): July - September submitted invoices
4. Q4FY (April 1 start): October - December submitted invoices

While implementing the error rate process, the following elements will be considered:

Invoice Submission Dates	Elements Included in Calculation
Jan - July 2023	Medicaid and TPL Eligibility (TPL if applicable)
August 2023 forward	Medicaid and TPL Eligibility (TPL if applicable), Rates and Authorizations

Once an error rate is established, the invoice will be paid minus the previously calculated error rate. If an invoice crosses quarters, the latest error rate will apply. If there are no invoices submitted during the error rate review period, the previous error rate rolls into the new period.

Contract Changes

Contract Appendix C changes include:

Invoice Submission Requirements
Contractor shall submit a monthly invoice, within 30 calendar days of each month's end. All invoices will be submitted through the DSAMH provided FTP (one way file transfer protocol) with a DSAMH supplied Invoice Cover Letter.

Data Submission Requirements
All data submissions will be done via a File Transfer Protocol (FTP) and will be in compliance with Appendix B of this contract. DSAMH will assist the Provider in completing the necessary applications to be eligible for this process. Payment for services rendered will not be processed without the required service detail file submission. Provider will submit Consumer Report Forms (CRF's) as required.

*Cost Reimbursement Contracts **ONLY***
Supporting documentation and receipts should no longer be submitted with CR invoices. Supporting documentation must be available for review during the quarterly contract monitoring process.

Testing

Prior to August 15th, all providers must submit a test invoice to DSAMH. This will not only test the DocuWare configurations and process but also provide an opportunity to ensure correct submissions (correct filenames, appropriate cover letter, correct documentation).
- Invoice Number = 'Contract Year_Provider name_service type_location_payment methodology' **TEST**
- InvoiceNumber_CL (doc or pdf) = FY24_RI_CAPAC_NCC_CR_042023_CL **TEST**
- InvoiceNumber_INV (xls) = FY24_RI_CAPAC_NCC_CR_042023_INV **TEST**