



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Department of
Health and Social Services

DIVISION OF HEALTH CARE SERVICES
Director's Offices

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Michael Bailey
Vice President
Alaska Association of Developmental Disabilities
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January 21, 2014

Dear Mr. Bailey:

Thank you for your letter. As you have noted, the Alaska Medical Assistance Program's system upgrade in October 2013 has resulted in a number of issues that have impacted program stakeholders. Please let me assure you that the Division of Health Care Services has been working very closely with the Division of Senior and Disability Services and our vendor Xerox to address these issues.

The State recognizes the burden that extended service authorization processing times and ongoing authorization notification reporting issues place on providers' offices. Recently, significant system improvement efforts and large scale staffing initiatives have combined to improve service authorization backlogs, and processing of authorizations is approaching pre-October standards for turnaround time. Work to complete the letter notification process following service authorization issuance is ongoing, and the State and Xerox teams are evaluating new electronic notification options that would capitalize on the provider web portal feature of the new Enterprise claims system. Until these notification options can be implemented, Xerox has developed an ad hoc report that providers can request which will provide all authorizations for the requesting provider within a requested window of time. This report can be requested through Xerox's Provider Inquiry Unit by calling (907)644-6800 or (800)770-5650.

I understand that your association members are also impacted by the rate and procedure code changes made effective through SDS regulations issued on July 1, 2013. As you know, these changes were not implemented in the new MMIS prior to its implementation on October 1. The work to incorporate the new regulations has been prioritized for completion over the next three months, and once this work has

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been completed, impacted claims that have been submitted to the MMIS will be reprocessed according to the new guidelines.

In recognition of the ongoing issues impacting providers' ability to successfully submit claims for appropriately authorized services, HCS will work with Xerox to ensure timely filing requirements acknowledge this initial period of disruption. Claim billing instructions will be made available to providers to facilitate billing of impacted claims without requiring lengthy appeal processes. More information regarding this process will be made available as the system stabilization continues and billing instructions related to timely filing exceptions are finalized.

Though the pace of stabilization has been slower than we would have liked, we are seeing progress in all areas of processing and this is evident in the increasing provider payments over recent weeks. We understand that there are other issues beyond the items noted in this letter and would like to assure you that our organizations will continue to press on all outstanding items impacting the provider and member communities until such time as normal operating conditions are restored.

Please let me know if you have additional questions or if I can be of assistance to your organization in any way. Thank you for your continued support of the Alaska Medical Assistance Program and its members as we work through this challenging implementation.

Sincerely,



Margaret Brodie
Director

Cc: Duane Mayes, Senior and Disability Services
Aaron Culp, Xerox