

ATTACHMENT G

Financial Executor Role

In coordination with HCA and representatives of the state's nine ACHs, the contracted financial executor (FE) shall be responsible for administering a funding distribution plan as described in Attachment D.

ACHs, through their governing bodies, are responsible for managing and coordinating with partnering providers. The ACHs must meet the qualifications set forth in STCs 21 - 23 and must meet the targets enumerated in Attachment C in order to earn incentive payments. In addition, ACHs will certify as to whether or not the partnering providers have met the milestones required for earning incentive payments within their region. The ACH will also certify to the independent assessor whether or not partnering providers have achieved the milestones (see STC 21). The independent assessor (IA) will review the ACH's certification and make recommendations to the state related to distribution of payment. Once the state affirms the recommendations from the IA, it will send the incentive payments to the FE for distribution to the partnering providers.

The contracted FE will perform the work and complete the deliverables outlined below.

1. Establish a system for recording, processing, distributing and reporting on the payment of incentive funds and other financial transactions between HCA, ACHs and partnering providers in accordance with Attachment D.
 - 1.1. Establish a standardized process and forms to track payments to partnering providers and instruct partnering providers and ACHs in their use.
 - 1.2. The distribution of funds must comply with all applicable laws and regulations, including, but not limited to, the following federal fraud and abuse authorities: the anti-kickback statute (sections 1128B(b)(1) and (2) of the Social Security Act (the "Act")); the physician self-referral prohibition (section 1903(s) of the Act); the gainsharing civil monetary penalty (CMP) provisions (sections 1128A(b)(1) and (2) of the Act); and the beneficiary inducement CMP (section 1128A(a)(5) of the Act); as well as with HCA and Washington state rules and generally accepted accounting principles.
2. Provide financial accounting and banking management support for all incentive payments.
 - 2.1. Establish and maintain appropriate accounts as directed by HCA for the tracking of incentive payment receipts and holding of funds and issuance of payments.
 - 2.2. Regularly track and report on all transactions from such accounts, including but not limited to payments, receipts, refunds and reconciliations.
3. Distribute earned funds in a timely manner to partnering providers in accordance with HCA-approved funding distribution plans.
 - 3.1. Upon instruction and approval from the ACH, issue payments to partnering providers within 14 business days.

- 3.2. Respond to inquiries from ACHs and partnering providers regarding payments made or owed amounts, within 5 business days.
- 3.3. Identify, record, resolve and report on any under- or over-payments, including issuing requests for refunds if necessary.
- 3.4. Record and regularly report to ACHs on funds processed and payments made.
4. Submit scheduled reports to HCA and ACHs on the distribution of transformation project payments, fund balances and reconciliations—in accordance with relevant state and federal rules.
5. Develop and distribute budget forms to partnering providers for receipt of incentive funds.
6. As requested, assist HCA in responding to inquiries from CMS regarding financial transactions and any audits that may be required.