

ATTACHMENT G: FINANCIAL EXECUTOR

Washington State Medicaid Transformation Project Section 1115(a) Medicaid Demonstration Approved January 9, 2017

In coordination with the Washington State Health Care Authority (HCA) and representatives of the state's nine Accountable Communities of Health (ACHs), the contracted financial executor will be responsible for administering a funding distribution plan described in the DSRIP Program Funding and Mechanics Protocol approved by CMS (Attachment D).

ACHs, through their governing bodies, are responsible for managing and coordinating with partner providers. The ACHs must meet the qualifications set forth in Special Terms and Conditions (STCs) 21-23 and must meet certain targets to earn incentive payments. In addition, they will certify whether or not the partnering providers have met the milestones as required for earning incentive payments within their region. The ACH will certify to the independent assessor (STC 21) whether or not partnering providers have achieved the milestones. The independent assessor 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 independent assessor, the state will send the incentive payments to the Financial Executor to distribute incentive payments to the partnering providers.

The Contractor will perform the work and complete the deliverables described below.

1. Establish a system for recording, processing, distributing and reporting on the payment of incentive funds and other financial transactions between HCA, ACH and participating providers in accordance with the DSRIP Program Funding and Mechanics Protocol.
 - 1.1. Establish a standardized process and forms to track payments to participating providers, and instruct participating 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 DSRIP 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 participating providers in accordance with HCA-approved funding distribution plans.

- 3.1. Promptly, upon instructions from HCA, issue payments to participating providers.
- 3.2. Promptly respond to inquiries from ACHs and participating providers regarding payments made or owing.
- 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. This will require a sophisticated understanding of accounting, payment and reporting processes and relevant Washington state and federal rules.
5. Develop and distribute budget forms to participating providers for receipt of incentive funds.
6. Cooperate fully with HCA in responding to inquiries from CMS regarding financial transactions, and in any audits that may be required.