

QUESTIONS AND ANSWERS REGARDING THE NEW KY MEDICAID MANAGEMENT INFORMATION SYSTEM (MMIS)

Question: What is the new KY MMIS/interChange system?

Answer: The new interChange is a modern rules-based, real-time system that already has been implemented in several other states, including Kansas, Oklahoma, and Pennsylvania. Last year alone, five other states ordered interChange system.

Question: Who will implement this new system?

Answer: EDS was awarded the contract to develop and implement a new MMIS system for the Commonwealth of Kentucky's statewide healthcare modernization initiative. The contract was signed on March 29, 2005. The original base contract is five years and nine months (69 months) including two one-year options.

Question: What are the terms of the contract?

Answer: EDS is supplying a full suite of Medicaid fiscal agent services for this contract including system development and maintenance, financial services, real-time claims adjudication, decision support/data warehouse, mail room, data entry and provider training. Additional services beyond the contract include prior authorization of services, quality management, help desk services and policy recommendations.

Question: Does EDS have any experience in performing this work?

Answer: EDS has been performing Medicaid fiscal agent services for more than 30 years. Every year, EDS processes more than 1 billion Medicaid claims and administers more than \$100 billion in benefits to more than 18 million recipients.

Question: EDS previously managed the Kentucky Medicaid program. How long did EDS have the contract and why did they leave Kentucky?

Answer: EDS previously managed the Kentucky Medicaid contract from 1983 to 1995 and left the state after a competitive procurement.

Question: Is this solution unique to Kentucky? If so, can it be replicated or modified for other customers?

Answer: This solution is not unique to Kentucky. EDS has built upon the interChange system for a number of Medicaid customers including Kansas, Oklahoma and Pennsylvania.

Question: How will the new KY MMIS system benefit the Commonwealth?

Answer: The new KY MMIS is part of the Commonwealth's statewide Medicaid modernization plan. The new system gives the Commonwealth access to information to enhance its ability to make more effect policy decisions. The efficiencies of the new MMIS will also reduce the administrative burden for Medicaid providers and the Commonwealth. This system will also bring greater efficiencies to the KY Medicaid program, streamlining provider claims processing and providing the state with key information about health care needs and trends.

Question: How will the new KYMMIS system benefit providers?

Answer: The new MMIS will provide significant enhancements for providers. Listed below are some changes providers will encounter with the implementation of the new MMIS.

Internet Claim Submission

To access the new *KyHealthNet*, you must have a single sign on account (not the same User ID you use to access *KyHealthNet* currently). PIN letters have been sent to all active

providers, with instructions for activating the single sign on account. If you have not activated your account and require assistance, please call the Electronic Claims help desk at (800)205-4696 or send inquiries via email to [KY EDH Helpdesk@eds.com](mailto:KY_EDH_Helpdesk@eds.com). Note that you will be required to change your account password every 30 days.

The new *KyHealthNet* has a “claims wizard,” which offers interactive screens that walk you through the claim submission process.

Immediate Claim Adjudication on Internet Claims

Claims submitted via *KyHealthNet* will be adjudicated immediately, and provide a real-time response. This will allow you the opportunity to correct denied claims, and resubmit them immediately.

HIPAA-Compliant Electronic Claims Transactions

Providers submitting 837P transactions will submit the notes data on claim details, not on claim headers. This change only applies to providers in certain programs (Transportation, Preventive Care, School Based, EPSDT, Community Mental Health), and providers who submit EPSDT Referral Codes or Vaccine Codes. Refer to the 837P Companion Guide available at <http://www.kymmis.com> for more information.

Prior Authorization/Peer Review

Inpatient facilities will no longer be issued 8-digit PRO numbers for inpatient certification. Ten-digit Prior Authorization numbers will now be issued for inpatient certification and claims will be edited to ensure the services billed match the services authorized.

New Claim Forms

New claim forms (UB-04, ADA 2006, and the new CMS 1500) have recently been implemented. Refer to <http://www.kymmis.com> for updated Billing Instructions.

National Provider Identifier

Instructions for submitting claims with a National Provider Identifier (NPI) will be available at <http://www.kymmis.com> on May 19, 2007.

Remittance Advice Statements

The *KyHealth Choices* Remittance Advice statements will be formatted differently. Sample Remittance Advice pages with corresponding explanations are included in the new Billing Instructions. Refer to <http://www.kymmis.com> for updated Billing Instructions.

Question: How will the new KY MMIS system benefit its members?

Answer: A more efficient Medicaid program will enable health care providers to spend less time on business issues and devote more time to the reason they went into health care in the first place – to treat the sick. In Kansas, which implemented an EDS interChange Medicaid system about two years ago, there has been an increase in the number of providers seeking to join Medicaid. More providers means greater access to health care.