September 23, 2016

To: All KanCare HCBS Providers

From: Michael Randol, Director – Division of Health Care Finance

Kansas Department of Health & Environment

The Kansas Department of Health and Environment (KDHE) has contracted with Optumas, an actuary and consulting firm, to study the adequacy of Home and Community Based Services (HCBS) service payment rates. To assist with that study, Optumas has developed a financial template to be completed by all HCBS service providers. The template is available via the KanCare website, both on the home page and at the Provider Events page: <http://www.kancare.ks.gov/provider_events.htm>.

The template requests information on your organization’s revenue, expenses, and service delivery count. The goal of requesting this information is to assess the profit/loss position for HCBS providers and use that information to make a statement on the adequacy of HCBS service reimbursement. Revenue and service information submitted in this template will be validated against Medicaid encounter data.

**It is critically important that all HCBS providers complete the template.** In order for Optumas to do an effective analysis of rate adequacy, they must have this important information. If you do not complete and return the template, it could negatively impact the reliability and validity of the results. We asked Optumas to develop this compressed template approach, in lieu of the state performing a more formal and comprehensive Medicaid audit. To do a good job, we need and want Optumas to have the full and complete picture of this information from HCBS providers, so please complete the template and return it timely.

To assist with accurate template completion***, Optumas will host a template review session on October 3, 2016, at 11:00 am CST***. You can access the session here: <https://attendee.gotowebinar.com/register/352790777909324292>

During this time, they will walk through each tab and section of the template to explain how they would like providers to complete the template. Following this review, **providers will be given until October 17, 2016, to complete and submit the financial template to Optumas.**

Populated templates should be emailed to chris.dickerson@optumas.com and tim.doyle@optumas.com. Alternatively, a hardcopy of the template may be mailed to Optumas at 7400 E. McDonald Dr. Suite 101, Scottsdale, AZ 85250.

Please go to [www.kancare.ks.gov](http://www.kancare.ks.gov), review the template, download it and start completing it. If there are any questions about the template, please bring them to the October 3rd template review session. Optumas plans to use that time to explain the template in detail and then address any questions that remain.

Thank you for your cooperation with this important process.