



# **State Fiscal Year (SFY) Limits Inquiry Process**

**Alaska ASO**

**April 2024**

# Background for the SFY Process

- Historically, Optum has been unable to provide usage of State Fiscal Year (SFY) limits but has developed a process to assist providers in checking SFY usage.
- Tribal Health Organizations (THO's) reimbursement is Per Diem. When multiple claim lines are submitted, the per diem rate reimburses on one line. For Non-THO's, Optum's system is built to draw down SFY Units and deny a claim when the units have been exhausted and a Service Authorization is not on file. The Optum claiming system does not deny claim lines 2 or more on THO claims as the per diem rate was paid, not denied. This means the system does not have the ability to draw down SFY unit usage. Without an automated process to draw down and deny for over utilization, Optum has needed to develop a different process to monitor the SFY usage. It is a claims-based system, so data is based on claims submitted.
- Local Optum Clinical team will reach out to THO's to inform you when a participant is at 80% to 100% SFY usage and a service authorization is not on file and needs to be submitted.
- With Service Authorizations going live May 12, 2024, this process will assist providers to not exceed the SFY limits.

# Service Limits and State Fiscal Year (SFY) Limits Process Guide

- State Fiscal Year Service Limits renew at the beginning of the state fiscal year, which begins 07/01. The state fiscal year ends 06/30 and Optum Service Authorizations will end date on this date.
- Services with a state fiscal year limit: providers do not need to obtain an authorization until those limits have been met. A Service Authorization is needed if the provider is requesting an extension of services beyond the State Fiscal Year (SFY) limit.

## **Note:**

- Providers may not know if the state fiscal year limit has been exceeded so if an authorization is requested and there is evidence of medical necessity, an authorization should be given.
- Utilize the Service Authorization Retroreview process if participant is no longer in treatment, SFY units are exhausted, and a Service Authorization should have been in place during dates of treatment.

# Service Limits and State Fiscal Year (SFY) Limits Process Guide

#	Process Step	Notes	Frequency
1.	Review the daily State Fiscal Year (SFY) Limits and Authorization Monitoring Report	Report is autogenerated and arrives at 7:00 am Alaska time Monday through Friday.	Daily
2.	Look for Tribal members who are nearing limits for the State Fiscal Year (SFY)	Review member information as well as provider information.	Daily
3.	Review the Threshold limit	Optum will review for Service Authorization on file.	Daily
4.	If Participant is at 80% of potential threshold and does not have any authorization on file, send communication to provider	When Provider is at 80% of potential threshold, review to see if authorization for additional services is on file.	When Participant is nearing the limit for State Fiscal Year (SFY).

# Service Limits and State Fiscal Year (SFY) Limits Process Guide

# Process Step	Notes	Frequency
5. Complete communication and send to providers	<p>1. Initial attempt will be via email and if unresponsive with no authorization request, Optum will make a telephonic outreach. If still no response, Optum will send via mail. Utilize a point of contact list. If Optum doesn't have an email on record, a phone call will be placed.</p> <p>2. 24 hours after email is sent, check for SA submission. If none, place call to provider.</p> <p>3. If no SA in system after 72 hours and no contact from provider, Optum will send a letter via USPS mail service.</p> <p>4. If no SA has been requested 7 calendar days after USPS mailed letter sent date, and SFY limits are 100% utilized, a 2<sup>nd</sup> good faith contact attempt will be made through telephonic means and via email.</p> <p>5. If still no SA in system after 14 calendar days from 1<sup>st</sup> outreach timeframe, and if provider is continuing to bill for this service, over the SFY limit, a Peer-to-Peer review will occur to determine medical necessity.</p>	<p>When Provider nears the potential threshold of exceeding State Fiscal Year (SFY) limits.</p> <p><i>These steps would continue / repeat itself for authorizations / other services with daily monitoring.</i></p>
6. If provider submits a service authorization request independently,	Optum will continue to monitor usage of the service against issued authorized units.	Daily

# Service Limits and State Fiscal Year (SFY) Limits Process Guide

# Process Step	Notes	Frequency
7. If peer to peer <b>does</b> meet medical necessity,	A service authorization would be needed and would refer to the appropriate care advocate Team based on Level of Care for this authorization request to be put in place.	As needed and based on Medical Necessity criteria.
8. If peer to peer <b>does not</b> meet medical necessity,	Send provider information to DBH for next steps.	

## Service Limits and State Fiscal Year (SFY) Limits Process Guide

### Email Communication Sample Image



### Service authorization threshold

Re: Participant Jane Doe – Medicaid ID 000000000

This communication is to alert your agency Alaska Medicaid participant, Jane Doe (Medicaid ID 000000000) is nearing the threshold limit for (Indicate Service Name here). A Service authorization is needed if you are requesting an extension of services beyond the State Fiscal year (SFY) limit.

The benefit for this service is (cite information from the Alaska Benefit Grid here , ex: XX days/hours/etc.) and based on current claims, the participant has received (number of units from the report). If additional units for this service are needed, a service authorization is required. You may submit a service authorization request in one of these four ways – phone, online, fax or mail.

Phone: 800-255-8764

Online:

- Salesforce: [Optum Alaska Service Authorization Request Form](#)
- Printable (For Fax and Mail): [Alaska.Optum.com](#)

Fax: 844-881-3753

Mail: Optum Alaska  
Attention: Service Authorizations  
911 W. 8th Avenue, Suite 101  
Anchorage, Alaska 99501  
If you have any questions, please let me know.

Korey L. Dunn, M.Ed. LPC  
Utilization Management Process Manager

### USPS Communication Sample Image



Optum Alaska

911 W. 8<sup>th</sup> Avenue, Suite 101  
Anchorage, Alaska 99501

P 1-800-255-8764  
F 1-844-881-3753

[Alaska.optum.com](#)

April 16, 2024

First name Last name  
Organization Name  
123 Main Street  
City, ST 12345-6789

Re: Last Name, First Name – Medicaid ID 000000000

To Whom It May Concern:

As of XXXX/2024, Alaska Medicaid participant, Last Name, First Name, DOB XXXX/1900, ID 000000000, is nearing the threshold of 80% units used of their State Fiscal Year limit (July 1 – June 30) for H2019, Therapeutic BH Services – Individual, Per 15 minutes.  
The current State Fiscal Year limit for this service code is 96 units per day in 15-minute increments or 100 hours, per State Fiscal Year. (cite information from the Alaska Benefit Grid here, ex: XX days/hours/etc.). Based on current paid claims, as of XXXX/2024, First Name, has utilized 80 hours (Number of units from the report) towards their State Fiscal Year limit and has 20 hours remaining for the time period ending 06/30/2025. Any continuation of service(s) above the State Fiscal Year limit allowable will require a service authorization.

Service authorizations can be submitted in one of the following ways:

- Online: [Online Submission Form](#)
- Phone: 800-255-8764
- Fax\*: 844-881-3753
- Mail\*: Optum Alaska  
Attention: Service Authorizations  
911 W. 8th Avenue, Suite 101  
Anchorage, Alaska 99501

\*PDF Fillable forms are available on the Optum Alaska [website](#).

Questions? Please contact the Clinical team at [sa](#) and [clinicalrecords@optum.com](#)

Korey L. Dunn, M.Ed. LPC  
Utilization Management Process Manager

As described under 7 AAC 135.040(a)(d):

(a) Except as provided in (b) and (c) of this section and 7 AAC 105.130(d), the department will not pay for behavioral health service unless the department has given prior authorization for those services.

(d) A provider request for prior authorization of an extension of a service beyond service limitations or a provider request for a change in the level of service that a recipient previously received must be made in writing on a form approved by the department. The request must include (1) be documented in the clinical record prepared under 7 AAC 105.230 and 7 AAC 135.130; (2) include a listing of all Medicaid reimbursable services and the expected duration of these services as set out in the recipient's behavioral health treatment plan; and (3) affirm that the recipient's treatment team for a recipient under 18 years of age, in accordance with 7 AAC 135.120, has reviewed the behavioral health treatment plan and recommended that requested services are medically necessary and clinically appropriate.

# SFY Unit Usage – Facility Inquiry to Optum

Previously, Optum was unable to inform providers of the SFY unit usage for participants. But we now have a new process for providers who want to ask Optum about SFY unit usage.

## Process:

- Providers will go to the [Alaska - Optum Provider Portal](#) and complete the request form
- Providers will send a request on the fillable form via their secure email delivery system to Optum
- Request is received in the [SA and ClinicalRecords@optum.com](mailto:SA_and_ClinicalRecords@optum.com) mailbox managed by the Utilization Management team.
- UM Manager reviews the request, fills in the information and returns to Provider via email utilizing secure email delivery.
- Timeframe for response to providers:
  - Same day prior to 4:00 PM
  - After 4:00 PM, Next day
  - If after 4:00 PM on Friday, weekend or holiday, Next business day



# Next Steps

- Obtain a list of facility contacts for the THO's, and method preferred for contact (i.e., email, phone, mail, etc.). Optum needs a primary and secondary contact name and method of contact.

# Real Time Scenarios from Director Training on 4-17-24

- Email Provider, phone call, also point of contact – have all the communication come to one email: yes, if a group email.
- Utilization thresholds: participant is at 79% and then send claims a month at a time and gets to 96% utilization. Window of time to get authorization approved. Process same for all. UM Manager (Korey) could do a courtesy reach out to provider.
- Receiving services from organizations: How is that reconciled? Report shows all providers utilizing the services. What if multiple agencies are billing the same code? If active in treatment, notify all providers.
- Distribution list to update - email Optum.
- What if we want to check the SFY? Where will the form be? On the Optum Alaska website.

# Q&A

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