



# **OVERVIEW OF ELECTRONIC VISIT VERIFICATION (EVV) IMPLEMENTATION**

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# Objectives

- Review the background, intent, and functions of electronic visit verification (EVV) solutions.
- Explore the timeline for implementing EVV for personal care services (PCS) and home health care services (HHCS), and for assessing penalties for non-compliance.
- Discuss strategies for achieving compliance with the Cures Act and considerations for operating a robust EVV solution.
- Outline benefits from EVV implementation including in areas of fiscal integrity, program integrity, and quality monitoring and oversight.

# Background and Functions of EVS Solutions

# What is Electronic Visit Verification?

## Electronic Visit Verification (EVV)

- A technological solution used to electronically verify whether personal care providers and, later, home health providers delivered or rendered services as billed.

### EVV systems must verify the:

- **Type** of service performed.
- **Individual receiving** the service.
- **Date** of service.
- **Location** of service delivery.
- **Individual providing** the service.
- **Time** the service begins and ends.

# EVV and the 21<sup>st</sup> Century Cures Act

**Section 12006(a) of the 21<sup>st</sup> Century Cures Act** (the Cures Act)<sup>1</sup> requires that states implement EVV for all Medicaid PCS and HHCS requiring an in-home visit by a provider.

- States must implement EVV for PCS by January 1, 2021 (for states with a one-year good faith effort extension (GFE), as amended by legislative action in 2018)<sup>2</sup> and for HHCS by January 1, 2023.
  - **Personal Care Services (PCS):** Services supporting Activities of Daily Living (ADLs) or services supporting both ADLs and Instrumental Activities of Daily Living (IADLs).
  - **Home Health Care Services (HHCS):** Nursing services and/or home health aide services delivered in the home. At the state's option, HHCS may also include physical therapy, occupational therapy, and speech pathology and audiology services. If these services are delivered in the home, EVV applies. EVV does not apply to the delivery, set-up, and/or instruction on the use of medical supplies, equipment, or appliances.
- Non-compliance may result in incremental federal match reductions up to 1 percent per quarter.

# EVV and the 21<sup>st</sup> Century Cures Act (cont.)

**EVV requirements were included in the Cures Act in response to long-standing fraud, waste, and abuse (FWA) concerns for Medicaid PCS and HHCS.**

- More than 30 reports by the HHS OIG have pertained to PCS.
  - In 2010, the OIG found that nearly one in five PCS claims were undocumented and/or there was no record for billed claims, amounting to **\$63 million in undocumented Medicaid PCS claims that year.**<sup>3</sup>
  - In 2015, cases involving PCS providers accounted for nearly **12 percent of total fraud investigations** – although PCS payments comprised only two percent (about \$13 billion) of total Medicaid expenditures that fiscal year.<sup>4</sup>
- In **2015** and **2017**, CMS issued additional guidance for preventing improper payments for personal care services, citing OIG findings.<sup>5</sup>
- The **Congressional Budget Office (CBO)** anticipates that **EVV will save \$290 million over a 10-year period.**<sup>6</sup>

# Required Medicaid Authorities per Section 12006 of the Cures Act

## Medicaid PCS Authorities Subject to EVV Requirements

- 1905(a)(24) State Plan Personal Care benefit.
- 1915(c) HCBS Waivers.
- 1915(i) HCBS State Plan option.
- 1915(j) Self-directed Personal Attendant Care Services.
- 1915(k) Community First Choice State Plan option.
- 1115 Demonstration.

## Medicaid HHCS Authorities Subject to EVV Requirements

- 1905(a)(7) State Plan Home Health Services.
- Home health services authorized under a waiver of the plan.

**Note:** EVV requirements **do not apply** to the following, however states may choose to apply EVV to these services or settings as an additional control on fraud, waste, and abuse:

- Program of All-Inclusive Care for the Elderly (PACE).
- Services rendered by an individual living in the residence of a recipient.
- Services rendered in congregate settings.
- Delivery, set-up, or instruction on the use of medical supplies or equipment.

# EVV System Models

States have flexibility in selecting an EVV model most compatible with their Medicaid program, contingent on the model meeting statutory requirements.

## Five major models have been identified by CMS:

- **Provider Choice:** Providers select their EVV vendor of choice and self-fund EVV implementation.
- **Managed Care Plan (MCP) Choice:** MCPs (rather than providers) select and self-fund their EVV vendor solution.
- **State Mandated In-House System:** The state develops, operates, and manages its own EVV system, allowing standardization and access to data without a need to aggregate from diverse external EVV systems.
- **State Mandated External Vendor:** The state contracts with a single EVV vendor to implement a single EVV solution.
- **Open Choice:** The state contracts with at least one EVV vendor or operates its own EVV system while still allowing providers and MCPs with existing EVV systems to continue to use those systems.

# Common Options for Verification

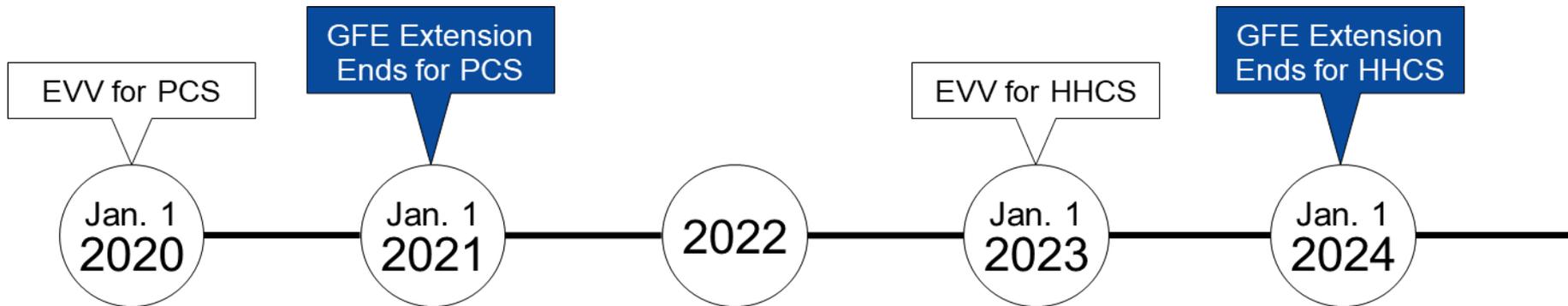
## Three common visit verification methods have been identified by CMS:

- **Telephonic:** Service providers check-in and check-out by calling into the EVV solution from a landline and utilizing interactive voice response (IVR).
- **In-Home Device:** A one-time password (OTP), fixed-object device (e.g., fob), or similar device in the member's home generates unique codes at check-in and check-out. Service providers can then enter the codes into the EVV solution through IVR from another telephone or an online portal. Some systems might offer a portable in-home device, such as a tablet, for verification, which may also connect to GPS.
- **Mobile Application:** Service providers check-in and check-out through a mobile application, usually on the provider's personal or agency-provided smartphone. The application connects to the Internet and location services with GPS. Location services would only be needed to ensure the provider was with the individual in the home or in the community at the time they check-in/out to provide services. Continuous tracking of the individual or provider as they move throughout the community is not required.

**Note:** Web-based electronic timesheets with dual verification are not sufficient for electronically verifying the six required data elements.

# Implementation Timeline and Assessment of Penalties

# Timeline for Implementation



- The Cures Act mandated that states implement compliant EVV solutions for PCS by January 1, 2020. To avoid reductions in their federal match for PCS, every state was required by CMS to either:
  - Affirm compliance via an **attestation of compliance** submitted to CMS by December 31, 2019.
  - Request a **Good Faith Effort (GFE) extension** via an application submitted to CMS, which delays any applicable FMAP reductions until January 2021.
- **Forty-nine states** plus Washington DC and Guam have applied for a Good Faith Effort application for part or all of their PCS. These states will submit their attestations by December 2020 to avoid reductions in the FMAP for PCS in the first quarter of 2021.

# Non-Compliance with the Cures Act

Per Section 12006 of the Cures Act, states must have implemented EVV for PCS by January 1, 2020, although the **effective implementation date** for states which have received a GFE extension will be **January 1, 2021**.

- Reductions to the FMAP will be applied as follows:

## FMAP Reductions – PCS

0.50% per quarter in CY 2021  
0.75% per quarter in CY 2022  
1% per quarter in 2023 forward

## FMAP Reductions – HHCS

0.25% per quarter in CY 2023  
0.25% per quarter in CY 2024  
0.50% per quarter in CY 2025  
0.75% per quarter in CY 2026  
1% per quarter in 2027 forward

# Application of FMAP Reductions

- Federal match will only be reduced for payment for **personal care services** as described in Section 12006(a) of the Cures Act.
- Reductions are assessed quarterly, at the end of each quarter – states will receive a reduced federal match for each quarter they are noncompliant.
- Personal care services are reimbursed under the **different authorities** delineated on an earlier slide. States may have implemented EVV for some authorities, but not others, by the implementation deadline.
  - Therefore, CMS assesses FMAP reductions based **only on the authority or authorities for which the state has not implemented a compliant EVV solution.**
  - If states have implemented EVV for specific waivers or HCBS State Plan Amendments (SPAs) under some authorities but not others, they may work with CMS to determine how to apply FMAP reductions in a more targeted manner if possible.

# EVV Compliance Survey

- States are required to update CMS on their progress toward meeting the requirements of Section 12006(a) of the Cures Act via a web-based attestation of compliance.
  - Access to the EVV Compliance Survey and Resources web-based collaboration tool is restricted to State Medicaid Agencies and CMS. **The survey is a live form, meaning states can update their EVV status on a continuous basis and should review their survey information at least quarterly to ensure FMAP reductions are lifted in a timely manner.**
  - CMS will use the information provided from these surveys as a basis for determining compliance with the Cures Act and for **assessing any FMAP reductions** for non-compliance, if applicable.
- The compliance survey may be completed at any time – however, the FMAP reduction is **per quarter in which the state is non-compliant**, therefore states should submit their survey as soon as they become compliant.
  - CMS sent further guidance to states in November 2020 with instructions for completing the compliance survey.

# Contents of the Compliance Survey

## The compliance survey asks the responding state to:

- **Confirm** that it has implemented EVV for all PCS under each authority specified in the Cures Act and offered within the state.
- **Document** the status of their Advanced Planning Document (APD) submissions, as well as implementation date and model for EVV for PCS under each authority offered within the state.
- **Describe** how the EVV solution is:
  - Minimally burdensome.
  - Inclusive of a stakeholder engagement process.
  - Ensuring choice, in not limiting selection of providers or caregivers.
  - Respectful of the manner in which care is delivered.
  - Conducted in accordance with HIPAA privacy and security law.

# Achieving Compliance

- CMS considers states to be fully compliant if they both:
  - **Demonstrate that they meet the criteria listed on the previous slide**, e.g., that their system is minimally burdensome and does not limit selection of a provider or caregiver, and
  - **Require electronic verification of the six required data elements** for all PCS visits within the applicable authorities in their state.
- **CMS will not consider a state out of compliance if there are individual instances in which service delivery is not electronically verified** using the EVV system (e.g., due to service outage, a caregiver forgetting to check-in or out, etc.), provided EVV use is otherwise required for all individuals receiving the PCS mandated by statute.
  - Rather, it is CMS' expectation that such instances be incorporated into the state's error rate policy, to be evaluated by the state to determine provider understanding of and adherence to system requirements.

# Looking Beyond Implementation

# Building on a Compliant Solution

**Development and rollout of a compliant system is one phase in the implementation timeline.**

- Following its attestation of compliance for each authority, a state will continue to operate its EVV solution as an integral part of the Medicaid program.
- Prior CMS guidance has assisted states with designing, developing, and implementing a **compliant solution**. The following promising practices focus on how states might build and operate a **robust solution**.

A **compliant solution** is required for a state to avoid reductions to its federal match and may help mitigate fraud, waste, and abuse in claims for personal care services.

A **robust solution** can help improve the accuracy, efficiency, and quality of service verification and delivery, helping states achieve better health and improved participant outcomes.

# Considerations for Operating a Robust EVV Solution

## **CMS recommends that states consider:**

- Leveraging the six data elements required by the Cures Act.
  - States should consider using the EVV platform to improve oversight and quality reporting by collecting required data and, when possible and appropriate, additional information which may inform quality efforts.
  - States may also utilize Transformed Medicaid Statistical Information System (T-MSIS) reporting data by cross-walking the T-MSIS data elements reported by your state that capture EVV relevant data elements.
- Integrating EVV systems with other state systems and processes.
  - States can integrate EVV systems with existing systems and data sources such as MMIS, prior authorization requirements, eligibility systems, and person-centered service plan data.
- Fostering a collaborative relationship with stakeholders, including beneficiaries, caregivers, providers, sister state agencies, and EVV vendor(s).
- Accommodating flexibilities and infrastructure (re)designs in EVV systems and processes based on changing needs.

# Leveraging Data Captured by the EVV Solution

- EVV data can help a state improve quality monitoring and oversight, and general administration and quality of their HCBS programs.
- T-MSIS is the operational data platform of Medicaid and CHIP Business Information Solution (MACBIS). T-MSIS reporting includes data regarding providers and service delivery, which may relate to EVV-captured data.
- CMS conducted a training on February 12, 2020, reviewing how EVV may enhance states' efforts to assess and ensure quality in their programs.
  - This training, Leveraging Electronic Visit Verification (EVV) to Enhance Quality Monitoring and Oversight in 1915(c) Waiver Programs, may be accessed at the following link:  
<https://www.medicaid.gov/medicaid/downloads/evv-enhance-quality.pdf>

## **A number of areas may benefit from the incorporation of EVV into existing processes including:**

- Processes to assure **fiscal integrity**, such as billing validation, financial accountability, and billings and claims record maintenance.
- Processes to assure **program integrity**, such as oversight of service delivery and of participant health and welfare.

# Integrating EVV with Other Solutions

## Integrating EVV systems with other state systems and processes

- Integrating EVV systems with states' other monitoring and data systems provides opportunities for enhanced oversight and analysis.
  - **Claims and MMIS:** Systems can interface with MMIS to streamline submission of claims to the appropriate payer.
  - **Fraud, Waste, and Abuse:** Systems can interface with existing processes combating FWA by providing real-time electronic data that confirms delivery of services as billed. States may subject manually-entered data for additional review.
  - **Prior Authorizations:** Systems can interface with authorizations and service plans so that providers can only bill for services at the planned time and in the specified type, scope, amount, duration, and frequency identified in the individual's approved person-centered service plan.
- States may find that integrating EVV into other technical systems and processes enhances the state's administrative and oversight effectiveness.

# Fostering Collaborative Relationships

- The Cures Act requires states to solicit feedback from various stakeholder groups including beneficiaries, their families, and provider agencies. Input from these groups is critical in **initiating the design of a state's EVV solution and ongoing following implementation.**
- State agency staff from the Medicaid agency and operating agency or agencies of programs offering PCS and HHCS may also provide important information, especially regarding state capacity and needs.
- **A key relationship for a state to manage is with its EVV vendor.** States can help foster their relationship with EVV vendors through:
  - Maintaining regular communication between the state and vendor, including discussion of Medicaid administration and business practices.
  - Defining clear expectations for quality, such as by identifying key performance indicators in their contracts.
  - Building opportunities for system updates or redesigns into their requests for proposals (RFPs) and contracts with vendors.

# Infrastructure Design and Redesign

- As states operate their EVV solutions, they may find that the needs of constituents or of the agency change. This may necessitate **redesigning the systems for capturing point-of-service data** or **rethinking the process for verifying service delivery**.
  - As discussed earlier, states have flexibility in selecting one or more models for administering EVV and one or more methods for verifying visits. Experience of operating one type of solution may inform whether another model or method more appropriately fits the needs of the state.
  - More specific flexibilities or updates may also make the solution more amenable to the needs of states and stakeholders. For example, a state may institute a revised policy for edits and exceptions, or a system update which allows for more independence with scheduling visits from direct service workers.
- EVV solutions are investments by states, and system updates or redesigns may glean greater returns on those investments and greater acceptance from users including beneficiaries and direct service workers.
- States may leverage the Advanced Planning Documents (APDs) submission process for enhanced funding as appropriate for system updates.

# Additional Benefits of EVV

## **Return on Investment**

- Reductions in inappropriate billings may lead to improved payment efficiency resulting in state savings and opportunities for investment in other community resources or state initiatives.

## **Service Verification Efficiency**

- Automation of service verification.
- Decreased reliance on maintaining and retaining paper records due to electronic service records.
- Assurance that payment is based on actual service delivery at recorded check-in and check-out times and locations.

## **Enhancing Quality of Service Delivery**

- Assurance that payment is based on appropriate service delivery as identified on the individual's person-centered service plan.
- Reinforcement of pre-payment validation methods that allow individuals and families to verify the services rendered.
- Protection of individuals' health and welfare through verification that services were delivered as identified in the service plan.

# Service Verification Efficacy

**EVV automates verification of service delivery by decreasing reliance on paper records and helping assure that payments are based off actual service delivery recorded.**

- For both maintenance and creation of records, an EVV solution can **reduce the burden** and **minimize errors** involved with administrative processes, including development, retention, and review of provider billings and related records.
- Oversight of service delivery includes confirming services are delivered according to the **parameters specified in the person-centered service plan**, including the type, scope, amount, duration, and frequency. These align with the required data elements.
  - Type, amount, duration, and frequency are captured explicitly. EVV may be used to identify instances where individuals are *not* receiving necessary services.
  - Scope of services may be captured by integrating the EVV solution with service notes. Many states have allowed providers to enter notes directly through the EVV system.
- Because EVV verifies that services are delivered appropriately, the use of these systems in overseeing service delivery may give states an additional check that participants are actually receiving the services they need.

# Enhancing Quality of Service Delivery

**Effective oversight of service verification may improve the state's ability to oversee fiscal integrity, while effective oversight of service delivery may enhance the health and welfare of participants.**



- Further, data collected and verified electronically may provide insight into the quality of care provided to recipients, including as evidence for investigation or management of critical incidents.
- Caregivers may also use an EVV system to monitor follow-up and remediation of incidents. If a service plan changes due to a change in the participant's needs following a critical incident, the EVV system should capture pertinent updates and verify the implementation of necessary changes in service delivery.

# Summary

- Implementing EVV for PCS and HHCS is a mandatory requirement of the Cures Act – for most states, the effective date for compliance is January 1, 2021 following a one-year Good Faith Effort extension granted by CMS.
- CMS will assess penalties or reductions to a state’s federal match for PCS quarterly. States must complete an EVV Compliance Survey and attest compliance with various requirements of the Cures Act.
- States will find that beyond compliance with the Cures Act, operation of a robust EVV solution can help them achieve program goals.
- Operation of an EVV solution can improve service verification and delivery, helping states achieve better health and improved participant outcomes.

# Additional Resources on EVV

Refer to CMS guidance for additional information regarding electronic visit verification:

- [Leveraging EVV to Enhance Quality Monitoring and Oversight](#) from February 2020.
- [CMCS Informational Bulletin](#) from August 2019.
- [Good Faith Effort Request Form](#) from May 2019.
- [CMS Update on EVV](#) from August 2018.
- [NASUAD Pre-Conference Intensive](#) from August 2018.
- [NASUAD Conference Workshop](#) from August 2018.
- [CMCS Informational Bulletin](#) from May 2018.
- [Frequently Asked Questions](#) from May 2018.
- [Promising Practices for States Using EVV](#) from January 2018.
- [Requirements and Considerations](#) from December 2017.

Copies of the HCBS Training Series – Webinars presented during Medicaid Monthly Update calls are located at this link: <https://www.medicaid.gov/medicaid/hcbs/training/index.html>.

CMS offers Technical Assistance (TA) for EVV:

<https://www.medicaid.gov/medicaid/hcbs/downloads/technical-assistance/evv-ta.pdf>. Note that Technical Assistance requests require State Medicaid Director approval upon submission.

# References

1. H.R.34 – 114th Congress (2015-2016) – 21<sup>st</sup> Century Cures Act: <https://www.congress.gov/bill/114th-congress/house-bill/34/text>
2. EVV Update August 2018: <https://www.medicaid.gov/sites/default/files/2019-12/evv-update-aug-2018.pdf>
3. ADvancing States: Implications for States, Providers, and Medicaid Participants, May 2018: <http://www.advancingstates.org/node/70393>
4. US HHS OIG Issue Brief, Medicaid Fraud Control Units: Investigation and Prosecution of Fraud and Beneficiary Abuse in Medicaid Personal Care Services, December 2017: <https://oig.hhs.gov/oei/reports/OEI-12-16-00500.pdf>
5. Fact Sheet: Preventing Medicaid Improper Payments for Personal Care Services: <https://www.cms.gov/Medicare-Medicaid-Coordination/Fraud-Prevention/Medicaid-Integrity-Education/Downloads/pcs-prevent-improperpayment-factsheet.pdf>
6. Congressional Budget Office Assessment of Direct Spending And Revenue Effects For H.R. 34: <https://www.cbo.gov/sites/default/files/114th-congress-2015-2016/costestimate/hr34amendment5.pdf>

# For Further Information

**For further information on EVV,  
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