

## **OERU Policy Instructions for Submitting Quarterly Invoices**

The State will progressively allocate funding, in arrears, to counties for actual costs incurred in meeting the objectives in the approved Statement of Work. Reimbursements will not exceed program amounts established under the Request for Plan and Budget (RFPB) line item budget and are subject to approved quarterly invoices and quarterly progress reports.

### **I. Submission of Quarterly Invoices**

Counties must complete the Quarterly Invoice by providing detailed budget activity expenditures for the specific quarter and fiscal year (FY) as described below.

#### **A. Quarterly Invoice Instructions:**

1. Invoices must be prepared quarterly on the template provided by the State. Download the Quarterly Invoice template from the Outreach, Enrollment, Retention, and Utilization (OERU) website at <http://www.dhcs.ca.gov/OERU>.
2. Include the following in the spaces provided:
  - County Name
  - The current FY and Invoice Number (see number 3 below)
  - Billing Period (specify months)
  - Vendor ID Number
3. Identify the invoice by using the standard invoice numbering system, which is designed to identify the FY, the quarter claimed, and the County code number. For example, invoice number OERU-06/07-2-01 is the claim for FY 2006/2007, the second quarter (October 1, 2006 - December 31, 2006), for Alameda County.
4. Indicate the Approved Budget, the Prior Amount Expended, the Expenses Billed this Quarter, the Amount Expended to Date, and the Remaining Balance. (The Adjustment and the Approved Amount sections are for the Department of Health Care Services (DHCS) use only.)
5. Report actual expenses using exact amounts in dollars and cents. Do not round fractional dollar amounts or cents to the nearest whole dollar amount.
6. Ensure that the expenses, services, and materials support the outreach and enrollment plan activities that correspond with the approved OERU Plan & Budget activities. Reimbursement may only be sought for those expenses and/or expense categories expressly identified as allowable in the allocation agreement and expenses approved by the DHCS.
7. Personnel Expenses - Salary line items:
  - Identify each funded position title or classification.
  - Indicate the number of personnel in each position/classification.
  - Indicate the full time equivalent (FTE) or annual percentage of time/effort for each position (i.e., full time=1.0, ½ time = .50, ¾ time = .75, ¼ time= .25, number of hours, if hourly, etc.).

- Include the fringe benefits percentage rate as well as the total personnel costs.
8. Invoices must be signed, in blue ink only, by the County's authorized OERU Project Financial Officer and OERU Project Director.
  9. If applicable, subcontractor invoices must be submitted to the DHCS as back-up for their charges.
  10. Invoices must be accompanied by a Quarterly Progress Report. Quarterly Progress Reports must be prepared on the template provided by the State. The Quarterly Progress Report template can be downloaded from the OERU website at <http://www.dhcs.ca.gov/OERU>.
  11. Invoices must be accompanied by the OERU Quarterly Invoice and Progress Report Cover Sheet. The OERU Quarterly Invoice and Progress Report Cover Sheet must be prepared on the template provided by the State. The OERU Quarterly Invoice and Progress Report Cover Sheet template can be downloaded from the OERU website at <http://www.dhcs.ca.gov/OERU>.
  12. Submit invoices in both hard copy and electronic format:
    - E-mail the electronic copies to your assigned County Allocation Manager.
    - Mail two (2) original signed invoices and six (6) copies, along with one (1) signed original and one (1) copy of the Quarterly Progress Report, and the OERU Quarterly Invoice and Progress Report Cover Sheet to:

Department of Health Care Services  
 Medi-Cal Eligibility Division  
 1501 Capitol Avenue, Suite 71-4001, MS 4607  
 PO Box 997417  
 Sacramento, CA 95899-7417  
 Attention: OERU Unit/Invoice and Quarterly Report  
 (Name of your County Allocation Manager)

**B. Submission Date Charts**

Please see the charts below for invoice submission dates.

**Year 1 (2006-2007)**

	<b>Invoice Submission Date</b>	<b>Invoice Number</b>	<b>For Expenditures Completed in</b>
1 <sup>st</sup> Quarter	N/A	N/A	N/A
2 <sup>nd</sup> Quarter	Feb 20, 2007	06/07-2	Oct-Dec 2006
3 <sup>rd</sup> Quarter	May 15, 2007	06/07-3	Jan-Mar 2007
4 <sup>th</sup> Quarter	Aug 14, 2007	06/07-4	Apr-Jun 2007

**Year 2 (2007-2008)**

	<b>Invoice Submission Date</b>	<b>Invoice Number</b>	<b>For Expenditures Completed in</b>
1 <sup>st</sup> Quarter	Nov 16, 2007	07/08-1	Jul-Sep 2007
2 <sup>nd</sup> Quarter	Feb 18, 2008	07/08-2	Oct-Dec 2007
3 <sup>rd</sup> Quarter	May 15, 2008	07/08-3	Jan-Mar 2008
4 <sup>th</sup> Quarter	Aug 15, 2008	07/08-4	Apr-Jun 2008

**Year 3 (2008-2009)**

	<b>Invoice Submission date</b>	<b>Invoice Number</b>	<b>For Expenditures Completed in</b>
1 <sup>st</sup> Quarter	Nov 17, 2008	08/09-1	Jul-Sep 2008
2 <sup>nd</sup> Quarter	Feb 18, 2009	08/09-2	Oct-Dec 2008
3 <sup>rd</sup> Quarter	May 15, 2009	08/09-3	Jan-Mar 2009
4 <sup>th</sup> Quarter	Aug 17, 2009	08/09-4	Apr-Jun 2009

**C. Allowable Line Item Shifts**

- Cumulative line item shifts of up to \$10,000, each FY, per line item may be made provided no line item is increased or decreased by more than \$10,000 and the approved annual budget total is not changed.
- Adjustments can only be made on approved line item activities.
- County must adhere to State requirements regarding the process to follow in requesting approval to make line item shifts.
- Line item shifts may be proposed or requested by either the State or the County.
- Budget adjustments are limited to four (4) times a year.

**D. Corrections to Invoices**

- All invoices submitted to the DHCS for payment are reviewed by the OERU Unit staff.
- If discrepancies are found or additional documentation is required, the OERU Unit staff will contact the County Coordinator. It may be possible to resolve the discrepancies by phone and by the County Coordinator submitting additional documentation. If this can be accomplished in a few days, the invoice(s) will be held in the OERU Unit pending resolution. Otherwise, the invoice(s) will be returned to the County with a written explanation of the reasons it is being returned for correction.
- When the County corrects and returns the rejected invoice(s), it must identify the resubmitted invoice(s) as a **Corrected Invoice**.

- The invoice number should reflect the correction by adding a **(C-1)** to the invoice number. For example, OERU-06/07-2-01 **(C-1)** would be the first corrected invoice for FY 2006/2007, second quarter (October 1, 2006 - December 31, 2006), for Alameda County.
- If subsequent corrections are required, the invoice number will reflect the number of the correction **(C-2)**, etc.
- Corrected amounts and totals must be indicated with **bold type**. Include an explanation of changes or corrections in the space provided.

#### **E. Supplemental Invoices:**

- In the event the County must make a request for supplemental payment after the invoice has been paid, the County will need to submit an invoice detailing the new information.
- The supplemental invoice must be identified as **Supplemental** by adding an S-1 to the invoice number. For example, OERU-06/07-2-01 **(S-1)** would be the first supplemental invoice for FY 2006/2007, second quarter (October 1, 2006 - December 31, 2006), for Alameda County.
- If subsequent supplements are required, the invoice number will reflect the number of the supplement **(S-2)**, etc.
- Supplemental amounts must be entered in the “Expenses Billed this Quarter” column in **bold type**. (The Supplemental amount(s) must also be brought down the column and entered in the “Total” area for the category, as well as in the “Total of All Expenses” area.)
- Enter the “Amount Expended to Date” (for the line item being changed), from your last approved invoice into the “Prior Amount Expended” column. (See the Sample Corrected Quarterly Invoice for the amounts used in the Sample Supplemental Quarterly Invoice example.)
- Transfer the “Total of All Expenses” amount for the “Amount Expended to Date” column from your last approved invoice into the “Total of All Expenses” line, under the “Prior Amount Expended” column. (See the Sample Corrected Quarterly Invoice for the totals that were used in the Sample Supplemental Quarterly Invoice example.)
- Incorporate the supplemental amount in the “Amount Expended to Date” and “Remaining Balance” columns, as well as in the “Total Other Expenses” and “Total of All Expenses” rows.
- Include an explanation of changes or supplemental amounts in the space provided.

## **II. Quarterly Progress Reports**

Counties must provide Quarterly Progress Reports, to quantify and document progress-to-date on Scope of Work objectives and performance goals for the quarter being reported. For more information on Quarterly Progress Reports, please see Attachment 5 of the RFPB. A Quarterly Progress Report must be submitted in conjunction with each invoice submitted by the County. Please see Submission Date

Charts above for timely submission. The Quarterly Progress Report template can be downloaded from the OERU website at <http://www.dhcs.ca.gov/OERU>.

### **III. Quarterly Invoice and Progress Report Cover Sheet**

The Quarterly Invoice and Progress Report Cover Sheet template serves as a check-off list for counties to ensure that invoices, subcontractor invoices, and progress reports are submitted accurately. The Cover Sheet must accompany the invoice and progress reports, and it must have an original signature of the authorized OERU Project Financial Officer or the OERU Project Director. The Cover Sheet template can be downloaded from the OERU website at <http://www.dhcs.ca.gov/OERU>.

### **IV. Payment Provisions**

The OERU County Allocation Program is funded through the State General Fund with matching federal funds from Title XIX Medicaid Program and Title XXI State Children's Health Insurance Program (SCHIP). This funding can only be used for OERU activities and use of this funding must meet all conditions for claiming Title XIX and Title XXI funding. County allocation funding may be used only to fund activities provided in each of the designated fiscal years and in accordance with the approved plan and budget for the FY.

The State will allocate funding to the counties in arrears subject to approved quarterly reports and invoices. Counties will submit quarterly invoices that correspond to the approved FY budget that was submitted in response to the Request for Plan and Budget. The quarterly invoices will reflect all expenditures for the relevant quarter for the county's outreach and enrollment plan activities, expenses, services, materials, and support.

Reimbursement shall be made for allowable expenses, in two separate checks for each claiming quarter, due to two separate sources of funding: Title XIX Medicaid Program and Title XXI State Children's Health Insurance Program (SCHIP). Checks will be issued approximately 30-45 working days after Program approval. The assigned County Allocation Manager will contact the County, via an e-mail, when the invoices have been approved.

Reimbursement shall be made for allowable expenses up to the approved annual amount commensurate with the State FY in which services are performed. The Counties must maintain records reflecting actual expenditures for each state fiscal year covered by the term of this agreement.

Federal regulations require that all invoices must be processed within two years of the end of the quarter being claimed. To comply with this requirement, all invoices must be submitted to the DHCS within eighteen (18) months of the end of the quarter claimed to allow for processing. Invoices submitted for the first time beyond the eighteen-month time frame will be returned without being processed for payment.

## **A. Recovery of Overpayments**

The DHCS will recover overpayments from the Counties including, but not limited to, payments determined to be:

- In excess of allowable costs.
- In excess of the amount usually charged by the County, OERU Coalition Lead Entity, or any of its subcontractors.
- For services not documented in records of the County, OERU Coalition Lead Entity, or any of its subcontractors.
- For any services where the documentation of the County, OERU Coalition Lead Entity, or any of its subcontractors only justifies a lower level of payment.
- Based upon false or incorrect invoices.
- For services deemed to have been excessive or inappropriate.
- For services not covered in the OERU Plan and Budget.
- For services that should have been billed to another funding source; other State and federal agency or other governmental entity contract or grant; or any private contract or agreement for which the County, OERU Coalition Lead Entity, or any of its subcontractors was eligible to receive payment for such services. (This includes payments received by Enrollment Entities for applicant assistance reimbursement and Medi-Cal Administrative Activities claiming.)

Procedures for Recovery of Overpayments:

1. The OERU Program Manager will advise the county that an overpayment has occurred and discuss the overpayment with the County.
2. The county must pay the full amount due in one payment with a check made out to DHCS.
3. The county will mail the check to their County Allocation Manager.

## **B. Inappropriate Use of Funds**

Counties are prohibited from duplicate invoice billing for the Application Assistance Reimbursement Fees. Each County has signed an allocation agreement certifying that there is an appropriate plan in place to ensure that state funds will not be inappropriately used. This prohibition shall remain in effect throughout the entire term of this allocation agreement. If the County violates this prohibition, the State may immediately terminate this allocation agreement, and the County must repay the State the amount of all payments received under this allocation agreement and any amounts received as application assistance fees. This prohibition is applicable for the entire term of this contract and is applicable to all Subcontractors/Collaborative Partners.