Local Funds Tracking System (LoFTS)

User Guide: Registration, Login, & Module Determination

**Texas Health and Human Services
Provider Finance Department
Local Funds Monitoring**

October 2023 Reporting

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Texas Health and Human Services ● **hhs.texas.gov**

List of Acronyms

CFR	Code of Federal Regulations
CHIRP	Comprehensive Hospital Increase Reimbursement Program
CHOW	Change of Ownership
CMS	The Centers for Medicare and Medicaid Services
CPE	Certified Public Expenditure
DPP	Directed Payment Program
DPP BHS	Directed Payment Program for Behavioral Health Service
DSH	Disproportionate Share Hospital
DSRIP	Delivery System Reform Incentive Payments
FFY	Federal Fiscal Year
GME	Graduate Medical Education
HARP	Hospital Augmented Reimbursement Program
HHS	U.S. Health and Human Services
HHSC	Texas Health and Human Services Commission
IGT	Intergovernmental Transfer
LEA	Local Education Agencies (Included under LGE)
LFM	Local Funds Monitoring
LGE	Local Governmental Entity (Includes entities historically categorized as Local Education Agencies / LEAs)
LoFTS	Local Funds Tracking System
LPPF	Local Provider Participation Fund
NAIP	Network Access Improvement Program
NPR	Net Patient Revenue
PHP-CCP	Public Health Provider-Charity Care Program
PFD	Provider Finance Department
QIPP	Quality Incentive Payment Program
RAPPS	Rural Access to Primary and Preventive Services
SDA	Service Delivery Area
SHARS	School Health and Related Services
TAC	Texas Administrative Code
TIPPS	Texas Incentives for Physicians and Professional Services
UC	Uncompensated Care (Includes Hospital, Dental, Ambulance, and Physician Groups)

Purpose

This document provides an overview of the LoFTS registration process, login, and module determination. This registration process will determine which of the following modules your LGE will be required to complete:

▶ **Funding Source Statement** (required by all LGEs): Collects information regarding revenue sources available to your LGE.

▶ **Module 1:** Collects information about IGTs of public funds generated by a LPPF or other provider taxes.

▶ **Module 2:** Collects information about IGTs of public funds to support Medicaid payments for hospital services (other than funds from LPPFs or other provider taxes).

▶ **Module 3:** Collects information about IGTs of funds to support Medicaid payments for non-hospital services, including nursing facility services, intermediate care facility services, and other acute or long-term care services (other than funds from LPPFs or other provider taxes).

▶ **Module 4:** Collects information about CPEs to support Medicaid payments for ambulance or school-based services (e.g., UC Ambulance, PHP-CCP, and SHARS).

Assistance

For assistance regarding LoFTS user guides, please contact LFM at PFD_LFM@hhs.texas.gov or (737) 867-7877.

History and Overview

Local Funds Monitoring Background

HHSC has created LFM to ensure that funds transferred to HHSC from local LGEs satisfy local, state, and federal requirements to be used as the non-federal share of Medicaid payments. The federal requirements generally come from the Social Security Act § 1903(w) and its enabling regulations at [42 CFR §§ 433.50–433.74](). CMS has asked increasingly specific questions about LPPFs and other sources of local funding and HHSC seeks to demonstrate that Texas operates a robust monitoring effort of local funding sources as HHSC anticipates that these efforts will be critical to continue the use of these local fund sources to sustain federal matching funds for the Medicaid program.

In May 2022, LFM adopted rules governing this mandatory reporting: [Texas Administrative Code under Title 1, Part 15, Chapter 355, Subchapter L]():

- ▶ Section 355.8701: Purpose
- ▶ Section 355.8702: Definitions
- ▶ Section 355.8703: Applicability
- ▶ Section 355.8704: Reporting and Monitoring
- ▶ Section 355.8705: Post-Determination Review
- ▶ Section 355.8706: State and Federal Reporting
- ▶ Section 355.8707: State and Federal Reporting

Local Funds Monitoring Context

Local governments in Texas have supported the Medicaid program with local funds in various ways for many years. CMS has increased its focus nationally on the source of these local funds and whether these funds constitute a permissible source of the non-federal share. The Texas Legislature has also increased reporting requirements related to the use of local funds as the non-federal share of the Texas Medicaid program.

The LFM team's role is to analyze the source of local funds transferred from LGEs to HHSC and determine, to the best of its ability, whether the sources of local funds likely satisfy state and federal requirements for use as non-federal share dollars. HHSC cannot and does not function as an agent of CMS and a determination by HHSC related to the likely permissibility of funds does not determine whether or not CMS will ultimately accept a particular source of local funding. Rather, HHSC is monitoring to evaluate the likelihood that funds are permissible in an effort to minimize the risk to the Medicaid program of CMS issuing a disallowance or deferral of funds to providers. To the extent a local funding source does not appear to be permissible pursuant to federal requirements or is not compliant with a local or state regulation or statute, HHSC will refuse such local funds for use as the non-federal share; however, acceptance of local funds does not confer permissibility as it is still within the purview of CMS to determine whether funds are permissible under federal requirements. HHSC is also under no obligation to accept funding from local sources at any time, and it is within HHSC's authority to refuse transfers of IGT from any LGE for any reason.

As part of HHSC's efforts, the LFM team must collect and review data from every LGE that supplies local funds via IGT or CPE. The LFM team is responsible for reviewing the self-reported data, reviewing supplemental documentation, and conducting a risk assessment to determine whether entities warrant further review and whether their financing arrangements are likely permissible, require further review, or are likely impermissible. Local funding sources requiring further scrutiny will undergo an additional document collection process and potential on-site visit. This scrutiny may include coordination with CMS to determine appropriate action. The LFM team will also continue to submit an annual report to the Texas Legislature with specific data elements required by state law. LFM will work with the LGE and, as necessary, CMS, to develop a collaborative process for addressing issues the LFM team identifies as being likely impermissible.

LoFTS Functionality

LoFTS serves as an umbrella system that can collect up to five sets of information: A Funding Source Statement (required of every LGE) and four sets of information, called modules (each LGE will complete the modules applicable to their individual participation).

The LoFTS system:

▶ Allows information to be gathered annually and on an ad hoc basis for supplemental inquiries,

▶ Allows the LGEs to respond to questions based on the funding source selected for each module and upload supporting documentation,

▶ Provides some automation for questions that have been answered in previous reporting years; and

▶ Provides an avenue for uploading supplemental supporting documentation from the LGEs based on questions from LFM.

Instructions

Key Points (high level steps)

▶ **User registers with LoFTS** and selects applicable jurisdiction(s):

- o Use the following link to access [LoFTS Registration site](#).

- o Select applicable jurisdictions.

- o Enter contact information.

- o Enter user role.

  - ▪ **ONLY the Data Certifier will click the Certifier checkbox** (this person must be an employee, board member, or elected official of the LGE and will approve and manage access for all other LGE users).

▶ LFM approves the user.

▶ User receives **Welcome to LoFTS** email:

- o Email will come from noreply@salesforce.com with a link to create a password.

- o After creating a password, the system will take you to the LoFTS login page.

▶ User registers for any additional LGEs for which you are reporting and define your user role.

▶ User Logs into LoFTS and completes the required modules based on registration responses.

▶ User may report the modules in any order.

General Tips

Instructions are included following the General Tips.

Navigating Pages

For all pages, **DO NOT use the back arrow.** Use the **Home** button or the selections available on the top right side of the page.

If you need to save and come back later, click the **Save and Continue** button. Clicking **Save and Continue** will take you to the next page, but you can navigate to a previous page by using the page selections on the right side of your screen. **If you leave the session without saving, information will be lost**.

System Time Out

The LoFTS system will time out after 30 minutes of inactivity. A popup will appear asking if you want to continue working. You will be logged out if you do not click **Continue Working** within 30 seconds.

For security, we suspend your session if you're inactive too long. If you don't click Continue Working within 30 seconds, we log you out.

Log Out   Continue Working
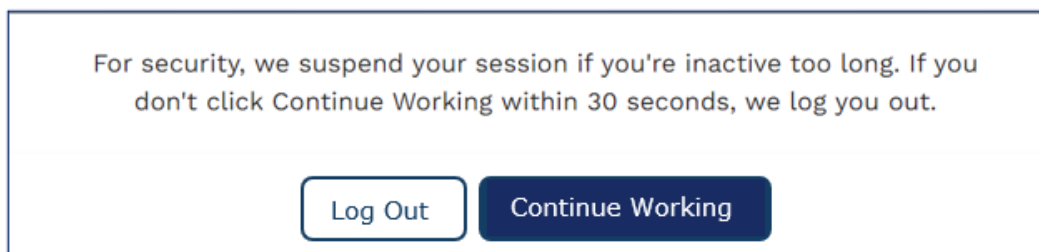
Delete or Edit an Uploaded Document

Uploaded documents can be deleted up until the module is submitted. Once the module is submitted, you must contact PFD_LFM@hhs.texas.gov to inform LFM of any needed changes.

To delete a document:

▸ Click on the **eye icon** to see a list of uploaded documents.

Upload Agreements
⬆ Upload Files   Or drop files

👁
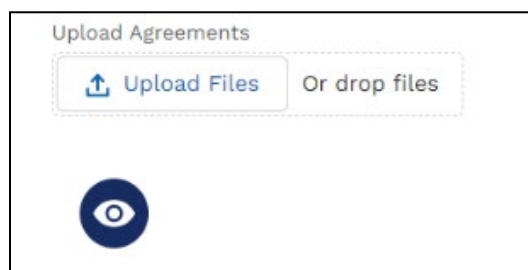
▸ Open the document you want to delete by clicking on the document title.

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▶ A preview will open to give options to:

- o Download,

- o View File Details,

- o Upload a new version; or

- o Use the dropdown arrow to either **Edit File Details** or **Delete** the file.
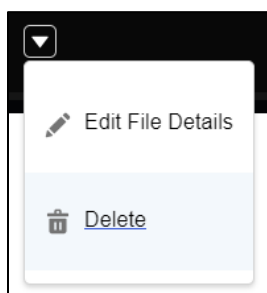
Certification

The last page of the module will be a certification page. Once the certification page is completed and submitted, the user will not be able to make changes; you must contact LFM if changes are needed.

Reminder: You must click **Save & Continue** on every page. If you leave the page without saving, the changes will be lost.

Once the **Save & Continue** button is clicked, a popup will appear to confirm you are ready to submit. The following message will appear at the top of the page:

Confirmation

Please confirm your method of transfer and funding sources prior to submitting this form. The selections cannot be changed by the user once submitted.

Cancel   Submit

Once submitted, the following message will appear at the top of the page:

Success!
The record has been updated successfully.
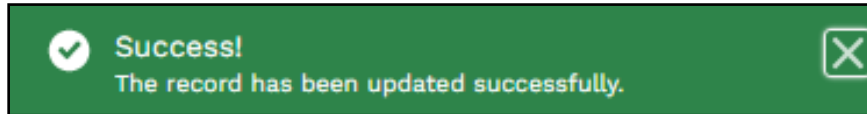
LoFTS Registration

Use this link to access the [LoFTS Registration site](#).

Register your LGE

▶ Begin typing your jurisdiction's name to produce a dropdown list of options.

▶ Click on the LGE you wish to register from the drop-down menu.

▶ Repeat the previous two steps if you have multiple entities to register.

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Define your User Role

▶ Enter your name and email address.

▶ Select your user role:

    ○ **Data Entry (Preparer):** Has access to input data and upload documents but cannot attest to the validity of or certify the submissions.

    ○ **Data Certifier:** Has access to input data and upload documents. **This individual must be an employee, board member, or elected official of the LGE** to certify the data submitted in LoFTS on behalf of the LGE, attest to the validity of data on every page, and certify the submission at the end.

▶ Select whether you would like communications via email. Options are to have communications sent through email or via your LGE mailing address.

▶ If you are the **Data Certifier**, you must click the **Certifier** checkbox before submitting registration.

▶ The **Data Entry (Preparers)** should **NOT** check the **Certifier** checkbox.

Note: The Date Certifier must be an employee, board member, or elected official of the LGE to certify the data submitted in LoFTS on behalf of the Local Governmental Entity, attest to the validity of data on every page, and certify the submission at the end.

Upon submission, you will receive the following message:

Thank you for registering for the Local Funds Tracking System (LoFTS)! You will receive an email soon to complete the registration process. If you don't receive it within one business day please contact Local Funds Monitoring through email PFD_LFM@hhs.texas.gov or call (737) 867-7877

Close
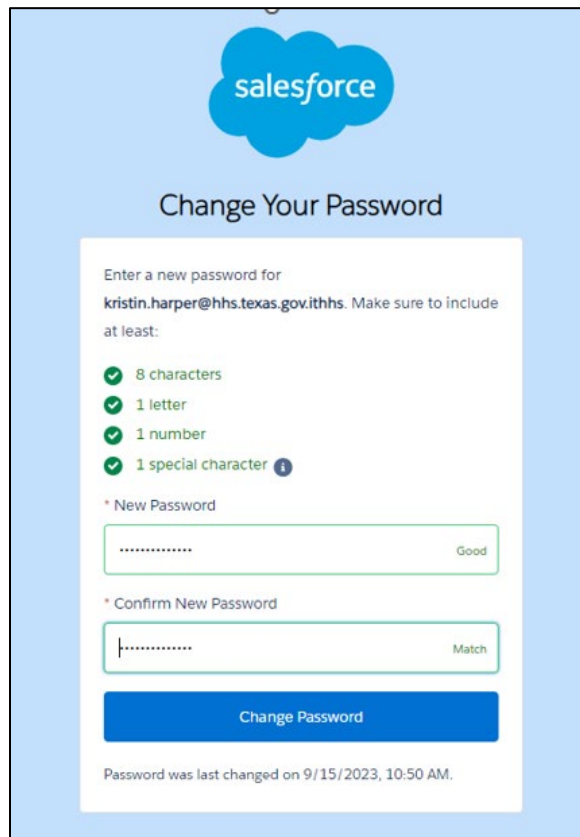
▶ Click **Close** and the browser will take you back to the registration page; you will not need to re-enter your registration information.

▶ LFM will receive your registration and must approve your submission prior to being able to access LoFTS:

   o LFM will only approve those individuals who are listed on our contact list. If an individual is not on our contact list we will reach out to the contacts we have on file to confirm the user is authorized prior to approving their registration.

▶ You will get an email with the subject, **Welcome to LoFTS** containing your username and a link to setup your password:

   o The email will come from noreply@salesforce.com on behalf of LoFTS LFM Email pfd_lfm@hhs.texas.gov.

   o Your username will be your email address [PLUS] dot LoFTS (example: jane.doe@email.com.lofts).

   o If you do not receive the email within 30 minutes, please check your spam folder. If you do not find it there, please email PFD_LFM@hhs.texas.gov with your name and the LGE you need to add.

Login Information

The login page will require you to set your password on the first visit.

Set Password

Once you receive your **Welcome to LoFTS** email from Salesforce, follow the instructions and click on the link to set your password. You will be directed to a page to **Change Your Password**:

Once **Change Password** has been submitted, the system will take you to the LoFTS Base Data Landing Page.

Begin Data Entry for your LGE

The top of the LoFTS Base Data Landing Page will look like this:

Please note: You can reach the login page at any time by using this link to [Login to LoFTS](#).

On the LoFTS Base Data Landing Page, HHSC provides information regarding the legal authority for LFM's monitoring activities, and the user will select the LGE for whom they are submitting data.

▶ Select the LGE Account Name on the bottom of the page.

▶ If you registered for multiple entities, they will all appear here:

▶ If you failed to include an LGE in the registration step, please email PFD_LFM@hhs.texas.gov with your name and the name of the entity.

Module Determination Page

The Module Determination Page will ask the user a series of questions relating to the LGE's program funding via IGTs or CPEs.

The **first user** logging in for an LGE will need to answer a series of questions that cannot be changed by ANY user for the same entity once the responses to these determination questions have been entered.

If you need to make any changes after submission, please email PFD_LFM@hhs.texas.gov.

Answer Questions for Module Determination

The answers to these questions will determine which modules an LGE must complete. For each of the first two questions, you must select at least one option. A question and drop-down menu will appear if you select IGT.

Question 1a

How does your LGE submit eligible public funds to support Medicaid payments to providers?

Question 1b

Does your LGE transfer eligible public funds from an LPPF account?

Question 1c

Question 1c will only appear if you selected **Yes** to question 1b.

Does your LGE transfer eligible public funds that are NOT from an LPPF account?

Question 1d

Question 1d will only appear if you selected **Yes** to question 1c.

Does your LGE transfer eligible public funds to support hospital providers, non-hospital providers, or both?

▶ Hospital Providers,

▶ Non-Hospital Providers (example: Nursing Facilities, LEAs, Ambulance, etc.); or

▶ Both Hospital and Non-Hospital Providers.

Submit

Once submitted, you will see your required modules on the right side of the screen based on the questions that you answered.
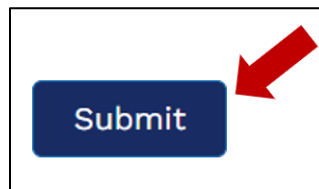
Please note: Modules can be completed in any order.

Begin Reporting

The answers to the registration questions and the required modules will appear on the LGE's home screen:

▶ You may complete these modules in any order.

▶ Each module has its own user guide which can be found on the PFD LFM website.

If you are unsure whether these modules are correct or if you have questions about the modules assigned, please review these brief module descriptions, and contact the Local Funds Monitoring team at PFD_LFM@hhs.texas.gov or (737) 867-7877.

Funding Source Statement: This module will be active October 1, 2023. HHSC, through the Local Funds Monitoring (LFM) team, collects information regarding revenue sources available to your LGE. This includes revenue from **ALL** **available** **sources**, regardless of whether that revenue source is used to fund a specific program. This reporting is required to ensure that HHSC has a complete understanding of the funding sources available to our local partners in the Medicaid program. You will be asked to list the type and amount of each revenue source, then asked to upload budget and bank statement documentation to support those amounts.

Module 1: Required reporting for LGEs providing intergovernmental transfers (IGTs) of public funds generated by a Local Provider Participation Fund (LPPF) or other provider taxes.

Module 2: Required reporting for LGEs providing IGT of public funds to support Medicaid payments for hospital services (other than funds from LPPFs or other provider taxes).

Module 3: Required reporting for LGEs providing IGT of funds to support Medicaid payments for non-hospital services, including nursing facility services, intermediate care facility services, and other acute or long-term care services (other than funds from LPPFs or other provider taxes).

Module 4: Required reporting for LGEs providing certified public expenditures to support Medicaid payments for Ambulance or School-Based services.

Government Entity Account Name

Unique County Hospital District

1. Type of local funds:

a. How does your LGE submit eligible public funds to support Medicaid payments to providers?

Answer to 1a → Both IGT and CPE

b. Does your LGE transfer eligible public funds **from an LPPF account?**

Answer to 1b → No, our LGE does not administer an LPPF

c. Does your LGE transfer eligible public funds that are NOT from an LPPF account?

Answer to 1c → Yes

d. Does your LGE transfer eligible public funds to support hospital providers, non-hospital providers, or both?

Answer to 1d → Both Hospital and Non-Hospital Providers

Based on your responses below, the following module(s) must be completed:

Funding Source Statement

Module 2

Module 3

Module 4