

Arkansas Department of Education, Special Education Unit

Medicaid In The Schools (MITS)

Arkansas Association of School
Business Officials
Spring 2007

History

- Title XIX of the Social Security Act established a Federal-state matching entitlement program which provides medical assistance for certain low-income individuals and families.
- This social welfare program was enacted in 1965 and became known as Medicaid.

History (cont)

- IDEA authorized Federal funding to states for programs that impact Medicaid payment for services provided in schools.
- Section 411(k)(13) of the Medicare Catastrophic Coverage Act of 1988 (P.L. 100-360) amended section 1903(c) of the Act to allow Medicaid payment for medical services provided to children under IDEA through a child's IEP or IFSP.

History (cont)

- This amendment was enacted to ensure that Medicaid would cover the health-related services under IDEA.
- The intent of IDEA was that Medicaid reimbursement funds generated by Medicaid-enrolled students should be used to support and enhance provision of services to that population.

LEA Responsibility

- Local Education Agencies (LEA)s are responsible for developing and implementing Individualized Education Programs (IEP)s for each student eligible for special education services.
- The IEP includes an overview of the instructional, related, and supplemental services necessary for the student to receive FAPE.
- IDEA language noting payer of last resort.

Educational v. Medical Necessity

- In cases where students are eligible for Medicaid and have an IEP, the LEA is able to bill Medicaid for these services as long as the necessary criteria are met.
- In order to determine the amount of intervention necessary for each student, evaluations are performed by state licensed or certified providers.
- If the student's needs fall within Medicaid-specific "medical necessity" guidelines, each particular intervention can be billed to Medicaid upon coordinating with and receiving Primary Care Physician (PCP) referral and prescription.

IEP Related Services

- Occupational Therapy
- Personal Care
- Physical Therapy
- Private Duty Nursing
- School-Based Mental Health
- Targeted Case Management

Other Reimbursable Services/Programs

- Vision Screens
- Hearing Screens

- Arkansas Medicaid Administrative Claiming
(ARMAC)

Interagency Coordination?

- Efforts to coordinate Medicaid and IDEA have been affected by a lack of clear and consistent federal guidelines.
- IDEA has specific language, students have specific needs, CMS has a specific agenda
- Nationally, several groups have been active in supporting school-based services, though CMS and DRA note a reduction in funding is needed.
- In Arkansas, student health services continue to expand, thus a need for further Medicaid reimbursement.
- ADE and the Division of Medical Services (DMS) have a good working relationship.

MITTS Overview

- Oversight of all Medicaid reimbursable services in public education agencies (per federal and state laws).
- Coordination with Medicaid and other state entities.
- Provide wide array of services to public education agencies.
- Regional and National workgroups.
- National presence on issues related to student healthcare.

MITTS

- Services available to LEAs:
 - ✓ Program Administration (ARMAC)
 - ✓ Training
 - ✓ Technical Assistance
 - ✓ Billing Services
 - ✓ Policy Development/Implementation
 - ✓ On and off-site consultation
 - ✓ Data collection/tracking/analysis
 - ✓ Revenue maximization studies
 - ✓ Up to date resources on website

Why Bill for Services?

- Federal and State mandates
- Discounted services
- Measurable/reimbursable administrative costs
- LEA money for services already performed



Accountability

- Federal emphasis on program integrity, documentation, and medical necessity.
- State emphasis on increasing available funds for under utilizing districts, outreach, vision exams.
- Medicaid requirements to meet medical necessity guidelines, documentation , PCP involvement, etc.

Arkansas Legislative Requirements

- **Underperforming - Act 1527 (2005)**

It is the purpose of this requirement to identify the districts in the state that are under utilizing Medicaid funds for related services.

- **Vision Screens- Act 1438 (2006)**

It is the the purpose of this requirement to establish eye and vision screenings for students enrolled in pre-k, kindergarten, grade 1, 2, 4, 6, and 8, as well as all transfer students.

- **ARKids First Outreach - Act 882 (2006)**

It is the purpose of this requirement to establish a program to inform students and their parents or guardians about health care coverage under the ARKids First Program.

Medicaid Match

- Federal Financial Participation (FFP) is provided only when there is a corresponding State expenditure for a covered Medicaid service to a Medicaid recipient.
- For direct Medicaid reimbursable services, Arkansas LEAs participate in an intergovernmental transfer (IGT) process.
- The quarterly Match sent out from ADE and Medicaid represents the state expenditure (state and local funds).

Federal Medical Assistance Percentage (FMAP)

- The FFP matching rates for medical services are based on the state's average per capita income level with the national per capita income.
- Limited to the minimum of 50 percent and a maximum of 83 percent, with poorer states receiving a higher match and wealthier state receiving a lower match rate.
- The current matching rate for Arkansas is 73.37%, plus an additional 5 % administrative fee for DMS. Arkansas LEAs essentially receive \$100.00 worth of services for \$31.63.

Certification Process

- Another state and local match process; used for the ARMAC program in Arkansas.
- Instead of directly transferring funds to DMS, the participating LEAs “certify” 100 percent of the costs associated with the program.
- For ARMAC, the LEAs are certifying that they have incurred the costs of the participating staff salary and benefit costs (from state and local funds).

How to Spend your \$

- Medicaid reimbursement from services delivered to Special Education students should be spent in the area of Special Education programming.
- Medicaid reimbursement related to the total student population (vision/hearing screen and ARMAC) should be spent on health related programming.

Budgeting Codes for Reimbursement

- Special Education Related Services –
- ARMAC and Vision/Hearing Screens –

ARMAC

- Establishes reimbursement methodology for public education agencies involved with Medicaid related administrative activities.
- Random Moment Time Study
- Reimbursement is based on county Medicaid eligibility percentage, employee costs, and percent of time spent on specific activities (results of time study).

ARMAC (cont)

- The following are reimbursable activities measured through the ARMAC program:
 - ✓ Outreach
 - ✓ Facilitation of Medicaid application process
 - ✓ Medicaid related training
 - ✓ Medicaid related program planning
 - ✓ Medicaid related referral/coordination

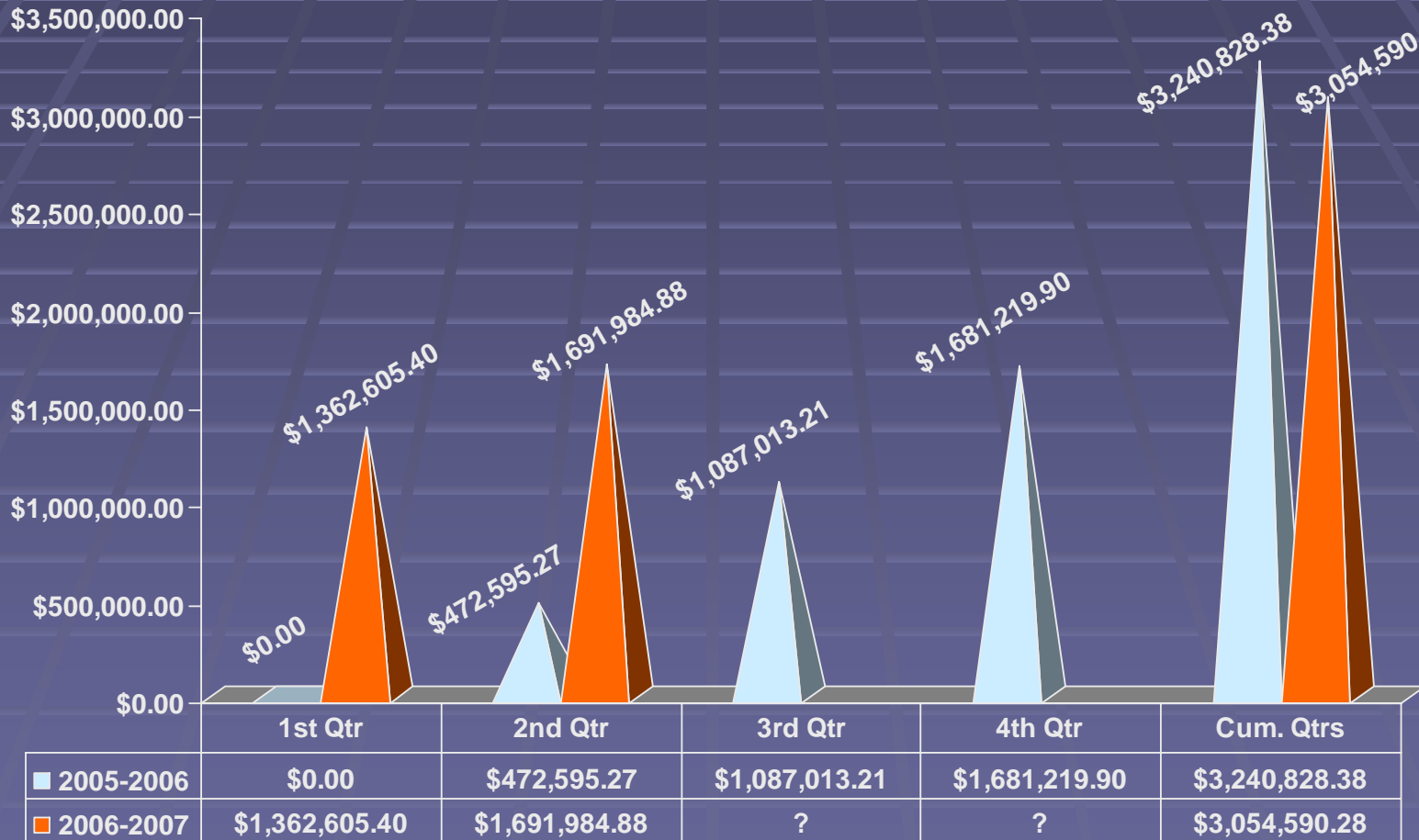
ARMAC (cont)

- Interagency Agreement must be signed by district/ESC, ADE, and DMS.
- All participants involved with the ARMAC program must be trained with the appropriate documentation completed for each.
- All participants must verify their email address prior to the time study.
- Cost data for each participant must be submitted to MITS prior to time study.

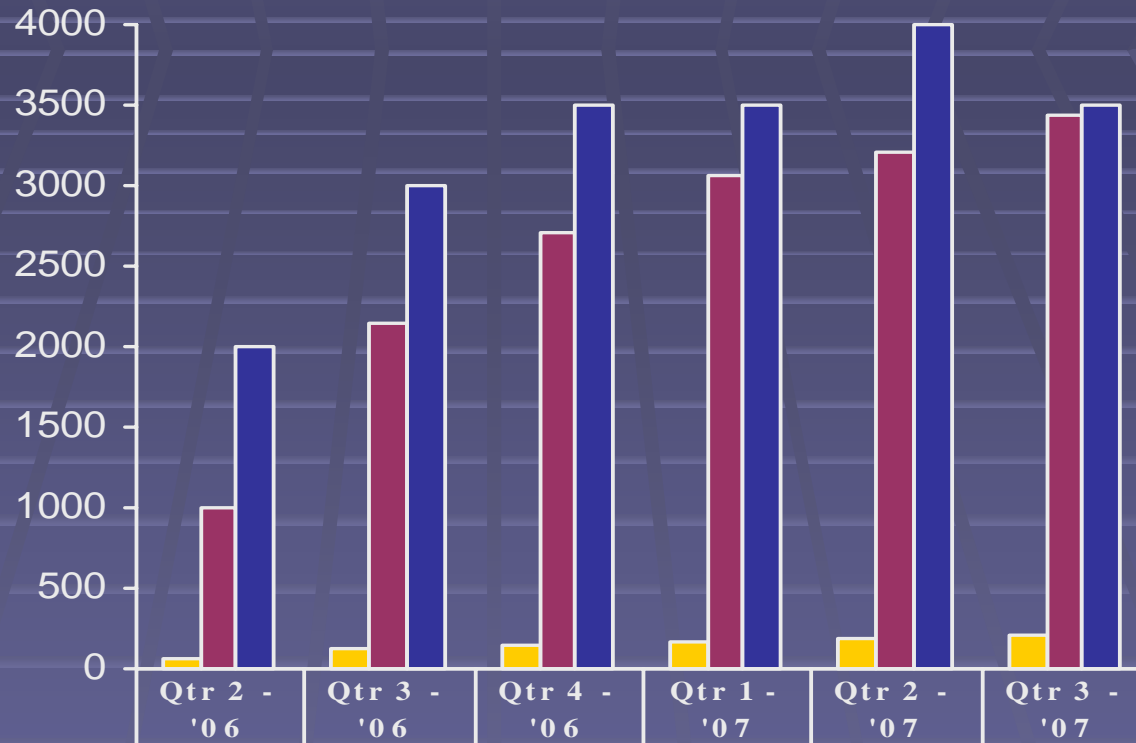
ARMAC (cont)

- Upon completion of the quarterly time study, MITS calculates that total statewide/ LEA claim, then submits it to CMS.
- LEAs are then responsible for certifying 100 % of the costs associated with the participants.
- Upon receipt of the certification and payment from CMS, MITS pays the LEAs.

Cumulative ARMAC Reimbursement



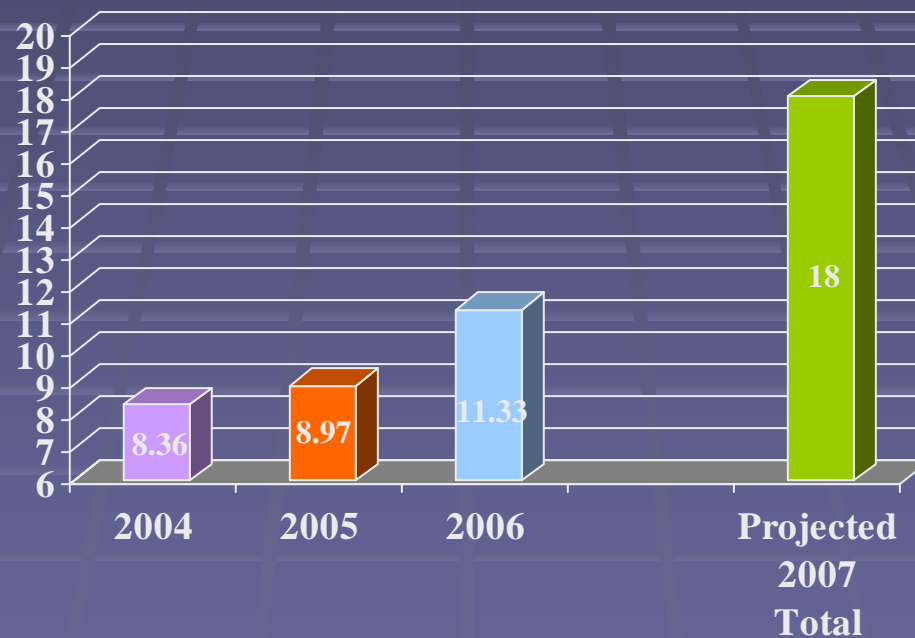
ARMAC Participating LEA Data



# of Enrolled LEAs	59	116	153	177	188	202
# of Active Participants	999	2,138	2,708	3,057	3,216	3,445
# of Moments Sampled	2,000	3,000	3,500	3,500	4,001	3,500

3 Year Comparison with 2007 Projections

Statewide Public Education Agency
Medicaid Reimbursement
(in millions)



Reimbursement Rates



Occupational Therapy

- Evaluation - \$41.20 (30 minute units)
- Individual Therapy - \$18.13
- Group Therapy - \$4.95
- Individual Therapy by assistant - \$14.50
- Group Therapy by assistant - \$3.96
(15 minute units)

Personal Care

- Personal Care Aide - \$3.46
(15 minutes units)

Physical Therapy

- Evaluation - \$41.20 (30 minute units)
- Individual Therapy - \$18.13
- Group Therapy - \$4.95
- Individual Therapy by assistant - \$14.50
- Group Therapy by assistant - \$3.96
(15 minute units)

Private Duty Nursing

- Private Duty Nurse (RN) - \$29.56
- Private Duty Nurse (LPN) - \$22.30
(60 minute units)

Speech-Language Pathology

- Evaluation - \$41.20 (30 minute units)
- Individual Therapy - \$18.13
- Group Session - \$4.95
- Individual Therapy by assistant - \$14.50
- Group Therapy by assistant - \$3.95
(15 minute units)

School-Based Mental Health

- Diagnosis - \$10.37
- Diagnosis (psych testing/eval) - \$16.80
- Diagnosis (psych testing battery) - \$11.96
- Interpretation of diagnosis - \$10.37
- Crises Management visit - \$9.82
- Individual Therapy – \$9.82
- Group Therapy – \$12.80
- Family Therapy – \$4.97
- Collateral Visit – \$9.82

(15 minute units)

Targeted Case Management

- Assessment – \$4.25
 - Service Management - \$4.25
 - Service Monitoring - \$4.25
- (15 minute units)

Vision/Hearing Screens

- Hearing Screen - \$12.02
- Vision Screen - \$14.08

Upcoming Activities

- Annual Underperforming List
- Annual LEA Profiles
- Annual Report for ARMAC Expenditures
- NPI/Billing Training from EDS
- New Billing Mechanism

MITTS Contact Information

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Medicaid In The Schools (MITTS) section

ARMAC Questions:

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MITTS Contact Information

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- Anna Riggs, RN – Health Services Consultant
- Jeanie Donaldson – MITTS Billing Associate
- Deb Garrison – School Services Liaison
- Tony Boaz, LCSW – Lead Consultant