



State of Louisiana

Louisiana Department of Health
Bureau of Health Services Financing

TO: Local Education Agency (LEA)

FROM: Andrew Perilloux, Rate Setting and Audit Section Chief

DATE: July 20, 2020

SUBJECT: 2020 School Based Medicaid Program – General Update

This memorandum will serve as a general update for changes in the School Based Medicaid Program for the upcoming school year. Many of these reminders are being made to streamline processes and to ensure a more efficient experience for participating LEAs. As always, thank you for your continued partnership in this program. Please see updates below:

Expansion of School Based Claiming Services.

The Louisiana school based Medicaid claiming program is expanding reimbursable services. You have already received notice of additional providers that are eligible to participate in the time study process. All Local Education Agencies (LEA) enrolled as a Medicaid provider will be eligible to be reimbursed for the expanded services for the SFY 2021 school year. See attached for a list of all services, service providers and new billing codes, eligible for reimbursement.

Note: You are not required to hire or contract personnel to provide the additional allowable services. The intent of the expansion is to allow Medicaid reimbursement for services you already perform or that you see a need for in your district.

Change in School Based Claiming Settlements.

School Based Claiming has always been separated by “program”. Each program has its own time study and cost report based on the cost and billing data calculations.

Effective for the 2020 cost report year, the individual cost settlement amounts for each program (Therapy Services, Behavioral Health Services, Nursing Services, Personal Care Services and Other Medical Direct Services) will be combined into one cost settlement for the LEA. As has been done in prior years, settlement letters will be sent to the LEA with the individual final cost reports for your records.

Medicaid Administrative Claiming (MAC) cost reports are derived by using the MAC related time study results and cost related to each of the EPSDT programs. All cost will have been certified by the LEA with the EPSDT cost report so no additional signatures or certifications are required for MAC. Therefore, MAC cost reports shall remain separate.

Vendor Rate per service for Providing EPSDT Services

Beginning with 2021 cost report year, vendors will be reimbursed based on a **rate per service**. This rate includes all vendor's direct and indirect costs. The service rate should cover the time spent providing the direct service, administrative time and any other time related to tasks related to that service. Vendors are not subject to the time study process. Vendors are only at a school to provide the direct services enumerated in the contract. Vendors are not expected to perform any additional general and administrative (G and A) tasks for the LEA.

Why are interim billings important?

Centers for Medicare and Medicaid Services (CMS) requires each LEA to bill for all Medicaid services provided. CMS and the Office of Inspector General (OIG) rely on this billing data for documentation of the number of services provided by each LEA and gives them a mechanism to compare the cost reimbursed to the number of services being provided. If there are no claim submissions within an eighteen (18) month period, the State Medicaid Management Information System (MMIS) automatically terminates eligibility of a provider number making the LEA MEDICAID INELIGIBLE. Any LEA that is Medicaid ineligible will have all interim claims denied and its cost report for all the programs in which the LEA participated will be rejected.

Charter School billing under one tax identification number (Parent Companies).

It is the responsibility of each school to ensure that their Medicaid provider numbers remains active. In the event that a charter school's provider number under the umbrella of the parent company becomes inactive, it may cause the cost report settlement for all of the schools under that tax identification number to become ineligible for cost settlement.

Cost Report Submissions.

The following cost reports are due on November 30 each year: Therapy Services, Behavioral Health Services, Nursing Services, Personal Care Services and Other Medical Services. In order for a cost report submission to be considered as complete, LEAs are to submit both, an electronic (Excel) copy and a signed hard paper copy. Electronic submissions should be sent to MACuser@la.gov and hard copy submissions are to be mailed to:

**Medicaid Administrative Claiming
Post Office Box 2977
Baton Rouge, LA 70821**

***Extensions must be requested before November 30 and will only be granted for one month. Any cost reports that have NOT been received by the department by December 31, will be placed behind all other timely filed cost reports and your reimbursement may be delayed. The department is currently exploring language to align our School Based Cost Report procedures with rules that guide other providers that are required to submit cost reports.

Failing to respond to the Random Moment Time Study (RMTS).

LEAs must make every effort to ensure all time study moments are completed and submitted by all participants. Participants have 48 hours from the time of the moment to complete each moment. Reminder emails are sent to the participant and the Medicaid Coordinator each morning until the moment expires. Once a time study moment has expired it can no longer be completed and is deemed not returned. Any LEA that fails to return at least 85% of their Moments from the

time study for two (2) quarters in a cost report year for any program, will be suspended from that program for the entire cost report year.

The time study percentage used for cost reimbursement calculation is an average of the four quarterly statewide time study results for each school based Medicaid program. LEAs must participate in all four time study quarters to be reimbursed all cost for the fiscal year. Any LEA that does not submit a cost report for any program for which any billings were submitted will be required to pay back any billing dollars received for that cost report year. This will be handled in the school based claiming cost settlement process.

Verification of Supervision for School Psychologist, Licensed Master Social Workers or Certified Master Social Workers

Future cost report monitoring will require verification of Licensed Master Social Workers or Certified Master Social Workers practicing under the supervision of a Licensed Social Worker; and Certified School Psychologists practicing under the supervision of a licensed Psychologist that has authority to practice in the community/outside of schools.

Type 1 and 3 Charter Schools in Orleans Parish

Upon enrollment, Orleans Parish Charters will be required to submit acceptable documentation (board minutes, letter from the school board, etc.) that authorizes the charter to act as their own LEA. Likewise, in order to receive a cost settlement, confirmation that authorization is still in good standing with the school board will be required to accompany the submission of the cost report. Failure to provide this documentation at the time your cost report is filed will cause the cost report to be non-compliant. The department is currently exploring language to align our School Based Cost Report procedures with rules that guide other providers that are required to submit cost reports.

Updated Contact Information.

It is imperative that Louisiana Department of Health (LDH) is immediately notified of any contact changes such as name, email address or phone number for the following positions:

- Medicaid Coordinator
- Business Manager
- Special Education Director

Please contact Anissa.Young-Ned@la.gov with changes.

Closing LEAs.

LEAs that are closing must notify DXC immediately. In addition, instructions will need to be provided to LDH as to the final disposition of cost settlements and previous dollars owed to or from the Medicaid Department.

Process changes related to recoupment of overpayments to LEAs.

Presently, the process of recouping overpayments from LEAs is restricted to offsetting payments with current or previous overpayments within the same type of service (Nursing, Therapy, Behavioral Health, etc.). In the future, recoupments will cross types of services. These proceeds will be applied to the earliest cost report year with an overpayment. For example, if an LEA has an overpayment for Nursing Services and an amount due to them for Therapy Services, the payment

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for the Therapy Services will be applied to the LEA's overpayment for the Nursing Services. The net balance from this offset will: (1) be used to offset overpayments in other periods (from oldest period moving toward the current period); (2) create a net overpayment that will be carried forward and offset against future billings and/or or payments; and(3) remitted to the LEA.

As always, we are open to suggestions for improvements for the program and available to provide clarification(s) on any of the item(s) above. Please do not hesitate to contact **Anissa Young-Ned** at **225.342.6885** or by email at Anissa.Young-Ned@la.gov.

Thanking you in advance for your usual cooperation and continuing partnership.