# KENTUCKY

# SCHOOL BASED SERVICES

# TIME STUDY

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## Table of Contents

**Introduction**

The Department for Medicaid Services (DMS), Kentucky Department of Education (KDE) and individual schools wish to share in the responsibility for promoting access to health care for students in the public school system, preventing costly or long term health care problems for at risk students, and coordinating students' health care needs with other providers. Many of these activities, when performed by school staff, meet the criteria for Medicaid school-based administrative claiming and may be reimbursable.

The School-Based Administrative Claiming (SBAC) program is a federally funded program that allows schools to be reimbursed for some of their costs associated with coordinating school-based health services and providing Medicaid outreach activities.

Unlike the "fee for service" program, the SBAC program does not require individual claims for each service rendered to or on behalf of a student and documentation of service. However, it is necessary to determine the amount of time school staff spend performing Medicaid administrative activities. As a result, participant school districts provide documentation through a quarterly time study process that specifically identifies the Medicaid and Non-Medicaid related activities being performed within each district. Time spent by district school staff on Medicaid administrative activities is captured through the use of randomly generated time samples that are generated and compiled for each day that school is in session. The results of time samples are then used in a series of calculations to determine the percentage of the school district's cost that can be claimed under the SBAC program. SBAC reimbursement to the school district is made from Medicaid federal funds.

Kentucky has 120 counties, 174 public school districts and 2 State owned schools. The State owned schools are referred to as the Kentucky School for the Deaf (KSD) and the Kentucky School for the Blind (KSB). The KSD is the only state owned schools participating in the SBAC. Currently 135 public school districts participate in the SBAC program with 133 public school districts participating in the Fee for Service (FFS) program (School Based Health Services (SBHS). The KSD participates in both the SBAC and SBHS programs.

**Background:**

Local Education Agencies (LEAs) and the KSD and KSB schools participating in the SBAC program in Kentucky must meet very specific requirements. Every agency, which intends to draw down SBAC reimbursement, must have an authorized interagency agreement, and participate in the SBAC uniform time study. Random Moment Time Study (RMTS) is believed to be more accurate and less administratively burdensome.

**Program Organization:**

The Kentucky Department of Medical Services (DMS) has interagency agreements with the Kentucky Department of Education (KDE).

- DMS oversees KDE in the administration of SBAC and FFS,
- DMS provides technical assistance to KDE as needed in order for KDE to properly discharge its responsibilities;
- DMS monitors KDE performance and compliance with applicable state and federal laws and regulations.
- DMS reviews and approves all submitted claims before federal funds are requested.
- DMS will work with KDE to determine each school district's Medicaid Eligibility Rate.
- KDE serves as payment distribution agent for the Local Education Agencies (LEA) participating in SBAC
- KDE provides project administration and general oversight to the LEAs
- KDE provides technical assistance and claims review functions for the LEAs participating in SBAC and FFS.
- LEAs participating in SBAC enter into agreements with KDE to become SBAC participants.

KDE contracts with a vendor to administer the SBAC. This contract period is for two (2) years with two (2) possible extensions. At the end of the extension period, the KDE will post a Request for Proposal (RFP) and conduct a bid process according to the purchasing regulations of the Commonwealth of Kentucky. The SBAC and Fee for Service (FFS) programs are completely volunteer programs for the LEAs, and they have the option of dropping out at any time if they no longer want to participate in SBAC. Discontinuance in one program will result in the discontinuance in both programs.

**Time Study Methodology**

Kentucky conducts a time study on a quarterly basis for those school districts that are participating in this program. The purpose of the time study is to (1) identify the proportion of administrative time allowable and reimbursable under the SBAC program and (2) identify the proportion of direct service time allowable and reimbursable under Medicaid to be used for Direct Service or Fee for Service (FFS) cost reporting to enable the State of Kentucky to conduct a cost settlement at the end of the state fiscal year for the FFS program.

In most school districts, it is uncommon to find staff whose activities are limited to just one or two specific functions. Staff members normally perform a number of activities, some of which are related to the direct covered services and some of which are not. Sorting out the portion of worker activity that is related to these direct covered services and to all other functions requires an allocation methodology that is objective and empirical (i.e., based on documented data). Staff time has been accepted as the basis for allocating staff cost. The federal government has developed an established tradition of using time studies as an acceptable basis for cost allocation.

A time study reflects how workers' time is distributed across a range of activities. A time study is not designed to show how much of a certain activity a worker performs; rather, it reflects how time is allocated among different activities. As stated previously, the state will utilize a Random Moment Time Study (RMTS) methodology at which time all LEAs who participate in both the SBAC and FFS programs will be required to participate in the RMTS methodology of time study.

**Time Study Participants**

All school districts that participate in the time study will identify allowable Medicaid direct service and administrative costs within a given district by having staff who spend their time performing those activities participate in a quarterly time study. These districts must certify that any staff providing services or participating in the time study meet the educational, experiential and regulatory requirements.

The following categories of staff have been identified as appropriate participants for the Kentucky time studies. Additions to the list may be dependent upon job duties.
The decision and approval to include additional provider types requires an amendment to the existing state plan, which would be submitted to CMS by DMS and involves CMS coverage staff, as well as, other federal review staff.

This does not include individuals such as parents or other volunteers who receive no compensation for their work; this would include in-kind "compensation". For purposes of this implementation plan, individuals receiving compensation from school districts for their services are termed "school district staff". Beginning with the October 2008 Quarter, Kentucky will begin using the two cost pool methodology. All staff will be reported into one of two cost pools: a Direct Service and Administrative Providers" cost pool and an "Administrative Services Provider Only" cost pool. **The two cost pools are mutually exclusive, i.e., no staff should be included in both pools.** The following provides an overview of the eligible categories in each cost pool. The Staff listed in Cost Pool 1 are listed in the submitted SPA 3.1A pages 7.1.7(a-e). As a part of their regular job functions the staffs listed in this cost pool are eligible to provide Direct School-Based Services as well as activities reimbursable under the SBAC Program. The individuals listed in this cost pool will meet the provider credential and license requirements necessary to provide direct School-Based services.

***Cost Pool 1 (Direct Service & Administrative Providers)***

- Licensed Audiologist
- ASHA Certified Speech / Language Therapist
- Licensed Occupational Therapists
- COTAs (Certified Occupational Therapy Assistants
- Occupational Therapist Aide
- Licensed Physical Therapists
- Licensed Physical Therapy Assistants
- Physical Therapist Aide
- Physical Therapy Student (Intern)
- Advanced Registered Nurse Practitioner
- School Nurses, RN
- School Nurses, LPN
- Health Aide
- Licensed Clinical Social Workers
- Certified Social Worker
- Licensed Psychologist
- Licensed Psychological Practitioner
- Licensed Psychological Associate
- School Psychologist
- Certified Psychologist with Autonomous Functioning
- Certified Psychologist
- Clinical Psychologist
- Psychometrist
- Licensed Professional Clinical Counselor
- Licensed Professional Clinical Counselor Associate
- Marriage and Family Counselor
- Licensed Clinical Alcohol and Drug Counselor (LCADC)
- Licensed Clinical Alcohol and Drug Counselor Associate (LCADCA)
- Board Certified Behavior Analyst
- Board Certified Assistant Behavior Analyst
- Licensed Professional Art Therapist (LPAT)
- Licensed Professional Art Therapist Associate (LPATA)
- Interpreters
- MD/OD/Dentist
- Physician Assistant
- Orientation & Mobility Specialist

***Cost Pool 2 (Administrative Service Providers Only)***

- Interpreter Assistant
- School Social Workers
- Licensed Social Worker (Not LCSW)
- School Counselors (Guidance Counselors)
- Psychologist Interns
- Special Education – Support Technicians
- Pupil Support – Technicians
- Program Specialist
- Special Education Administrators
- Pupil Support Services Administrators
- School Administrator
- School Bilingual Assistants
- Health Services Special Education Teachers
- Licensed Speech Language Pathologist Assistants

- State Licensed Speech Language Pathologist (Non-ASHA)
- And other groups/individuals that may be identified by the school district

Staff with job titles in both cost pools 1 & 2, are not automatically included in the time study. A district must determine whether they meet all requirements above and if they are less than 100% federally funded. Individuals that are known to be 100% federally funded at the time of the sample should be excluded from the time study. All criteria must be met in order to be included in the time study.
Two mutually exclusive time studies, described below, will be conducted for the Direct Services and SBAC programs. Although some staff may perform both direct services and SBAC related activities, they will only be allowed to participate in one of the two time studies**.** For Direct Service staff that also performs SBAC activities, the direct services time study will be used to identify the claimable activities for both programs. SBAC claimable time will only be included on a SBAC cost report and will not be reimbursed through the Direct Services Program. Each time study has two (2) cost pools that are made up as follows:

- The first cost pool is comprised of direct service staff, including those who conduct both, direct services and administrative claiming activities as well as direct service only staff, and the respective costs for these staff. These costs include staff time spent on billing activities related to direct services.
- The second cost pool is comprised of administrative claiming staff only and the respective costs for these staff. Staff should be included in Cost Pool #2 only if they perform allowable Medicaid administrative activities on a regular basis.

Therefore, the two universes of time study participants and associated cost pools are mutually exclusive and the only direct costs that can be claimed under Medicaid related to this program are derived from the two cost pools described above.

Part of the KDE review process is to insure that all of the staff that will be submitted included in the sample universe. The school districts will submit a roster of participants each quarter. All of those staff members are loaded into the appropriate cost pool. The entire list of staff from all participating districts in a particular cost pool is included in the sample universe. At the end of the quarter, a financial schedule is sent to the districts to report allowable costs for staff. The list sent to the districts will only include the staff/ positions for which they reported at the beginning of the process. Districts are instructed that they can only claim staff for participants that were sent in the roster process and thus included in the sample universe. The Department of Education can compare the lists of submitted staff against the list used in the sample universe. This list should be a match since all staff submitted by the districts are included in the sample universe

**Random Moment Time Study (RMTS)**

The RMTS method polls participants on an individual basis at random time intervals over a given time period and totals the results to determine work effort for the entire population of eligible staff over that same time period. The RMTS method provides a statistically valid means of determining what portion of the selected group of participant's workload is spent performing activities that are reimbursable by Medicaid.

***TIME STUDY START AND END DATES***

Each calendar quarter, the dates that school districts will be in session and for which their staff members are compensated will be determined. District staff members are paid to work during those dates that districts are in session: as an example, districts may end the school year sometime in May each year. All days including and through the end of the school year would be included in the potential days to be chosen for the time study. Each quarter, district calendars will be reviewed to determine those dates that the schools pay for their staff to work, and those dates will be included in the sample. Since school calendars change on an annual basis, the school calendars will be evaluated on an annual basis and the sample dates will be determined and documented.

In the event there is a "state of emergency" or other disaster declared in the State Kentucky that results in prolonged school closures that impact the statistical validity of the RMTS as defined in Time Study Start and End Dates on Page 6, KY DMS will apply the summer quarter claiming methodology to statistically invalid quarters occurring during the "state of emergency~~" including the quar~~ter in which the state of emergency is declared and the quarter in which the state of emergency period ends. This means no RMTS will be ran during the impacted quarter(s) and claiming will be based on the average of the previous two quarters that were completed. Kentucky will notify CMCS within 15 days of determining that a quarter is statistically invalid, including the reason for the determination, along with details and dates of the declaration of emergency

## *Sampling Requirements (RMTS)*

In order to achieve statistical validity, maintain program efficiencies and reduce unnecessary district administrative burden a consistent sampling methodology for all activity codes and groups will be used. The RMTS sampling methodology is constructed to achieve a level of precision of +/- 2% (two percent) with a 95% (ninety-five percent) confidence level for activities. This is in accordance with the Medicaid School-Based Administrative Claiming Guide of May 2003.

Statistical calculations show that a minimum sample of 2,401 completed moments each quarter, per cost pool, is adequate to obtain this precision when the total pool of moments is greater than 3,839,197. Additional moments are selected each quarter to account for any invalid moments. Invalid moments are moments not returned or inaccurately coded.

The following formula is used to calculate the number of moments sampled for each time study cost pool:

$$Z2 * (P) * (1-P)$$

$$ss = \frac{c \quad 2}{}$$

Where: Z = Z value (e.g.1.96 for 95% confidence level)
p = percentage picking a choice, expressed as decimal (.5 used for sample size needed)
c = confidence interval, expressed as decimal (e.g., .02 = + or - 2)

CORRECTION FOR FINITE POPULATION

Where:

pop = population

$$new\ ss = \frac{ss}{1 + \frac{ss - 1}{pop}}$$

The following table shows the sample sizes necessary to assure statistical validity at a 95% confidence level and tolerable error level of 2%. Additional moments will be selected to account for unusable moments, as previously defined. An over sample of a minimum of 15% will be used to account for unusable moments.

| N= | Sample Size Required | Sample Size plus 15% Oversample |
|---|---|---|
| 100,000 | 2345 | 2697 |
| 200,000 | 2373 | 2729 |
| 300,000 | 2382 | 2739 |
| 400,000 | 2387 | 2845 |
| 500,000 | 2390 | 2849 |
| 750,000 | 2393 | 2852 |
| 1,000,000 | 2395 | 2854 |
| 3,000,000 | 2399 | 2859 |
| >3,839,197 | 2401 | 2860 |

*RMTS Process & Notification*

**The RMTS process is described here as four steps:**

1. Identify total pool of time study participants
2. Identify total pool of time study moments
3. Randomly select moments; randomly match each moment to a participant
4. Notify selected participants about their selection

*Identify Total Pool of Time Study Participants*

At the beginning of each quarter, participating districts submit a staff roster (Participant List) providing a comprehensive list of staff eligible to participate in the RMTS time study. This list of names is subsequently grouped into job categories (that describe their job function), and from that list all job categories are assigned into one of two "cost pools" for each LEA participating in the time study. There will be two mutually exclusive cost pools.

*Identify Total Pool of Time Study Moments*

The total pool of "moments" within the time study is represented by calculating the number of working days in the sample period, times the number of work hours of each day, times the number of minutes per hour, and times the number of participants within the time study. The total pool of moments for the quarter is reduced by the exclusion of weekends, holidays and hours during which employees are not scheduled to work.

*Randomly Select Moments and Randomly Match Each Moment to a Participant*

Once compiled, each cost pool is sampled to identify participants in the RMTS time study. The sample is selected from each cost pool, along with the total number of eligible time study moments for the quarter. Using a statistically valid random sampling technique, the desired number of random moments is selected from the total pool of moments. Next, each randomly selected moment is matched up, using a statistically valid random sampling technique, with an individual from the total pool of participants.

Each time the selection of a minute and the selection of a name occurs, both the minute and the name are returned to the overall sample pool to be available for selection again. In other words, the random selection process is done with replacement so that each minute and each person are available to be selected each time a selection occurs. This step guarantees the randomness of the selection process.

Each selected moment is defined as a specific one-minute unit of a specific day from the total pool of time study moments and is assigned to a specific time study participant. Each moment selected from the pool is included in the time study and coded according to the documentation submitted by the employee.

The sampling period is defined as the three-month period comprising each quarter of the Calendar Year calendar. The following are the quarters followed for the SBAC program:

- Quarter 1 = January 1 – March 31
- Quarter 2 = April 1 – June 30
- Quarter 3 = July 1 – September 30
- Quarter 4 = October 1 – December 31

The sampling periods are designed to be in accordance with the May 2003 Medicaid School-Based Administrative Claiming Guide, on page 42, Example 4, specifically:

*"If the school year ends in the middle of a calendar quarter (for example, sometime in June), the last time study for the school year should include all days through the end of the school year. Therefore, if the school year ends June 25$^{th}$, then all days through and including June 25$^{th}$ must be included among the potential days to be chosen for the time study."*

Each quarter, dates that school districts will be in session and for which their staff members are compensated will be identified. District staff members are paid to work during those dates that districts are in session; as an example, districts may end the school year sometime in May each year. All days including and through the end of the school year would be included in the potential days to be chosen for the time study. It is important to understand that although districts may end the school year prior to the close of the quarter staff members are paid for services provided through the end of the federal fiscal quarter. Districts typically spread staff compensation over the entire calendar year even when staff members are not working. The district considers this compensation reimbursement

for time when staff members actually work rather than compensation for the staff members time off during the summer months.

The majority of LEA staff work during a traditional school year. Since the time study results captured during a traditional time study are reflective of any other activities that would be performed during the summer quarter, a summer quarter time study will not be conducted. Kentucky will use an average of the three (3) previous quarter's (Quarter 4-October-December, Quarter 1-January-March, and Quarter 2-April-June) time study results to calculate a claim for the Quarter 3 (July-September) period. This is in accordance with the May 2003 Medicaid School-Based Administrative Claiming Guide, page 42. Specifically:

"*...the results of the time studies performed during the regular school year would be applied to allocate the associated salary costs paid during the summer. In general, this is acceptable if administrative activities are not actually performed during the summer break, but salaries (reflecting activities performed during the regular school year) are prorated over the year and paid during the summer break."*

### *Notify Participants about their Selected Moments*

Email is the standard method by which time study participants are notified of their requirement to participate in the time study and of their sampled moment. Sampled participants will be notified of their sampled moment date and time more than one (1) day prior to the sampled moment. At the prescribed moment, each sampled participant is asked to record and submit his/her activity for that particular moment. Additionally, if the moment is not completed the participant receives a late notification email 24 hours after their selected moments. Throughout this entire process, the district's LEA coordinators have real-time access in the online system to view their sampled staff, the dates/times of their sampled staff's moments, and whether or not the moment has been completed. The time study questionnaire or survey forms are not kept open more than three (3) school days after the end of the time study period to ensure the accuracy of the time.. As explained on page 13, if the return rate of valid moments is less than 85% then, all non-returned moments will be included and coded as non-allowable code.

**Reason for Variance to the Notification and Response Time Window**

The Commonwealth of Kentucky understands that CMS wishes to implement a policy for Random Moment Time Studies that requires no notification prior to the actual moment and that all moments have a response time that is limited to two (2) school days from the end of the sample period. Staff in Kentucky often travel between schools on a regular basis and may not be assigned to a single location. Additionally, many staff members do not perform work-related functions outside of contracted work hours and have limited time allocated to performing administrative tasks (checking emails, etc.) as part of their labor contracts. For these reasons, their ability to check email on a daily basis can be limited. For these reasons, the Commonwealth of Kentucky, as outlined in the submitted Implementation Guide (above) is requesting a 24-hour notification window prior to the moment and a three (3) school days from the end of the sample period for staff to respond to their moments.

The Commonwealth of Kentucky, as outlined, will not notify staff of the specific date and time of their moment more than 24 hours prior to the moment. The upfront notification and expanded response time will allow staff that travel additional time to check email so the time between the moment and response time does not lapse before they are even aware that they have been sampled to complete a moment.

The Commonwealth of Kentucky will implement controls to help ensure that responses are reported in a non-biased manner. The training slides that the sampled participant must review prior to the completion of the moment outlines the requirements around completing moments. It instructs the participant to accurately respond to the moment based on what they were actually doing at that specific date and time. They are instructed to be specific amount their activity and to that report that accurately. All staff certify the accuracy of their response before moments are submitted. All participants receive the same questions to complete their moments as well. The system records the specific date and time of the sampled participants response so those can be verified as to inclusion in the final time study results. Moments received outside the response window will be deemed non-responses. As indicated in the Implementation Guide, if an 85% response rate is not met, ALL non-responses will be coded to the Non-Medicaid Activity Code.

The school districts have the ability to run compliance reports on a daily basis. A validity check of the time study results is completed each quarter prior to the calculation of the claim. The validity check ensures that the minimum number of responses is received each quarter to meet the required confidence level. The number of completed and returned time study moments is analyzed to confirm that the confidence level requirements have been met. Once the validity of the sample has been confirmed, the time study results are calculated and prepared for the calculation of the quarterly claim.

Kentucky has chosen to utilize a centralized coding methodology. Under that methodology the sampled staff member is not required or expected to code his or her moment. The sampled staff member is asked to document their activity by providing specific examples. At the end of the documentation, the sampled staff member is asked to certify their documentation.

The contractor will randomly select a 10% sample of coded responses which will be submitted to the State each quarter for validation. A representative from the Department of Education and one from the Department for Medicaid Services will validate the 10% subsample provided by the contractor. This validation will consist of reviewing the participant responses and the corresponding code assigned by the contractor to determine if the code was accurate. When all of the subsample responses and coding have been verified, the State will identify any disagreements with the coding staff. After that discussion on coding, a consensus must be met in order for the code to be approved by the State. The State holds final approval. If necessary, coding instructions for the Contractor would be modified to document those coding decisions so that they can be consistently applied in future quarters.

At the end of each quarter, once all random moment data has been received and time study results have been calculated, statistical compliance reports will be generated to serve as documentation that the sample results have met the necessary statistical requirements.

## Training Types & Overview

*LEA Coordinator Training (RMTS)*

DMS will review and approve all RMTS training material used by the KDE contractor. Once the training material has been approved by DMS, the KDE contractor will provide initial training for the LEA coordinators, which will include an overview of the RMTS software system and information on how to access and input information into said system. It is essential for the LEA coordinators to understand the purpose of the time studies, the appropriate completion of the RMTS, the timeframes and deadlines for participation, and that their role is crucial to the success of the program. Participants are to be provided detailed information and instructions for completing and submitting the time study documentation of the sampled moment. All training materials will be accessible to LEA coordinators. In addition, annual training will be provided to the LEA coordinators to cover topics such as SBAC program updates, process modifications and compliance issues.

*Central Coding Staff Training (Activity Coding)*

The methodology adopted by Kentucky in the use of Centralized Coders will be a two level system, comprised of primary and secondary coding. The primary coding will be to review the response of the sample participant and use the information provided to determine the appropriate activity code for the moment. In the event a sampled participant does not provide enough information to determine the activity code, the participant is contacted asked to provide additional information about the activity they were performing at the time of the sampled moment so coding can be completed. The role of the secondary coder is to review the response of the participant and the code assigned at the primary level. The secondary coder will either approve of the code or send it back to the primary coder for additional review or follow up. Once the information is received the moment will be coded and included in the final time study percentage calculation. All moments are coded using the activity codes and examples as outlined in this plan as Attachment D. After all moments have been coded, the contractor pulls 10% of the completed moments to be sent to the State for further validation.

*Sampled Staff Training*

The primary purpose of staff training was to educate the sampled staff member on the activity codes so he or she could accurately determine the appropriate activity code for the activity they were performing at the sampled moment. Since Kentucky has implemented a centralized coding methodology, the training around the activity codes is no longer required since the sampled staff member will not have to code their moment. The RMTS documentation system includes training information on the program and the staff member's role in the program as well as how to complete the moment. The sampled staff member must visit these screens prior to being able to document their moment. For these reasons, training of sampled staff members will no longer be a required element for completion of their moment.

**Documentation (RMTS)**

All documentation of sampled moments must be sufficient to provide answers to the time study questions needed for accurate coding:

- Who was with you?
- What were you doing?
- Why were you performing this activity?

Is this activity regarding a student with a Medical Plan of Care? (Radio buttons with the option of "Yes" and "No")

- Is the service you provided part of the child's Medical plan of care? (Radio buttons with the options of "Yes – IEP/IFSP", "Yes- Medical Plan of Care other than an IEP/IFSP (i.e. 504 plan or Student Health Plan, physicians order)" ( "No" or "N/A".)
- In addition, sampled staff will certify the accuracy of their response prior to submission—sampled staff members are assigned a unique user name and password that is only sent to them. They must use this unique user name and password to login and document their moment. After answering the documentation questions they are shown their responses and asked to certify that the information they are submitting is accurate. Their moment is not completed unless they certify the accuracy of the information. Since the sample staff member only has access to their information, this conforms with electronic signature policy and allows them to verify that their information is accurate.

Time study participants certify the accuracy of his/her response prior to submission.

Additional documentation maintained by the LEA contractor includes:

- Sampling and selection methods used,
- Identification of the moment being sampled, and
- Timeliness of the submitted time study moment documentation.

Invalid moments are moments not returned by the LEA.

*Time Study Return Compliance*

DMS will require an 85% response rate. Moments not returned or not accurately completed and subsequently resubmitted by the school district will not be included in the database unless the return rate for valid moments is less than 85%. If the return rate of valid moments is less than 85% then, all non-returned moments will be included and coded as a non-allowable. To ensure that enough moments are received to have a statistically valid sample, Kentucky should over sample at a minimum of fifteen percent (15 %) more moments than needed for a valid sample size. The time study questionnaire or survey forms will be kept open no longer than three (3) school days after the end of the time study period to ensure the accuracy of the time. To ensure that LEAs are properly returning sample moments, the LEA's return percentage for each quarter will be analyzed.

If the statewide compliance rate for a quarter does not reach at least 90%, KDE will send out a non-compliance warning letter to each LEA that did not achieve an 85% compliance rate and had greater than ten (10) moments for the quarter. For LEAs that are issued a warning letter, KDE will monitor the next consecutive quarter to ensure compliance is achieved. If not achieved, KDE will implement the following sanctions:

- LEAs will not be able to claim for MAC for the remainder of the fiscal year beginning with the second quarter of non-compliance.
- LEAs will not be able to participate in the time study for MAC for the remainder of the fiscal year (July to June).
- LEAs will not be able to claim for FFS for the remainder of the State fiscal year. Any interim payments sent to the LEA for FFS services provided during that fiscal year will be recouped by the State and returned to the federal government

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**Time Study Activities/Codes**

The time study codes are assigned indicators that determine its allowability, federal financial participation (FFP) rate, and Medicaid share. A code may have one or more indicators associated with it. These indicators should not be provided to time study participants.

The time study code indicators are:

| | | |
|---|---|---|
| Application of FFP rate | 50 percent | Refers to an activity that is allowable as administration under the Medicaid program and claimable at the 50 percent non-enhanced FFP rate. |
| | 75 percent | Refers to an activity that is allowable as administration under the Medicaid program and claimable at the 75 percent enhanced FFP rate. |
| Allowability & Application of Medicaid Share | U | Unallowable – refers to an activity that is unallowable as administration under the Medicaid program. This is regardless of whether or not the population served includes Medicaid eligible individuals. |
| | TM | Total Medicaid – refers to an activity that is 100 percent allowable as administration under the Medicaid program. |
| | PM | Proportional Medicaid – refers to an activity, which is allowable as Medicaid administration under the Medicaid program, but for which the allocable share of costs must be determined by the application of the proportional Medicaid share (using the Medicaid eligibility rate, the IEP ratio or the MP ratio).<br>• For the SBAC Program and the Expanded Care Program, (Medical Plan Ratio or MP) the Medicaid share is determined as the ratio of Medicaid eligible students to total students.<br>• For the FFS Cost Settlement process, the Medicaid share is defined as the ratio of Medicaid Eligible Special Education Students with a Medicaid billable service on the IEP to the total Special Education Students with a Medicaid billable service on the IEP. |
| | R | Reallocated – refers to those general administrative activities which must be reallocated across the other activity codes on a pro rata basis. These reallocated activities are reported under Code 10, General Administration. |

The following time study codes are to be used for the Random Moment Time Study:

| Code | Activity | SBAC Indicator(s) |
|---|---|---|
| 1.a | Non-Medicaid Outreach | U |
| 1.b | Medicaid Outreach | TM/50% |
| 2.a | Facilitating Non-Medicaid Eligibility | U |
| 2.b | Facilitating Medicaid Eligibility Determination | TM/50% |
| 3 | School Related & Educational Activities | U |
| 4.a | Direct Medical Services – Not Covered as IDEA/IEP Service | U |
| 4.b | Direct Medical Services – Covered as IDEA/IEP Service | IEP Ratio* |
| 4.c | Direct Medical Services – Covered on a Medical Plan of Care, Not Covered as IDEA/IEP service | MP Ratio** |
| 5.a | Transportation Non-Medicaid | U |
| 5.b | Medicaid Transportation | PM/50% |
| 6.a | Non-Medicaid Translation | U |
| 6.b | Medicaid Translation | PM/75% |
| 7.a | Program Planning, Development and Interagency Coordination Non-Medical | U |
| 7.b | Program Planning, Development and Interagency Coordination Medical | PM/50% |
| 8.a | Non-Medical/Non-Medicaid related Training | U |
| 8.b | Medical/Medicaid related Training | PM/50% |
| 9.a | Referral, Coordination, and Monitoring Non-Medicaid Services | U |
| 9.b | Referral, Coordination, and Monitoring of Medicaid Services | PM/50% |
| 10 | General Administration | R |
| 11 | Not Paid/Not Worked | U |

These activity codes represent administrative and direct service activity categories that are used to code all categories of claims. For all activity codes and examples, if an activity is provided as part of, or an extension of, a direct medical service, it may not be claimed as Medicaid Administration. The detail code definitions and examples may be found in Attachment D.

***Code 4b pertains to the School-Based Medicaid program and utilizes the IEP ratio for the cost settlement process.**

****Code 4c pertains to the Expanded Care program and utilizes the Medical Plan Ratio for the Expanded Care cost settlement process.** The Expanded Care Ratio will utilize the SBAC MER.

**Submitting a Claim for Medicaid Administration**

The SBAC Program cost calculation has five components:

- Cost pool construction
- Allowable Medicaid administrative time
- The Medicaid Enrollment Rate (MER)
- The FFP
- Indirect cost rate (ICR)

*Calculating the Claim*

In very general terms, the federal share of the claim for Medicaid administration is calculated by:

| | |
|---|---|
| Cost Pool Total | Multiplied by |
| % time claimable to Medicaid administration | Multiplied by |

The Medicaid Enrollment Rate (MER) (where applicable) Multiplied by
1 + Indirect Cost Rate (this percent is added to the value of the calculation at this stage in the process) equals the amounts of the claim requestMultiplied by % FFP (50%)

**a) Cost pools**

Cost pools have previously been explained on page 3 of this document.

b) **% Time Claimable to Medicaid Administration**

The time study results are utilized to determine the amount or percent of time spent by school district personnel doing the identified outreach, care and coordination functions**.**

**c) The Medicaid Enrollment Rate (MER)**

The amount of the claim is affected by the MER. This factor is a critical component of the claim. MER data consist of eligibility information pertaining to the quarter to which it relates. The MER is applied to the total claimable percentage (Codes 5b, 6b, 7b, 8b & 9b). The Direct Service (FFS) Medicaid eligibility rate (IEP Ratio) will be applied to Code 4b responses. The IEP Ratio is calculated annually. The Medical Plan Ratio will be applied to Code 4c responses and is calculated annually.

**b) Federal Financial Participation (FFP) Rate**

After the results of the time study are multiplied by the cost pool total, they are then multiplied by the 50% FFP

**b) Indirect Cost Rate (ICR)**

Indirect costs will be claimed as a part of the SBAC Program. The State will use a consistent method to calculate the unrestricted ICR as outlined in OMB Circular A-87. Claims for the school district's indirect costs are only allowable when the entity has an approved indirect cost rate.

**SBAC Claim Development**

The administrating contractor will submit quarterly claims on behalf of participating LEAs directly to KDE. After reviewing each claim, KDE will forward the claims to DMS for review and approval for payment processing. The claims will be based on the quarterly costs, the time study, the Medicaid eligibility rate, the indirect cost rate (ICR) and the FFP.

*SBAC Medicaid Eligibility Rate (MER)*

The costs associated with several Medicaid administrative activities performed by school districts must be adjusted by the district's Medicaid eligibility rate. The Medicaid Eligibility Rate (MER) reduces these counts to the amount for services specific to Medicaid eligible individuals. The MER for the SBAC is calculated on a quarterly basis. For example, referring an individual student to a Medicaid provider in the community is allowable only to the extent that

the student is Medicaid eligible. The counts of these activities are claimable as administrative activities but only to the extent that they are directed toward the Medicaid eligible population.

The Kentucky public school system is comprised of 176 school districts including the School for the Blind and the School for the Deaf located within 120 counties. To determine the MER for each participating school district, Kentucky will use two methods of calculations. These quarterly calculations utilize the following reports:

- A countywide report of all Medicaid eligibles ages 5-18 provided by the Department of Medicaid. This report provides just the number of eligibles.
- DMS also provides a master detail listing of all Medicaid eligible's ages 5-18 which include the name, date of birth and social security number of each of the Medicaid participants residing in each of the participating school district counties.
- A school district report of all enrolled students between the ages of 5-18. This report is generated by the statewide enrollment reporting database. The report lists the student name, date of birth, and social security number.
- The end of the school year enrollment report submitted by each individual school district.

To calculate the MER for participating school districts where there is only one school district located in the county. The MER is determined by dividing the DMS countywide report by the school district's year end total enrollment.

To calculate the MER for participating school districts where there are multiple school districts located in the same county. The KDE performs a computerized match where the district generated student list is compared to the DMS master list. The MER is determined by dividing the number of Medicaid eligible matches by the end of the school year enrollment.

### *Medical Plan Ratio (MP)*

*The Medical Plan Ratio will utilize the SBAC MER. The MP ratio is calculated annually for the Expanded Care Settlement Process. The MP ratio for the fiscal year will be the average of the SMAC MER from the four quarters during the fiscal year.*

*Financial Data*

The financial data to be included in the calculation of the SBAC claim are to be based on actual expenditures incurred during the quarter. These costs must be obtained from actual detailed expenditure reports generated by the provider's financial accounting system.

22 CFR 225 specifically defines the types of costs: direct costs, indirect costs and allocable costs that can be included in the program. Sections 1 through 42 provide principles to be applied in establishing the allowability or unallowability of certain items of cost. These principles apply whether a cost is treated as direct or indirect. The following items are considered allowable costs as defined and cited below by 22 CFR 225.

### *Direct Costs*

Typical direct costs identified in 22 CFR 225 include:

- Compensation of employees
- Cost of materials acquired, consumed, or expended
- Equipment
- Travel expenses incurred

### *Indirect Costs*

Indirect costs included in the claim are computed by multiplying the costs by the LEAs' approved unrestricted indirect cost rate. These indirect rates are developed by the LEAs' state cognizant agency, Kentucky Department of Education (KDE), and are updated annually. The methodology used by the respective state cognizant agency to develop the indirect rates has been approved by the cognizant federal agency, as required by the CMS guide. Indirect costs are included in the claim as reallocated costs.

DMS will ensure that costs included in the SBAC financial data are not included in the district's unrestricted indirect cost rate, and no costs will be accounted for more than once.

### *Unallowable Costs*

Costs that may not be included in the claim are:

- Direct costs related to staff that are not identified as eligible time study participants (i.e., costs related to teachers, cafeteria, transportation, and all other non-School Based administrative areas)
- Costs that are paid with 100 percent federal funds. Any costs that have already been fully paid by other revenue sources (federal, state/federal, recoveries, etc.)
- Revenue Offset

Expenditures included in the SBAC claim are often funded with several sources of revenue. Some of these revenue sources require that expenditures be offset, or reduced, prior to determining the federal share reimbursable by Medicaid. These "recognized" revenue sources requiring an offset of expenditures are:

- Federal funds (both directly received by the district and pass through from state or local agencies)
- State expenditures that have been matched with federal funds (including FFS). Both the state and federal share must be used in the offset of expenditures.
- Third party recoveries and other insurance recoveries
  Claim Certification

LEAs will only be reimbursed the federal share of any SBAC billings. The Chief Financial Officer (CFO), Chief Executive Officer (CEO), Executive Director (ED), Superintendent (SI) or other individual designated as the financial contact by the LEA will be required to certify the accuracy of the submitted claim and the availability of matching funds necessary. The certification statement will be included as part of the invoice and will meet the requirements of 42 CFR 433.51.

LEAs will be required to maintain documentation that appropriately identifies the certified funds used for SBAC claiming. The documentation must also clearly illustrate that the funds used for certification have not been used to match other federal funds. Failure to appropriately document the certified funds could result in non-payment of claims.

### *Direct Service or Fee for Service (FFS) Medicaid Eligibility Rate (IEP Ratio)*

The direct service Medicaid eligibility rate will be calculated annually for each school district. The numerator will be the number of Medicaid IEP students who received a direct medical service and the denominator will be the total IEP students who received the direct medical service. The MER for Direct Service is calculated for each school district. The MER for Direct Service is calculated annually following the end of the state fiscal year. The IEP Medicaid ratio will only be utilized for FFS calculations and not in the Administrative Claim. This MER will be applied to Code 4b responses.

The SBS eligibility rate calculation is:

[Number of Medicaid Students with IEP]
[Total Number of Students with IEP]

**Documentation & Recordkeeping Requirements**

It is required that all SBAC LEAs maintain documentation supporting the administrative claim. The LEAs must maintain and have available upon request by state or federal entities the contract with the state to participate in the SBAC program. Some documentation must be maintained quarterly. This information must be available upon request by state or federal entities. The quarterly requirements are outlined below.

Each participating LEA will maintain a quarterly audit file containing, at a minimum, the following information:

- A roster of eligible individuals, by category, submitted for inclusion in the participant sample pool
- Verification of compliance with training requirements by time study participants
- Financial data used to develop the expenditures and revenues for the claim calculations including state/local match used for certification
- Documentation of the district's approved indirect rate (if applicable)
- A copy of the completed and signed certification form

The State requires LEAs to maintain complete copies of all SBAC claims and supporting documentation including time study results.

*Retention period*

Documentation must be retained for the minimum federally required time period. Federal guidelines (42 CFR 433.32) state the retention period is three years unless there is an outstanding audit. The state's requirement is for LEAs to maintain the administrative claiming documentation for five years or until such time all outstanding audit issues and/or exceptions are resolved.

**Oversight and Monitoring**

Federal guidelines require the oversight and monitoring of the administrative claiming programs. This oversight and monitoring must be done at both the LEA and state level.

*State Level Oversight and Monitoring*

The state is charged with performing appropriate oversight and monitoring of the time study and SBAC program to ensure compliance with state and federal guidelines. DMS is the responsible agency for this required monitoring and oversight effort. DMS has a Memorandum of Agreement (MOA) with KDE Medicaid administrative claiming. The MOA clearly state all parties' responsibilities. Please see MOA attached as Attachment C .

DMS will monitor and review various components of the SBAC program operating in the state. The areas of review include, but are not limited to:

- Participant List – ensure only eligible categories of staff are reported on the participant list based on the approved RMTS categories in the implementation plan.
- RMTS Time Study – sampling methodology, the sample, and time study results
- RMTS Central Coding – review at a minimum a 10% sample per quarter of the completed coding
- Training – Compliance with training requirements: program contact, central coder and district staff
- Financial Reporting – Costs are only reported for eligible cost categories and meet reporting requirements.
- Documentation compliance

*Frequency*

All LEAs will be monitored at least once every three (3) years. This monitoring will consist of either an on-site, desk, or combination review. For this monitoring process, one quarter will be selected for in-depth review. Participating LEAs will be required to fully cooperate in providing information and access to necessary staff in a timely manner to facilitate these efforts. LEAs that do not fully cooperate in the review process may be subject to sanctions.

For other quarters, trends will be examined, for example, total costs in the claim, time study results, and reimbursement levels. Any significant variations from historical trending will be communicated to the LEAs for explanation of the variance.

KDE is in constant communication with the vendor, often daily, to discuss any issues that may arise. KDE will set up regular meetings and/or conference calls, (at least monthly) with their contractor and DMS to discuss time study trends, 85% LEA compliance level, coding and any other SBAC or time study issues, etc.

The state will pursue remedial action for LEAs that fail to meet SBAC program requirements or fail to correct problems identified during review. Examples of actions that will cause implementation of sanctions include, but are not limited to:

- Repeated and/or uncorrected errors in financial reporting, including failure to use the Contractor provided financial reporting worksheets
- Failure to cooperate with state and/or federal staff during reviews or other requests for information
- Failure to maintain adequate documentation
- Failure to provide accurate and timely information to the Contractor as required

Sanctions the state may impose include suspending payment of SBAC and FFS claims, conducting more frequent reviews, and the recoupment of funds. Once an LEA has been notified of the need for remedial action, the LEA will be given 60-days to submit a corrective action plan to the state, and the state will have an additional 60-days to approve or amend the corrective action plan on an agreed upon time frame.

*Contractor Level Oversight and Monitoring*

Quarterly Tasks

Training regarding RMTS

- Ensure district has participated in required RMTS training in order to participate in RMTS
- Review of RMTS compliance rate, ensure each district meets the 85% compliance level requirement
- Ensure LEA coordinator understands how critical response rate is per district and that he/she is aware of applicable sanctions for non-compliance.

Roster Updates

- Prepare system to accept roster updates
- Receive updated roster from district in the system
- Review and QC updated roster
- Upload individual district rosters into database with all other participating districts

Time Study Tasks

- Randomly select time study participants from database
- Notify district contact of staff from their district who were selected for the quarter
- Notify selected participants 1 day prior to their selected moment and send reminders one day after the moment if it has not been completed with a copy to the supervisor and/or district coordinator.
- Review documented responses and code time study received from selected participants. Conduct follow-up if necessary for the determination of the appropriate time study code.
- Quality Check received and coded time study data
- Follow up with participants who submitted incomplete data, correcting the data so it can be used.
- Scan all data and prepare it for the claim.

Financial Tasks

- Conduct financial training with district, as needed
- Prepare system to accept quarterly financial data
- QC submitted financial data for errors
- If necessary, contact for revisions
- Prepare financial information for the SBAC claim
- Prepare Certification of Public Expenditure (CPE) form and send to financial contact for completion.
- Receive completed CPE forms from district and submit to KDE

Miscellaneous Tasks

- Participate in quarterly SBAC update meetings
- Answer general questions form district throughout the quarter
- Collect annual indirect cost rate (ICR) for each participating district from the KDE
- Obtain quarterly Medicaid Eligibility Rate (MER) from the KDE
- Run quarterly SBAC claim and submit to KDE
- Make available a copy of the claim to district for their records
- Follow up with KDE to ensure district receives payment
- Conduct quality assurance reviews, as needed
- Serve as liaison between district and DMS and KDE

*Local LEA Level Oversight and Monitoring*

Each LEA participating in the SBAC program must take appropriate oversight and monitoring actions that will ensure compliance with SBAC program requirements.

Actions must be taken to ensure, at a minimum, that:

- The time study is performed correctly
- The time study results are valid
- The financial data submitted is true and correct RMTS training requirements are met
- Appropriate documentation is maintained to support the time study and the claim

*Required Personnel*

Each LEA must designate an employee as the LEA coordinator or SBAC program contact. This single individual is designated within the LEA to provide oversight for the implementation of the time study and to ensure that policy decisions are implemented appropriately. The LEA must also designate an Assistant LEA coordinator to provide back-up support for time study responsibilities.

Attachment A

MEMORANDUM OF UNDERSTANDING
**By and between the**
**Kentucky Department of Education**
**and the**
**Department for Medicaid Services**
**Cabinet for Health and Family Services**

THIS MEMORANDUM OF UNDERSTANDING made and entered into on the 1st day of January, 2004, between the Kentucky Department of Education, hereinafter referred to as KDE, and the Department for Medicaid Services, Cabinet for Health and Family Services, hereinafter referred to as DMS.

WITNESSETH, THAT:

WHEREAS, the 2003 Kentucky General Assembly through enactment of HB 269 authorized the Kentucky Department of Education to implement a strategy to maximize federal Title XIX Medicaid funding for Medicaid eligible administrative functions provided by the local school districts; and

WHEREAS, the School Based Administrative Claiming Program (SBAC) will provide a method of federal reimbursement for eligible Title XIX Medicaid outreach and administrative services performed by school districts for children determined to be "at risk" of needing health related services. Eligible administrative functions are primarily to locate, identify, and refer Medicaid eligible children needing health related services, to assist families accessing Medicaid services through education, public awareness, and seeking appropriate providers of health care services; and

WHEREAS, KDE has entered into an agreement with a contractor (hereinafter referred to as The Contractor) to develop a detailed methodology to identify the reimbursable activities of school districts and determine and administer the process for calculating and collecting allowable claims for reimbursement of Medicaid administrative and outreach activities;

WHEREAS, DMS has been designated the single state agency, as provided by 42 USC 1396 (a) (5), for administration of the Medical Assistance Program as provided by Title XIX of the Social Security Act, and

WHEREAS, DMS is responsible for insuring the quality and cost effectiveness of the Medicaid program in Kentucky; and

WHEREAS, DMS has determined a need to facilitate Title XIX reimbursement of school districts for eligible Medicaid Title XIX administrative functions;

NOW, THEREFORE, it is mutually agreed between the Kentucky Department of Education and the Department for Medicaid Services that:

I. The Kentucky Department of Education (directly and/or through The Contractor) shall:

A. Designate a single point of contact for the School Based Administrative Claiming (SBAC) program that is a KDE employee.
B. Enter into participation agreements with the school districts that desire to participate in the SBAC program. The minimum requirements for these agreements are as follows:
    Every school district must:
        1. Identify a coordinator to serve as single point of contact for all communication between KDE and the district.
        2. Ensure access by KDE, DMS, and Centers for Medicare and Medicaid Services (CMS) to all documentation necessary to review and audit administrative claims.
        3. Submit to KDE the list of staff who will be part of the sample universe.

4. Have relevant staff complete the required training before participating in the SBAC program and attend ongoing training as required.
4. Prepare quarterly cost data reports.
4. Certify quarterly that it has made expenditures for Title XIX administrative services eligible for federal matching.

C. Develop a sampling methodology for approval by DMS and CMS.

C. Provide appropriate training materials and initial and ongoing training for school districts in the use of CMS approved sampling methodology and financial reporting.

D. Prepare claims for submittal to DMS in accordance with the methodology that has been approved by CMS for computation of the claim.

E. Act as payment agent for the school districts for SBAC reimbursement.

F. Act as primary contact for school districts for technical assistance, correspondence, and inquiries.

G. Assume responsibility for the reimbursement of the KDE and the school districts' portion of federal funds identified in any overpayment, recoupment, or audit exception for the claiming period in question.

H. Monitor the Contractor and school district performance for consistency with the approved SBAC implementation plan, claiming methodology, and compliance with applicable state and federal laws and regulations.

I. Abide by and require school districts and The Contractor to abide by the statutes and regulations regarding confidentiality of personal medical records as mandated by the Health Insurance Portability and Accountability Act (42 ISC 1320d) and set forth in federal regulations at 45 CFR Parts 160 and 164. Any subcontract entered into by the school district as the result of this agreement shall mandate that the subcontractor is required to abide by the same statutes and a regulation regarding confidentiality of personal medical records as is the school district.

J. Provide DMS school district enrollment data to facilitate determination of school districts' Medicaid eligibility rates.

II. The Department for Medicaid Services shall:

K. File with the Centers for Medicare and Medicaid Services (CMS) a cost allocation plan related to Medicaid school based administrative claiming activities provided by school districts.

L. File with CMS an implementation plan for school based administrative claiming.

M. Provide technical assistance to KDE as needed in order for KDE to properly discharge its responsibilities under Section I of this agreement.

N. Monitor KDE performance and compliance with applicable state and federal laws and regulations.

O. Review and approve all submitted claims before federal funds are requested.

P. Suspend authorization or payment of claims if DMS reasonably believes KDE and the school districts are not in material compliance with the requirements of this agreement or with state and federal laws or regulations that govern the Medicaid program.

Q. Designate a single point of contact for the School Based Administrative Claiming (SBAC) program who is a DMS employee.

R. Be responsible for receiving, replying to and arranging compliance with any audit by the appropriate state or federal auditor directly related to the provisions of this agreement.

S. Receive monitoring reports and follow up on discrepancies reported.

T. Return to CMS the FFP retained by DMS for any overpayment, recoupment, or audit exception.

U. Review and approve all training materials.

V. Work with KDE to determine each school district's Medicaid Eligibility Rate.

III. Term of this Agreement.

W. This Agreement will begin on January 1, 2004 and end on June 30, 2004.

X. The terms and conditions of this agreement may be amended at any time by mutual agreement of the parties in writing.

Y. It is recognized that changes to this Agreement may be required as a result of Department of Health and Human Services regulatory or program directional changes.

Z. Either party may cancel this agreement at any time for cause or may cancel without cause with thirty (30)-day written notice.

E. Liabilities and responsibilities shall be contingent upon the availability of Title XIX federal funds and this agreement shall be terminated if such funding ceases to be available. DMS shall have the sole responsibility for determining the availability of federal funds and shall report this determination to KDE in a timely manner.

AA. There will be no transfer of funds under this agreement through June 30, 2004.

EXAMINED AS TO FORM AND LEGALITY:

_____
Attorney
Cabinet for Health and Family Services Date

APPROVED:

_____
Secretary Date
Cabinet for Health and Family Services

APPROVED:

_____
Commissioner Date
Department for Medicaid Services

APPROVED:

_____
Commissioner Date
Department of Education

APPROVED:

_____
Associate Commissioner Date
Office of Legal Services

APPROVED:

_____
Associate Commissioner Date
Office of Special Instructional Services

APPROVED:

_____
Deputy Commissioner Date
Bureau of Learning Support Services

Attachment B

AGREEMENT BETWEEN THE DEPARTMENT OF EDUCATION AND THE

_____
(DISTRICT NAME)
SCHOOL DISTRICT
FOR THE PROVISION AND REIMBURSEMENT
OF ADMINISTRATIVE CLAIMING ACTIVITIES

The Kentucky Department of Education (KDE) and the above named school district hereby agree to the principles, terms and effective dates in this agreement. This agreement defines each party's responsibilities for the provision of and reimbursement for Medicaid administrative activities necessary for the efficient and effective implementation of the Title XIX (Medicaid) State Plan. Legal authority for this program is found in HB269 (IX) (15) enacted by the 2003 Kentucky General Assembly. The Department for Medicaid Services (DMS) is the single state agency under Title XIX that has authority for the Medicaid program. DMS has entered into an agreement with the KDE to administer the School-Based Administrative Claiming program.

*General Principles*

This agreement is based on the following general principles:

A. The aforementioned parties have a common and concurrent interest in providing Medicaid administrative activities and being reimbursed for the associated costs of providing these activities within parameters established by the Centers for Medicare & Medicaid Services (CMS) and the Kentucky Department for Medicaid Services (DMS), and under a plan approved by CMS.

B. This agreement is in no way intended to modify the responsibilities or authority previously delegated to the parties.

C. This agreement is not intended to override or obsolete any other agreements or memorandums of understanding that may already exist between these parties.

D. Any contractor of the school district involved with administrative claiming activities is bound by the terms of this agreement.

E. This agreement provides a mechanism for payment of federal funds from CMS and, in no way, creates a requirement for DMS or KDE to reimburse the school district from DMS or KDE state funds.

## II. Terms

A. KDE agrees to the following terms:

1. KDE will designate an employee to act as a liaison for the Medicaid School-based Administrative Claiming program (SBAC).
2. KDE, in coordination with DMS, will develop a list and description of Medicaid reimbursable school-based administrative activities that may be performed by school district employees or contractors. These activities are found in Attachment I of this agreement. A full description of activity codes that must be used for administrative claiming activity is included in the "Medicaid School-Based Administrative Claiming Guide." Modifications to the administrative claiming activities will be made through revision of the "Medicaid School-Based Administrative Claiming Guide."
3. KDE, in coordination with DMS, will notify the school district of any program change that will affect reimbursement.
4. KDE will provide training materials and initial and ongoing training for school districts in the use of CMS approved sampling methodology and financial reporting.
5. KDE will calculate a claim for the school district on a quarterly basis in accordance with CMS approved methodology. KDE will submit the claim to DMS and, upon approval and receipt of funds, will reimburse the school district a minimum of 60 percent of the federal share. This percentage of reimbursement may increase as a result of increased district participation. Any increase in percentage of reimbursement will be reflected by an annual amendment on July 1.
6. KDE will periodically monitor school district records pertaining to the Medicaid School-based Administrative Claiming program.
7. KDE will develop procedures for repayment of funds in the event of an audit exception or disallowance.

B. The school district agrees to the following terms:

8. The school district will designate a coordinator to serve as single point of contact for all communications relating to the SBAC program. The coordinator will attend a SBAC "Coordinators' Training" and "Train-the-Trainer" session presented by KDE and ongoing training as necessary.
9. The school district or its contractor will comply with the federal cost principles and other administrative requirements found in the Office of Management and Budget's (OMB) Circular A-87 and the Code of Federal Regulations (CFR), Title 45, Parts 74 and 95.
10. The school district will follow the policies and procedures contained in the "Medicaid School-Based Administrative Claiming Guide."
11. The school district will submit to KDE a roster of district employees and contractors who have been identified to be routinely providing Medicaid school-based administrative activities and who meet the criteria detailed in the "Medicaid School-Based Administrative Claiming Guide." These employees will participate in quarterly time studies as outlined in the "Medicaid School-Based Administrative Claiming

Guide." The school district will verify that time study participants have completed the required training prior to their participation.

5. The school district will submit to KDE quarterly cost data and certify that it has made expenditures for school-based administrative activities being claimed.

1. The school district shall maintain and make available upon request by CMS, KDE or DMS all documentation related to the school-based administrative claiming program. Documentation will include personnel rosters, training materials, training schedules, time study participant training sign-in sheets, time study forms and summary and financial information used to determine the district's expenditures such as payroll and indirect cost information and other documentation as requested.
2. Any repayment of funds due to an audit exception, deferral or denial is the responsibility of the school district, even after withdrawal from the program.

III. Confidentiality

The school district agrees to abide by the statutes and regulations regarding confidentiality of personal medical records as mandated by the Health Insurance Portability and Accountability Act (42 ISC 1320d) and set forth in federal regulations at 45 CFR Parts 160 and 164. Any subcontract entered into by the school district as a result of this agreement shall mandate that the subcontractor is required to abide by the same statutes and regulations regarding confidentiality of personal medical records as the school district.

*I. Effective Date, Changes, Life of this Agreement*

F. The effective date of this agreement will be the first day of the first quarter during which valid time studies are conducted in the school district and are subject to CMS approval.

F. Changes may be made to the agreement in the form of amendments and must be signed by all parties.

G. Changes in the CMS matching percentage or administrative activities eligible for match will not be made via this agreement, but will be through revision of the "Medicaid School-based Administrative Claiming Guide" and effective the date specified by CMS.

H. This agreement will continue in effect for five years, to be renewed automatically on an annual basis or until terminated by KDE or the school district. Either party may terminate this agreement within thirty days of written notification to the other party.

**SIGNATURES:**

Superintendent or Authorized Representative _____ Date _____

District Name _____

Commissioner of Education
Department of Education _____ Date Kentucky

Stephanie O'Connor, Medicaid Liaison
Kentucky Department of Education
16th Floor Capital Plaza Tower
500 Mero Street
Frankfort, KY 40601
502-564-1979

Attachment C

# School Based Administrative Claiming Time Study Codes
# Effective October 2008

Listed below are 19 codes to be used when performing time studies for both SBAC and Direct Services.

CODE 1.a. Non-Medicaid Outreach

CODE 1.b. Medicaid Outreach

CODE 2.a. Facilitating Application to NON-Medicaid Program

CODE 2.b. Facilitating Medicaid Eligibility Determinations

CODE 3 School Related and Educational Activities

CODE 4.a. Direct Medical Services – Not Covered as IDEA/IEP Service

CODE 4.b. Direct Medical Services – Covered as IDEA/IEP Service

CODE 4.c. Direct Medical Services – Covered on a Medical Plan of Care, Not Covered as IDEA/IEP service

CODE 5.a. Transportation for Non-Medicaid Services

CODE 5.b. Transportation-Related Activities in Support of Medicaid Covered Services

CODE 6.a. Non-Medicaid Translation

CODE 6.b. Translation Related to Medicaid Services

CODE 7.a. Program Planning, Policy Development and Interagency Coordination Related to NON-Medical Services

CODE 7.b. Program Planning, Policy Development, and Interagency Related to Medical Services

CODE 8.a. Non-Medical/Non-Medicaid Related Training

CODE 8.b. Medical/Medicaid Related Training

CODE 9.a. Referral, Coordination and Monitoring of Non-Medicaid Services

CODE 9.b. Referral, Coordination and Monitoring of Medicaid Services

CODE 10 General Administration

CODE 11 Non Paid, Non Work

These activity codes represent administrative and direct service activity categories that are used in the school setting. For all the activity codes and examples listed below, if an activity is provided as part of, or

an extension of, a direct medical service, it may not be claimed as School Based administration. Any costs related to medical services should be claimed as Code 4.a, Direct Services Service – Not Covered as IDEA/IEP Service or Code 4.b., Direct Medical Service – Covered as IDEA/IEP Service or Code 4.c., Direct Medical Services – Covered on a Medical Plan of Care, Not Covered as IDEA/IEP service.

**Code 1.a. - Non-Medicaid Outreach –U**

This code should be used by all LEA staff when performing activities that inform individuals about non-Medicaid social, vocational and educational programs (including special education) and how to access them; describing the range of benefits covered under these non-Medicaid social, vocational and educational programs and how to obtain them. Both written and oral methods may be used. Include related paperwork, clerical activities or staff travel required to perform these activities.

1. Informing families about wellness programs and how to access these programs.
2. Scheduling and promoting activities that educate individuals about the benefits of healthy life-styles and practices.
3. Conducting general health education programs or campaigns that address life-style changes in the general population (e.g., dental prevention, anti-smoking, alcohol reduction, etc.).
4. Conducting outreach campaigns that encourage persons to access social, educational, legal or other services not covered by Medicaid.
5. Assisting in early identification of children with special medical/dental/mental health needs through various child find activities.
6. Outreach activities in support of programs that are 100 percent funded by state general revenue.
7. Developing outreach materials such as brochures or handbooks for these programs.
8. Distributing outreach materials regarding the benefits and availability of these programs.

**Code 1.b. - Medicaid Outreach– TM/50 percent FFP**

LEA staff should use this code when performing activities that inform eligible or potentially eligible individuals about Medicaid and how to access it. Activities include bringing potential eligible individuals into the Medicaid system for the purpose of determining eligibility and arranging for the provision of Medicaid services. LEAs may only conduct outreach for the populations served by their affiliated schools, i.e., students and their parents or guardians. Examples include:

1. Informing Medicaid eligible and potential Medicaid eligible children and families about the benefits and availability of services provided by Medicaid (including preventive treatment, and screening) including services provided through the EPSDT program.
2. Developing and/or compiling materials to inform individuals about the Medicaid program (including EPSDT) and how and where to obtain those benefits. Note: This activity should not be used when Medicaid-related materials are already available to the schools (such as through the Medicaid agency). As appropriate, school developed outreach materials should have prior approval of the Medicaid agency.
3. Distributing literature about the benefits, eligibility requirements, and availability of the Medicaid program, including EPSDT.
4. Assisting the Medicaid agency to fulfill the outreach objectives of the Medicaid program by informing individuals, students and their families about health resources available through the Medicaid program.

5. Providing information about Medicaid EPSDT screening (e.g., dental, vision) in schools that will help identify medical conditions that can be corrected or improved by services offered through the Medicaid program.
6. Contacting pregnant and parenting teenagers about the availability of Medicaid prenatal, and well baby care programs and services.
7. Providing information regarding Medicaid managed care programs and health plans to individuals and families and how to access that system.
8. Encouraging families to access medical/dental/mental health services provided by the Medicaid program.

Activities which are not considered Medicaid outreach under any circumstances are: (1) general preventive health education programs or campaigns addressing lifestyle changes, and (2) outreach campaigns directed toward encouraging persons to access social, educational, legal or other services not covered by Medicaid.

**Code 2.a. - Facilitating Application for Non-Medicaid Programs – U**

LEA staff should use this code when informing an individual or family about programs such as Temporary Assistance for Needy Families (TANF), Food Stamps, Women, Infants, and Children (WIC), day care, legal aid and other social or educational programs and referring them to the appropriate agency to make application. The following are examples:

1. Explaining the eligibility process for non-Medicaid programs, including IDEA.
2. Assisting the individual or family collect/gather information and documents for the non-Medicaid program application.
3. Assisting the individual or family in completing the application, including necessary translation activities.
4. Developing and verifying initial and continuing eligibility for the Free and Reduced Lunch Program.
5. Developing and verifying initial and continuing eligibility for non-Medicaid programs.
6. Providing necessary forms and packaging all forms in preparation for the non-Medicaid eligibility determination.

**Code 2.b. - Facilitating Medicaid Eligibility Determination-TM/50 percent FFP**

LEA staff should use this code when assisting an individual in becoming eligible for Medicaid. Include related paperwork, clerical activities or staff travel required to perform these activities. This activity does not include the actual determination of Medicaid eligibility. Examples include:

1. Verifying an individual's current Medicaid eligibility status for purposes of the Medicaid eligibility process.
2. Explaining Medicaid eligibility rules and the Medicaid eligibility process to prospective applicants.
3. Assisting individuals or families to complete a Medicaid eligibility application.
4. Gathering information related to the application and eligibility determination for an individual, including resource information and third party liability (TPL) information, as a prelude to submitting a formal Medicaid application.
5. Providing necessary forms and packaging all forms in preparation for the Medicaid eligibility determination.
6. Referring an individual or family to the local Assistance Office to make application for Medicaid benefits.
7. Assisting the individual or family in collecting/gathering required information and documents for the Medicaid application.

8. Participating as a Medicaid eligibility outreach outstation, but does not include determining eligibility.

**Code 3. - School Related and Educational Activities – U**

This code should be used for any other school related activities that are not health related, such as social services, educational services and teaching services; employment and job training. These activities include the development, coordination and monitoring of a student's education plan. Include related paperwork, clerical activities or staff travel required to perform these activities. Examples include:

1. Providing classroom instruction (including lesson planning).
2. Testing, correcting papers.
3. Developing, coordinating, and monitoring the academic portion of the Individualized Education Program (IEP) for a student, which includes ensuring annual reviews of the IEP are conducted, parental sign-offs are obtained, and the academic portion of the actual IEP meetings with the parents. (If appropriate, this would also refer to the same activities performed in support of an Individualized Family Service Plan (IFSP).)
4. Compiling attendance reports.
5. Performing activities that are specific to instructional, curriculum, and student-focused areas.
6. Reviewing the education record for students who are new to the school district.
7. Providing general supervision of students (e.g., playground, lunchroom).
8. Monitoring student academic achievement.
9. Providing individualized instruction (e.g., math concepts) to a special education student.
10. Conducting external relations related to school educational issues/matters.
11. Compiling report cards.
12. Carrying out discipline.
13. Performing clerical activities specific to instructional or curriculum areas.
14. Activities related to the educational aspects of meeting immunization requirements for school attendance.
15. Compiling, preparing, and reviewing reports on textbooks or attendance.
16. Enrolling new students or obtaining registration information.
17. Conferring with students or parents about discipline, academic matters or other school related issues.
18. Evaluating curriculum and instructional services, policies, and procedures.
19. Participating in or presenting training related to curriculum or instruction (e.g., language arts workshop, computer instruction).
20. Translating an academic test for a student.

**CODE 4.a. - Direct Medical Services – NOT COVERED AS IDEA/IEP SERVICES, NOT COVERED ON A MEDICAL PLAN OF CARE) - U**

Use this code when the participant is providing direct client care services for which medical necessity has not been determined or for a service that is being provided by someone for which the service is not in their scope of practice. This code includes pre and post activities associated with the actual delivery of the direct client care services, e.g., paperwork or staff travel required to perform these services.

**Examples:**

- Administering first aid;
- Screening services conducted by non-qualified providers;
- Mental health services conducted by non-qualified providers; and
- Nursing services conducted by non-qualified providers.

**CODE 4.b. - Direct Medical Services – Covered as IDEA/IEP Service (FFS – IEP) – IEP Ratio**

This code should be selected when LEA staff members (employees or contracted staff) provide direct client services as covered services delivered by LEAs under the FFS Program for students with an IEP/IFSP. These direct client services may be delivered to an individual and/or group in order to ameliorate a specific condition and are performed in the presence of the student(s). This code includes the provision of all IDEA/IEP medical (i.e. health-related) services. It also includes functions performed pre and post actual direct client services (when the student may not be present), for example, paperwork, or staff travel directly related to the direct client services.

Examples of activities reported under this code**:**

**All IDEA/IEP direct client services with the Student/Client present including:**

1. Providing health/mental health services as covered in the student's IEP.
2. Conducting medical/health assessments/evaluations and diagnostic testing and preparing related reports as covered in the student's IEP.

The list of services corresponds to all of the services outlined in the State Plan. **This includes:**

1. Audiologist services including evaluation and therapy services (only if included in the student's IEP).
2. Physical Therapy services and evaluations (only if included in the student's IEP).
3. Occupational Therapy services and evaluations (only if included in the student's IEP).
4. Speech Language Therapy services and evaluations (only if included in the student's IEP).
5. Psychological services, including evaluations and assessment (only if included in the student's IEP), [The assessment services are not in the client's IEP because assessments are performed before the students IEP is developed.]
6. Counseling services, including therapy services (only if included in the student's IEP).
7. Orientation and Mobility services and evaluations (only if included in the student's IEP).
8. Nursing services and evaluations (only if included in the student's IEP), including skilled nursing services on the IEP and time spent administering/monitoring medication only if it is included as part of an IEP and documented in the IEP. For example, administration of a medication such as Ritalin would only be included as an IEP-Related Service if the student IEP's actually contained a requirement for its provision; administration/monitoring of anti-spasmotic drugs for children with cerebral palsy, such as baclofen, that is included as part of an IEP and documented in the IEP; insulin for a diabetic if the insulin administration/monitoring is in the IEP.
9. Interpreter Services – Interpreter Services that are provided to allow a child to receive one of the Medicaid covered services above.

This code also includes pre and post time directly related to providing direct client care services when the student/client is not present. Examples of pre and post time activities when the student/client is not present include: time to complete all paperwork related to the specific direct client care service, such as preparation of progress notes, translation of session notes, review of evaluation testing/observation, planning activities for the therapy session, travel to/from the therapy session, or completion of billing activities.

General Examples that are considered pre and post time:

1. Pre and post activities associated with physical therapy services, for example, time to build a customized standing frame for a student or time to modify a student's wheelchair desk for improved freedom of movement for the client.
2. Pre and post activities associated with speech language pathology services, for example, preparing lessons for a client to use with an augmentative communicative device or preparing worksheets for use in group therapy sessions.
3. Updating the medical/health-related service goals and objectives of the IEP.
4. Travel to the direct service/therapy.
5. Paperwork associated with the delivery of the direct care service, as long as the student/client is not present. Such paperwork could include the preparation of progress notes, translation of session notes, or completion of billing activities.
6. Interpretation of the evaluation results and/or preparation of written evaluations, when student/client is not present. (Assessment services are billed for testing time when the student is present, for interpretation time when the student is not present, and for report writing when the student is not present.)

**CODE 4.c. - Direct Medical Services – Covered on a Medical Plan of Care, Not Covered as IDEA/IEP service – MP Ratio**

This code should be selected when LEA staff members (employees or contracted staff) provide direct client services as covered services delivered by LEAs under the FFS Program when documented on a Medical Plan other than an IEP/IFSP or for services in which medical necessity has been determined. These direct client services may be delivered to an individual and/or group in order to ameliorate a specific condition and are performed in the presence of the student(s). This code includes the provision of medical (i.e. health-related) services outlined on a medical plan other than an IEP/IFSP or for which medical necessity has been determined. It also includes functions performed pre and post actual direct client services (when the student may not be present), for example, paperwork, or staff travel directly related to the direct client services.

Examples of activities reported under this code**:**

**All Medical Plan direct client services with the Student/Client present including:**

1. Providing health/mental health services as covered in the student's medical plan other than an IEP/IFSP.
2. Conducting medical/health assessments/evaluations and diagnostic testing and preparing related reports as covered in the student's medical plan other than an IEP/IFSP.
3. Services for which medical necessity has been determined.

The list of services corresponds to all of the services outlined in the State Plan. **This includes:**

1. Audiologist services including evaluation and therapy services (only if included in the student's medical plan).
2. Physical Therapy services and evaluations (only if included in the student's medical plan).
3. Occupational Therapy services and evaluations (only if included in the student's medical plan).
4. Speech Language Therapy services and evaluations (only if included in the student's medical plan).
5. Counseling services, including therapy services (only if included in the student's medical plan or when medical necessity has been determined).
6. Nursing services and evaluations (only if medical necessity has been determined including skilled nursing services on the medical plan and time spent administering/monitoring medication only if it is included as part of a medical plan of care and documented in the plan of care.)
7. All EPSDT covered services such as screenings, immunizations, etc. or services in which medical necessity has been determined.

This code also includes pre and post time directly related to providing direct client care services when the student/client is not present. Examples of pre and post time activities when the student/client is not present include: time to complete all paperwork related to the specific direct client care service, such as preparation of progress notes, translation of session notes, review of evaluation testing/observation, planning activities for the therapy session, travel to/from the therapy session, or completion of billing activities.

General Examples that are considered pre and post time:

1. Pre and post activities associated with physical therapy services, for example, time to build a customized standing frame for a student or time to modify a student's wheelchair desk for improved freedom of movement for the client.
2. Pre and post activities associated with speech language pathology services, for example, preparing lessons for a client to use with an augmentative communicative device or preparing worksheets for use in group therapy sessions.
3. Updating the medical/health-related service goals and objectives of the medical plan of care.
4. Travel to the direct service/therapy.
5. Paperwork associated with the delivery of the direct care service, as long as the student/client is not present. Such paperwork could include the preparation of progress notes, translation of session notes, or completion of billing activities.
6. Interpretation of the evaluation results and/or preparation of written evaluations, when student/client is not present. (Assessment services are billed for testing time when the student is present, for interpretation time when the student is not present, and for report writing when the student is not present.)

**Code 5.a. - Transportation for Non-Medicaid Services – U**

LEA staff should use this code when assisting an individual to obtain transportation to services not covered by Medicaid, or accompanying the individual to services not covered by Medicaid. Include related paperwork, clerical activities or staff travel required to perform these activity.

**1.** Scheduling or arranging transportation to social, vocational, and/or educational programs and activities.

**Code 5.b. - Transportation related to Medicaid Services – PM/50 percent FFP**

LEA staff should use this code when assisting an individual to obtain transportation to services covered by Medicaid. This does not include the provision of the actual transportation service or the direct cost of the transportation, but rather the administrative activities involved in providing transportation. Include related paperwork, clerical activities or staff travel required to perform these activities. An example is:

1. Scheduling or arranging transportation to Medicaid covered services.

Note: Staff that may arrange transportation that may be included in the RMTS include, but are not limited to, Program Administrators, Special Education Support or other staff at the district who are responsible for arranging specialized transportation for students to receive medical services. However, job titles of staff that provide these types of services vary by district.

**Code 6.a. - Non-Medicaid Translation – U**

LEA staff should use this code when providing translation services related to social, vocational or education programs and activities as an activity separate from the activities referenced in other codes. Include related paperwork, clerical activities or staff travel required to perform these activities. Examples include:

1. Arranging for or providing translation services (oral or signing services) that assist the individual to access and understand social, educational, and vocational services.
2. Arranging for or providing translation services (oral or signing services) that assist the individual to access and understand state education or state-mandated health screenings (e.g., vision, hearing, and scoliosis) and general health education outreach campaigns intended for the student population.
3. Developing translation materials that assist individuals to access and understand social, educational, and vocational services.

**Code 6.b. - Translation Related to Medicaid Services-PM/75 percent FFP**

Translation may be allowable as an administrative activity if it is not included and paid for as part of a medical assistance service. However, it must be provided by separate units or separate employees performing solely translation functions for the LEA and it must facilitate access to Medicaid covered services.

This code should be used by LEA employees who provide translation services related to Medicaid covered services as an activity separate from the activities referenced in other codes. Include related paperwork, clerical activities or staff travel required to perform these activities. Examples include:

1. Arranging for or providing translation services (oral and signing) that assist the individual to access and understand necessary care or treatment covered by Medicaid.
2. Developing translation materials that assist individuals to access and understand necessary care or treatment covered by Medicaid.
3. Developing translated materials, including Braille transcriptions, that assist individuals to access and understand necessary care or treatment covered by Medicaid
4. Transcribing into Braille the fact sheet school nurses use to explain/practice steps/proper technique for using an inhaler.
5. Translation to help a school psychologist follow up with a student's non-English speaking parent on a mental health referral.

**Code 7.a. - Program Planning, Policy Development and Interagency Coordination Related to Non-Medical Services – U**

LEA staff should use this code when performing activities associated with the development of strategies to improve the coordination and delivery of non-medical/non-mental health services to school age children and when performing collaborative activities with other agencies. Non-medical services may include social, education and vocational services. Only employees whose position descriptions include program planning, policy development and interagency coordination should use this code. Include related paperwork, clerical activities or staff travel required to perform these activities. Examples include:

1. Identifying gaps or duplication of non-medical services (e.g., social, vocational educational and state mandated general health care programs) to school age children and developing strategies to improve the delivery and coordination of these services.
2. Developing strategies to assess or increase the capacity of non-medical school programs.
3. Monitoring the non-medical delivery systems in schools.
4. Developing procedures for tracking families' requests for assistance with non-medical services and the providers of such services.

5. Evaluating the need for non-medical services in relation to specific populations or geographic areas.
6. Analyzing non-medical data related to a specific program, population, or geographic area.
7. Working with other agencies providing non-medical services to improve the coordination and delivery of services and to improve collaboration around the early identification of non-medical problems.
8. Defining the relationship of each agency's non-medical services to one another.
9. Developing advisory or work groups of professionals to provide consultation and advice regarding the delivery of non-medical services and state-mandated health screenings to the school populations.
10. Developing non-medical referral sources.
11. Coordinating with interagency committees to identify, promote and develop non-medical services in the school system.

**Code 7.b. - Program Planning, Policy Development and Interagency Coordination Related to Medical Services-PM/50 percent FFP**

This code should be used by LEA staff when performing activities associated with the development of strategies to improve the coordination and delivery of medical/dental/mental health services to school age children, and when performing collaborative activities with other agencies and/or providers. Employees whose position descriptions include program planning, policy development and interagency coordination may use this code. However, it is a state option whether or not the position descriptions need to be explicit with respect to these specific functions. This code refers to activities such as planning and developing procedures to track requests for services; the actual tracking of requests for Medicaid services would be coded under Code 9.b., Referral, Coordination and Monitoring of Medical Services. Include related paperwork, clerical activities or staff travel required to perform these activities. Examples include:

1. Identifying gaps or duplication of medical/dental/mental services to school age children and developing strategies to improve the delivery and coordination of these services.
2. Developing strategies to assess or increase the capacity of school medical/dental/mental health programs.
3. Monitoring the medical/dental/mental health delivery systems in schools.
4. Developing procedures for tracking families' requests for assistance with medical/dental/mental services and providers, including Medicaid. (This does not include the actual tracking of requests for Medicaid services.)
5. Evaluating the need for medical/dental/mental services in relation to specific populations or geographic areas.
6. Analyzing Medicaid data related to a specific program, population, or geographic area.
7. Working with other agencies and/or providers that provide medical/dental/mental services to improve the coordination and delivery of services, to expand access to specific populations of Medicaid eligible, and to increase provider participation and improve provider relations.
8. Working with other agencies and/or providers to improve collaboration around the early identification of medical/dental/mental problems.
9. Developing strategies to assess or increase the cost effectiveness of school medical/dental/mental health programs.
10. Defining the relationship of each agency's Medicaid services to one another.
11. Working with Medicaid resources, such as the Medicaid agency and Medicaid managed care plans, to make good faith efforts to locate and develop EPSDT health services referral relationships.
12. Developing advisory or work groups of health professionals to provide consultation and advice regarding the delivery of health care services to the school populations.
13. Working with the Medicaid agency to identify, recruit and promote the enrollment of potential Medicaid providers.

14. Developing medical referral sources such as directories of Medicaid providers and managed care plans, which will provide services to targeted population groups, e.g., EPSDT children.
15. Coordinating with interagency committees to identify, promote and develop EPSDT services in the school system.

**Code 8. a. - Non-Medical/Medicaid Training – U**

This code should be used by LEA staff when coordinating, conducting or participating in training events and seminars for school-based services staff regarding the benefit of the programs other than the Medicaid program such as educational programs; for example, how to assist families to access the services of the relevant programs and how to more effectively refer students for those services. Include related paperwork, clerical activities or staff travel required to perform these activities. Examples include:

1. Participating in or coordinating training that improves the delivery of services for programs other than Medicaid.
2. Participating in or coordinating training that enhances IDEA child find programs.

**Code 8.b. - Medical/Medicaid Specific Training – PM/50 percent FFP**

This code should be used by LEA staff when coordinating, conducting or participating in training events and seminars for New Jersey DMAHS and MAC staff regarding the benefits of the Medicaid program, how to assist families in accessing Medicaid services, and how to more effectively refer students for services. Include related paperwork, clerical activities or staff travel required to perform these activities. Examples include:

1. Participating in or coordinating training that improves the delivery of medical/Medicaid related services.
2. Participating in or coordinating training that enhances early identification, intervention, and screening of students with special health needs to such services (e.g., Medicaid EPSDT services). (This is distinguished from IDEA child find programs.)

**Code 9.a. - Referral, Coordination and Monitoring of Non-Medicaid Services –U**

LEA staff should use this code when making referrals for coordinating and/or monitoring the delivery of non-medical, such as educational services. Include related paperwork, clerical activities or staff travel required to perform these activities. Examples include:

1. Making referrals for and coordinating access to social and educational services such as child care, employment, job training, and housing.
2. Making referrals for, coordinating, and/or monitoring the delivery of state education agency mandated child health screens (e.g., vision, hearing, and scoliosis).
3. Making referrals for, coordinating, and monitoring the delivery of scholastic, vocational, and other non-health related examinations.
4. Gathering any information that may be required in advance of these non-Medicaid related referrals.
5. Participating in a meeting/discussion to coordinate or review a student's need for scholastic, vocational, and non-health related services not covered by Medicaid.
6. Monitoring and evaluating the non-medical components of the individualized plan as appropriate.

Case Management - Note that case management as an administrative activity involves the facilitation of access and coordination of program services. Such activities may be provided under the term Case Management or may also be referred to as Referral, Coordination, and Monitoring of non-Medicaid Services.

Case management may also be provided as an integral part of the service and would be included in the service cost. School staff should use this code when making referrals for, coordinating, and/or monitoring the delivery of NON-Medicaid covered services.

**Code 9.b. - Referral, Coordination and Monitoring of Medicaid Services–PM/50 percent FFP**

School staff should use this code when making referrals for, coordinating, and/or monitoring the delivery of medical (Medicaid covered) services. Referral, coordination and monitoring activities related to services in an IEP are reported in this code. Activities that are part of a direct service are not claimable as an administrative activity. Furthermore, activities that are an integral part of or an extension of a medical service (e.g., patient follow-up, patient assessment, patient counseling, patient education, patient consultation, billing activities) should be reported under Code 4A - Direct Medical Services - Not Covered as IDEA/IEP Services, 4B- Direct Medical Services - Covered as IDEA/IEP Services or 4C- Direct Medical Services – Covered on a Medical Plan of Care, Not Covered as IDEA/IEP service. Examples include:

1. Identifying and referring adolescents who may be in need of Medicaid family planning services.
2. Making referrals for and/or coordinating medical or physical examinations and necessary medical/dental/mental health evaluations.
3. Making referrals for and/or scheduling EPSDT screens, interperiodic screens, and appropriate immunization, but NOT to include the state-mandated health services.
4. Referring students for necessary medical health, mental health, or substance abuse services covered by Medicaid.
5. Arranging for any Medicaid covered medical/dental/mental health diagnostic or treatment services that may be required as the result of a specifically identified medical/dental/mental health condition.
6. Gathering any information that may be required in advance of medical/dental/mental health referrals.
7. Participating in a meeting/discussion to coordinate or review a student's needs for health-related services covered by Medicaid.
8. Developing, coordinating, and monitoring the medical portion of the Individualized Education Program (IEP) for a student, which includes the medical portion of the actual IEP meetings with the parents, time spent developing the medical services plan on the IEP, and writing of the medical service goals of the IEP. (If appropriate, this would also refer to the same activities performed in support of an Individualized Family Service Plan (IFSP) or other medical plan.)
9. Providing follow-up contact to ensure that a child has received the prescribed medical/dental/mental health services covered by Medicaid.
10. Coordinating the delivery of community based medical/dental/mental health services for a child with special/severe health care needs.
11. Coordinating the completion of the prescribed services, termination of services, and the referral of the child to other Medicaid service providers as may be required to provide continuity of care.
12. Providing information to other staff on the child's related medical/dental/mental health services and plans.
13. Monitoring and evaluating the Medicaid service components of the IEP and/or medical plan as appropriate.
14. Coordinating medical/dental/mental health service provision with managed care plans as appropriate.

Note: A "referral" is considered appropriate when made to a provider who can provide the required service, will accept the student as a patient, and will accept the student's source of payment for services.

**Code 10. - General Administration – R**

Time study participants when performing activities that are not directly assignable to program activities should use this code. Include related paperwork, clerical activities or staff travel required to perform these activities. Note that certain functions such as, payroll, maintaining inventories, developing budgets, executive direction, etc., are considered overhead and, therefore, are only allowable through the application of an approved indirect cost rate.

Below are typical examples of general administrative activities, but they are not all inclusive.

1. Taking lunch, breaks, leave, or other paid time not at work.
2. Establishing goals and objectives of health-related programs as part of the school's annual or multi-year plan.
3. Reviewing school or district procedures and rules.
4. Attending or facilitating school or unit staff meetings, training, or board meetings.
5. Performing administrative or clerical activities related to general building or district functions or operations.
6. Providing general supervision of staff, including supervision of student teachers or classroom volunteers, and evaluation of employee performance.
7. Reviewing technical literature and research articles.
8. Other general administrative activities of a similar nature as listed above that cannot be specifically identified under other activity codes.

**Code 11. - Not Scheduled to Work – U**

This code should be used if the random moment occurs at a time when a part-time, temporary or contracted employee is not scheduled to be at work. Please note that full time school staff should not use this code.

Additional Attachments

**RMTS Coder Training PowerPoint**
http://education.ky.gov/specialed/Pages/School-Based-Medicaid-Services.aspx
**KY Screenshots for Web-based RMTS**
http://education.ky.gov/specialed/Pages/School-Based-Medicaid-Services.aspx
**SBAC Training Guide for Participants**
http://education.ky.gov/specialed/Pages/School-Based-Medicaid-Services.aspx