

MEDICAID ADMINISTRATIVE CLAIMING AND DIRECT SERVICE BILLING



South Dakota Association of School
Business Officials 2015 Fall Conference
September 23, 2015

AGENDA

- Introductions
- School District Workgroup
- Medicaid Administrative Claiming (MAC) Program
 - South Dakota MAC Overview
 - Pilot Time Study Results
 - Staff Pool List Cleanup
 - RMTS Clarity
 - Quarterly Financials
- Medicaid Direct Service Billing
 - Direct Service Overview
 - Direct Services Rates
 - Certification of Public Expenditures
 - Cost Settlement

SCHOOL DISTRICT WORKGROUP

- Formed to provide the South Dakota Department of Social Services with input re: Admin Claiming and Direct Service programs.
- Representative of districts and cooperatives.
- Meetings:
 - March 26, 2015
 - June 30, 2015

WORKGROUP MEMBERS

Angela Arlt
Lennox

Ann Schwartz
DSS

Brett Burditt
Meade

Dean Kueter
Cornbelt Educational Cooperative

Doug Dix
DSS

Holly Nagel
Chamberlain

Kelly Christopherson
Huron

Kendra Sandquist
McLaughlin

Mary Duncan
Rapid City

Pam Ondricek
DSS

Roxanne Clark
Alcester-Hudson

Sarah Aker
DSS

Todd Vik
Sioux Falls

Tom Janish
Aberdeen

**MEDICAID
ADMINISTRATIVE
CLAIMING (MAC)
PROGRAM**

SOUTH DAKOTA MAC OVERVIEW

SD MAC OVERVIEW

The Medicaid Administrative Claiming Program (MAC) offers reimbursement for the costs of the administrative activities that are in support of the Medicaid State Plan and that support efforts to identify and enroll potentially eligible persons into Medicaid.

Medicaid Outreach
(Informing Potential
Eligibles)

Facilitating Medicaid
Applications and
Enrollment

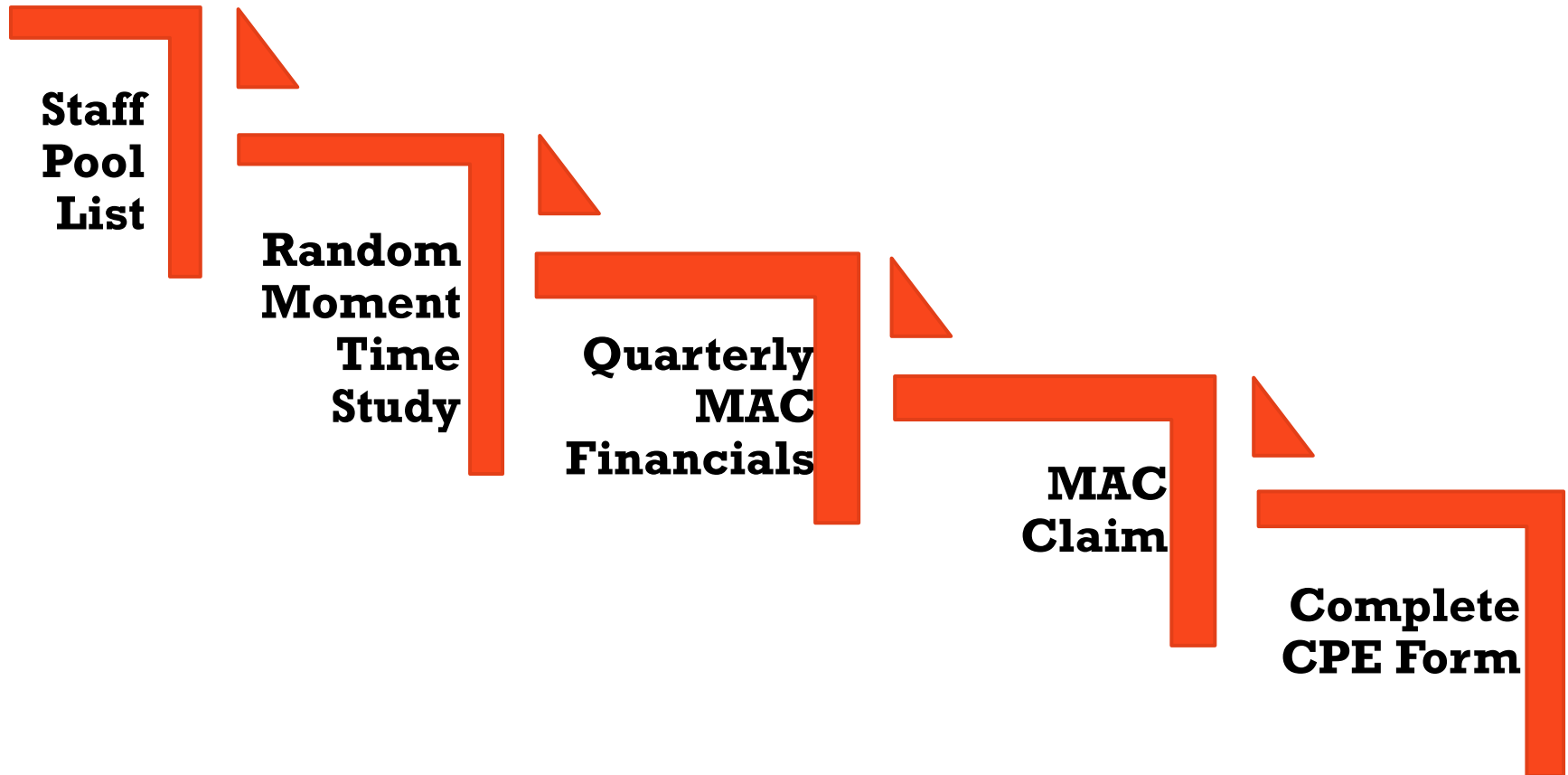
Health Service
Referrals, Care
Coordination, Follow
Up and Monitoring

Health Care-Related
Program Planning,
Policy Development
and Coordination

Arranging
Transportation
Services to Medicaid
Services

*Arranging and
Providing*
Translation (Oral,
Sign Language,
Braille Transcription)
Regarding Medicaid
Services, Outreach
and Enrollment

SD MAC PROCESS



STAFF POOL LIST (SPL) BASICS

- **Definition of Staff Pool List (SPL):**

 - the list of district staff who will participate in the statewide SD MAC Random Moment Time Study (RMTS)

- Consider each person individually and include employees and contracted staff that perform **MAC-related activities** as part their job duties.

- Do not include anyone who is 100% federally funded.

RANDOM MOMENT TIME STUDY

6,400 Moments Per Quarter

- Completed by randomly selected SPL participants
- Survey about 1 minute in time



Identify Time
Spent on MAC
Activities

MAC REIMBURSEMENT AMOUNTS

Statewide
RMTS
Results



District
Financials



Medicaid
Eligibility
Rates



Indirect
Cost
Rates



MAC
Claim

PILOT TIME STUDY RESULTS

TARGETED STAFF POOL LIST PILOT

- Seven districts volunteered to participate in a Targeted Staff Pool List Time Study Pilot.
- Each district created a “targeted” staff pool list which only included staff members that were routinely engaged in MAC reimbursable activities.
- Each district removed large portions of their staff pool list, on average about 40%.

The Pilot was for the
Administrative Cost Pool **only**.

PILOT TIME STUDY RESULTS

- 800 moments were assigned over three weeks: April 22 through May 13.

Pilot Time Study Results

Activity Code	Total
3 - Academic	567
4 - Direct Medical Services	12
6B - Medical/Medicaid Translation	1
8A - Non-Medicaid Training	1
8B - Medical/Medicaid Training	2
9A - Non-Medicaid Coordination	2
9B - Medical/Medicaid Coordination	15
10 - General Administration	128
Total Working Moments	728
Reimbursable Moments	18
Reimbursable Time %	2.47%

PILOT TIME STUDY RESULTS (CONTINUED)

- The Pilot Time Study had a higher percentage of reimbursable moments

April 22 through May 13

Code	Time Study Pilot	Actual Time Study
	Moments	Moments
3 - Academic	567	1408
4 - Direct Medical Services	12	21
6B - Medical/Medicaid Translation	1	
7A - Non-Medicaid Program Planning		3
8A - Non-Medicaid Training	1	6
8B - Medical/Medicaid Training	2	2
9A - Non-Medicaid Coordination	2	
9B - Medical/Medicaid Coordination	15	4
10 - General Administration	128	232
Total Working Moments	728	1676
Reimbursable Moments	18	6
Reimbursable Time %	2.47%	0.36%

PILOT TIME STUDY CLAIM RESULTS

- For the Pilot Time Study,
 - SPL size decreased by 41%
 - Total costs decreased by 41%
 - Claim amounts **increased** by 203%

	Admin Cost Pool Claim Estimate: Actual AJ15 Time Study Results			Admin Cost Pool Claim Estimate: Pilot Time Study Results			Comparison		
Districts	Actual AJ15 SPL Count	Actual JM15 Costs	Net Claim with AJ15 TS Results	Pilot SPL Count	Pilot Costs	Net Claim with Pilot costs and Pilot TS Results	SPL Size % Change	Costs % Change	Claim % Change
Grand Total	2893	\$41,999,045.41	\$64,102.34	1710	\$24,799,117.73	\$194,463.80	-41%	-41%	203%

- Pilot results were positive, but pilot was limited in scope; DSS cannot guarantee that the claim will increase by 203%.
- School District Workgroup recommended a survey to gauge interest in statewide implementation or additional pilot.
- 78% of districts recommended moving forward with statewide implementation.

STAFF POOL LIST CLEANUP

STAFF POOL LIST CLEANUP RESULTS

12,772

number of Admin Cost Pool staff before cleanup

6,507

number of Admin Cost Pool staff after cleanup

44%

average Admin Cost Pool staff pool list reduction per district

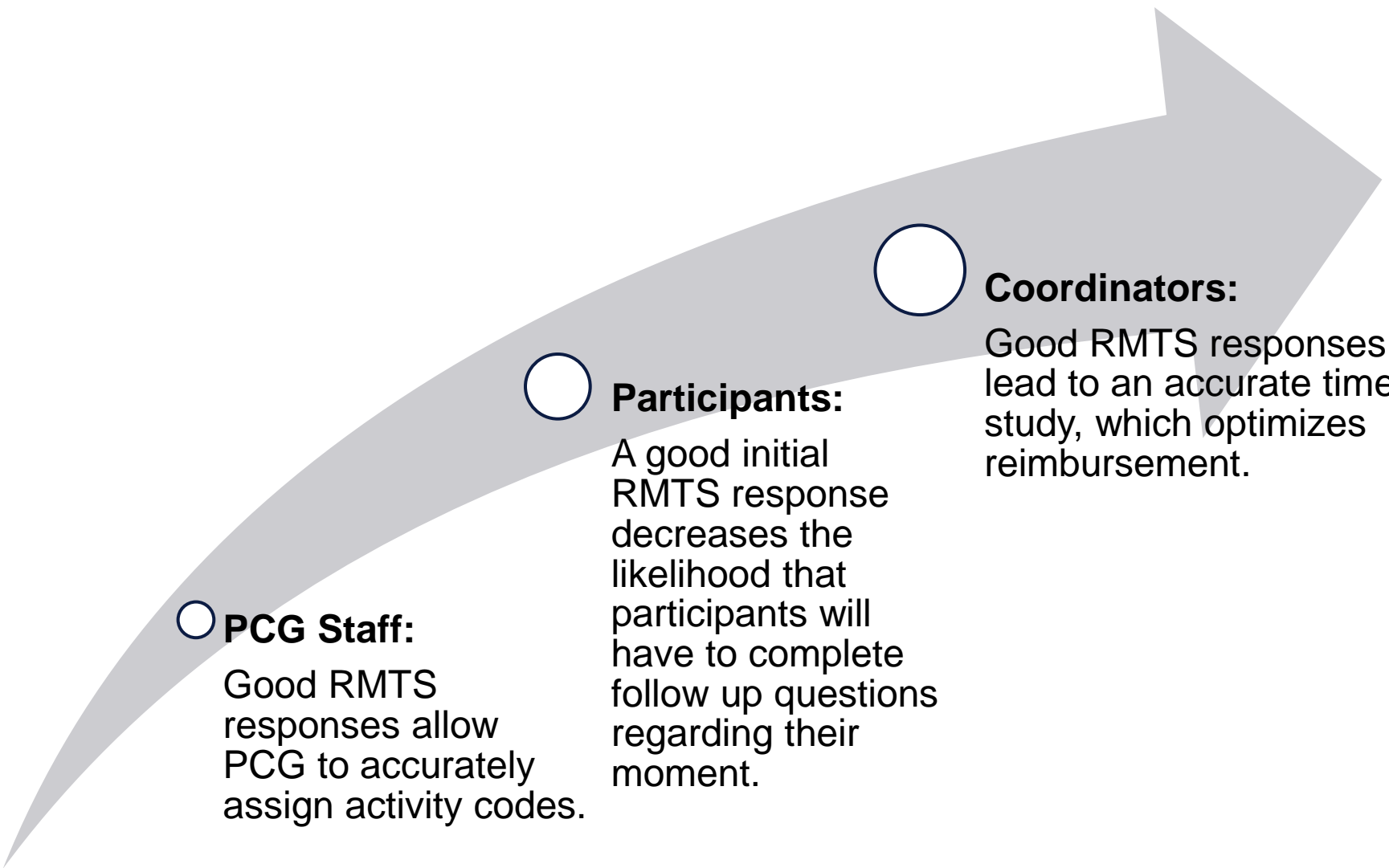
IMPROVING RMTS CLARITY

TIME STUDY QUESTIONS

- Who was with you? Indicate classifications (Teachers, Speech Therapist, Student, Parent, etc.) rather than names.
- Describe in detail the specific activity you were doing during the exact minute indicated in the time study.
- Describe in detail, excluding the fact that it is likely included in your job function, why you were doing this activity.
- Is the activity you were doing, as described above, with or on behalf of a student that has an IEP or IFSP?
- If the answer to 4 is yes, please indicate if the activity you were doing is a requirement in the student's IEP or IFSP. Select N/A if the answer to 4 is No or N/A.

A sampled moment is one minute at the assigned time.

HIGH QUALITY TIME STUDY RESPONSES BENEFIT EVERYONE



PCG Staff:
Good RMTS responses allow PCG to accurately assign activity codes.

Participants:
A good initial RMTS response decreases the likelihood that participants will have to complete follow up questions regarding their moment.

Coordinators:
Good RMTS responses lead to an accurate time study, which optimizes reimbursement.

ASSIGNING ACTIVITY CODES TO RMTS RESPONSES

1. PCG staff read every RMTS response that participants submit.
2. After reading the response, PCG staff must assign a code to the activity described in each response.

MOMENT FOLLOW-UP

- If the participant's response is vague or incomplete, PCG follows up with the participant.
- This essentially doubles the work of the participant:
 - Additional emails are sent
 - The participant has to answer additional questions about their moment

On average, PCG follows up on 356 moments per quarter.

MOMENT FOLLOW-UP (CONTINUED)

- If participants do not respond to their follow up request:
 - Three RMTS follow up reminders are sent at three day intervals.
 - The coordinator is CC'ed on the second reminder notifying them that the participant has not yet responded
- If the participant does not respond to PCG's follow up or the response is still unclear, the sample moment must be coded as a non-reimbursable moment.

TIME STUDY RESULTS AND THE CLAIM

- Coded RMTS responses identify the percentage of time participating staff (statewide) spend on reimbursable activities.
- Each District's reimbursement is based on the statewide percentage of time spent on reimbursable activities.
- To have an accurate time study, it is essential each district maintains high RMTS Compliance. At a minimum, districts are expected to achieve 85% compliance
- Participants should complete moments as quickly as possible: within 24 hours is ideal

RMTS COMPLIANCE POLICY

- School District Workgroup recommended a compliance policy to ensure each district knows expectations for participation.
- Each participating school district is expected to maintain a 90% response rate.
 - If for any quarter the response rate drops below 85% in addition to receiving email messages, the superintendent will receive a letter from DSS warning that the district is jeopardizing all schools' ability to recover Medicaid funds.
 - Consecutive non-compliance for 2 or more quarters, without extraordinary circumstances as determined by DSS, will result in the district being eliminated from participating in the next quarters claim.
- Extraordinary circumstances will be determined by DSS, taking into consideration:
 - Significant personal issues (medical issues, maternity leave, serious personal problems), installation of a new accounting software/system that prevented access to financial data, fire, flood, blizzard, very small number of moments, etc.

QUARTERLY FINANCIALS

PAID HOURS

- Beginning with the July – September 2015 Quarterly Financials, everyone needs to report Paid Hours:

Paid Hours:

458

Salary:

11950.26

FEDERAL FUNDS REPORTING

■ Federal Funds

- MAC is a federal reimbursement program.
 - Be sure to appropriately report federal funds.
 - You cannot use federal funds to earn more federal funds.
- Report full salaries and benefits, then use the 'Amount Funded with Federal Dollars' field to report federal funds
- The system will deduct the reported federal funds

Salaries:	5000	} Full Salary and Benefits
Benefits:	1000	
Offsets		
Amount Funded with Federal Dollars:	2000	} Amount Paid with Federal Funds
Gross Costs:	\$6,000.00	} State and Local Portion
Net Costs:	\$4,000.00	

ALLOWABLE COSTS

- Salaries (Expenditure Object Code 100)
 - Include all compensation for the employee
- Benefits (Expenditure Object Code 200)
 - Include only the district's portion (health, life, retirement, dental, etc.)
- Contracted Staff Costs (Expenditure Object Code 300)
- Direct Support Staff
 - Clerical, Administrative or Secretarial staff who are NOT on the staff pool list and are providing support for someone who IS on the staff pool list
- The following Other Costs can be included:
 - Staff travel and training (Expenditure Function Code 2000)
 - Staff professional dues and fees (Expenditure Function Code 2000)
 - Materials and supplies (Expenditure Object Code 400)
 - Tuition Costs for private placements (Sub-object Code 370)

Note: Other Costs should be related to the MAC program and must tie back to specific people/positions on the staff pool list.

ALLOWABLE AND NON-ALLOWABLE COSTS

- Costs must be submitted on a cash-basis accounting.
 - Allowable costs
 - Salaries
 - Benefits
 - Contracted Staff Costs
 - Other Costs
 - Direct Support Staff Costs
 - Non-allowable costs
 - Federal Funds
 - State Flow through Funds (federal funds coming from the state)
 - Costs included in the Indirect Cost Rate
 - Double Dipping
 - Academic/Athletic Related Other Costs
- } These costs **must** be associated with people on your staff pool list.

UPCOMING QUARTERLY FINANCIAL DATES

Date	Item
October 1, 2015	July – Sept 2015 Quarterly Financial Collection Opens
November 13, 2015	July – Sept 2015 Quarterly Financials Due

Warning: Districts that are late to submit Quarterly Financials may be excluded from the July – September 2015 Claim.

QUARTERLY FINANCIALS COMPLIANCE POLICY

- School District Workgroup recommended a compliance policy to ensure each district knows expectations for participation.
- Each participating school district is expected to submit Staff Pool Lists and Quarterly Financial Information by the initial due dates.
 - On the day following the due date, DSS/PCG will email the district with a warning that a one-week deadline extension has been granted for this quarter only.
 - The district will be excluded from the quarterly claim if the data is not received by the end of the one week extension unless DSS determines extraordinary circumstances exist.
- Extraordinary circumstances will be determined DSS taking into consideration but not limited to:
 - Significant personal issues (medical issues, maternity leave, serious personal problems), installation of a new accounting software/system that prevented access to financial data, fire, flood, blizzard, very small number of moments, etc.

CONTACT PCG

sdmac@pcgus.com

(877) 427-3706

**MEDICAID
DIRECT SERVICE
BILLING**

MEDICAID DIRECT SERVICES

- Direct Medicaid Services in School Districts are described in [ARSD § 67:16:37](#).
- Services are limited to:
 - Psychological Services
 - Physical Therapy Services
 - Occupational Therapy Services
 - Speech Therapy Services
 - Audiology Services
 - Nursing Services
- All services must be within the provider's scope of practice and medically necessary.

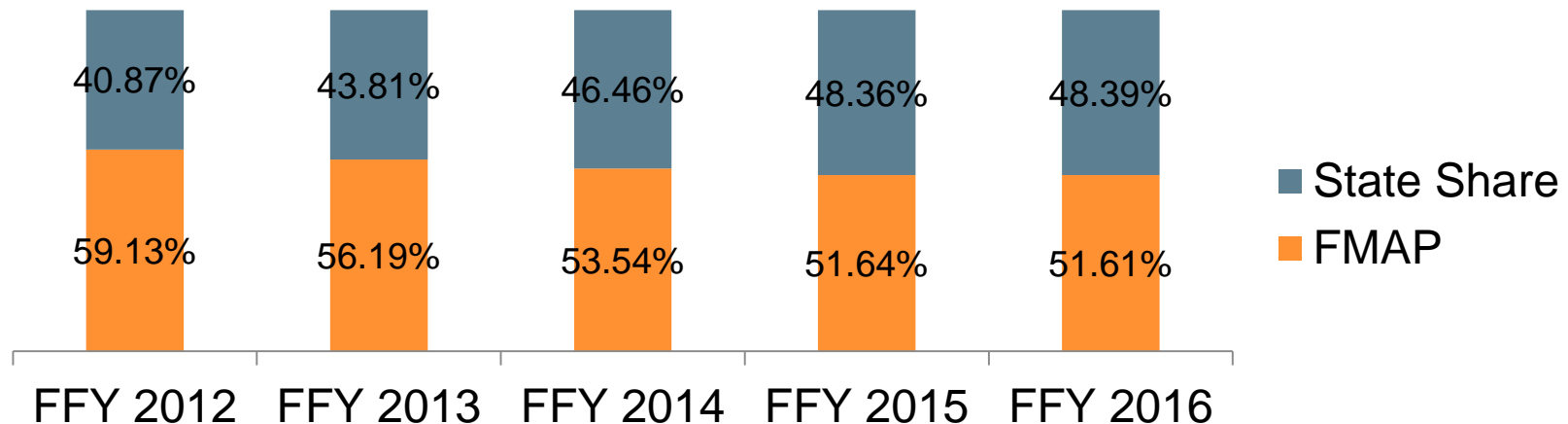
DIRECT SERVICE RATES

DIRECT SERVICE RATES

- School districts receive the federal share of the rate on file with the Department per ARSD 67:16:37:12.

WHAT IS THE FEDERAL SHARE?

- The federal share is also known as the **Federal Medical Assistance Percentage (FMAP)**.
- The FMAP is the percentage of each Medicaid service that is paid by the federal government. Federal funds expended in Medicaid must be matched by non-federal funds.



CERTIFICATION OF PUBLIC EXPENDITURES

CERTIFICATION OF PUBLIC EXPENDITURES

- For the School Based Administration program schools have been and will continue to certify the non-federal portion of claimed amount each quarter.
- DSS has recently been examining CPE documentation requirements in other service areas to ensure compliance.
- Identified need for additional documentation for CPE in the School District Direct Service program, beginning with the services paid during the quarter ending 09/30/2015. PCG will assist with collection of the certification letters.

COST SETTLEMENT

COST SETTLEMENT

- Certified Public Expenditures requires the reconciliation between payment and cost.
- On an annual basis DSS will perform a reconciliation between the prospective rate paid and the actual cost, with a subsequent cost settlement.
 - Reconciliation during Sept 2016 for 2015-2016 school year
- The reconciliation will utilize the cost and hours paid information reported on PCG MAC website.
- It will be important for districts to provide timely information for the reconciliations to occur, as future reimbursements will not be able to occur until the previous reconciliation is completed.

RESOURCES

Phone Resources

- **Medicaid IVR & Telephone Service Unit:** 1-800-452-7691
 - Eligibility Questions, Claim Questions
- **Provider Enrollment:** 1-866-718-0084
- **Other Medicaid Questions:** 605-773-3495

Online Resources

- **Administrative Rule of South Dakota:**
<http://legis.sd.gov/rules>
 - Service & Provider Requirements
- **South Dakota Medicaid Website:**
<http://dss.sd.gov/medicaid/providers/>
Provider Billing Manuals
- **South Dakota Medicaid Listserv:**
<http://dss.sd.gov/medicaid/contact/ListServ.aspx>

THANK YOU