



School Based Medicaid in Kansas

Fact Sheet

Special Education and Title Services

General Information

- The Medicaid program, established in 1965 under Title XXI of the Social Security Act is jointly funded by the federal and state governments.
- 1968 Congress made changes to Medicaid statute to allow schools to claim Medicaid reimbursement for some school based related services.
- Kansas Department of Health and Environment Division (KDHE) of Health Care Finance is the state's Medicaid program that administers the school based Medicaid program in Kansas.

Reimbursement

Types of Services

Services covered under Kansas State Plan Amendment include; specialized transportation (only cost based reconciliation), nursing services, occupational therapy, physical therapy, speech language and hearing services, psychology, and social work services.

Cost Based Settlement

In this reimbursement model, school agencies receive periodic "interim" payments during the school year from the state Medicaid agency. These interim payments reimburse the school agency for providing the required school Medicaid services. At the end of a State Fiscal Year, school agencies calculate the total costs they incurred to deliver the services. The agency's actual costs are then compared to the total interim payments paid during the fiscal year. If the total allowable actual costs are greater than the interim payments made, there is an additional settlement reimbursement made to the school district. If the total allowable costs are less than interim payments made, the difference is recaptured by the Medicaid agency.

School District Administrative Claiming (SDAC)

Administrative Claiming is a program that reimburses school agencies for providing Medicaid administrative activities. For example, activities could include scheduling and/or coordinating medical screens or mental health diagnostic services, attending an IEP meeting and discussing health related services, coordinating a meeting with school staff and parents to determine if mental health or educational evaluations are needed. The administrative activities are routinely performed by school employees and contracted staff in a school setting

Fee for Service

Each state establishes the Medicaid reimbursement rate for each billable service provided by the school agency. The school agency is reimbursed at the set rate for every service it provides regardless of its cost to provide the service. A school district can receive reimbursement for every Medicaid eligible service that is documented on the IEP or IFSP to support the education of a Medicaid eligible student. Reimbursement rates are based on the following: the cost of providing the service, review of reimbursement rates by private payers and a percentage of what Medicare pays for equivalent services.

Medicaid replacement state aid

A portion of special education services state aid appropriated as Medicaid replacement state aid for all districts using a formula based upon the number of children who received Medicaid services on March 1. (K.S.A. 72-998) This payment is included in the June 1 final payment to the districts.

Parental Consent and Notification under IDEA

As of July 1, 2013, the following regulations must be implemented regarding parental consent to access public benefits or insurance (e.g. Medicaid). The two requirements are:

- 1.) The public agency must notify parents in writing of a number of safeguards to protect their rights before the public agency accesses the child's or parent's public benefits or insurance to pay for services under the IDEA for the first time and annually thereafter. 34 CFR §300.154(d)(2)(v).
- 2.) The public agency must obtain a one-time written consent from the parent that meets the requirements of 34 CFR §99.30 and §300.622, and also specifies that the parent understands and agrees that the public agency may access the child's or parent's public benefits or insurance to pay for special education or related services under part 300 (services under the IDEA). 34 CFR §300.154(d)(2)(iv).

Terminology

Centers for Medicaid and Medicare Services (CMS) is an agency within the U.S. Department of Health & Human Services responsible for administration of several key federal health care programs, which includes Medicare and Medicaid.

Current Procedural Terminology (CPT) is the uniform codes and descriptions for medical procedures, including coding rules and guidelines published by the American Medical Association.

Family Educational Rights and Privacy Act (FERPA) is a federal law that protects the privacy of student education records and applies to all schools that receive funding from the U.S. Department of Education.

Federal Financial Participation (FFP) is funding contributed by the Federal government toward a State's Medicaid program costs.

Federal Medical Assistance Percentage (FMAP) is the percentage of a State Medicaid program's medical assistance expenditures reimbursed by the federal government. Also referred to as the "federal share" of the Medicaid Reimbursement.

Health Insurance Portability and Accountability Act (HIPAA) is federal law designed to provide privacy standards to protect patients' medical records and other health information provided to health plans, doctors, hospitals and other health care providers.

Kansas Department of Health and Environment, Division of Health Care Finance (KDHE) is the State of Kansas lead agency in coordinating School Based Medicaid services.

Public Consulting Group (PCG) is Kansas Department of Health and Environment (KDHE) Medicaid's contractor that administers the SDAC program.

State Plan Amendment (SPA) is the state's plan of providing services. States may at any time submit amendments to the State Plan in order to change the coverage of services or the payment rates for covered services to CMS.

Contact Information

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