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## **SECTION 5 - PARTICIPATION IN ADMINISTRATIVE CLAIMING**

In order for districts to participate in administrative claiming, they must complete a series of programmatic requirements. The recommended order of these program steps, and a detailed explanation of each may be found in this manual. The success of administrative claiming in a district is dependent upon completion of each of the following steps:

- Step #1 District Commitment to Missouri's Medicaid Agenda (reference Section 5.1)
- Step #2 Sign an Interagency Agreement (reference Section 5.2)
- Step #3 Methodology and Activity Codes (reference Section 5.3)
- Step #4 Time Study Methodology (reference Section 5.4)
- Step #5 Prepare a Claim for Payment (reference Section 5.5)
- Step #6 Program Monitoring (reference Section 5.6)

### **5.1 STEP #1—DISTRICT COMMITMENT TO MISSOURI'S MEDICAID HEALTH CARE AGENDA**

To effectively implement the program in a district at least two primary supports exist: (a) the board of education endorses and actively promotes the effort within the community; and (b) the administration provides the leadership and supports required. With these supports in place, the district's activities and the goals of the program will be compatible.

Although it may not be readily apparent, all schools currently play a role in their communities as health care providers. Missouri schools are required by state statute to determine the immunization status of students, they perform certain activities that are associated with programs for students with disabilities, and they are involved in coordinating athletic physicals. Other health related activities surface as a result of concern by various staff members who expand their roles based upon their professional training and/or empathy for students and their families, (e.g., nurses talking with family practitioners, counselors interacting with family service workers, and so forth).

The scope and depth of a unified health care role of a school district should not be a patchwork of activities with little purpose, organization or predictability. School districts, appropriate community leaders, parents, human service agencies and others should determine the needs which exist in their communities, and provide a network which supports the delivery of primary and preventive health care for all children. Having determined such needs, the school may define the scope and depth of efforts which will be directed at the need, based upon the district's resources to respond, recognizing that its primary duty is that of providing a quality education to all students. A quality education is easier to provide to students who are in regular attendance and are healthy and properly nourished.

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Schools and school districts interested in participating in administrative claiming must begin with policy and executive leaders (i.e., the board of education and top administrative staff) identifying the scope and depth of the health care role which is desirable and possible for the district to play. Consideration must be given to its resources and commitment and to the needs of its students.

Districts considering participation in the program are encouraged to evaluate their current commitment to assisting students with their health care needs by using the following continuum. This evaluation should be done not only by district insiders, but should include members of the community who work with children and are concerned with their health care needs. The continuum reads:

1. Our district is very active in all areas of student health promotion and provides access to primary and preventive health care, when needed. We regularly interact with health care providers in the community for the purpose of coordinating student health care.
2. Our district views parents as having the primary role. We interact with community health care providers on an "as needed" basis for individual students.
3. Our district considers parents to be the primary health care managers. We contact them or other health care providers on an emergency basis only.

Having first answered the broader question of "What is the district's commitment?", the identification of the actual activities and resources directed to achieve the desired role will uncover any discrepancies which may exist between intentions and actions.

Schools should assess the program of health care services provided by the school and compare them with the allowable and billable services available to Medicaid beneficiaries through the program. The following is a list of the reimbursable activities that will assist the district in choosing the staff to be included in the sample pool. *Reimbursement is not made for the actual Medicaid service, but is for the arrangement and/or coordination for the service.*

### **Outreach to Children and Families to Access Medicaid**

- Facilitating an Application for Medicaid Programs
- Program Planning, Policy Development and Interagency Coordination Related to Medical Services
- Referral, Coordination and Monitoring of Medicaid Services

A more detailed explanation of each of these activities is provided later in this manual. These are the types of activities that a district must provide in order to participate in the program.

## 5.2 STEP #2—SIGN AN INTERAGENCY AGREEMENT

Participation in administrative claiming involves a contractual relationship between the Missouri Department of Social Services, Division of Medical Services and a school district. This contract or interagency agreement binds the Department of Social Services and a school district's board of education in a relationship whereby the Department is obligated to reimburse the school district when it performs certain claimable activities.

The interagency agreement explains the objectives of the program and the respective responsibilities of the parties to the agreement. The obligations of a school district, as specified in the interagency agreement, are essentially those of providing outreach, making referrals and coordinating service delivery on behalf of Medicaid beneficiaries. The interagency agreement lists the allowable administrative activities for which school districts will be reimbursed and specifies that all claims will be in accordance with OMB Circular A-87, the State Medicaid Plan and all Federally approved public assistance cost allocation plans.

The federal government requires that interagency agreements include:

- The mutual objectives and responsibilities of all parties to the agreement;
- The activities or services each party offers and under what circumstances;
- The specific activity codes (by reference or inclusion) approved by Centers for Medicare and Medicaid Services (CMS) for administrative costs that will be claimed;
- The specific description and methodology (by reference or inclusion) approved by Centers for Medicare and Medicaid Services (CMS) for building the claim for administrative costs;
- The cooperative and collaborative relationships at the State and local levels; and
- The methods for payment or reimbursement, exchange of reports and documentation, and continuous liaison between the parties, including designation of State and local liaison staff.

Once a school district submits a signed interagency agreement to the Department of Social Services, it will be approved by the state agency. When approved, a copy will be returned to the district. School districts must sign and submit an interagency agreement for approval before conducting staff training or participating in the time study activity.

Interagency agreements for the School District Administrative Claiming (SDAC) program are open ended, but may be canceled at any time by either party after giving a thirty day notice. Districts interested in continuing in the program after the term of a current agreement should contact the Department of Social Services, Division of Medical Services, prior to the expiration date of the current agreement. Please note that the SDAC program is an ongoing program and districts may sign up to participate in future quarters, however, reimbursement is not retroactive.

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Districts currently participating in the ACM program may continue their participation under this methodology should they choose or may convert to the SDAC methodology. Districts with a current ACM agreement will be allowed to renew this agreement once a year. Districts not currently participating in the ACM methodology will not be permitted to enroll under ACM, but are encouraged to enroll under SDAC.

A school district representative who is interested in implementing the SDAC or renewal of the ACM program should request a copy of the interagency agreement by writing or calling the Division of Medical Services. Inquiries should be addressed as follows:

Division of Medical Services  
Program Operations Unit  
P.O. Box 6500  
Jefferson City, MO 65102-6500  
(573) 751-9290

Sample interagency agreements for SDAC and ACM can be found in Attachments A and B.

### **5.3 STEP #3—METHODOLOGY AND ACTIVITY CODES**

#### **5.3.A SDAC**

##### **5.3.A(1) Introduction**

After a district submits its interagency agreement for approval, the Division of Medical Services' policy unit, or it's agent will contact the school district to provide technical assistance to assure compliance with the statewide methodology stated below. The statewide methodology is an in-depth explanation of procedures to be used to implement the SDAC program.

The interagency agreement will assure that the statewide methodology has been adopted by the school district. It is important to keep in mind that no time study activities will be considered valid prior to the effective date of an interagency agreement.

Some students enrolled in school districts receive services per Individualized Education Programs (IEPs) which are reimbursable under the State's Healthy Children and Youth Program (HCY), aka EPSDT. Among the students receiving such services (occupational therapy, physical therapy and speech therapy, among others) there are many who are eligible for Medicaid benefits and others who may be eligible but for whom an application has not been made.

The student population enrolled in these programs includes children who require direct medical and/or therapeutic services.

This section describes the procedures that the school district will use in its implementation of the SDAC Program.

### **5.3.A(2) Operating Principles**

#### **Proper and Efficient Administration**

The cost of any activities are allowable and reimbursable under Medicaid, if the activities are “found necessary by the Secretary for the proper and efficient administration of the plan” (referring to the Medicaid State Plan), according to section 1903(a)(7) of the Social Security Act and the implementing regulations at 42 CFR 430.1 and 42 CFR 431.15. Additionally, OMB Circular A-87, which contains the cost principles for State, Local and Indian Tribal Governments for the administration of Federal awards, provides that “Governmental units are responsible for the efficient and effective administration of Federal awards.” Under these provisions, costs must be reasonable and necessary for the operation of the governmental unit for ongoing participation in the Federal award.

The principle of proper and efficient administration has been applied in developing time study activity codes in that every activity an employee may potentially perform in a given day is represented by one of the activity codes.

#### **Time Study**

All school district employees who are involved in Medicaid administrative activities and support will participate in a random moment sample (RMS) as the preferred method of reporting time and effort. For more information on RMS see Random Moment Sampling in step 4.

#### **Coordination of Activities**

It is important that the local school district staff not knowingly perform activities that are already being offered or should be provided by the Division of Medicaid Services, State Department of Elementary and Secondary Education, managed care organizations, and other entities who are providing outreach, referral and assistance to Medicaid eligible and potentially eligible children and their families. School districts should constantly strive to become knowledgeable of Medicaid and health care resources in their communities and develop mechanisms to coordinate activities. As appropriate, this requires the close coordination between school districts, Division of Medical Services, Department of Elementary and Secondary Education, providers,



community and non-profit organizations, and other entities related to the activities performed.

### **IEP Related Activities**

IDEA provisions require school staff to perform a number of education related activities which can generally be characterized as child find, evaluation (initial) and reevaluation, and development of an Individualized Education Program (IEP). Schools are conducting the above activities for the purpose of fulfilling education-related mandates under IDEA; therefore, the associated costs of these activities are not allowable as administrative costs under SDAC.

### **Provider Participation in the Medicaid Program**

Administrative activities performed in support of medical services that are not coverable or reimbursable under the Medicaid program would not be allowable as Medicaid administration. In order for a medical service to be reimbursable, the provider furnishing such services must be participating in the Medicaid program and bill Medicaid for the service. It is not always administratively efficient for the schools to verify for each referral whether a provider is participating in the Medicaid program. The state has developed a provider participation rate in order to represent the percentage of referrals to participating providers.

## **5.3.B ACM**

### **5.3.B(1) Introduction**

School districts must submit the methodology document to the Division of Medical Services for approval within 30 days of signing the interagency agreement. The methodology document is an in-depth explanation of procedures to be used to implement the administrative case management program including the group of staff (cost pool) to participate, how often activities of staff will be documented (frequency of sampling), the staff training program, and how relevant data will be accumulated and validated.

All methodology documents should follow the same general outline. A school district should develop a methodology using the outline and the sample methodology in Attachment C. Please reference applicable sections of this manual when developing methodology. The sample methodology contains more description of what districts should include under each section of the methodology. There may be unique administrative features among districts that will require variation in developing methodologies, but most of the procedures should be common for all districts. A

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thorough description of each component of the administrative case management program specific to the district is important to the development of the methodology document.

After a district has completed its methodology document, a copy must be submitted to the following address:

Department of Social Services  
Division of Medical Services  
P.O. Box 6500  
Jefferson City, MO 65102-6500  
(573) 751-9290

A methodology must be updated as changes are made to the ACM program and are reflected in a memorandum or manual update.

**5.3.B(2) Operating Principles**

**Proper and Efficient Administration**

The cost of any activities are allowable and reimbursable under Medicaid, if the activities are “found necessary by the Secretary for the proper and efficient administration of the plan” (referring to the Medicaid State Plan), according to section 1903(a)(7) of the Social Security Act and the implementing regulations at 42 CFR 430.1 and 42 CFR 431.15. Additionally, OMB Circular A-87, which contains the cost principles for State, Local and Indian Tribal Governments for the administration of Federal awards, provides that “Governmental units are responsible for the efficient and effective administration of Federal awards.” Under these provisions, costs must be reasonable and necessary for the operation of the governmental unit for ongoing participation in the Federal award.

The principle of proper and efficient administration has been applied in developing time study activity codes in that every activity an employee may potentially perform in a given day is represented by one of the activity codes.

**Time Study**

All school district employees who are involved in Medicaid administrative activities and support will participate in a time study. Continuous logs will be the method of reporting time and effort. For more information on continuous logs time studies, see step 4.

### **Coordination of Activities**

It is important that the local school district staff not knowingly perform activities that are already being offered or should be provided by the Division of Medicaid Services, State Department of Elementary and Secondary Education, managed care organizations, and other entities who are providing outreach, referral and assistance to Medicaid eligible and potentially eligible children and their families. School districts should constantly strive to become knowledgeable of Medicaid and health care resources in their communities and develop mechanisms to coordinate activities. As appropriate, this requires the close coordination between school districts, Division of Medical Services, Department of Elementary and Secondary Education, providers, community and non-profit organizations, and other entities related to the activities performed.

### **IEP Related Activities**

IDEA provisions require school staff to perform a number of education related activities which can generally be characterized as child find, evaluation (initial) and reevaluation, and development of an Individualized Education Program (IEP). Schools are conducting the above activities for the purpose of fulfilling education-related mandates under IDEA; therefore, the associated costs of these activities are not allowable as administrative costs under ACM.

### **Provider Participation in the Medicaid Program**

Administrative activities performed in support of medical services that are not reimbursable under the Medicaid program would not be allowable as Medicaid administration. In order for a medical service to be reimbursable, the provider furnishing such services must be participating in the Medicaid program and bill Medicaid for the service. It is not always administratively efficient for the schools to verify for each referral whether a provider is participating in the Medicaid program. The state has developed a provider participation rate in order to represent the percentage of referrals to participating providers.

## **5.3.C SDAC and ACM**

### **5.3.C(1) Activity Codes: Description And Examples**

When staff perform duties related to the proper administration of the State's Medicaid program, Federal funds may be drawn as reimbursement for the costs of providing these administrative services. To identify the cost of providing these services, a random moment time study of staff will be conducted. The time study identifies the

time spent on Medicaid administrative activities that are allowable and reimbursable under the Medicaid program. The following is the coding scheme that will be used by the State of Missouri when reporting these activities.

**Application of FFP rate**

50 % Refers to an activity which is allowable as administration under the Medicaid program and claimable at the 50 percent non-enhanced FFP rate.

**Code 1.a: Non-Medicaid Outreach**

Use this code when performing activities that inform eligible or potentially eligible individuals about non-Medicaid social (Food Stamps and Title IV-E), vocational, general health 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. Includes related paperwork, clerical activities or staff travel required to perform these activities.

Examples:

- Scheduling and promoting activities which educate individuals about the benefits of healthy life-styles and practices;
- Conducting general health education programs or campaigns addressed to the general population;
- Conducting outreach campaigns directed toward encouraging persons to access social, educational, legal or other services not covered by Medicaid;
- Assisting in early identification of children with special medical/dental/mental health needs through various child find activities;
- and Outreach activities in support of programs which are 100 percent funded by State general revenue.

**Code 1.b: Medicaid Outreach**

Use this code when performing specific activities to inform eligible individuals about Medicaid benefits and how to access the program. Information includes a combination of oral and written methods that describe the range of services available through Medicaid.

Examples:



- Interpreting materials about Medicaid to persons with children within the school district boundaries who are illiterate, blind, deaf, or who cannot understand the English language;
- Informing foster care providers of foster children residing within school district boundaries about the Medicaid and EPSDT program;
- Informing Medicaid eligible pregnant students about the availability of EPSDT services for children under the age of 21 (including children who are eligible as newborns);
- Utilizing brochures approved by the Division of Medical Services, designed to effectively inform eligible individuals about the benefits Early and Periodic Screening, Diagnosis and Treatment (EPSDT) program and services, and about how and where to obtain services;
- Providing information about EPSDT in the schools that will help identify medical conditions that can be corrected or ameliorated by services covered through Medicaid;
- Informing children and their families about the early diagnosis and treatment services for medical/mental health conditions that are available through the Medicaid program; and
- Facilitating access to Medicaid when a staff member knows that a child does not have appropriate health care, this does not include child find activities directed to identifying children with educational handicapping conditions.

**Code 2.a: Facilitating an Application to Non-Medicaid Programs**

Use this code when assisting an individual or family to make application for programs such as TANF, Food Stamps, WIC, day care, legal aid, and other social or educational programs and referring them to the appropriate agency to make application. Both written and oral methods may be used.

Examples:

- Explaining the eligibility process for non-Medicaid programs;
- Assisting the individual or family in collecting/gathering information and documents for the non-Medicaid program application;
- Assisting the individual or family in completing the application;
- Developing and verifying initial and continuing eligibility for the Free and Reduced Lunch Program; and

- Providing necessary forms and packaging all forms in preparation for the Non-Medicaid eligibility determination.

**Code 2.b: Facilitating Medicaid Eligibility Determination**

Use this code when assisting children and families in establishing Medicaid eligibility, by making referrals to the Family Support Division for eligibility determination, assisting the applicant in the completion of the Medicaid application forms, collecting information, and assisting in reporting any required changes affecting eligibility. Includes related paperwork, clerical activities or staff travel required to perform these activities.

Examples:

- Referring an individual or family to the local assistance office to make an application for Medicaid benefits;
- Explaining the Medicaid eligibility process to prospective applicants;
- Providing assistance to the individual or family in collecting required information and documents for the Medicaid application; and
- Assisting the individual or family in completing the Medicaid application.

**Code 3: School Related and Educational Activities**

Use this code when performing any other school-related activities that are not Medicaid related, such as social services, educational services, 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:

- Providing classroom instruction (including lesson planning);
- Testing, correcting papers;
- Developing, coordinating, and monitoring the Individualized Education Plan (IEP) for a student, which includes ensuring annual reviews of the IEP are conducted, parental sign-offs are obtained, and the actual IEP meetings with the parents;
- Compiling attendance reports;
- Reviewing the education record for students who are new to the school district;
- Providing general supervision of students (e.g., playground, lunchroom);

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- Providing individualized instruction (e.g., math concepts) to a special education student;
- Conducting external relations related to school educational issues/matters;
- Activities related to the immunization requirements for school attendance;
- Enrolling new students or obtaining registration information;
- Conferring with students or parents about discipline, academic matters or other school related issues;
- Participating in or presenting training related to curriculum or instruction (e.g., language arts workshop, computer instruction);
- Providing Individuals With Disabilities Education Act (IDEA) mandated child find activities.; and

**Code 4: Direct Medical Services**

Use this code when providing direct health care, treatment, and/or counseling services including mental health assessments and evaluations to an individual in order to correct or ameliorate a specific condition. This code also includes administrative activities that are an integral part of or extension of a medical service (e.g., patient follow -up, patient assessment, patient counseling, patient education, parent consultations, billing activities). This code also includes all related paperwork, clerical activities, or staff travel required to perform these activities.

Examples:

- Providing health/mental health services contained in an IEP;
- Medical/health assessment and evaluation as part of the development of an IEP;
- Conducting medical/health assessments/evaluations and diagnostic testing and preparing related reports;
- Providing health care/personal aide services;
- Providing speech, occupational, physical and other therapies;
- Administering first aid, or prescribed injection or medication to a student;
- Providing direct clinical/treatment services;
- Providing counseling services to treat health, mental health, or substance abuse conditions;
- Performing routine or mandated child health screens including but not limited to vision, hearing, dental, and EPSDT screens;

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- Providing immunizations;
- Targeted Case Management provided or covered as a medical service under Medicaid; and
- Activities which are services or components of services listed in the State's Medicaid plan.

**Code 5.a: Transportation for Non-Medicaid Services**

This code should be used by school staff 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 activities.

Examples:

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

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

This code should be used by school staff 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.

Examples:

- Scheduling or arranging transportation to Medicaid covered services.

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

This code should be used by school staff when providing translation service for non-Medicaid activities. Include related paperwork, clerical activities or staff travel required to perform the activities.

Examples:

- Arranging for or providing translation services (oral or signing services) that assist the individual to access and understand social, educational, and vocational services;
- 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, scoliosis) and general health education outreach campaigns intended for the student population; and

- Developing translation materials that assist individuals to access and understand social, educational, and vocational services.

**Code 6.b Translation Related to Medicaid Services**

This code should be used by school staff when it is not included and paid for as part of a medical assistance service and must be provided with by separate units or separate employees performing solely translation functions for the school and it must facilitate access to Medicaid covered services. Please note that a school district does not need to have a separate administrative claiming unit for translation. Include related paperwork, clerical activities or staff travel required to perform these activities.

**Examples:**

- Arranging for or providing translation services (oral or signing) that assist the individual to access and understand necessary care or treatment covered by Medicaid; and
- Developing translation materials that assist individuals to access and understand necessary care or treatment covered by Medicaid.

**Code 7.a: Program Planning, Policy Development, And Interagency**

**Coordination Related To Non-Medical Services**

This code should be used by school staff when performing activities associated with the development of strategies to improve the coordination and delivery of non-medical services to school age children. Non-medical services may include social services, educational services, and state or state education mandated child health screenings provided to the general school population. Only employees whose position descriptions include program planning, policy development, and interagency coordination may use this code. Include related paperwork, clerical activities or staff travel required to perform these activities.

**Examples**

- Identifying gaps or duplication of non-medical services to school age children and developing strategies to improve the delivery and coordination of these services;
- Developing strategies to assess or increase the capacity of non-medical school programs;



- Monitoring the non-medical delivery systems in schools;
- Developing procedures for tracking families' requests for assistance with non-medical services and providers;
- Evaluating the need for non-medical services in relation to specific populations or geographic areas;
- Analyzing non-medical data related to a specific program, population, or geographic area;
- 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;
- Defining the relationship of each agency's non-medical service to one another;
- Developing advisory or work groups of professionals to provide consultation and advice regarding the delivery of non-medical services and state mandated health screening to the school populations;
- Developing medical referral sources; and
- 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**

This code should be used by school staff when performing activities associated with the development of strategies to improve the coordination and delivery of Medicaid covered medical/dental/mental health services to school age children, and when performing collaborative activities with other agencies and/or providers. 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:**

- Developing strategies to assess or increase the capacity of school medical/dental/mental health programs;
- Monitoring the medical/dental/mental health delivery systems in schools;
- Developing procedures for tracking families' requests for assistance with medical/dental/mental health services and providers, including Medicaid. (This does not include the actual tracking of requests for Medicaid services);



- Evaluating the need for medical/dental/mental health services in relation to specific populations or geographic areas;
- Analyzing Medicaid data related to a specific program, population, or geographic area;
- Working with other agencies providing medical/dental/mental health services to improve the coordination and delivery of services, to expand access to specific populations of Medicaid eligible, and to improve collaboration around the early identification of medical problems;
- Working with other agencies and/or providers to improve collaboration around the early identification of medical/dental/mental problems;
- Developing strategies to assess or increase the cost effectiveness of school medical/dental/mental health programs;
- 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;
- Developing advisory or work groups of health professionals to provide consultation and advice regarding the delivery of health care services to the school populations;
- Developing medical referral sources such as directories of Medicaid providers and managed care plans, who will provide services to targeted population groups, e.g., EPSDT children;
- Coordinating with interagency committees to identify, promote and develop EPSDT services in the school system;
- Identifying gaps or duplication of medical/dental/mental health services to school age children and developing strategies to improve the delivery and coordination of these services; and
- Working with Division of Medical Services to identify, recruit and promote the enrollment of potential Medicaid providers.

**Code 8.a      Non-Medical/Non-Medicaid Related Training**

This code should be used by school staff when coordinating, conduction, or participating in training events and seminars for outreach staff regarding the benefit of the programs other than the Medicaid program. For example, training may include how to assist families to access the services of education 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:

- Participating in or coordination training that improves the delivery of services for programs other than Medicaid; and
- Participating in or coordinating training that enhances IDEA child find programs.

**Code 8.b Medical/Medicaid Related Training**

This code should be used by school staff when coordinating, conduction, or participating in training events and seminars for outreach staff regarding the benefit of medical/Medicaid related services, how to assist families to access such services, and how to more effectively refer students for those services. Include related paperwork, clerical activities, or staff travel required to perform these activities.

Examples

- Participating in or coordination training that improves the delivery of medical/Medicaid related services;
- Participating in or coordinating training that enhances early identification, intervention, screening and referral of students with special health needs to such services (e.g., Medicaid EPSDT services); and
- Participating in training on administrative requirements related to medical/Medicaid services.

**Code 9.a: Referral, Coordination, And Monitoring Of Non-Medicaid Services**

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 necessary to perform these activities.

Examples

- Making referrals for and/or coordinating access to social and educational services such as child care, employment, job training, and;
- Making referrals for, coordinating, and/or monitoring the delivery of state education agency mandated child health screens;
- Making referrals for, coordinating, and/or monitoring the delivery of scholastic, vocational, and other non-health related examinations;
- Gathering any information that may be required in advance of these non-Medicaid related referrals;

- Participating in a meeting/discussion to coordinate or review a student’s needs for scholastic, vocational, and non-health related services not covered by Medicaid; and
- Monitoring and evaluating the non-medical components of the IEP as appropriate.

**Code 9.b: Referral, Coordination, And Monitoring Of Medicaid Services**

This code should be used 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 included in this code. Include related paperwork, clerical activities, or staff travel necessary to perform these activities.

- Identifying and referring adolescents who may be in need of Medicaid family planning services;
- Making specific medical referrals for and/or coordinating medical or physical examinations and necessary medical/dental/mental health evaluations;
- Making referrals for and/or scheduling EPSDT screens, interperiodic screens, and appropriate immunization, but NOT to include the state-mandated health services;
- Referring students for necessary medical health, mental health, or substance abuse services covered by Medicaid;
- 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;
- Gathering information that may be required in advance of these medical/dental/mental health referrals;
- Participating in a meeting/discussion to coordinate or review a student’s needs for health-related services covered by Medicaid;
- Providing follow-up contact to ensure that a child has received the prescribed medical/dental/mental health services;
- 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 for continuity of care;
- Providing information to other staff on the child’s related medical/dental/mental health services and plans;



- Monitoring and evaluating the Medicaid service components of the IEP as appropriate; and
- Coordinating the delivery of community based medical/dental/mental health services for children with special/severe health care needs.

**Code 10: General Administration**

Use this code when performing activities that are not directly assignable to program activities. Includes related paperwork, clerical activities or staff travel required to perform these activities.

Examples:

- Taking lunch, breaks, leave, or other paid time not at work;
- Establishing goals and objectives of health-related programs as part of the school’s annual or multi-year plan;
- Attending or facilitating school or unit staff meetings training, or board meetings;
- Reviewing school or district procedures and rules;
- Reviewing technical literature and research articles;
- Providing general supervision of staff, including supervision of student teachers or classroom volunteers, and evaluation or employee performance; and
- Performing other administrative or clerical activities related to general building or district functions or operations.

**5.4 STEP #4—TIME STUDY METHODOLOGY**

**5.4.A SDAC**

**5.4.A(1) Statewide Sample Pool**

All school districts in the state that wish to participate in the SDAC Program will be included in a statewide pool of staff from which a statistically valid random sample will be derived. The pool of staff from each school district will then be aggregated to a statewide personnel pool.

Although there will always be differences in the scope and level of involvement in administrative activities across school districts, implementation of a statewide time study process, development of a statewide sample pool and implementation of an on-

going, standardized training program will assure the overall reporting consistency of the program.

DMS, it's agent, and DESE will work with school districts to identify the appropriate staff for inclusion in the sample pool. Staff from all participating school districts will be combined into a single sample pool.

The benefits of one large sample pool include:

- A larger sample population, which would allow for more days and more employees to be sampled in a quarter. This will increase the statistical accuracy of the time study and will decrease the burden placed on each individual employee;
- Assurance of a uniform and proportional random selection sampling process;
- Assurance that only appropriate staff are included in the time study;
- Improved participation by small school districts without the burden of conducting their own time study; and
- A statewide understanding of activity codes that will be enforced through a comprehensive training program, resulting in more accurate responses across all districts.

#### **5.4.A(2) Random Moment Sampling**

All school district employees who are involved in Medicaid activities and support, participate in a random moment sample as the preferred method of reporting time and effort.

The use of Random Moment Sampling is a federally accepted method for tracking employee time within organization. According to the latest revisions of OMB Circular A-87 and the accompanying implementation guide ASMB C-10, "*..a statistical reporting system (e.g. random moment sampling) should be considered for employees working in dynamic situations (performing many different types of activities on a variety of programs over a short period of time).*" The RMS methodology is designed to comply with current federal reporting requirements and is flexible enough to be used in any organization where there is a need to accurately record employee time and effort.

The RMS process starts with the creation of a sample consisting of several thousand randomly selected "moments". Each moment is defined as a specific one-minute unit of a specific day. The total universe of moments from which the selection is made is defined by the total number of minutes available in a given calendar quarter. The total

universe for the quarter is then reduced by the exclusion of weekends, holidays and hours during which employees are not scheduled to work. From the remaining available minutes, each randomly selected minute is then matched up with a randomly selected name from the sample pool. 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 virtually guarantees the "randomness" of the selection process. At the prescribed moment, each sampled employee is asked to record his/her activity for that particular minute. As the thousands of moments and their related activities are recorded, a statistically valid distribution of staff time across all activities is produced.

Random moment sampling is particularly useful, because:

- It greatly reduces the amount of staff time needed to record an individual employee's activities;
- It uses a verifiable, statistically valid random sampling technique that produces accurate labor distribution results without the burden of recording, compiling, analyzing and summarizing time sheet information; and the software used to generate the sample and record the results produces standardized reports that will reduce and simplify the necessary claim review process for both DMS and Centers for Medicare and Medicaid Services (CMS).

#### **5.4.A(3) Time Study Participants**

The implementation of a random moment sampling system will allow direct service staff to participate in the administrative claiming process and eliminate the extensive time required to complete and compile time logs.

A random moment sampling system provides absolute assurance that costs associated with both direct services and administrative services are captured as discreet cost pools.

Examples of staff to be included in the statewide sample pool are as follows:

- Employees who refer, coordinate and monitor the delivery of health care services;
- Any employee involved in linking the child and family to an ongoing health care delivery system; and
- Any employee involved in building and sustaining state and local partnerships for the delivery of medical and dental services.



Appropriate staff will be chosen by each school district based upon function and duties not on job title.

The pool group will be chosen at the school district level and aggregated at the statewide level. All staff, who are identified by a school district, who, as part of their routine work functions are engaged in outreach, referral, linkage and coordination activities will be included in the sample pool. This will include long-term substitute staff, contracted staff and new staff who will be trained prior their inclusion in the quarterly sampling. In the preparation of the quarterly invoices, federal dollars will be excluded.

Typically, the sample pool may include but is not be limited to:

- Speech-Language Pathologists and Speech-Language Pathology Assistants
- Audiologists and Audiology Assistants
- Occupational Therapists and Occupational Therapy Assistants
- Physical Therapists and Physical Therapy Assistants
- Social Workers
- Psychologists
- Counselors
- Diagnosticians
- Physicians
- Registered Nurses, Licensed Practical Nurses and School Health Aides
- Interpreters
- Orientation and Mobility Specialists
- Bilingual Specialists
- Program and Staffing Specialists
- Administrators for Special Education
- Student Services Personnel
- Augmentative Specialists
- Dietitians
- Respiratory Therapists
- Liaisons for Special Education

- Other school district staff who routinely engage in Medicaid reimbursable administrative activities

The sample pool is a group of personnel who coordinate various Medicaid reimbursable services to students. The expenses of this group are central to the SDAC reimbursement formula. Any staff member, regardless of job description, may be included in the cost pool. However, the district should be prepared to document and justify the placement of each staff position in the sample pool. For example, classroom teachers would generally not be expected to have time to do Medicaid administration in addition to educational duties. However, if the district can demonstrate that classroom teachers regularly engage in SDAC activities, inclusion in the sample pool may be appropriate.

A program coordinator will be responsible for validating the activities of the sample pool members. This must be done to justify inclusion of staff in the cost pool. A school district will reevaluate the appropriateness of sample pool staff before the beginning of each calendar quarter.

#### **5.4.A(4) Frequency of Time Study Samples**

The sampling period is defined as the same three-month period comprising each quarter of the federal calendar. The RMS software produces a random selection of observation moments concurrent with the entire reporting period, which are paired with randomly selected members of the designated staff population. The sampling frame is constructed to provide each staff person in the pool with an equal opportunity, or chance, to be included in each sample observation. Sampling occurs with replacement, so that after a staff person and a moment are selected, the staff person is returned to the potential sampling universe. Therefore, each staff person has the same chance as any other person to be selected for each observation, which ensures true independence of sample moments.

The RMS assigns moments over the course of a quarter to obtain the statistically valid sample at 95 percent or higher confidence level for 5 percent error limit.

#### **5.4.A(5) Summer Time Studies**

There are two methodologies for the summer quarter (i.e., July – September) based on payment of salaries by the districts. The methodologies are based on whether the salary and costs paid during the summer months reflecting activities performed during the regular school year or whether the salary and costs paid during the summer months reflect activities actually performed during the summer months. These methodologies are further described below.

**Methodology 1:** For district personnel, including outreach personnel, who work a nine-month school year but have their salaries prorated over a twelve-month period, the RMS applied would be the average of the three immediately preceding quarters. The time study results from the three quarters immediately preceding (e.g. October - December, January - March and April - June) will be averaged to determine the summer quarter time study results. This approach represents the outreach activities performed by school district personnel and the actual costs incurred by a school district during the summer quarter.

For example, if in the October - December Quarter Activity A resulted in a 4% time allocation, January - March Quarter Activity A resulted in a 3% time allocation, and the same Activity A for the April - June Quarter was 5%, then the summer quarter's time allocation for Activity A would be 4%. Please note that with the exception of the averaging of the time study percentages, all of the remaining methodology associated with calculating a summer claim is the same as for the other three-quarters.

**Methodology 2:** For district personnel, including outreach personnel, who perform activities during the summer quarter, a time study is required. The RMS for the summer quarter will follow the same time study methodology described previously in this manual.

#### **5.4.A(6) Staff Training**

Staff training will occur as needed on a quarterly basis to assure that all new staff are fully aware of the processes, procedures and the operational definitions of the sample activities.

In addition, staff must be familiar with the sampling methodology and understand how to complete the approved sampling instruments utilized to collect claiming data. In order to ensure that staff acquire required knowledge and skills, school district staff must participate in training that accomplishes both an understanding of the definitions of all activities that staff participate in during the day. This will include detailed training regarding completing the sampling instrument. Training must be provided prior to collection of data for each claiming period until all employees and contract staff representing the sampling pools have been trained

Periodic staff education is essential to proper administration of the SDAC program. Without proper in-service training and a feedback mechanism, the data collected and used to generate billable charges will have little, if any, validity or reliability. Absent, such districts could not substantiate their charges and some or all funds paid would likely be disallowed and recouped. The procedures herein are intended to assure the

development of a complete, valid and reliable record of employee time and effort regarding program billings.

The objective of training staff for participation in the cost pool is to teach them:

1. The goals and structure of the SDAC Program.
2. The specific meaning of each category of activity in their particular context.
3. The importance of the accuracy of their time sample completion.

It is important that district staff understand what SDAC, outreach to children, and wellness education means to them. Training should help staff understand and accept the purpose of the time study and enable them to accurately mark their activity if sampled. Each member should know the meaning of each time code with respect to their particular duties, and should mark the appropriate code.

Staff education will be provided at several key times:

1. Initially when the program begins in the district;
2. At least yearly thereafter for all staff;
3. Prior to the time a new staff member is to be sampled; and
4. When the results of the time study indicate that one or more people in the sample pool may not be responding correctly. At least one hour of training will be provided each year to each staff member included in the sample pool.

Training will include a definition of each of the categories of activity that are represented on the observation form. The extended operational definitions of each category will be incorporated into various training materials (e.g., a teaching lesson, overheads) which will be used to educate staff. Training materials will be revised periodically to reflect changes in the duties included in the categories of activity or when Medicaid policy changes dictate modification. When the materials are completed, the initial training for the entire sample pool must be scheduled. Training for this program should be treated as regular in-service time with a designated time set aside and all members of the sample pool being required to attend. Districts will develop a method of documenting who attended each training session for audit purposes. This can be accomplished by having participants sign in at each training session. Individual training and retraining will also be documented.

DMS or its agent will have primary responsibility to assure that all sample pool participants are trained prior to sampling regarding the RMS observation form including how to accurately complete the form and the definition and examples of all

activities. The agent will work very closely with the Division of Medical Services Provider Education staff in all training activities.

#### **5.4.A(7) Data Accumulation, Maintenance and Validation**

The DMS and school districts will be responsible for the following oversight and support/maintenance functions.

- Quarterly updates to the sample universe to reflect all relevant personnel (school districts);
- Coordination of RMS process (school districts);
- Implementation of quality control reviews of completed observation forms (school districts);
- Analyzing and summarizing sample results to ensure appropriate application to various cost objectives (DMS, school districts);
- Provision of monthly standardized and uniform sources of Medicaid eligibility rate data to be used (by averaging for the quarter) by school districts in computing the proration factors (DMS);
- Provision of a standardized and uniform source for the provider participation rate data to be used in invoicing (DMS); and
- Provision of quarterly financial data to be used in preparation of the claim (school districts).

Once the random sample has been generated, the sample is printed on master and location control lists for sample administration purposes, and as observation forms for collecting the observation data. A statewide RMS administrator (DMS or its agent) distributes the appropriate control lists and observation forms to designated school district RMS coordinator at some time prior to the beginning of the reporting period. Each sampled moment is identified on its respective control list in chronological order by the name of the staff person to be sampled and the date and time at which the observation should take place.

The master list is used by the school district RMS coordinator to monitor the status of each observation form so that appropriate follow-up calls can be made for delinquent observations or missing data. The location control listing is distributed to the local RMS coordinators. The coordinator at each location is responsible for ensuring that a copy of the observation form and instructions are distributed to sampled staff just prior (no sooner than 2 days) to the time at which observation data is to be collected. The

completed sample observations are returned to the statewide RMS administrator, generally on a weekly basis, for data entry and tabulation.

#### **5.4.A(8) Observation Form Validation**

In order to establish the validity of the Missouri Random Moment Sample observation form the following process will be implemented.

The validity of the random moment sample observation data collected during our sampling process is monitored in four specific ways.

First, the observation instrument itself contains a list of check boxes and activity descriptions that sampled staff use to identify the activity they are performing at the time of their observation moment. The observation form also contains a description line upon which sampled staff provide a brief, written description of what they are doing. The written description, assumed to be more accurate than the 'check box', is compared to the activity box that was checked to confirm that the two data elements are consistent with one another. Any forms that are marked inconsistently are returned to the person originally completing the form for the necessary corrections.

The second method used is the creation of a randomly selected, software generated, validation sample. Typically, ten percent of the total number of observations generated is randomly flagged as a 'validation' sample. As observation data is collected by the RMS administrator, the results obtained for the validation sample are tabulated and compared to the results for the total sample.

Third, a ten (10%) random sample of all random moments for a given quarter will be selected to have the coordinator verify by phone or in person that the sampled staff person accurately completed the observation form. The selected moments will be 'flagged'. The form will state 'YES' in the Validate field. The coordinator will initial the form signifying the 'validation' and accurate completion of the form.

The fourth, and most significant, method employed in the sampling process is the calculation of the standard error for each activity code measured, assuming the desired 95% confidence level as required by OMB-A87. This information is produced each quarter as a standard report that is generated by the RMS software. This report documents the actual standard error for each activity measured at the 95% confidence level to establish that the standard error is within the acceptable range of +/- 2%.

For activities with expected rates of occurrence of less than five percent, precision tolerance is reduced to +/- 5% (five percent). The confidence level, however, remains at 95% (ninety-five percent) regardless of the expected rate of occurrence.

## 5.4.B ACM

### 5.4.B(1) Continuous Log

The program administrator, support staff, or other school staff who spend a large proportion of their time with Medicaid program administration may choose to log continuous time.

Program administration staff may engage in certain Medicaid program functions in addition to those activities described on the logging sheet. Examples of program administration are selection and development of the cost pool, training the cost pool about the Medicaid ACM program, selecting the days for time study by random sampling methods, distribution and collection of time studies, validation of time studies, and review and validation of continuous logs. These activities must be described in a continuous daily log and the calculation of reimbursement is reported on the worksheet and invoice. This cost is not reduced by the percentage of Medicaid eligibles because it reflects overall administration of the Medicaid ACM program for the district. When program administration staff also engage in any case management activities, this time must be reported on the invoice, where it is reduced by the Medicaid eligibility statistic.

Direct service staff (physical therapists, occupational therapists, speech therapists, or psychology/counseling staff, whether or not they are enrolled as Medicaid providers) must log time continuously if the district plans to bill for Medicaid administration time for these individuals. The logs must clearly describe each 15 minutes of activity, so that time spent in provision of direct services and non-Medicaid school related time, may be clearly separated from allowable Medicaid administrative activity. Direct service time, which is not billable under ACM but may be billable to Medicaid under the appropriate service program, includes actual time spent with a child providing the service and related activity, such as documenting the progress or completing any paperwork associated with the service.

A daily log is kept and a brief descriptive narrative entry is made in 15 minute increments when participating in Medicaid program administration. Claims will reflect the total hours spent in Medicaid activity multiplying an hourly cost.

### 5.4.B(2) Determine the Cost Pool

The cost pool is a group of personnel who coordinate various Medicaid reimbursable services to students. The expenses of this group are central to the administrative case management reimbursement formula. Any staff member, regardless of job description, may be included in the cost pool. However, the district should be prepared to

document and justify the placement of each staff position in the cost pool. For example, classroom teachers would generally not be expected to have time to do Medicaid administration in addition to educational duties. However, if your district can demonstrate that classroom teachers regularly engage in ACM, inclusion in the cost pool may be appropriate. The program coordinator will be responsible for validating time study results and the activities of the cost pool members. This must be done to justify inclusion of staff in the cost pool. The cost pool does not have to include all persons who perform ACM reimbursable activities. Schools may select only certain staff among those performing billable activities for the cost pool. Only staff who complete the time study may be included in the cost pool. A school district may elect to change the cost pool over time. For example, a school may decide that a particular staff member continually logs very little Medicaid reimbursable time, or staffing changes may occur.

#### **5.4.B(3) Conduct a Time Study**

Following the training of staff to participate in the time study, the methodology should include all activities associated with developing documentation to establish the time study cost allocation statistic (i.e., a statistic which represents the average percentage of time a cost pool spends in activities reimbursable by the Medicaid EPSDT administrative case management program). This statistic is derived via the following time study procedure.

The purpose of conducting a time study is to determine the types of activities in which select staff engage in during the time of charting, and the time that they spend performing these activities. Establishing a valid estimate of time staff is involved in billable activities is based upon taking samples of their activities in sufficient frequency. A sample log sheet may be found in Attachment D. The frequency of sampling or how staff activities are documented is a major area of consideration, especially for schools that may have small cost pools. An alternate to sampling is the maintenance of continuous logs of staff activities. This method, however, is quite time consuming.

The statistical standard applied to sampling for the ACM program is a .05 percent confidence level of the sample mean resulting from the time study reflects the population mean of the cost pool's behavior.

The population for sampling is considered to be the product of the number of contract days in the period of inspection and an unduplicated count of the staff in the cost pool. The timeframe for sampling is quarterly with staff logging done each of the three full quarters during which schools are generally in session (October through December,



January through March, and April through June). Expenses for persons who continuously log would not be averaged for this quarter since you are billing their actual expenses. If they continuous log during the summer months, their actual expenses are billed for the quarter. It is important to note that a full three quarters of billing must be submitted for payment before a summer quarter may be submitted.

A table of the number of time study samples of the entire cost pool which must be taken during each quarterly period may be found in Attachment E. The number of time study loggings completed will meet or exceed the number specified in Medicaid program materials for each quarter. When planning the logging schedule, the district should review the school calendar and select the required number of days. The district's methodology should explain the process for selecting days so as to reflect randomness across the total group of days available during the period. The selection of days for sampling pool group activities will be made by first identifying all days during each month of the regular school term in which school will be in session. From this list of days, school administrators will select an approximately equal number of days each quarter to result in sufficient days each quarter to achieve the sampling frequency required. The days should be selected at random and not include any days during which an abnormal schedule is followed by persons in the cost pool group. The effect will be to provide a sampling of days during which the duties required of staff and the frequency of staff carrying out such duties is typical of their regular schedules. The method should exclude days which will not reflect typical behavior of the cost pool (e.g., the day before a holiday, the first day of school, etc.). However, it should include a selection of all the days in a week and not just days during which the count of billable time would be maximized.

Immediately prior to each logging, log sheets should be distributed with a reminder to staff to log on the designated day. Thereafter, completed sheets should be collected. Persons in the cost pool who are absent should log on the next day they return. If there are long-term substitutes for certain staff members (persons substituting for a quarter), they should be trained and participate in the logging process. Other appropriate arrangements should be made to attempt to have all members of the cost pool log at the required frequency. The objective is to accumulate the required number of samplings per cost pool member during the timeframe selected.

For example:

If the school district's cost pool has over 100 members, there are a minimum of three time study days which must be conducted per quarter (October - December, January - March, April - June). Each member of the cost pool must complete and turn in three time study logs (one for each time study day). If one of the time study logs for a cost

pool member reflects no billable ACM time, that log must still be counted as part of the time study average. DO NOT throw out zero time logs.

If, at the end of the quarter, ALL logs for a cost pool member show no billable ACM time, that person is removed from the cost pool (logs and expenses). At this time it should be considered whether or not to eliminate that person from the cost pool for the next quarter.

#### **5.4.B(4) Educate Staff**

Periodic staff education is essential to proper administration of the ACM program. Without proper in service and a feedback mechanism (to be described later), the data collected and used to generate billable charges will have little, if any, validity or reliability. Absent such, districts could not substantiate their charges and some or all funds paid would likely be disallowed and recouped. The procedures recommended herein and those which are to be included in the methodology are intended to assure the development of a complete, valid and reliable record of employee time and effort regarding program billings.

The objective of training staff for participation in the cost pool is to teach them:

1. The goals and structure of the ACM Program.
2. The specific meaning of each category of activity in their particular context.
3. The importance of the accuracy of their logging to the district's overall effort.

It is important that the cost pool staff realize what ACM, outreach to children, and wellness education means to them. Training should prepare the "cost pool" to understand and accept the purpose of the time study and to be able to accurately log their activities. In particular, loggings should be reliable in the sense a particular staff member would tend to log approximately the same percentage of their working hours each time a sample is taken (notwithstanding real variations in duties across days). Each member should know the meaning of each activity code with respect to their particular duties, and should log the activities appropriately.

Staff education must be provided at several key times: **1)** initially when the program begins in the district; **2)** yearly thereafter for all staff; **3)** prior to the time a new staff member is first asked to log time; and **4)** when the results of the time study indicate that one or more people in the cost pool may not be logging correctly. At least one hour of training will be provided each year to each staff member included in the cost pool.

Training must include a definition of each of the activity codes that should be represented on the logging sheet that must be completed during the time study. These definitions are described previously in this manual and a sample log may be found in Attachment D. The staff responsible for training must analyze the activity codes and develop an understanding of the meaning of each code, and thereafter, what specific duties of staff in the district should be classified within each code. These district-specific operational definitions of each code should be expanded into various training materials (e.g., a teaching lesson, overheads, practice materials and assessment tools) that will be used to educate staff. A logging sheet for use by staff must be developed. Training materials should be revised periodically to reflect changes in the duties included in the categories of activity. When the materials are completed, the initial training for the entire cost pool should be scheduled. Training for this program should be treated as regular in service time with a designated time set aside and all members of the cost pool being required to attend. Districts must develop a method of documenting who attended each training session for audit purposes. This can be accomplished by having participants sign in at each training session. Individual training and retraining must also be documented.

#### **5.4.B(5) Data Accumulation, Maintenance and Validation**

The DMS and school districts will be responsible for the following oversight and support/maintenance functions.

- Quarterly updates to the cost pool members to reflect all relevant personnel (school districts);
- Coordination of time study process (school districts);
- Implementation of quality control reviews of completed logs (school districts);
- Analyzing and summarizing sample results to ensure appropriate application to various cost objectives (DMS, school districts);
- Provision of a standardized and uniform source for the provider participation rate data to be used in invoicing (DMS); and
- Provision of quarterly financial data to be used in preparation of the claim (school districts).

#### **5.4.B(6) Validate Time Study Results**

Following each time study day, the resulting forms should be submitted to a central location and reviewed for errors, omissions, etc. All of these concerns should be

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reconciled as soon as possible. Once these steps are completed the analysis of the logging results may begin.

When using a computer database, each record reflecting a unique logging sheet must document the name of the staff member, their social security number or other unique identifier, a key which may be used to denote the type of position held (e.g., administrator, nurse and related staff, teacher, secretary, etc.), the date the logging sheet was completed, the minutes logged per the program categories, the total contract minutes per day for the staff member, and other data the district may desire. The database record structure will support further analysis and data merging with salary information.

The next step after having accumulated all the data from a day's logging is to analyze the data to illustrate whether logical relations exist among and within the logging of staff members. For example, listings may be developed with results sorted by type of staff member. In this type of review, the percentage of time which staff of like types report in billable categories should be similar. The reasons for considerable variation should be determined, and if associated with suspected unreliable or invalid logging behavior, should be addressed immediately and follow-up review should be conducted. Over time, results for one quarter should be compared with those of succeeding quarters for consistency. Inconsistencies should be inspected for appropriateness or indications of inaccurate practices by staff who are logging time.

*This analysis step is critical to documenting the validity of billings to the Medicaid agency. Lacking such, program auditors may not be able to document the bases for billings. This condition may result in subsequent denials, disallowances and retrospective recoupment of payments.*

Participating districts must accumulate various types of data in conjunction with the time studies in order to develop a verifiable billing to the Medicaid agency. In addition to the time study data for each employee or contractor, the school district must (a) collect salary and benefit data for each person in the study and (b) determine the percentage of Medicaid-eligible students in the district's total potential student population to whom case management services could be provided.

Time study data must be reviewed and validated as it is compiled for preparation of the invoice.

According to Medicaid regulations, the documentation accumulated for billings, including all completed time study forms, validation of the logging forms, salary and benefit data, information of Medicaid-eligible students, reports analyzing time study effort results, training materials for staff completing log sheets, rosters of staff



attending training, and other related material should be retained by the school districts for a period of five years after the current year in which the data were applicable. These data are essential to conducting periodic audits of billings. Lack of such documentation may lead to the disallowance of costs by the Medicaid agency and the school district could be forced to repay such costs.

**5.5 STEP #5—PREPARE A CLAIM FOR PAYMENT**

**5.5.A SDAC**

**5.5.A(1) Direct Cost Pool Expenses**

Staff whose costs are captured in the school district's federally approved unrestricted indirect cost allocation plan will not be included in the sampling process. Salary and associated expenses paid to employees from federal sources cannot be included in computing the cost base for SDAC billings. However, persons whose salaries are comprised of both federal funds and general funds may be included in time studies although their associated cost must be adjusted accordingly.

Full-time employees, part-time employees, and contracted employees who participate in SDAC activities will be included in the cost pool. Contracted employees who only provide direct services should not be included. Other costs to be reported include, the non-sampled supervisory and clerical staff that provides direct support exclusively to those sampled participants. If the non-sampled supervisory and clerical staff support other personnel that are not in the sampled group, then a portion of their costs must be allocated to the people they support. The costs that are reported should consist of actual expenditures for the quarter being sampled. Specific object codes to be included are, but are not limited to:

<b>Object</b>	<b>Description</b>
100	Salaries
200	Employee Benefits
300	Purchased Services
500	Materials and Supplies

Other expenditures for Training and Travel can also be included.

**5.5.A(2) Indirect Cost Pool Expenses**

Indirect costs will be included for each quarterly claim and will be determined using the indirect cost rates obtained from the most current Indirect Cost Allocation and

Certification Summary on file at the Department of Elementary and Secondary Education.

**5.5.A(3) Medicaid Percentage Rate for School Districts**

Certain sampled activities must be factored by the Medicaid eligible student population in each school district. Calculation of Medicaid student population can accomplished using the method described in this section.

Each school district will submit a student data file in a prescribed format to DMS or it's agent at the end of the first quarter of participation of the school year. The student data file will then be matched to the state Medicaid eligibility file. The Medicaid eligibility rate to be used in the invoice calculation will be the percentage rate derived from the above match.

School enrollment files must be updated by the school district annually and submitted to MAXIMUS prior to billing for SDAC. The school district must prepare a 3.5" diskette formatted with 3.0 DOS or greater (must be PC compatible) and place on it an ASCII file (not comma-delimited). The following is required format for the ASCII file:

Field				
Field	Name	Type	Width	Example
1	DOB	Character	8	(MM,DD,YYYY,) 12031980
2	LAST	Character	18	SMITH (all caps and left justified)
3	FIRST	Character	12	Same as above
4	SSN	Character	9	Include Characters in all nine positions
5	DCN	Character	8	Leave blank

Diskettes should be sent to:

MAXIMUS  
1949 Commonwealth Lane  
Tallahassee, FL 32303

**5.5.A(4) Provider Participation Rate**

Administrative activities performed in support of medical services that are not coverable or reimbursable under the Medicaid program would not be allowable as Medicaid administration. In order for a medical service to be reimbursable, the provider furnishing such services must be participating in the Medicaid program and bill Medicaid for the service. It is not always administratively efficient for the schools to verify for each referral whether a provider is participating in the Medicaid program. The state has developed a 'provider participation rate' in order to represent the

percentage of referrals to participating providers. Participating school districts will submit a list of providers the district refers students to for services to the DMS or its agent. This list will be used to determine the number of providers actively enrolled in the Medicaid program. The provider participation rate will then be calculated by dividing the number of enrolled providers referred by the number of total providers referred to for each district. This percentage will then be applied to the total claimable amount on the invoice.

#### **5.5.A(5) Invoicing**

Invoices will be submitted to the Division of Medical Services on a quarterly basis. Reimbursement will be made based upon the allowable costs for each school district. A sample invoice follows this section. The total cost from the school district expense report will be multiplied by the percentage of reimbursable activities determined by the random moment sampling process. The Medicaid eligibility rate and provider participation rate are applied to the costs and the FFP is calculated.

An example of an SDAC quarterly invoice can be found in Attachment F.

#### **5.5.A(6) Federal Disallowances**

Each school district is responsible for maintaining sufficient documentation to support all claims submitted to DMS. The school district must recognize the fact that the Centers for Medicare and Medicaid Services (CMS) may impose federal deferrals and disallowance for payments. These Federal actions may be taken when federal review reveals programmatic non-compliance. The school district is responsible for disallowance and shall incur the penalties of the disallowance resulting from SDAC. The school district shall return to the Department of Social Services any federal funds that are deferred and ultimately disallowed arising from administrative claims submitted by the Department of Social Services on behalf of the school district.

#### **5.5.A(7) Certification of Match**

The school district will include an annual certification stating that sufficient state funds are available to comply with Medicaid federal matching requirements. A copy of this form follows this chapter.

#### **5.5.A(8) Audit File**

Each participating school district will maintain a separate audit file for each quarter billed. The following documentation will be required:

Copies of signed original time study sheets

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- A copy of the summary of time study sheets
- Any computations or allocation used in reimbursement calculation
- A detailed listing of all revenues offset from the claim, by source
- A copy of the eligibility percentage computation
- Copies of all training materials given to staff
- Names of attendees and instructors for the training session given for that quarter
- A completed quarterly invoice
- Medicaid eligibility information obtained and used for invoice calculation
- Expense records used to determine district expenditures for invoice calculation including indirect cost information
- A copy of the warrant and remittance

**5.5.A(9) Records Retention**

The above audit files should be retained by each school district for a period of five years after each quarterly claim is filed to Medicaid, unless an on going audit or resolution of an audit exception is in process.

**5.5.B ACM**

**5.5.B(1) Direct Cost Pool Expenses**

Staff whose costs are captured in the school district's federally approved unrestricted indirect cost allocation plan will not be included in logging activities. Salary and benefits paid to employees from federal sources cannot be included in computing the salary base for administrative case management billings. However, persons whose salaries are comprised of federal funds may be included in time studies and have their time contributions reflected in the percentage of staff time spent in billable services.

Full-time employees, part-time employees, and contracted employees may be included in the cost pool. Contracted employees must be included at their hourly rate.

Direct Expenses: Included among the expenses for staff participating in the cost pool group are the following:

- Salary
- Benefits
- Social Security
- Medicare





- Long-term Disability
- Teacher/Other Retirement
- State Insurance (life and medical)

These amounts vary from year to year and will be adjusted accordingly and reflected in reimbursement claims.

Salary and benefits that are attributable to the administrative case management services will be apportioned according to the time study statistic derived for the study period during which expenses were incurred. Claims will reflect this apportionment and the proportion of Medicaid-approved students in the programs during the claiming period.

**5.5.B(2) Indirect Cost Pool Expenses**

Indirect costs will be included for each quarterly claim and will be determined using the indirect cost rates obtained from the most current Indirect Cost Allocation and Certification Summary on file at the Department of Elementary and Secondary Education.

**5.5.B(3) Invoicing**

The first step is to define a number of questions which, when answered, will support a simple calculation of the total charges to be billed to the Medicaid agency. The following are the data elements to be assembled following the end of each calendar quarter during which time studies were conducted (billings are to be submitted to the Division of Medical Services once per quarter):

1. Calculate the time study average: Logging forms will differ among districts; however, only the time of staff involved in the following activities should be included in the calculation of billable time:
  - Medicaid Outreach
  - Facilitating Medicaid Eligibility Determination
  - Transportation-Related Activities in Support of Medicaid Covered Services
  - Translation Related to Medicaid Services
  - Program Planning, Policy Development, and Interagency Coordination Related to Medical Services
  - Medical/Medicaid Related Training
  - Referral, Coordination, and Monitoring of Medicaid Services

Code options not listed above must be logged, but cannot be included in the calculation of billable time.

2. Eligibility: The school should have submitted student data through Infocrossing Healthcare Services on the Internet at [www.emomed.com](http://www.emomed.com) for eligibility determination during the quarter. This submission should be made on at least a quarterly basis. From this information the percentage of Medicaid students eligible for reimbursement of ACM services can be determined. Subtract from the total number of Medicaid beneficiaries the number of beneficiaries who are receiving some form of targeted case management. This step avoids duplication of payment for case management. After a child is referred to an entity for targeted case management, the child is no longer considered a part of the district's ACM population. The district will e-mail a list of all Medicaid numbers for students from the eligibility verification process that were determined Medicaid eligible to the Division of Medical Services (DMS). The DMS will calculate the number of eligible students who receive targeted case management services. This number will be e-mailed back to this district to subtract from the total number of eligibles in order to calculate an accurate Medicaid eligibility percentage. Once the district has prepared the invoice, a memo containing the total student population, number of Medicaid eligible and number receiving targeted case management will be e-mailed or faxed to the DMS for verification prior to the processing of the invoice.

For audit purposes, the district should maintain a listing of students in the entire population and be able to identify those students who were determined to be Medicaid eligible for the period.

3. Provider Participation Rate: Administrative activities performed in support of medical services that are not coverable or reimbursable under the Medicaid program would not be allowable as Medicaid administration. In order for a medical service to be reimbursable, the provider furnishing such services must be participating in the Medicaid program and bill Medicaid for the service. It is not always administratively efficient for the schools to verify for each referral whether a provider is participating in the Medicaid program. The state has developed a 'provider participation rate' in order to represent the percentage of referrals to participating providers. Participating school districts will submit to the DMS a list of providers the district refers students to for services. This list will be used to determine the number of providers actively enrolled in the Medicaid program. The provider participation rate will then be calculated by dividing the number of enrolled providers referred by the

number of total providers referred to for each district. This percentage will then be applied to the total claimable amount on the invoice.

4. Direct Costs: An amount that reflects the total of salaries and benefits during the quarter should be derived for those staff members in the cost pool. If a contractor provides services and logs applicable time, his salary should be the hourly rate multiplied by the hours during the quarter. In such cases, there are no benefits to be included. Personnel expenses that are paid by federal funds cannot be included in the cost data.

If there is a program administrator whose primary responsibilities involve administration of Medicaid services, the administrator must maintain a continuous log of services by 15-minute increments with appropriate description of activity completed and determine the number of hours spent in ACM reimbursable activities.

Direct Service staff must complete continuous logs in order to participate in the ACM program. They will maintain a continuous log of activities by 15-minute increments with appropriate description of activity completed and the program administrator must determine the number of hours spent in ACM reimbursable activities.

A school district must claim expenses for the quarter that is actual costs for the quarter. The method of billing by actual expenses is the amount paid out during a quarter for salary, benefits and an amount for indirect costs.

5. Indirect costs: Districts typically have a federally approved cost allocation plan which includes a percentage, called the unrestricted indirect cost percent, by which salaries and benefits are multiplied. The product of this reflects the "overhead" administrative expenses required to support the related personnel. The unrestricted indirect cost percentage is a component used in constructing the billing. Staff included in the indirect cost rate cannot participate in the ACM program.

When calculating the expenses for continuous logs, calculate each individual person separately (hourly rate times number of hours = total). The sum of each individual's total will be placed on the salary and benefits line on the invoice worksheet.

With these items in place, the district should refer to the invoice worksheet in Attachment G. All amounts and percentages calculated should be rounded to two decimal points.

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The worksheet describes the number of people in the cost pool, the number of sampling days, etc. Invoices that reflect insufficient samplings will be rejected for payment.

**5.6 STEP #6—PROGRAM MONITORING**

**5.6.A OVERVIEW**

Ongoing evaluation of the SDAC program is a federal requirement. The Department of Social Services (DSS) will have the lead in monitoring and quality control functions. DSS staff will provide direct supervision and assistance for these functions.

**5.6.A(1) Activities**

DSS will perform the following each quarter:

- Question up to 5% of the sampled school district staff to ascertain if the sampled participants understood the instructions on sampling time forms (the percentage may be reduced, as a time study history is compiled over time);
- Verify that the time study form turned in was completed by the individual who signed the form and that the activity was accurately reported at the correct sampled time (to the best of the employee’s knowledge); and
- If a portion of a sampled employee’s time is also billed as medical services, then the administrative time study results should be validated in part by comparing the time coded to direct medical services to the actual amount of hours billed directly. Any determination of double payment will be reimbursed to Centers for Medicare and Medicaid Services (CMS).
- Review 5% sampling of observation forms.
- Review cost pool staff and RMS selection process for two quarters per year.
- Review a select 1% sample of school districts participating during the prior quarter, and will produce the total school district student population data.

All contact with school district staff will be scheduled through the school district office and will be conducted in a manner that is not disruptive to the functioning of the staff and students.

**END OF SECTION**

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