
MEDICAID SCHOOL PROGRAM Information Bulletin, MSP-011

March 26, 2010

2011 Indirect Cost Recovery Plan

All treasurers should have received an email from Tracy Knowles of the Ohio Department of Education with attachments called "2011 Indirect Cost Recovery Plan". Under this plan, districts can annually submit detailed cost data and obtain a "Restricted Indirect Cost Rate" (ICR), that can be used to increase certain Federal grants, and a Medicaid Indirect Cost Rate that can be used to increase Medicaid School Program reimbursement. The potential problem is that for small and even medium sized districts with a low Medicaid Eligibility Rate (MER), it may not be cost effective when you compare possible minimal additional reimbursement against the amount of time involved in gathering the required information and doing the report. ODE estimates the report taking up to 10 hours to complete. We have seen an increase in districts' MSP ICR rate, and for a district with a high Medicaid Eligibility Rate, it may be worth the additional time to complete the report to get a higher MSP reimbursement. **It is not a requirement of the Medicaid School Program that a district have a Medicaid indirect cost rate.** Many districts may elect not to complete the report for 2011, until it can be determined the amount of actual additional Medicaid revenue an ICR would generate. The report has an initial due date of April 15, but an extension can be requested in writing.

Please contact Dan Thomas at teamhbs@aol.com, with any Indirect Cost Rate questions.

Random Moment Time Study (RMTS)

This is one of the most critical components of MSP in that the RMTS percentage is an integral part of the year-end cost report computation, and has a direct affect on all districts final MSP reimbursement. The data gathered through RMTS provides a statewide average of time spent performing direct service activities, administrative activities, and targeted case management activities.

The 4th quarter RMTS will begin April 1 and continue through June 30. If selected, district employed providers need to complete their moment. (Contracted providers are excluded from RMTS.) Even if you are a part-time provider not scheduled in the district on the date/time you have been selected, or if your district is experiencing a calamity day, please take the time to answer the three questions required to complete your moment.

It is better to at least answer the moment with non-reimbursable activities than to ignore it and not answer it at all. One of the requirements of MSP is to have a RMTS compliance rate of at least 85%. We were very pleased to hear from ODE that the RMTS compliance rate for 2nd quarter was 87.7%.

In addition, it is also important to notify HBS if you have providers on your RMTS list that go on medical leave, maternity leave, etc. If we know this, we can excuse them from any moments that they may receive during their absence.

For additional information or question regarding RMTS, contact Debbie Miller at dmiller@teamhbs.com.

Assessments/Re-assessments: Educational vs. Medical

One of the many questions that arose from the ODE/ODJFS video conferences held last year had to do with if an assessment completed by a school psychologist was billable under MSP. ODE's answer to that question was "Only an assessment that has a medical needs component (e.g., behavioral issues, mental health) is reimbursable. If the assessment relates purely to academics (e.g., intelligence, academic performance), the assessment is not reimbursable". After speaking with ODE, and ODE agreeing with the HBS explanation, here is what a psychologist needs to remember about assessments. In order for the assessment to be reimbursable, it must be part of the **ETR testing** for students with a **suspected disability**. The key here is "**ETR**" and "**suspected disability**". The ETR testing and suspected disability can only occur after the parent signs permission to do the ETR. Any testing prior to that would not qualify and any testing done outside of the ETR process would also not qualify. Therefore, any psychological testing done purely for the academic purposes would not be reimbursable under MSP.

MSP Electronic Documentation

On October 1, 2009, HBS launched their MSP electronic documentation system. Many districts are utilizing this form of MSP documentation, and expressed delight in the ease of completing their documentation requirements. We are still fine-tuning several enhancements to make it even easier for providers to utilize electronic documentation. HBS allows districts to submit documentation either on paper or electronically. There is no additional cost to use the electronic system. If you would like to schedule electronic documentation training for your providers, or schedule an electronic training refresher, please contact Debbie Miller at dmiller@teamhbs.com. Now would be a good time to schedule a training session during your in-service day(s) for the next school year.

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