

Understanding Medicaid Billing by School Districts

Presented by Holly Christopher, Medicaid Reimbursement Program Director & CFO
STELLAR THERAPY SERVICES



Stellar Therapy Services
assists school districts across the state of Tennessee
with implementing Medicaid Reimbursement Programs.
We currently provide administrative assistance to:

Bradley County Schools
Clarksville-Montgomery Schools
Cleveland City Schools
Cumberland County Schools
Decatur County Schools
Fentress County Schools
Franklin Special School District
Grainger County Schools
Greeneville City Schools
Hamilton County Schools
Hardin County Schools
Humphreys County Schools
Macon County Schools
Marshall County Schools
McMinn County Schools
McNairy County Schools
Metro-Nashville Public Schools
Morgan County Schools
Putnam County Schools
Rhea County Schools
Rogersville City Schools
Sequatchie County Schools
Sumner County Schools
Trousdale County Schools
Tullahoma City Schools



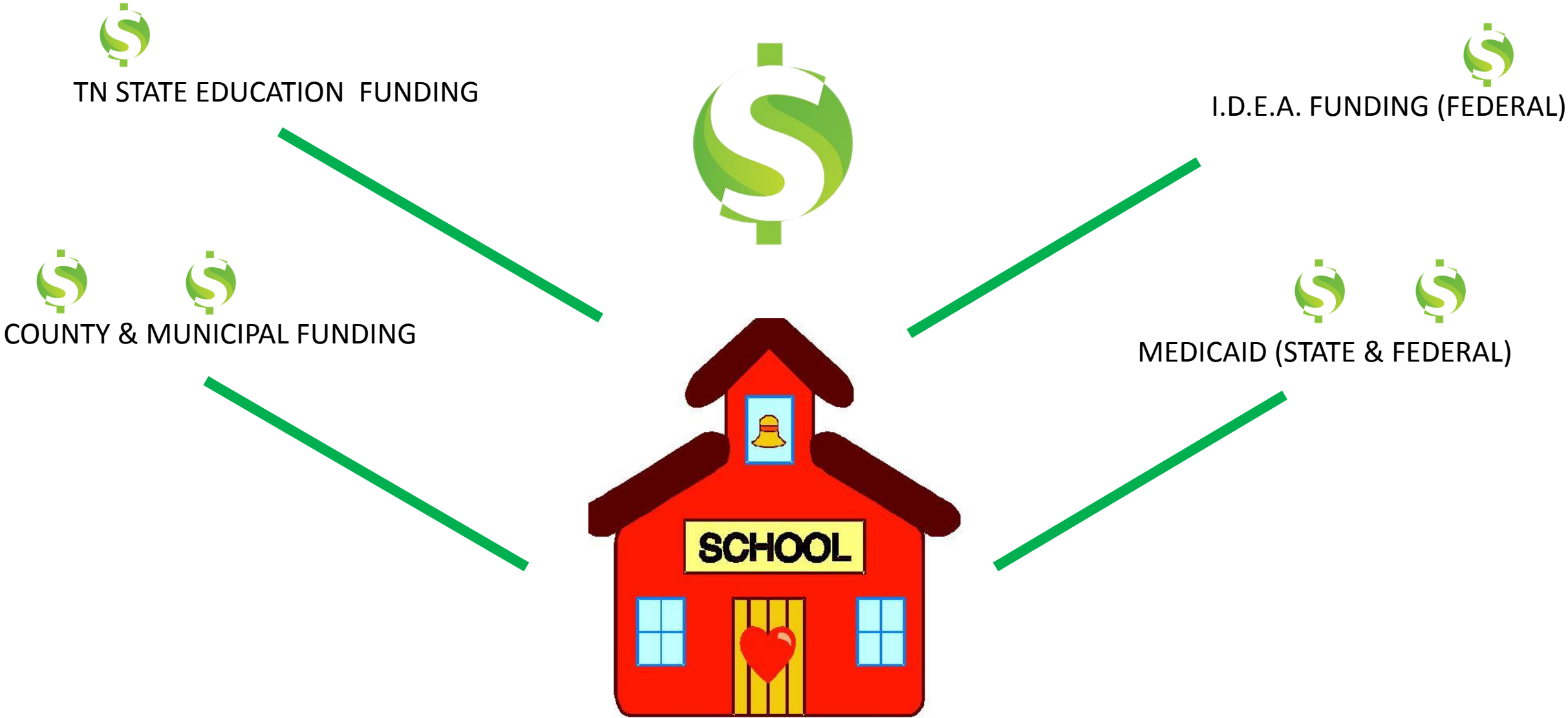
Stellar Therapy Services
provides Speech Therapists, Occupational
Therapists and Physical Therapists to
Special Education Departments
14 Tennessee School districts.



Stellar Therapy Services
has been a TennCare provider since 2003.

We piloted the first successful
Medicaid Reimbursement Program
in Hamilton County Schools in 2010.

WHO FUNDS SPECIAL EDUCATION IN PUBLIC SCHOOLS?





- MEDICAID
- A Federal program that provides health insurance for those who cannot afford coverage or are otherwise uninsurable
- Centers for Medicaid Service (CMS)
- The federal organization that administers Medicaid



• TENNCARE

- Tennessee's State Medicaid Program
- Each state has their own State Medicaid program that administers the Federal program

- **Medically necessary services can assist students in meeting their educational goals**

“TennCare may not disqualify a medically necessary covered service for reimbursement because that service is provided in accordance with an IEP.”

Interagency Agreement, Tennessee Department of Education, Bureau of TennCare, Tennessee Department of Health, and 6 other agencies, July 1, 2009; 34 CFR §300.154(b)(1)(i)

“FMAP”



- Federal Medical Assistance Percentage
- If the State follows Federal Medicaid requirements, the Federal government will “match” State dollars spent
- Tennessee’s current FMAP = 75.70%

How does a state get the Federal match?

- Each state submits and maintains a State Plan that details the scope of their Medicaid program
- The State Plan must include certain requirements set by Federal laws
- Some states request a “waiver” for certain requirements so that they may set their own - waiver provisions must offer more services, not less

- Title XIX of the Social Security Act requires that, in order to receive Federal matching funds, a State **must** offer certain **basic** services which includes early and periodic screening, diagnostic, and treatment (EPSDT) services for children under age 21

- Managed Care Organization (MCO)
- Private insurance company that contracts with TennCare to administer state Medicaid program

- **United Healthcare**  UnitedHealthcare
-Americhoice, now UHC Community Plan



- **Blue Cross & Blue Shield**
-BlueCare
-TennCare Select



- **Amerigroup**

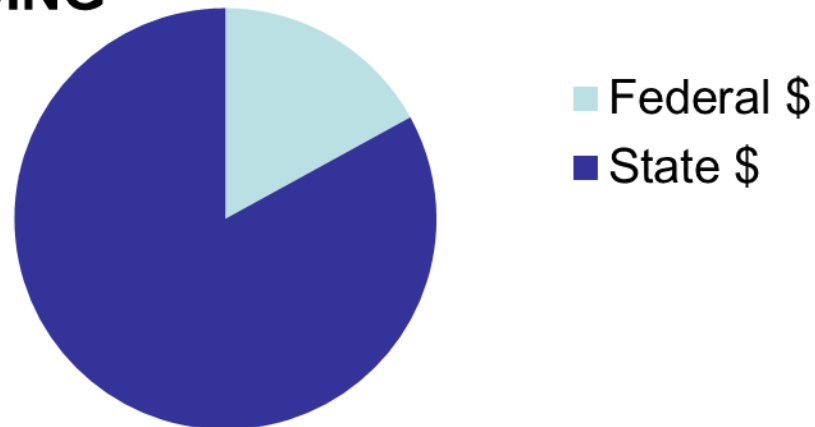


- Ten years after Congress established Medicaid, IDEA was passed

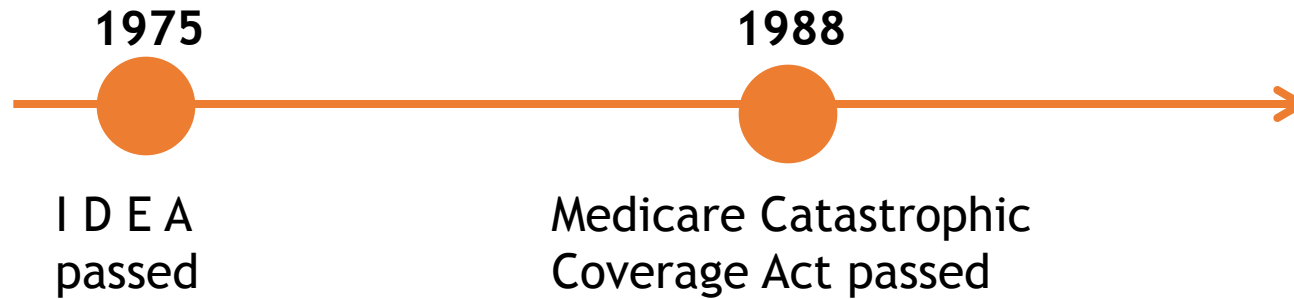


- Congress promised to shoulder 40 percent of each state's "excess cost" of educating children with disabilities, but it has never lived up to this obligation. Currently, the federal government provides less than half of the promised funding (17 percent)

IDEA FUNDING



- “Because many services required by a child’s IEP are health-related or medical in nature, the Medicaid entitlement is an attractive option for funding many IDEA services for low-income children with disabilities....Hence, educational entities have both programmatic and financial incentives to ensure that coordination exists between Medicaid and IDEA.”
- *Coordination Between Medicaid and IDEA 141434 C.F.R. 300.442 (a)(1)
GAO/HEHS-00-20*
- *Code of Federal Regulations, Government Accountability Office*



- “Although Medicaid is traditionally the payer of last resort for health care services, it is required to reimburse for IDEA-related medically necessary services for eligible children before IDEA funds are used.”
- *The Medicare Catastrophic Coverage Act of 1988 enacted this requirement, which is currently codified at 42 U.S.C. 1396b(c).*

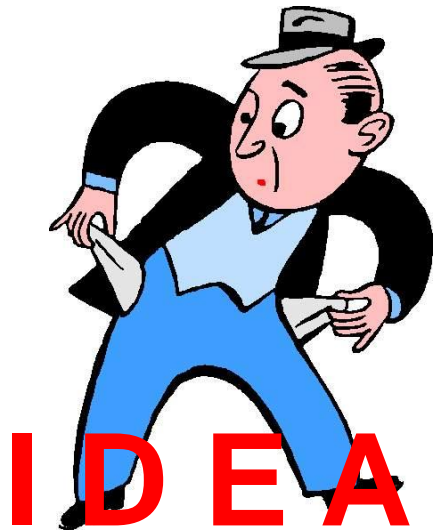
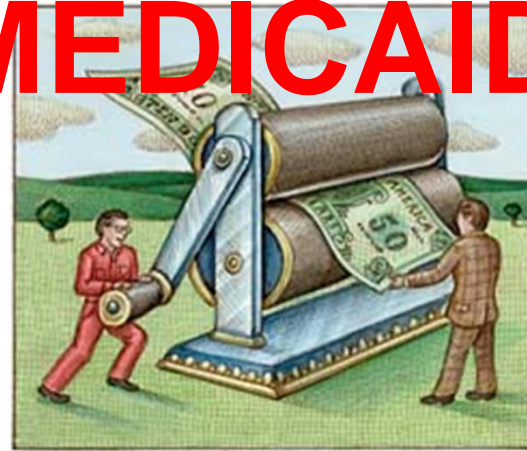
- IDEA requires interagency agreements with public agencies to ensure children with disabilities receive the necessary services for a free appropriate public education

- “TennCare may not disqualify a medically necessary covered service for reimbursement because that service is provided in accordance with an IEP.”
- *Interagency Agreement, Tennessee Department of Education, Bureau of TennCare, Tennessee Department of Health, and 6 other agencies, July 1, 2009; 34 CFR §300.154(b)(1)(i)*

- “When a ‘related service’ is a service that is otherwise coverable by TennCare (ie., it is a covered service and it is medically necessary), then the MCCs have an obligation to cover these services upon request, subject to the usual requirements.”
- *BUREAU OF TENNCARE POLICY MANUAL, Policy Number CON 07-003(rev.1)
7/21/2009*

- Mandatory funding
- Federal government must ensure there is as much as needed.

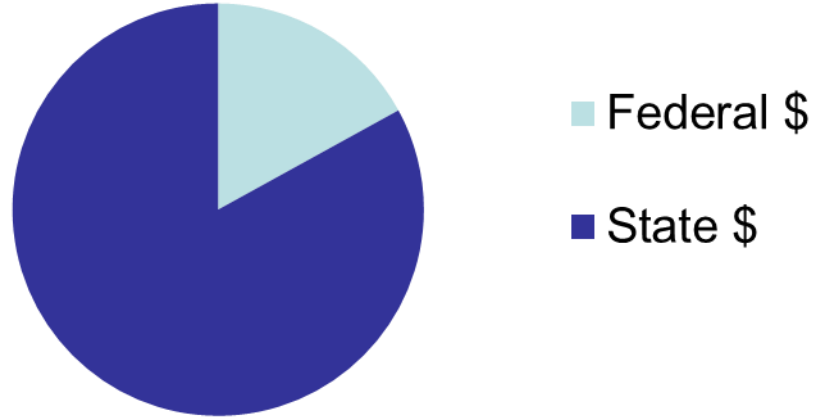
MEDICAID



Discretionary funding

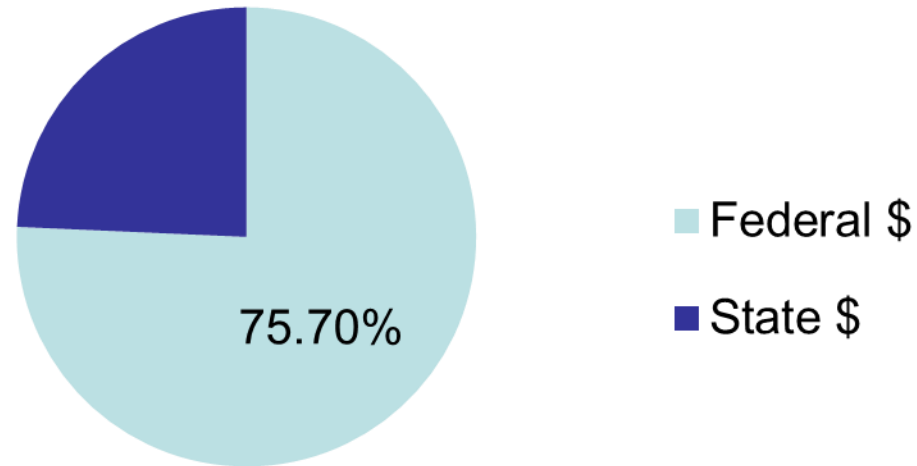
Federal government not obligated to fully fund this type of program

IDEA FUNDING 17%



Federal government
pays 17% of cost of
program

Federal government
pays 75.70% of cost
of program



MEDICAID FUNDING

Federal \$
State \$



Special Education in Tennessee & Medicaid

Tennessee School Districts are allowed to receive reimbursement from Medicaid for eligible IEP services.

Section 300.154 (a)(1) of the Individuals with Disabilities Education Act (IDEA) requires Medicaid (for Tennessee, this is TennCare) to be primary to the U.S. Department of Education for the payment of the health-related services provided under IDEA.

What health-related school services are eligible to be reimbursed by Medicaid?

Medically necessary Speech Therapy, Occupational Therapy, Physical Therapy, and Audiology are all eligible services when they are in your child's IEP.

How will my child benefit from the schools receiving Medicaid reimbursement?

The reimbursements from Medicaid are required to be used specifically on special education needs. This adds to the amount of money schools will have to spend on services for special education students.

If the school receives reimbursement from TennCare for my child's therapy services, will my child still be able to receive these services outside of the school?

Yes. As long as the school and a private agency do not duplicate the same service on the same day, the child is eligible to continue getting services outside of school as well as at the school.

What if I do not want the school to receive reimbursements from my child's TennCare?

Although there is no impact or change to your child's services or insurance coverage, IDEA does require the school to obtain parent's permission before accessing their state Medicaid.

Will the school bill private insurance?

No. Private insurance policies often have annual limits on the amount of services they will pay for. No private insurance will be billed by your school district.



What if my child does not have TennCare?

The school will continue to provide all of the services described in your child's IEP, regardless of TennCare eligibility.

Doesn't the school district already receive Federal funding for Special Education services?

Yes, however, IDEA funds are limited and do not cover all Special Education expenses.

For more information about your school district's Medicaid reimbursement program, please contact the Special Education Department.

IDEA Part B final regulations that change the requirements in 34 CFR 300.154(d) related to parental consent to access public benefits or insurance (*e.g.*, Medicaid) became effective on March 18, 2013.





Before seeking reimbursement from Medicaid for services, schools must provide parents with written notification of parental rights regarding use of their public insurance

NOTIFICATION FOR ACCESSING PUBLIC BENEFITS OR INSURANCE

PURPOSE: This provides parents with information about the school district's intention to verify a student's Medicaid eligibility and to seek reimbursement for eligible school-based health services under Section 300.154 of the Individuals with Disabilities Education Act [IDEA] by accessing the parent or child's public benefits, and provides parents with notice of their rights and protection.

If your child has TennCare or becomes eligible for TennCare coverage in the future and is receiving Medicaid-reimbursable services under an IEP (Individual Education Plan), the Department of Education (DOE) is required to notify you annually in order to seek reimbursement from TennCare/Medicaid.

To ensure that your child has access to a free appropriate public education (FAPE), the school district:

- *Will not* require you to sign up for or enroll in any public benefits or insurance programs;
- *Will not* require you to pay any out-of-pocket expenses such as a deductible or co-payment for the costs of the health services the school district provides to your child; and,
- *Will not* use your child's Medicaid or other public benefits if that use would:
 - Decrease available lifetime coverage or any other insured benefit;
 - Result in you or your family paying for services that would otherwise be covered by Medicaid or other public insurance programs and that are required for your child outside of the time that your child is in school;
 - Increase your insurance premiums or lead to the discontinuation of any public benefits or insurance; or,
 - Cause you to risk the loss of your eligibility for home and community-based waivers, based on aggregate health-related costs.

Will this change my TennCare/Medicaid coverage?

No, none of these actions will impact your coverage.

What information will be shared and who will see it?

It may be necessary for the completion of Medicaid/TennCare insurance claims to be released to the Department of Education, their billing agent(s), the insured's physician(s), and/or Medicaid/TennCare representatives. Documents that may be included in this release are: the IEP, medical records, psychological records, educational reports, and relevant test results.

Why is my consent required?

It will allow the school district to seek federal Medicaid reimbursement to provide necessary services to your child. If you have already given your consent, you may revoke your consent at any time by sending a letter to the Director of Special Education. The school district will continue to provide the services in an IEP to your child at no cost to you, as the parent, whether or not you give your consent. You also have the right under 34 CFP part 99 and part 300 to withdraw your consent to disclosure of your child's personally identifiable information at any time.

➔ After written notification has been provided, and before schools submit claims for reimbursement, parental consent must be obtained, which may be written or digital. This signed consent will never expire unless a parent provides written notification to cancel their consent.

PURPOSE: This form provides parents with information about the school district's request to verify a student's Medicaid eligibility, seek reimbursement for eligible school-based health services under Section 300.154 by accessing the parent or child's public benefits, and provides parents with notice of their rights and protection. This notice is provided: 1) annually; 2) the first time a school district seeks to verify Medicaid eligibility and submit school-based Medicaid reimbursable claims; and, 3) any time a school district determines that it needs to obtain an updated consent. This notice is provided to parents or guardians and adult students. If your child has TennCare or becomes eligible for TennCare coverage in the future and is receiving Medicaid-reimbursable services as defined in Section 300.154 of the Individuals with Disabilities Education Act [(IDEA)], the Department of Education (DOE) is authorized to seek reimbursement for these services. If your child does not have TennCare, please indicate on the form below.

DEPARTMENT OF EDUCATION

STUDENT

PHYSICIAN INFORMATION

Student Name:	Your Child's Doctor:	Phone Number:
Date of Birth:	Your Child's (Alternate) Doctor:	Phone Number:
SS#:		

PARENT/GUARDIAN

INSURANCE INFORMATION

Parent/Guardian Name:	DOES YOUR CHILD HAVE MEDICAID/TENNCARE? (circle one): YES NO
Day Phone: Cell Phone:	MEDICAID/TENNCARE TYPE (circle one): BLUECARE TENNCARE SELECT AMERICHoice AMERIGROUP
E-Mail:	TENNCARE ID#:

HEALTH INFORMATION

Are there any medical problems/conditions with which your child has been diagnosed?;

ADDITIONAL THERAPY

MY CHILD IS CURRENTLY RECEIVING THERAPY SERVICES OUTSIDE THE SCHOOL SYSTEM (circle one): YES NO

NAME OF OUTSIDE THERAPY PROVIDER: OUTSIDE THERAPY PROVIDER PH. NUMBER:

PARENT/GUARDIAN CONSENT

If your child has Medicaid/TennCare coverage, your consent is requested to seek reimbursement from Medicaid/TennCare for services provided in the school. By signing this form, I understand that I am authorizing the release of health information that may be necessary for the completion of Medicaid/TennCare insurance claims to the Department of Education, their billing agent(s), the insured's physician(s), and/or Medicaid/TennCare representatives. Documents that may be included in this release are: the IEP, medical records, psychological records, educational reports, and relevant test results. I request payment(s) of authorized benefits be made on behalf of the insured. I understand and agree that payment(s) may be made directly to the Department of Education that is filing the Medicaid/TennCare claim for services rendered. I understand that the Department of Education is responsible for charges not covered by this assignment. I have received notice of rights to privacy for personal health information, including HIPAA policies.

X _____

PARENT/GUARDIAN SIGNATURE

DATE

➔ Annually thereafter parents must be provided with written notification of their rights (same form as in first step)

**NOTICE OF ACCESS TO CHILD OR PARENT
PUBLIC BENEFITS OR INSURANCE INFORMATION**

TENNCARE, a Division of HEALTH CARE FINANCE AND ADMINISTRATION
(for SPECIAL EDUCATION OR RELATED SERVICES)

Federal law requires that, prior to accessing a child's or parent's public benefits or insurance for the first time, and annually thereafter, TennCare must provide a child's parent with written notice.

NOTICE TO PARENT OR LEGAL GUARDIAN

Upon written authorization for release by You, the child's parent or legal guardian, the following records may be disclosed by Your Child's school to TennCare:

1. Your Child's Individual Educational Plan (IEP)
2. Medical information contained in Your Child's Educational Records
3. Psychological Records contained in Your Child's Educational Records
4. Educations reports, records or relevant test results contained in Your Child's Educational Records

What is the purpose of Your Child's school disclosing Your Child's Educational Records to TennCare?

The purpose of Your Child's school disclosing and sharing Your Child's Educational Records with TennCare is so:

1. TennCare can share the records with Your Child's MCO
2. TennCare can share the records with Your Child's Primary Care Provider (PCP) AND

So that Your Child's MCO and PCP can review the records to provide feedback to the School concerning services provided to Your Child AND

So that TennCare can pay for services under the Assistance to States for the Education of Children with Disabilities Program

- TennCare MAY NOT REQUIRE You to sign up or enroll Your Child in TennCare for Your Child to get free appropriate public education (FAPE)
- TennCare MAY NOT REQUIRE You to make an out-of-pocket payment of a deductible or a co-pay amount to file a claim for services
- TennCare MAY NOT USE Your Child's TennCare benefits if by doing so it would
 - decrease Your Child's available lifetime coverage or other insured benefit OR
 - make You pay for services that would otherwise be covered by TennCare or another program while Your child is in school OR
 - cost more or discontinue coverage for the program OR
 - make Your Child miss out on home and community-based services because of the State's overall costs

You have the right to take back your OK to share Your Child's personally identifiable information AND

If You take back your OK,

TennCare still has to make sure that Your Child gets all the services under this program
at no cost to You.

*Notice in compliance with federal law, 34 C.F.R. § 300.154. Do not alter or amend. This Notice must be given to parents/guardians before
TennCare may access a student's or parent's public benefits information or asking parent/guardian to sign an
Authorization for the Release of data.*

Eff.: 08/19/13

TennCare, a Division of Health Care Finance and Administration
**PARENTAL AUTHORIZATION FOR RELEASE OF INFORMATION
FOR
INDIVIDUALIZED EDUCATION PROGRAM (IEP)**

Federal law requires that a parent or legal guardian must give TennCare consent before a student's school may disclose personally identifiable information (PII) that is contained in the student's Educational Records.

The following records may be disclosed by your child's school to TennCare:

1. Your child's **Individual Educational Plan (IEP)**
2. **Medical information contained in** your child's Educational Records
3. **Psychological information contained in** your child's Educational Records
4. **Education reports, records or relevant test results contained in** your child's Educational Records

What is the purpose of your child's school disclosing your child's Educational Records to TennCare?

The purpose of your child's school disclosing and sharing your child's Educational Records with TennCare is so:

1. **TennCare can share the records with** your child's **Managed Care Organization (MCO)**
2. **TennCare can share the records with** your child's **Primary Care Provider (PCP)**

So that your child's MCO and PCP can review the records to provide feedback to the School concerning services provided to Your Child.

By signing this release, I understand and agree that:

1. **TennCare may access my TennCare information or my insurance information.**
2. **TennCare may access my child's TennCare information or my child's insurance information so that my child may be eligible for payment of services under the Assistance to States for the Education of Children with Disabilities Federal Program.**
3. **My consent to disclose my child's records is voluntary.**
4. **I can take back my consent to allow the school to disclose My Child's records at any time.**

By signing this release, I give permission for

_____ Name of School

To release information concerning:

_____ Full Name of Child

_____ Street/Physical Address of Child

_____ City/State/Zip - Address of Child

_____ Child's Social Security Number

Parent/Guardian Name and Signature:

_____ Parent/Guardian Printed Name

_____ Parent / Guardian Signature

_____ Date

Why aren't more school systems billing Medicaid?

- Federal Medicaid requirements are complex and schools are unaccustomed to operating in the “medical services” world.
- Understanding and negotiating Medicaid in order to receive reimbursement places a considerable administrative burden on schools.

