

# Medicaid in Education Alert

New York State Office of the Medicaid Inspector General (NYS OMIG)  
School/Preschool Supportive Health Services Program (SSHSP/PSHSP)  
Medicaid in Education Unit

Issue #08-3

TO: All SSHSP/PSHSP Medicaid Providers

FROM: NYS OMIG SSHSP/PSHSP Medicaid in Education Unit

DATE: February 28, 2008

SUBJECT: Targeted Case Management

The Centers for Medicare and Medicaid Services (CMS) has issued 'Interim Final Rule' CMS-2237-IFC entitled, "Optional State Plan Case Management Services". This rule would eliminate states' ability to claim Medicaid reimbursement for school age targeted case management (TCM) services.

Currently, in New York State, TCM services can be reimbursed for:

- Initial IEP Reviews (Code 5491)
- Annual IEP Reviews (Code 5492)
- Triennial/Reevaluation IEP Reviews (Code 5493)
- Amended/Requested IEP Reviews (Code 5494) and
- Ongoing Service Coordination. (Code 5495)

The Deficit Reduction Act of 2005 (DRA) amended Section 1915(g) of the Social Security Act (SSA) to define case management services as services that assist in accessing needed services, with exceptions provided in Section 1903(c) of the SSA. CMS includes the Individuals with Disabilities Education Act (IDEA) as one of those excepted services and states that many elements of TCM are administrative activities required by IDEA and should not be categorized as Medicaid Case Management. **Under the Interim Final Rule, activities such as writing IEPs, providing required notices to parents, and preparing for and participating in Committee on Special Education (CSE) meetings would no longer receive Medicaid reimbursement.**

The effective date of implementation for rule CMS-2237-IFC is March 3, 2008. so TCM services with a '**Date of Service (DOS)**' on or after **March 1, 2008** will no longer be reimbursed by Medicaid. Please note that Congress is currently striving to implement a moratorium on CMS-2237. If successful, the effective date of implementation for rule 2237 would be extended to April 1, 2009.

If you have any questions, please contact Steven Wright, SED, at (518) 486-4887 or Fred Warnecke, OMIG, at (518) 486-7153.