

Medicaid in Education Alert

New York State Education Department (SED)
School/Preschool Supportive Health Services Program (SSHSP/PSHSP)
Medicaid in Education Unit

(on advice from NYS Department of Health (DOH) and the NYS Office of the Medicaid
Inspector General (OMIG))

Issue #09-3

TO: All SSHSP/PSHSP Medicaid Providers

FROM: NYS Education Department Medicaid in Education Unit

DATE: July 30, 2009

SUBJECT: NYS SSHSP/PSHSP

In 2002, the Office of the Inspector General, the Centers for Medicare and Medicaid Services and the Department of Justice conducted several audits of the School Supportive Health Services Program in certain school districts in New York State, including New York City. In those audits, the Federal government cited school districts for not consistently maintaining appropriate Medicaid documentation. Results of those audits recommended Medicaid disallowances of approximately \$1.078 billion, not including interest.

Recently, New York State reached a settlement with the Federal government concerning those audits. The settlement provides for the repayment of \$539,000,000 to the Federal government and resolves the threat of litigation against the State by Federal agencies. Addendums to the settlement include the development of a new State Plan Amendment, which would revise the NYS School and Preschool Supportive Health Services Program, and the implementation of a Program Integrity Agreement between New York State and the Federal government, which includes extensive oversight of the program.

We are informing all New York State school districts, counties and §4201 schools that, until a new State Plan Amendment is developed by New York State, you will not be allowed to submit claims for Medicaid eligible services (including Targeted Case Management) with a service date of July 1, 2009 or later.

You may continue to submit claims for Medicaid services (including Targeted Case Management) with a service date before July 1, 2009.

We will notify you when you may resume Medicaid billing. Until then, please maintain all Medicaid documentation in accordance with Medicaid policy and Medicaid Handbook #6.

Additional information on the revised State Plan, revised Medicaid Handbook and implementation of the Program Integrity Agreement will be forthcoming.

For any questions/comments regarding this alert, please contact your Regional Information Center representative or the NYS Education Department.