

Medicaid in Education Alert

New York State Department of Health (DOH), Office of Health Insurance Programs (OHIP)
New York State Education Department (NYSED)
Preschool/School Supportive Health Services Program (SSHSP)
Medicaid in Education

Issue #15-06

TO: All SSHSP Medicaid Providers

FROM: NYS DOH OHIP SSHSP &
NYSED Medicaid in Education Unit

DATE: November 25, 2015

SUBJECT: 2011-12 and 2012-13 Certified Public Expenditure (CPE) Claim Submitted to the
Centers for Medicare and Medicaid Services (CMS)

Claim Submitted to the Centers for Medicare and Medicaid Services

A certified public expenditure (CPE) claim was submitted to the Centers for Medicare and Medicaid Services in the July to September 2015 quarter. This CPE claim was for SSHSP costs incurred during the 2011-12 (October 1, 2011 – June 30, 2012) and 2012-13 (July 1, 2012 – June 30, 2013) school years. The CPE claim amount was \$71.8 million and was reduced from the initial CPE amount based on discussions with CMS and concerns raised regarding discrepancies between reported costs and interim fee-for-service claiming levels for the 2011-13 time period. In particular, CMS expressed concern that SSHSP claims were not submitted because required Medicaid documentation may have been lacking.

IEP Ratio Change

To address CMS's concerns regarding discrepancies between reported costs and interim fee-for-service claiming levels for the 2011-13 time period, the State used a stricter interpretation of the IEP ratio included in approved State Plan amendments (SPAs) 11-39A and 11-39B. The SPAs define the numerator of the IEP ratio as the "number of Medicaid eligible IEP students in the LEA with a direct medical service, as outlined in their IEP." The numerator is generated through a match of school district or county submitted student rosters against the Medicaid eligibility file. Instead, the State

completed the cost settlement calculation using the number of unique recipients based on the paid claims data from the Medicaid Management Information System (MMIS) as the basis for the numerator in the IEP ratio. This had the effect of limiting the numerator to the number of students for whom a Medicaid (SSHSP) claim had been submitted. This approach provided an added level of assurance that school districts and counties would only be able to claim Medicaid Allowable Costs when there is confirmation that a Medicaid reimbursed service had been provided, as evidenced by the existence of unique claim data in the State's MMIS.

As a result of this change to the calculation of the Medicaid IEP ratio, school districts and counties should expect to see a reduction to their Medicaid Allowable Costs as calculated through the SSHSP cost report for the 2011-2012 and 2012-2013 school years.

SSHSP Provider CPE Claim Submission

School districts and counties that participated in the 2011-2012 and 2012-2013 cost settlement processes will be required to submit completed Certification of Public Expenditure (CPE) forms for each school year. The CPE forms will be available through the MCRCS cost reporting system on December 4, 2015. School districts and counties should review their Medicaid Allowable Costs on the Cost Summary Report page, their Medicaid Paid Claims data on the Medicaid Paid Claims Summary, and their cost settlement calculations on the Cost Settlement Summary page of MCRCS prior to completing the CPE form.

Once school districts and counties have reviewed the calculation of their cost settlements, they will need to print, sign, and return the completed CPE forms to PCG at NYSSHSP@pcgus.com. The completed CPE form must be signed by the Chief Executive Officer, Chief Fiscal Officer, or Superintendent of the school district or county. CPE forms are due to PCG no later than December 18, 2015. **Failure to return the completed CPE forms may result in the withholding of future SSHSP interim payments.** Once School districts and counties print and sign the CPE form, signed forms should be submitted via email to nysshsp@pcgus.com. If a school district or county does not have the technology to submit the signed CPE form via email, they should contact PCG to request the appropriate address to mail the form.

CPE Claim Distribution

Sections 368-d (6) and 368-e (5) of the NYS Social Services Law provide for distribution to SSHSP providers CPE cost settlement amounts in excess of \$150 million for the 2011-2012 and 2012-2013 school years. This threshold was not met, therefore no distribution will be made for this CPE settlement.

CPE Provider Training

Mandatory CPE training for provider cost reporting was conducted during October and November of 2015. For those required staff that have not attended an in-person session, PCG will be conducting a CPE training via WebEx during the week of December 7, 2015. An email will be sent prior to the training with the date and time of the training.

Negative Settlements

Approximately 12 percent of the final cost settlement calculations for participating school districts and counties resulted in a negative settlement or payback situation. Negative settlements occur when interim payments to a provider exceed allowable costs for the SSHS Program. For the 2011-12 and 2012-13 school years only, the Department will hold SSHSP providers with negative settlements harmless as long as the SSHSP provider completed all cost reporting requirements and responded to all necessary desk review queries. That is, school districts and counties with negative settlements that fulfilled all SSHS Program requirements will be permitted to retain their interim fee-for-service payments and will not be required to pay back any money to the State Department of Health.

Incomplete Cost Reports and/or Desk Reviews

Those school districts and counties that did not complete the required cost report process, and thus were not in compliance with all requirements of the SSHSP, will be required to return all Medicaid funds (payments for interim claims) received during the applicable school years.

Interim Fee-for-Service Claiming Reminder

Medicaid Alert #15-01, issued in January 2015, announced that Medicaid State Plan amendments for certified public expenditures (SPAs 11-39A and 11-39B) had been approved by CMS for SSHSP participating providers, with the exception of those located in a city with a population over one million, and noted the importance of continuing to submit encounter based fee-for-service claims to Medicaid, pursuant to SPA #09-61. Timely submission of fee-for-service interim claims to Medicaid is an essential component of participation in the SSHSP.

If you have any questions or comments regarding this alert, please contact the NYS Department of Health at (518) 473-2160 or at SSHSP@health.ny.gov, or Public Consulting Group (PCG) at 1-866-912-2974 or at NYSSHSP@pcgus.com, or the NYS Education Department, Medicaid Unit at medined@nysed.gov.