## TO BILL, OR NOT TO BILL MEDICAID...THAT IS THE QUESTION

Early On Conference November 12, 2015 Michelle Nicholson, Ingham ISD Jane Reagan, MDE Michael Grasseschi, PCG Nicole LaRue, Ingham ISD

- 1. Provide introductory information on how Medicaid services can be billed for Early On.
- Provide a description of how EO personnel are, and which personnel, are identified as eligible to bill for Medicaid.
- 3. Provide information on what EO services can be billed to Medicaid.
- Explain at least three advantages of a district billing Medicaid for Early On services.
- Describe the similarities, if any, between the education and certification/licensure requirements for EO personnel and those of the Michigan Medicaid program.
- List at least four EO services that can be billed to the Michigan Medice program.

**OBJECTIVES FOR TODAY** 



In 2014, the national Infant and Toddler Coordinators Association conducted finance study surveying all states on how they finance their IDEA Part C services. That study found that nationally, Medicaid is the second larged spurce of revenue for IDEA Part C services, and state appropriations ranked first Nether of these are a factor in Michigan: Medicaid is not utilized fully and NØ SS is 3 appropriated by the legislature. In fact, the three largest sources of revenue for IDEA Part C across the states do not currently support *Early On* in Michigan.



## MEDICAID OVERVIEW Jane Reagan, MDE

### NOT Medicare (for persons <u>over 65</u>; mostly <u>federally</u> funded by appropriations, your earnings taxes, member premiums/deductibles; growing faxet as baby boomers reach 651: 45million enrollees

Medicaid

- For <u>low-income</u> families, including children; over 62 million enrollees; largest health care program in US
- Jointly <u>funded by State and Federal governments</u> to pay for health care and long term care assistance

### WHAT IS MEDICAID?

- Incredibly complex statute, regulations, enforcement, like IDEA!
- Costs shared between state and federal govt.
  - > Federal government pays between 50-80%
  - Federal share formula: state's per capita income, othe factors
  - Federal share for Michigan
    - 1998 53.58%
    - 2009 60.27%
    - 2010 73.27% (ARRA bumped up everyone for 2 yrs
    - · 2011 71.24%
    - 2014 66.32%
    - . 2015 66 54%

### HOW MEDICAID WORKS

- Each state administers, establishes: What (services covered), Who (eligibility standards), How Much (scope of services), Payment (methad and amount of payment for services) and, <u>the State expects you to know their rules</u>
- Some services are mandatory (NHs, physician) some services are optional (SBS, Rx, dental)
- When services provided, Medicaid is "billed" \$100, Dr., hospital, etc. receive \$100 (\$66 federal, \$34 MI)
- School administrators, staff need to know BOTH Special Education AND Medicaid requirements!

### HOW REGULAR MEDICAID WORKS

- In MI, Federal \$ are split 60% to ISDs, 40% to MI Medicaid
   Medicaid reimburses only for expenditures from state or local sources—<u>never</u> bill Medicaid for federally-funded services

HOW MEDICAID SBS WORKS

- Direct (Related) Services –OT, O & M, PT, SLP, Psych, Counseling, SW, Dev Testing, RN, MD/DO, PC, TCM (aka service coordination), Transportation
- Administrative Outreach Program (AOP)—helping families access Medicaid services via referral, planning, monitoring, coordinating program, etc.)

MI MEDICAID SBS PROGRAM

- Four <u>statewide</u> time studies (12,200 moments/3 months) to measure staff time spent doing services Medicaid pays:
  - Administrative Outreact
  - Targeted Case Management (service coordination)
- Personal Care (para protessional, aide)
- Financial information of staff (selevice, honofite)
- Appual cost report (MAER) is ISD/I EA specific
- Your partners—DCH (Medicaid); MDE; ISDs; PCG (statewide contractor for time studies)

MI MEDICAID SBS PROGRAM

# QUESTIONS?

## MORE ABOUT MEDICAID SCHOOL BASED SERVICES Mike Grasseschi, PCG

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Direct Service

Personal Care

- ISD staff can impact just one of these factors—time study results; 'compliance' been decreasing

MI MEDICAID SBS PROGRAM

MEDICAID TIME STUDY RESULTS

- 6.9%

MI MEDICAID TIME STUDY-

ANNUAL RESULTS

- 17.80%

- 35.70% -1.43

Jul-Sep 2012

14

- 32.8%

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**ROLES OF ISD** 

AUDITS

ADMINISTRATORS/STAFF

Federal

Payment Error Rate Measurement (PERM) Audits

Results are used to produce Nat'l and State-specific error rates

If selected in 3 yr cycle, letter will come to ISD from federal

Medicaid (Centers for Medicare and Medicaid Services)

If more documentation needed, ISD would be contacted directly,
or no further communication

OIG (Office of Inspector General from fed HHS)

Many more

State

Common Findings

State
Common Findings
Missing Documentation
ISDs/LEAs must cooperate fully with any auditor's request
Records (IFSP, clinicians', not available (must keep for 7 years)
Records/notes did not support a student was in attendance
Contradicting documentation supporting attendance does not
supersede the official attendance records
Inadequate "Progress" Notes

Provider Documentation Responsibilities for the Medicaid Program

Questionnaire

- billing/time studies
  Are they doing Medicaid-covered services or grading popers?
  Are they state-local funded?
  Who is assigned to bill Medicaid WILL impact revenue
  ALL Time Studies must be completed—only have 5 days—if not completed, decreases % results
  Medicaid SBS Coordinator needs support: Special Education Director= Enforcer
  Be part of reminders: staff > supervisor > > superintendent
  Staff must be trained initially and periodically WHY and how to complete the time study questionnaires

- Each quarter, 12,200 moments are randomly-selected statewide (July-September: 3,200)
- Staff are notified prior to the date of the moment via e-mail or paper with a link to the RMTS website
- Once the moment has passed, staff members click on the link and answer the following questions:

   • Who was with you?

   • Whot were you doing?

   • Why aver you doing it?

   • Does the student have an IEP/IFSP in place for the services you were performing?

   • Are you the student's case manager (case management pool only)?

STUDY

Treatment Plan (IFSP)

Provider Qualifications

Physician Authorization

Service Log Documentation

Parental Conser to bill for Medicaid

Content:

RANDOM MOMENT TIME

Must contain medically related outcomes/goals that are measurable and time related

measurable and lime related Service must be written with frequency and duration to achieve the goals (not consultative or "as needed") - Medical trequirements may be different from school requirements Service must be performed by the qualified staff (not the family or other staff)

•Needed annually for OT, PT, O&M, Nursing, Speech

• Must be able to recreate the service based on the service log notes

•One-time signature plus annual notice

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- Staff members must describe what activity they were doing during the moment and how it applied to what is prescribed in the IEP/IFSP as well as to the medically related service

## SERVICE LOG CRITERIA

- Logs should not be repeated or copied for multiple services or multiple students

MEDICAID REQUIREMENTS

- Provider/Service notes are crucial in determining what actually occurred on the date of service and the results of the service
- Provider/Service notes should be documented well enough that individuals with basic knowledge would be able to answer questions such as:
  - "Who was providing and receiving the service?
  - " Is the student making progress? (Should new goals be made?)
  - " How does the service relate to IEP goals and how are they measured

### **PROVIDER/SERVICE NOTES**

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### Vague examples:

Student is making steady progress toward goals Some progress toward objective

### Good example:

Student arrived on time and appeared ready to begin therapy. He produced /s/ in all positions during conversational speech with minimal auditory cueing. His progress on /s/ production objectives suggests he is beginning to master this skill. Plan to remove all cueing during /s/ activity to see if successful production can be maintained.

### **PROVIDER SERVICE NOTES**

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### Good Example

Student was seen in the classroom to work on fine motor skills to prepare for scissors. She worked on a fuil loop bracelet activity for 20 minutes. She used tongs (in preparation for scissors) to pull 15 fruit loops out of the cup one at a time and then place each one over a pipe cleaner. 5 verbal cues were required for task completion. She manipulates tongs well and exhibits a good awareness of positioning of tongs within her hands, which is an indicator that proper scissor use will be attained soon. Continue prehension activities 1 time a week until proper scissor use goal is achieved.

### **PROVIDER SERVICE NOTES**

# QUESTIONS?

## SERVICE PROVIDER QUALIFICATIONS Nicole LaRue, Ingham ISD

### UNDER THE DIRECTION OF – OTA, PTA, Limited License Speech Pathologist

 Certain specified services may be provided under the direction of another clinician. For the supervising clinician, "under the direction of" means that the clinician is supervising the individual's care which, at a minimum, includes:

- seeing the individual initially,
- prescribing the type of care to be provided
- reviewing the need for continued services throughout
- assuring professional responsibility for services provided
- and ensuring that all services are medically necessary
- "Under the direction of' requires face-to-face contact by the clinician at least at the beginning of treatment and periodically thereafter.

## PHYSICAL THERAPY

2.3.A. PHYSICAL THERAPY SERVICES

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Definition	Physical therapy (PT) must be rehabilitative, active or restorative and designed to correct or componente for an anexida problem. Physical therapy services must require the skills, knowledge and education of a PT or PTA bip provide therapy. Treatment is performed through the use of therapeachic exercises and rehabilitative procedures. Physical therapy services must be prescribed by a physician or locensed physican's assistant and updated annually. A stamped physican's instrumet in an exceptible.	
Prescription		
Provider Qualifications	PT services may be reimbursed when provided by: A licensed physical therapist (PT); or A licensed physical therapy assistant (PTA) under the direction of a licensed	
	physical therapist (PT) (i.e., the PT supervises and monitors the PTA's performance with continuous assessment of the beneficiary's progress). All documentation must be reviewed and signed by the supervising PT.	

### 2.3 PHYSICAL THERAPY SERVICES (INCLUDES ASSISTIVE TECHNOLOGY DEVICE SERVICES)

## OCCUPATIONAL THERAPY

Definition	Occupational Therapy:
	Occupational threapy (01) must be rehabilitative, active or restorative and designed to correct or compensate for a medical problem interfering with age-appropriate functional performance. Occupational threapy services must require the skills, knowledge, and education of a licensed occupational threapy assistant, or Orientation and Hodility specialat.
Prescription	Occupational therapy services must be prescribed by a physician and updated annually A stamped physician signature is not acceptable.
Provider Qualifications	OT services may be reimbursed when provided by:
	<ul> <li>A licensed occupational therapist (OT); or</li> </ul>
	<ul> <li>A licensed occupational therapy assistant (OTA) under the direction of a licensed occupational therapist (OT).</li> </ul>
	NOTE: The OTA's services must follow the evaluation and treatment plan developed by the OT. The OT must supervise and monitor the OTA's performance with continuous assessment of the beneficiary's progress. All documentation must be reviewed and signed by the supervising OT.

2.2 Occupational Therapy (Includes Orientation and Mobility Services and Assistive Technology Device Services)

### PROVIDER QUALIFICATIONS -LIMITED LICENSE

- UNDER THE SUPERVISION OF Limited license social worker, psychologist
   Certain specified services may be provided under the supervision of another clinician. Supervision of limited-licensed mental health professionals consists of the practitioner meeting regularly with another professional at an interval described within the professional at an interval described within the professional and other professional uses in a structured way (this is often known as clinical or counseling supervision or consultation).
   The purpose is to assist the practitioner to learn from his or her experience and expertise, as well as to ensure good service to the client or patient.

### 2.4 SPEECH, LANGUAGE AND HEARING THERAPY (INCLUDES ASSISTIVE TECHNOLOGY DEVICE SERVICES) 2.4.A. Speech, Language and Hearing Therapy

Definition	Speech, language and hearing threapy must be a diagnostic or corrective service to teach compression yails for directions that directly result from a medical condition. This service is provided to beneficiaries with a diagnosed speech, language or hearing disorder adversely affecting the functioning of the beneficiary. Speech, language and hearing therapy must require the skills, knowledge and education of a fully licensed speech-language pathologist or auxidiologist to provide the therapy.	
Prescription	Speech, language and hearing services require an annual referral from a physician. A stamped physician signature is not acceptable.	
Provider Qualifications	Speech, language and henning services may be embadeed when provided by: <ul> <li>A fully licensed speech-language pathologist (SLP);</li> <li>A licensed audiologist in lifetima, and/or audiology candidate (i.e., in his clinical Biocholig year of language pathologist (SLP) and (i.e., and its not obtained matching and speech language) and the audiology candidate (i.e., in his clinical Biocholig year of language) and the audiology candidate (i.e., in his clinical Biocholig year of language) and the audiology candidate (i.e., in his clinical Biocholig year of language) and the audiology candidate (i.e., in his clinical Biocholig year of language) and audiology;</li> </ul>	
	<ul> <li>A limited licensed speech language pathologist, under the direction of a fully licensed SLP or audiologist. All documentation must be reviewed and signed by the appropriately licensed supervising SLP or licensed audiologist.</li> </ul>	

# SPEECH PATHOLOGISTS AND AUDIOLOGISTS

## TARGETED CASE MANGEMENT/SERVICE COORDINATION

### Referral and related activities:

- To help an eligible individual obtain needed services, including activities that help link an individual with medical, social, educational providers or other programs and services that are capable of providing needed services, such as making referrats to providers for needed services and scheduling apportimetries for the individual;
- apportunients for the nanoual; Montoring and follow-up activities; Activities and contacts that are necessary to ensure the care plan is implemented and advastely advasces the individual's needs, and which may be with the individual, family members, providers, or other exities or individuals, and concleted as frequently as necessary, up chading at least or annual monitoring, to determine whether the following conditions are met: Ensurements and the individual family and the individual and the other plant is the individual family and the individual at least one annual monitoring, to determine whether the following conditions are met: Services are being furnished in accordance with the individual's care plan;
- Services in the care plan are adequate.
- If there are changes in the needs or status of the individual, necessary adjustments are made to the care plan and service arrangements. TCM services may be reimbursed when provided by a Designated Case Manager

TOM services may be reminuted when provided by a Despatiatic Case Minager. Providers must martial case records that document, for all individuals receiving case management, the following: the name of the individual, the dates of the case indirect content, and with of case management services received. The case encoder must also reflect whether the gaals specified in the care plan have been activered, whether the individual has declined services in the care plan have been activered, whether the individual has declined services in the care plan have been activered, whether the individual has declined services in the care plan, the need for and occurrences of coordination with other case managers, the timeline for obtaining needed services, and a timeline for re-resultation of the plan.

## TARGETED CASE MANAGEMENT 34

### The Designated Case Manager is the person responsible for the implementation of the plan of care/treatment plan. The Designated Case Manager must be an individual who meets one of the following criteria: Provider Oualifications A licensed RN in Michigan; A bachelor's degree with a major in a specific special education area; Has earned credit in coursework equivalent to that required for a major in a specific special education area; or

- Has a minimum of three years' personal experience in the direct care of an individual with special needs.
- In addition to meeting at least one of the above, the Designated Case Manager must also demonstrate knowledge and understanding of all of the following: Services for infants and toddlers who are eligible under the IDEA law as annronriate:
  - Part C of the IDEA law and the associated regulations;
- The nature and scope of services covered under IDEA, as well as systems of payments for services and other pertinent information;
- · Provisions of direct care services to individuals with special needs; and
- Provisions of culturally competent services within the community being served.

## TARGETED CASE MANAGEMENT 35

- Collaboration between the school and the community providers is mandated to coordinate treatment, prevent duplication of services and to assure continuity of care to the Medicaid beneficiary. This collaboration may take the form of phone calls, written communication logs, or participation in team meetings such as the IEP/IFSP meeting.

### SERVICE COORDINATION AND COLLABORATION

### TARGETED CASE MANAGEMENT SERVICE EXAMPLES

- In the second seco
- Arrange transportation for playgroups
   Part C service requests
   Review of IFSP to add/delete services/consultations
  Monitoring and recommending a plan of action;
   ISP meetings

## TARGETED CASE MANAGEMENT 38 SERVICE EXAMPLES

- treatment services; Communication with specialty clinics, therapists and audiologi
- > Follow-up to ensure that the child receives needed diagnostic and

Targeted Case Management services include:

Assuring that standard re-examination and follow-up of the beneficiary are conducted on a periodic basis to ensure that the beneficiary receives needed diagnosis and treatment; Assisting families in identifying and choosing the most appropriate providers of care and services, scheduling appointments, and helping families to maintain contact with providers; Follow-up to ensure that the beneficiary receives needed diagnostic and treatment services; Assuring that case records are maintained and indicate all contacts with, or on behalf of, a beneficiary in the same manner as other covered services; Coordinating school based services and treatment with parents and the child; Monitoring and recommending a plan of action;

Coordinating performance of evaluations, assessments and other services that the beneficiary needs; Facilitating and participating in the development, review, modification and evaluation of the multi-disciplinary team treatment plan; Activities that support linking and coordinating needed health services for the beneficiary; Providing a summary of provider, parent and student health and beha consultation; and Coordinating with staff/health professionals to establish continuum of health and behavioral services in the school setting.

Designated Case Manager Services

**SERVICES** 

Assuring that standard re-examination and follow-up of the child are conducted on a periodic basis to ensure that the child receives needed diagnosis and treatment:
 Communication with specialty clinics, therapists and audiologists,
 Assisting families in **identifying and choosing** the most appropriate providers of care and services, scheduling appointments, and helping families to maintain contact with providers;
 Wrap around services Service Coordination Letters for Court (if family not meeting the needs related to service) DHS/CPS Connection to child care, therapy, health care clinics Interpreting

TARGETED CASE MANAGEMENT 37

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- and evaluation of the multi-disciplinary team IFSP; Activities that support **linking and coordinating** needed health services for the child;

## TARGETED CASE MANAGEMENT 40 SERVICE EXAMPLES

- No matter how many different roles or responsibilities you have, Medicaid will only pay for **one category** of services, even though you may be providing more than one type. For example: a speech pathologist may be providing both clinical speech therapy and service coordination/case management. Medicaid will only pay for one of those, so the speech therapist may be directed to only log for Medicaid, his/her speech services.

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## POTENTIAL OBSTACLES

# QUESTIONS?

can'l? How do those service areas who want to try Medicaid billing proceed?

- eed?
  Each ISD participates in the 22-year old MI Medicaid program. The special education director, business office and Medicaid SBS coordinator have very likely analyzed which LEAs and which program areas are best to be billing for Medicaid.
  Are Early On services paid for by state or local funds? If no, STOP.
  Are the Early On costs incurred by the ISD? If no, STOP.
  Does ISP meet Medicaid criteria?
  Is there a present level of education performance (PLEP/PLAAFP) type section? Is the IFSP written in 'family outcomes' language with no reference to child's disability, medicaid anyces, developmental delays stated?
  Are all therapies and services the child is receiving covered by Medicaid? NO, e.g., Medicaid does NOT cover nutritional courseling, music therapy.

# QUESTIONS FROM EARLY ON ®

# Are there differences between clinical and education services eligible for Medicald?

### Does Medicaid focus on the type of service vs the outcomes and strategies? Or both? Should the outcomes be functional?

- Both. There are two parts to everything billed: the medical necessity and the delivery, including outcomes, that Medicaid calls 'progress' Medicaid verifies all this via CPA auditors who know little about health care special education or children with disabilities—all records must be

QUESTIONS FROM EARLY ON 6

Related to Family Outcomes on an IFSP and Medicaid billing: We know we can't use 'parent report' or 'parent satisfaction' as a measure for child outcomes to bill for Medicaid. What can we use if the provider doesn't observe the child outcome?

For every child with an IFSP who is receiving Medicaid covered services from licensed health professionals, (PT, OT, SLP), those professionals have developed medical" or 'traditional' outcomes for the services the child is receiving. Those are what Medicaid auditors are looking for. We know about the good intentions of family outcomes, but alone they do not meet Medicaid requirements. We recommend the clinicians/professionals involved with this child integrate their 'medical' outcomes somewhere in the IFSP to meet Medicaid documentation requirements. Otherwise, Medicaid will not pay for the services.

FAMILY OUTCOMES

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### Are there certain provider roles that get a higher reimbursement

- Medicaid reimburses ISDs based on annual cost reports that contain thes factors: salaries/benefils, time study results, indirect cost rate and number of Medicaid children/students in the district.
- So the higher the salaries, the higher the reimbursement. But what if the highly paid clinician or administrator never does anything Medicaid pays for 2 times to due out the will be lower.
- Medicaid coordinator's role of determining which staff should participate in Medicaid billing then, is an art and a science! Must ask most important: WHO are the individuals providing the most Medicaid-covered services?

I understand families/children flow in and out of Medicaid eligibility; does this cause a lot of extra work for the provider and their documentation?

In-and-out of Medicaid eligibility should not cause problems to the ISDs. First, eligibility checks are automated, and since 2007 the reimbursement to ISDs is based on an annual cost report, NOT a fee-for-service

# QUESTIONS FROM EARLY ON

Can a child have special education Medicaid services and clinical/hospital Medicaid services at the same time?

 Yes. Example: child with IEP breaks her leg, will need non-IFSP services and Medicaid will pay for both AS LONG AS the child's HMC documents that the PT they're delivering is related to the broken leg

Who should be educating Michigan Medicaid about Early On?

That's the job of ALL OF US- knowledge is power: state employees at MDE and MDHHS; ISD and LEA Early On Coordinators; Special Ed directors; business officials; and currently, the MI Medicaid folks are very open to learn

QUESTIONS FROM EARLY ON 8

 Begin appropriating state dollars to support Early On.

2. Conduct a study to identify how Michigan can maximize federal Medicaid funds to support *Early On*.

RECOMMENDATIONS

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## RESOURCES



- PCG
   Mike Grasseschi (<u>mgrasseschi@pcgus.com</u> 517-827-6112
- MDE
   Jane Reagan (Reagan J@michigan.gov) 517-335-2250
   PCG
- General Q about what is covered/required
   Internal Medicaid Coordinator/Implementer to your ISD
- Reimbursement (for results of time studies)
   General Q about what is covered/required
- Policy and Forms (for 1800+ page provider manual—SBS is 100 pages within)