

Medicaid in Education Alert

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

Issue #13-11

TO: All SSHSP Medicaid Providers

FROM: NYS OHIP SSHSP & NYSED
Medicaid in Education Units

DATE: November 7, 2013

SUBJECT: SSHSP Cost Report – Establishment of the IEP Ratio

Federal Medicaid law and regulation authorize the use of Certified Public Expenditures (CPEs), an annual cost reconciled and settled reimbursement methodology. The New York State Department of Health (DOH) intends to utilize CPEs in an effort to increase federal funding of the SSHSP. School districts and counties billing Medicaid for school supportive health services are required to participate in CPEs. A component of CPEs is the filing of an annual Medicaid cost report. The cost report is used in conjunction with the Random Moment Time Study (RMTS) in the SSHSP cost reconciliation and settlement process. The cost report requires the establishment of an annual direct service Medicaid eligibility rate, referred to as the Individualized Education Program (IEP) Ratio, which is used to determine Medicaid's portion of direct medical service costs incurred by school districts and counties for the provision of SSHSP direct medical services. The IEP ratio is the percentage of students within a school district or county with at least one direct medical service in their IEP who are Medicaid eligible.

The formula for the IEP ratio is:

$$\frac{\text{Total Count of Students with a direct medical service included in IEP who are Medicaid-Eligible}}{\text{Total Count of Students with a direct medical service included in IEP}}$$

To establish the IEP ratio, school districts and counties need to submit a list identifying each student with at least one direct medical service in their IEP, based on student enrollment as of the first Wednesday of October during each July – June school year, to the New York State SSHSP clearinghouse, the Central New York Regional Information Center (CNYRIC). Direct medical

services are speech therapy, physical therapy, occupational therapy, psychological counseling, skilled nursing, psychological evaluations, medical evaluations, medical specialist evaluations, and audiological evaluations.

Upon receiving these lists, CNYRIC will identify the number of students in each school district and county that are Medicaid eligible and calculate an IEP ratio for each school district and county cost report. CNYRIC will make the calculated IEP ratio available to each school district and county and will provide every IEP ratio to DOH’s contractor, Public Consulting Group (PCG). PCG will upload the IEP ratios to the Medicaid Cost Reporting and Claiming System (MCRCS).

The chart below indicates when school districts and counties need to submit their listing of students with at least one direct medical service included in their IEP for the 2011-12, 2012-13, and 2013-14 SSHSP cost report periods. The IEP Ratio reporting dates listed below are based on the first Wednesday of each October (BEDS Day). School districts and counties will have to submit a separate list of students for the IEP Ratio for each cost report period.

Cost Report Period	IEP Ratio Reporting Date	Listing Due to CNYRIC
July 1, 2011 - June 30, 2012	October 5, 2011	December 5, 2013
July 1, 2012 - June 30, 2013	October 3, 2012	December 5, 2013
July 1, 2013 - June 30, 2014	October 2, 2013	January 17, 2014

The listing of students with a direct medical service included in their IEP must be submitted in a text file (ASCII) format for uploading to CNYRIC via MEDweb. Several Medicaid billing vendors have the capacity to create such a file from the special education data already entered into their software packages. School districts and counties should contact their Medicaid/IEP software vendors to see if they have this capability. All other school districts and counties will need to manually enter the appropriate data into the ASCII prescribed text file format for uploading. The file format is the same file format used when reporting student demographic information for Medicaid eligibility matching purposes.

The file must include only the following information for each student with a direct medical service on their IEP:

	<u>Character Length</u>	<u>Starting Position</u>
Regional Information Center (RIC) Code	LEN 02	AT 1
School District/County Medicaid Provider Number	LEN 08	AT 3
BEDS Code	LEN 12	AT 11
FILLER - LEAVE BLANK	LEN 03	AT 23
Student Last Name	LEN 17	AT 26
Student First Name	LEN 10	AT 43
Student Middle Initial	LEN 01	AT 53
Student Birth Date (YYYYMDD)	LEN 08	AT 54

Student Gender	LEN 01	AT 62
FILLER - LEAVE BLANK	LEN 09	AT 63
Medicaid Client Identification Number (CIN#) if known	LEN 10	AT 72
Reporting Date (YYYYMMDD)	LEN 08	AT 82

Example of file to submit to CNYRIC:

6031565806999901040000	Reale	Robert	J20010521M	ZZ99999U	20121003
6031565806999901040000	Smith	Student	19941123F		20121003
6031565806999901040000	Thomas	Child	A19961214M	ZZ99991U	20121003

See Attachment 1, SSHSP Cost Report IEP Ratio Upload, for instructions on uploading the file to CNYRIC.

The February 14, 2013 Medicaid Alert #13-03 indicated that school districts and counties were not certifying ratios included in the MCRCS at that time. This was because the ratios had been generated outside of the school districts/counties and were found to be inaccurate in some instances. Now, the IEP ratio is being generated by CNYRIC using input from each school district/county and will be uploaded to the MCRCS by PCG. Therefore, school districts and counties will be certifying the IEP ratio as part of their final annual cost report.

If you have any questions or comments regarding this alert, please contact your local Regional Information Center representative or the NYS Education Department, Medicaid-in-Education Unit at medined@mail.nysed.gov.