

**NEW JERSEY  
DEPARTMENT OF THE TREASURY**



**SCHOOL-BASED MEDICAID  
REIMBURSEMENT PROGRAMS PROVIDER  
HANDBOOK**

**2020-2021 SCHOOL YEAR**

## TABLE OF CONTENTS

<b>INTRODUCTION .....</b>	<b>1</b>
<b>CHAPTER 1: MEDICAID OVERVIEW .....</b>	<b>2</b>
<b>CHAPTER 2: SEMI OVERVIEW .....</b>	<b>4</b>
<b>CHAPTER 3: PARENTAL CONSENT .....</b>	<b>8</b>
Sample Medicaid Annual Notification .....	10
Sample Parental Consent Form .....	11
<b>CHAPTER 4: SERVICE DOCUMENTATION REQUIREMENTS .....</b>	<b>12</b>
<b>CHAPTER 5: GENERAL REQUIREMENTS AND COMPLIANCE .....</b>	<b>13</b>
Provider Enrollment .....	13
Newly Participating Districts.....	13
Record Retention for Medicaid Purposes .....	13
IEP Requirements and Provider Qualifications .....	14
Required Data .....	14
Sending/Receiving Relationships in SEMI .....	15
Data Sharing Agreement .....	15
<b>CHAPTER 6: COVERED SERVICES AND PRACTITIONER QUALIFICATIONS FOR FEE- FOR-SERVICE REIMBURSEMENT.....</b>	<b>17</b>
Audiology.....	18
Health-Related Evaluation Services .....	19
Nursing Services .....	20
Occupational Therapy .....	21
Physical Therapy .....	22
Psychological Counseling/Psychotherapeutic Counseling .....	23
Specialized Transportation Services .....	24
Speech Therapy .....	25
<b>CHAPTER 7: MEDICAID ADMINISTRATIVE CLAIMING (MAC) OVERVIEW.....</b>	<b>28</b>
<b>CHAPTER 8: ANNUAL COST SETTLEMENT .....</b>	<b>29</b>
Quarterly Staff Pool List (SPL) .....	29
Random Moment Time Study (RMTS) .....	29
District Calendars .....	30
Annual Cost Settlement Process .....	30

## INTRODUCTION

The Special Education Medicaid Initiative (SEMI) program is jointly operated by the New Jersey Departments of Education (DOE), Human Services (DHS), and Treasury along with participating local education agencies (LEAs). The purpose of SEMI is to recover a portion of costs for certain Medicaid-covered services provided to Medicaid-eligible students enrolled in participating LEAs.

The Federal Medicaid program funds the reimbursements that participating LEAs receive for the provision of the health-related services described later in this Provider Handbook. SEMI is a separate and unique program from all other Medicaid programs because it is limited to services provided in educational settings under the auspices of the Commissioner of Education. Before SEMI, costs for school-based health services were largely covered by State and local tax dollars. As a result of SEMI, participating LEAs, along with the State of New Jersey, are able to recover some of the costs for these mandated health-related services, through Federal Medicaid revenue. The services continue to be provided at no cost to the student or their parents.

Federal Medicaid reimbursement is available through SEMI only if federal and State Medicaid requirements are met. These requirements are discussed in detail in this Provider Handbook. All LEAs participating in the SEMI Program, including Special Services School Districts, as well as the New Jersey Department of Children and Families (DCF) campuses and the Office of Education (OOE) are to use this Provider Handbook.

## CHAPTER 1: MEDICAID OVERVIEW

Enacted in 1965, Title XIX of the Federal Social Security Act established the Medicaid program. Medicaid is a state-administered government health insurance program for eligible low-income individuals and families. Title XIX requires each state to establish a Medicaid program for individuals residing within the state. Medicaid is jointly funded by the federal government and by the individual states. Federal oversight for the Medicaid program lies with the United States Department of Health and Human Services Centers for Medicare and Medicaid Services (CMS). Each state Medicaid agency is also required to provide oversight of its Medicaid program.

Section 1903(c) of the U.S. Code allows Medicaid reimbursement for medically necessary school-based health services provided to Medicaid-eligible students. The services must be covered in the State plan for Medicaid, as approved by CMS, and provided by qualified practitioners with credentials which meet state and federal requirements. Medicaid reimbursement is not available for academic educational services.

In New Jersey, the Medicaid program is administered by the Department of Human Services through the Division of Medical Assistance and Health Services (DMAHS). The New Jersey Medicaid program includes all federally mandated Medicaid services and covers all federally mandated categories of individuals eligible under federal rules.

### **Place of Service**

For Medicaid purposes, school-based health services may be provided at the school, the student's home (if necessary), or in a community setting as specified in the student's Individualized Education program (IEP).

### **Qualified Practitioners**

Medicaid reimbursement is available to a local education agency (LEA) for those services provided by qualified practitioners as defined in Chapter 5 of this Provider Handbook.

The LEA is responsible for verifying the date each Medicaid service was provided and that each service billed to Medicaid on that date was provided by appropriately qualified practitioners

### **Medicaid Managed Care**

New Jersey enrolls the Medicaid-eligible population into Medicaid Managed Care Organizations (MCOs). The services provided by LEAs and reimbursed under SEMI are independent of the health care provided by the MCOs. **Participation in SEMI has no impact on students' Medicaid health care provided outside of school.**

### **Medicaid Waiver Cases**

Some children, especially those with very severe disabilities, may become eligible for Medicaid services under one of New Jersey's Home and Community-based waiver programs. These programs provide Medicaid coverage in the community for children and adults whose disabilities are severe enough to warrant facility-based care (such as hospitals and nursing homes). Under the waiver programs, there is a "cap" on the expenditures for each case. To avoid duplicating claims, LEA service claims will not be processed for a student who also receives services under a waiver program.

### **Third-party Liability and Medicaid**

The Medicaid program, by law, is intended to be the payer of last resort; that is, all other liable third-party resources must meet their legal obligation to pay claims for services provided to Medicaid recipients before Medicaid is billed. Examples of third parties which may be liable to pay for services include employment-related private health insurance and court-ordered health insurance derived from non-custodial parents. New Jersey DHS obtains information about other health coverage from each Medicaid beneficiary at the time of application for benefits and pursues third-party resources in accordance with the New Jersey State Plan for Medicaid. This helps to ensure that Medicaid is the payer of last resort for all medical services. In some instances, providers may be reimbursed by Medicaid for a service provided to an individual with other liable health insurance. In these instances, UNISYS, the Medicaid fiscal intermediary, will follow up with the other health insurance and process all claims with private insurance.

## CHAPTER 2: SEMI OVERVIEW

SEMI allows for recovery of a portion of costs for Medicaid-covered services provided to Medicaid-eligible Special Education students. Over the course of the school year, an LEA receives interim reimbursement payments for costs associated with the provision of these health-related services. This process is known as Fee-for-Service (FFS). The actual costs associated with providing these health-related services is calculated through the annual Cost Settlement component of SEMI. The Cost Settlement calculation looks at the expenses associated with the staff list, corresponding salary and benefit data and completion of the Random Moment Time Study (RMTS) to determine work effort. This process, completed at the end of the fiscal year, on June 30<sup>th</sup>, assesses whether each LEA has been properly reimbursed for their portion of allowable expenses under the SEMI program. The outcome of this reconciliation process is that an LEA may receive either a positive or negative settlement for the year. The annual Cost Settlement process is explained in greater detail in Chapter 7. The State also uses this data to determine the interim FFS reimbursement rates for the health-related services.

### Department of Education Fiscal Accountability Regulations

NJDOE Fiscal Accountability Regulations, set forth at *N.J.A.C. 6A:23A-5.3*, require every school district and county vocational school district, *with the exception of any district that obtains a waiver*, to take appropriate steps to maximize participation in the program by following the policies and procedures and to comply with **all** program requirements:

- Include 90% of annual revenue projection in district's budget
  - For alternate revenue projection regulations, see *N.J.A.C. 6A:23A-5.3(c)*
- By the end of each fiscal year, each district must achieve:
  - 100% budgeted fee-for-service revenue
  - 90% parental consent response documented
    - This includes positive, negative and “no response”
- Each quarter, districts statewide must:
  - Achieve 90% quarterly RMTS compliance rate
  - Sign Certified Public Expenditures (CPE) forms
- Certify required data by assigned deadlines:
  - Quarterly staff pool lists (SPL)
    - SPL participants are required to have a unique, valid email address listed in the LEA's Public Consulting Group (PCG) Claiming System account
  - Quarterly financials
  - Annual Cost Report
- Implement and maintain proper record retention policies and procedures

### STATE AND LOCAL AGENCIES

Participating LEAs and four major State agencies are involved in the SEMI program. These agencies closely coordinate activities related to the SEMI program in order for the State to

maintain appropriate oversight and to help ensure compliance with Medicaid billing requirements. The agencies and their functions are briefly described below:

#### **NEW JERSEY DEPARTMENT OF THE TREASURY**

- Researches and resolves fiscal issues for LEAs
- Provides assistance with SEMI and Medicaid Administrative Claiming (MAC) reimbursement payments
- Facilitates signing of Memorandum of Understanding (MOU) for SEMI/MAC program by all parties
- Provides policy guidance
- Maintains SEMI/MAC public website
- Serves as Contract Manager on behalf of the State of New Jersey

#### **NEW JERSEY DEPARTMENT OF EDUCATION**

- Provides policy and guidance
- Coordinates the process and maintains documentation (LEA Statement of Assurances and Approved Board Minutes) for Board of Education approval for participation by LEA
- Facilitates pre-enrollment process by the LEA for participation in the SEMI program
- Issues annual SEMI reimbursement revenue projections
- Approves alternate revenue projections
- Reviews corrective action plans

#### **NEW JERSEY DEPARTMENT OF HUMAN SERVICES, DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES (MEDICAID PROGRAM)**

- Conducts Medicaid provider enrollment, including issuing Electronic Data Interchange (EDI) Agreement to LEAs for their signature
- Issues Medicaid provider numbers to LEAs
- Provides Medicaid technical assistance
- Communicates requirements of program specifics to ensure that Federal Medicaid regulations are followed
- Processes and adjudicates claims
- Provides policy guidance

#### **NEW JERSEY DEPARTMENT OF CHILDREN AND FAMILIES (DCF), OFFICE OF EDUCATION/CAMPUSES**

- Conducts Office of Education evaluations
- Provides Medicaid technical assistance and transportation to DCF Campuses
- Appoints a SEMI Coordinator to coordinate with PCG in fulfilling the operational responsibilities for SEMI
- Verifies that student health-related services submitted to PCG for Medicaid claiming are included in the student's IEP which is valid for the dates of service

- Verifies that service providers have the appropriate qualifications or credentials for Medicaid billing

### **LOCAL EDUCATION AGENCY (LEA)**

- Pre-enrolls with the Department of Education to certify LEA status by submitting board approval and assurances for program implementation related to participation in SEMI program
- Completes the Medicaid Provider Application package to enroll as a Medicaid provider with the Medicaid program and receives a unique seven-digit Medicaid provider number which will be used for billing purposes
  - Obtains assistance, as needed, from the Medicaid office to complete the various forms included in the application package
- Designates PCG as the LEA's Medicaid billing agent by completing the State of New Jersey Submitter/Provider Relationship EDI and Electronic Remittance Advice (ERA) agreements
- Appoints a SEMI Coordinator to coordinate with PCG in fulfilling the LEA's operational responsibilities for SEMI
- Verifies that student health-related services submitted to PCG for Medicaid claiming are included in the student's IEP which is valid for the dates of service
- Verifies that service providers have the appropriate qualifications or credentials for Medicaid billing
- Verifies that signed written positive parental consent to bill Medicaid has been obtained prior to submitting service records to PCG for Medicaid billing
- Verifies that transportation services billed to Medicaid are: (1) for transportation on specialized vehicles; (2) included in the student's IEP which also requires other Medicaid covered services; and (3) for a student who actually used the transportation service
- Monitors service documentation compliance by related service providers and conducts necessary follow-up
- Complies with New Jersey DOE's Fiscal Accountability Regulations and record retention responsibilities

### **SEMI PROGRAM THIRD-PARTY ADMINISTRATOR IN NEW JERSEY**

The State of New Jersey has contracted with Public Consulting Group (PCG) to provide operational support for the SEMI and MAC programs. PCG's functions and responsibilities are described below:

#### **PUBLIC CONSULTING GROUP (PCG)**

- Receives and processes Billing Agreements (Electronic Data Interchange) from newly Medicaid enrolled LEAs
- Provides a toll-free Help Desk telephone hotline and email address to provide technical assistance to LEAs regarding SEMI service documentation issues

- Manages and hosts EDPlan™ for LEA’s electronic service documentation and compliance for the fee-for-service program component of the State’s program
  - Conducts Medicaid eligibility verification activities for New Jersey students
  - Provides initial user names and passwords for LEA providers documenting services within EDPlan
  - Provides system functionality support to service providers for service documentation using EDPlan (see Appendix B)
- Maintains and hosts PCG Claiming System in supporting various MAC and Cost Settlement program requirements
  - Provides initial user names and passwords for SEMI administrators at LEA
  - Provides training to administrators for reporting and certifying data
- Prepares and submits claims for FFS Medicaid reimbursement, MAC, and Cost Settlement, based on LEA service and compliance documentation, consistent with Medicaid billing requirements
- Supports the State in administering aspects of on-going Medicaid legal and regulatory compliance monitoring and facilitates best-practice sharing across districts
- Complies with all responsibilities outlined in the State Contract

## CHAPTER 3: PARENTAL CONSENT

Parental consent consists of two separate but related documents regarding the SEMI program. The first document is the notification to parents/guardians of their rights regarding the SEMI program. The second document is the parental consent form. The notification of rights must be given annually to all parents with children participating or eligible for participation in the SEMI program. The parental consent form does not need to be sent annually to parents who provide positive consent on a signed and dated form. Additional information regarding each document is provided below.

### **Annual Notification to Parents**

The United State Department of Education requires LEAs to provide written annual notification of rights to parents **prior to** obtaining signed SEMI parental consent, and annually thereafter. The annual notification outlines parents' rights and reviews the information the parents are giving consent to be shared with various government agencies. The annual notification form does not need to be signed or returned to the district. However, the district should memorialize the procedures for how and when the notification is distributed to be in compliance with annual distribution requirements outlined by the Individuals with Disabilities Education Act (IDEA) regulations. It is recommended that any substantive changes to the consent forms be reviewed in consultation with a district's board attorney.

A sample SEMI parental notification form is available in 11 languages. A sample of the English language version can be found at the end of this chapter and all of the available language versions are located on Treasury's SEMI and MAC website and on PCG's EDPlan site. The available languages are:

- ♦ English
- ♦ Arabic
- ♦ Chinese Cantonese
- ♦ Chinese Mandarin
- ♦ Haitian Creole
- ♦ Hindi
- ♦ Korean
- ♦ Portuguese
- ♦ Punjabi
- ♦ Russian
- ♦ Spanish

### **Parental Consent**

After the parent/guardian has received the written notification form, the LEA must obtain a signed positive SEMI parental consent form, from the parent/guardian of a student, before health-related services provided can be submitted to Medicaid for reimbursement. The signed SEMI parental consent form is valid for the length of the student's enrollment in the LEA and does not need to be procured again once positive consent is received from the parent/guardian.

The original signed and dated copy of the SEMI parental consent form must be maintained, by the LEA, as part of the student's educational records. In EDPlan, SEMI coordinators must indicate, on the student's personal information page, the effective date of the parental consent. Detailed instructions on how to enter the information into EDPlan are provided, in manuals, located on the Home Page of each LEA's EDPlan site. Parental consent is not required for the LEA to release student information to PCG, in its capacity as the billing agent of the LEA. Additionally, once positive consent is obtained, consent is retroactive for services provided back to the start of the fiscal year.

Parental consent for SEMI can be a sensitive topic, so LEA staff members should thoroughly explain the SEMI consent form with that in mind. Parents and guardians should be informed of the purpose for notification and required signature.

Sample SEMI parental consent authorization forms are available in the same and location and languages as the annual notification is available on the Treasury website and PCG's EDPlan website. There is an English language sample available at the end of this chapter.

### **Record Retention**

The original signed and dated parental consent form must be kept by the LEA for seven (7) years from the date of service. Forms must be retrievable and made available upon audit.

## Example of Annual Notification Form

### Medicaid Annual Notification Regarding Parental Consent

**Background:** The State of New Jersey has participated in a Federal Program, Special Education Medicaid Initiative (SEMI), since 1994. The program assists school districts by providing partial reimbursement for medically-related services listed on a student's Individualized Education Program (IEP).

The SEMI program is under the auspices of the New Jersey Department of the Treasury through its collaboration with the New Jersey Department of Education and the New Jersey Division of Medicaid Assistance and Health Services.

In 2013, the regulations regarding Medicaid parental consent for school-based services changed. Now the regulations require that, prior to accessing a child's public benefits or insurance for the first time, and annually thereafter, school districts must provide parents/guardians written notification and obtain a one-time parental consent.

#### Is there a cost to you?

No. IEP services are provided to the students while at school at no cost to the parent/guardian.

#### Will SEMI claiming impact your family's Medicaid benefits?

The SEMI program does not impact a family's Medicaid services, funds, or coverage limits. New Jersey operates the school-based services program differently than the family's Medicaid program. The SEMI program does not affect your family's Medicaid benefits in any way.

#### What type of services does the School-Based Services program cover?

- Evaluations
- Speech Therapy
- Occupational Therapy
- Physical Therapy
- Psychological Counseling
- Audiology
- Nursing
- Specialized Transportation

#### What type of information about your child will be shared?

In order to submit claims for SEMI reimbursement, the following types of record may be required: first name, last name, middle name, address, date of birth, student ID, Medicaid ID, disability, service dates and the type of services delivered.

#### Who will see this information?

Information about your child's special education program may be shared with the New Jersey Division of Medicaid Assistance and Health Services and its affiliates, including the Department of the Treasury and the Department of Education for the purpose of verifying Medicaid eligibility and submitting claims.

#### What if you change your mind?

You have the right to withdraw consent to allow for Medicaid billing at any time by contacting the school in which your child is enrolled.

#### Will your consent or refusal to consent affect your child's services?

No. Your school district is still required to provide services to your child pursuant to his or her IEP, regardless of your Medicaid eligibility status or your willingness to consent for SEMI billing.

#### What if you have questions?

Please call your school district's Special Education department with questions or concerns, or to obtain a copy of the parental consent form.

Method of Delivery: (check one)  Mailed to parent(s)  Emailed to parent(s)  IEP meeting  Hand Delivered



## CHAPTER 4: SERVICE DOCUMENTATION REQUIREMENTS

LEAs must maintain student records which fully document the basis upon which all claims for reimbursement are made. A complete set of records includes the student's complete IEP, evaluation reports, service encounter documentation, progress notes, billing records, and practitioner credentials. All documentation must be available, if requested, for State and Federal audits.

Each service encounter with a student must be fully documented, including the duration of the encounter. The IEP alone is not sufficient documentation to prove that a service was provided. The basic minimum elements to be documented for each service encounter are:

- Date of service
- Student's name
- Student's date of birth
- Type of service
- Name, signature, and clinical discipline of the service provider
- Duration of service
- Service setting (group or individual)

In addition to the above required elements of documentation, the service provider must document the specific services provided during each encounter and the student's progress toward specified clinical objectives.

Services can be documented electronically using PCG's EDPlan or by using paper logs:

**EDPlan:** Services documented with EDPlan will include all information required for a completed service record prior to uploading the record for Medicaid billing. Practitioners are encouraged to document service data as frequently as possible, but not less than weekly.

**Paper Logs:** Services documented on paper must be recorded on a related service documentation form. Related service providers are responsible for fully completing the form prior to submitting the logs to the SEMI coordinator. The practitioner and the LEA are responsible for ensuring that only fully completed and accurate logs are submitted. The LEA is responsible for reviewing and maintaining all paper logs and entering the information into EDPlan for billing purposes. Appendix D includes sample service documentation form.

In documenting health-related services, student information must be handled and maintained in a confidential manner in compliance with the Federal Educational Rights and Privacy Act (FERPA), the Health Insurance Portability and Accountability Act (HIPAA), and Medicaid statutes and regulations. All information regarding the delivery of health-related services must be maintained in the student's file that is accessible in the event of an audit.

## **CHAPTER 5: GENERAL REQUIREMENTS AND COMPLIANCE**

### **Provider Enrollment**

Upon the LEA's completion of the SEMI participation certification process with the Department of Education, the Office of Special Education Policy and Dispute Resolution advises the Medicaid Program that the LEA is eligible to be enrolled as a Medicaid provider. At the direction of the State, PCG sends the LEA a copy of the New Jersey Medicaid Provider Application Package. To enroll, the LEA must complete this package, which consists of the following forms:

1. Special Education Provider Application;
2. Provider Agreement (FD-62);
3. National Provider Identifier (NPI) application instructions;
4. Disclosure of Ownership (HCFA-1513); and
5. Billing Agreement

Technical assistance with completion of the application documents is available by calling the SEMI contact in the Department of Human Services, Division of Medical Assistance and Health Services at 609-588-2905.

Upon completion of the enrollment process, the Medicaid Provider Enrollment Unit will assign the LEA a unique Medicaid provider number. The LEA is responsible for providing, to PCG, the assigned Medicaid Provider Number (MPN) and National Provider Identifier (NPI). An LEA's EDPlan site for program participation will be created once confirmation of an active Medicaid Provider Number is received. PCG will share the LEA's MPN number with the Department of the Treasury which requires the number for the Memorandum of Understanding (MOU) that each LEA must sign. The MOU formalizes the relationship between the Departments of Human Services, Treasury and the LEA and must be completed prior to PCG submitting the LEA's eligible health-related services for Medicaid billing.

### **Newly Participating Districts**

It is suggested that newly participating districts provide their active MPN and NPI numbers to PCG prior to March 1<sup>st</sup> of the first fiscal year in which they are required to participate. Any requests sent to PCG after this date will require the district to begin participation July 1<sup>st</sup> of the upcoming fiscal year and the State will be notified of their participation status.

### **Record Retention Period for Medicaid Purposes**

All LEAs must maintain all service and financial records, supporting documents, and other recipient records relating to the delivery of services reimbursed by Medicaid for, at least, seven (7) years from the date of service. The original signed parental consent forms must also be

maintained in the district for seven years from the date of service. All records must be retrievable and made available upon audit.

### **IEP Requirements and Provider Qualifications**

Health-related services provided to Medicaid-eligible students and submitted to Medicaid for reimbursement must be:

1. Included in the student’s IEP that is valid for the dates of service; and
2. Administered by a healthcare provider, SEMI-qualified on the dates of service to provide such services, under State and Federal laws and regulations.

Evaluation services must also be administered by SEMI-qualified providers under State and federal statutes and regulations. See Chapter 5 for requirements on provider qualifications.

### **Required Data**

In order to allow verification of the existence of the documentation necessary to support the services billed to Medicaid, each LEA is **required** to enter the following data into EDPlan:

- IEP start and end dates;
- Provider qualification dates;
- Primary disability\*;
- Placement where services are rendered;
- Physician authorization dates (nursing services only); and
- Student’s date of birth to determine claiming eligibility (SEMI covers students ages 3 through 21)

\* The New Jersey Division of Medical Assistance and Health Services has authorized PCG to submit diagnosis codes for School-Based Service claims based on the student disability selected by the LEA staff in EDPlan in accordance with the table below:

School System Selection	ICD-10 Code
Auditorily Impaired	H902
Autism	F840
Intellectual Disabilities	F70
Communication Impaired	R499
Deaf-Blindness	H918X9
Multiple Disabilities/Preschool Disabled	R6250
Orthopedic Impairment	M959
Other Health Impairments	R69

Serious Emotional Disturbance	F938
Specific Learning Disability	F81.9
Speech or Language Impairments	F801
Traumatic Brain Injury	S061X0A
Visual Impairments	H548

PCG will not submit claims to Medicaid for reimbursement until the required data is entered. This requirement is intended to provide verification of the existence and maintenance of the documentation required to support Medicaid claims by the LEA. Failure to maintain such documentation may result in the creation of a financial liability for the LEA.

**Sending/Receiving Relationships in SEMI**

Generally, the LEA which pays tuition for a student to attend a program offered by another program is the LEA eligible to claim the revenue reimbursement associated with the provision of SEMI health-related services. Please see the chart of SEMI sending/receiving relationships in Appendix E for additional information.

**Data Sharing Agreement**

In order for PCG to submit claims to Medicaid for reimbursement on behalf of an LEA, the LEA must complete and sign a Data Sharing Agreement. This agreement allows PCG to act as the LEA’s agent and obligates PCG to protect the privacy of the students’ information. A sample of the Data Sharing agreement is on the next page.

NEW JERSEY SPECIAL EDUCATION MEDICAID INITIATIVE (SEMI) AND  
MEDICAID ADMINISTRATIVE CLAIMING (MAC) PROGRAM  
DATA SHARING AGREEMENT

Whereas, the \_\_\_\_\_ School District (hereinafter referred to as "School District"), located in \_\_\_\_\_, New Jersey, provides education and related health services to enrolled students, including services compensated under the New Jersey Medicaid program; and

Whereas, Public Consulting Group (PCG) is a consulting firm performing Medicaid reimbursement services for the New Jersey Department of the Treasury; and

Whereas, PCG, in performing said Medicaid services, also assists School District to identify students with Medicaid, to calculate the Medicaid eligibility rate (MER), to submit Medicaid claims, and to develop more effective Medicaid outreach programs;

Therefore, for mutual benefit and consideration duly acknowledged by both parties to this Agreement, it is hereby agreed as follows:

1. School District will provide PCG, as its agent for performing the services described above, access to student files for the sole purpose of carrying out said services.
2. PCG will act as agent for School District for the sole purpose of properly performing the Medicaid-related services described above.

**TERM:** PCG will provide the said services with respect to all schools beginning with the of January through March, 2005 and will continue to provide said services until the agreement is terminated by either party following thirty (30) days advance notice.

**INDEMNIFICATION:** PCG will indemnify and hold School District harmless from all claims, losses, expenses, fees, including attorney fees, costs and judgments that may be asserted against School District as a result of any negligence by PCG in performing services under this agreement.

**CONFIDENTIALITY:** PCG agrees to take reasonable steps to ensure the physical security of data that comes under its control and to abide by all pertinent laws and regulations relating to confidentiality of such data.

**APPLICABLE LAW:** This Agreement is governed by the laws of the State of New Jersey.

\_\_\_\_\_  
(Print Name & Title)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(School District)

\_\_\_\_\_  
(Public Consulting Group Representative)

\_\_\_\_\_  
(Date)



## **CHAPTER 6: COVERED SERVICES AND PRACTITIONER QUALIFICATIONS FOR FEE-FOR-SERVICE REIMBURSEMENT**

### **Covered Services:**

LEAs may bill Medicaid for providing medically necessary health services to students. Health services required in the student's Individualized Education Program (IEP) are considered to be medically necessary for Medicaid billing purposes. Services provided to determine the student's need for an IEP, such as evaluations, are also reimbursable by Medicaid. To be reimbursed by Medicaid, the services must also be properly documented and provided by SEMI-qualified personnel as described in this Provider Handbook. Medicaid-covered school-based health services include:

- A. Audiology;
- B. Evaluation services to determine a student's health care needs;
- C. Nursing services;
- D. Occupational therapy;
- E. Physical Therapy;
- F. Psychological counseling;
- G. Specialized transportation services; and
- H. Speech Therapy

### **Services that are not reimbursable:**

- Educational services and associated costs, including IEP meetings, without a health-related component;
- Therapy services not documented as medically necessary in the IEP as valid on the dates of service;
- Student Medicaid eligibility verification;
- Transportation services other than specialized transportation;
- Services by providers who are not SEMI-qualified or licensed providers for the services rendered as required by Federal Medicaid requirements and State law;
- Services provided without charge to all students, such as health screenings, as defined by federal law; and
- Health-related services without a valid referral, as outlined within Speech, Physical, and Occupational Therapy sections below

## A. AUDIOLOGY

In accordance with New Jersey statute, audiology includes “the nonmedical and nonsurgical application of principles, methods, and procedures of measurement, testing, evaluation, consultation, counseling, instruction, and habilitation or rehabilitation related to hearing, its disorders and related communication impairments for the purpose of nonmedical diagnosis, prevention, identification, amelioration or modification of these disorders and conditions in individuals or groups of individuals with speech, language or hearing handicaps, or to individuals or groups of individuals for whom these handicapping conditions must be ruled out” (*N.J.S.A. 45:3B-2(d)*).

According to Federal Medicaid regulations, “services for individuals with speech, hearing, and language disorders means diagnostic, screening, preventive, or corrective services provided by or under the direction of a speech pathologist or audiologist, for which a patient is referred by a physician or other licensed practitioner of the healing arts within the scope of his or her practice under State law” (42 CFR § 440.110(c)(1)).

The Federal Medicaid regulations also state that a qualified audiologist is an individual who holds a master’s or doctoral degree in audiology; who maintains documentation to demonstrate that he or she is licensed by the State to provide audiology services; and the State’s licensure requirements meet or exceed the standards for obtaining a Certificate of Clinical Competence from the American Speech-Language-Hearing Association (ASHA) (see 42 CFR §440.110(c)(3)). The New Jersey Department of Education does not issue an educational certificate for audiology.

Practitioner Qualifications: Audiology services must be provided by an audiologist who is qualified to bill Medicaid in accordance with State and federal guidelines. A qualified audiologist is an individual who is licensed by the State Audiology and Speech-Language Pathology Advisory Committee in accordance with New Jersey statute (see *N.J.S.A. 45:3B-1 et seq.*). Per *N.J.A.C. 6A:23A-5.3(e)*, audiologists cannot be set up “under the direction” of another audiologist.

The LEA must maintain documentation that these qualifications are met for audiologists whose services are billed to Medicaid. The required documentation must include a copy of the State of New Jersey license.

Audiology services required in a student’s IEP must be documented as referred by a licensed physician or a SEMI-qualified audiologist within the scope of his or her practice under New Jersey law. This documentation must be maintained in the student’s records in accordance with New Jersey rules. Certification current to the date of service must be maintained with the service documentation or IEP.

### **Record Retention**

The LEA **must** retain the following documentation:

- New Jersey State license – a copy of the actual license issued to the licensee. A printout of the New Jersey Department of Consumer Affairs License Verification website **does not** meet the record retention requirement.
- The certification and/or license that is valid at the time of the provided service must be maintained with the service documentation or IEP.
- All records must be retrievable and made available upon audit.

## **B. HEALTH-RELATED EVALUATION SERVICES**

Health-related evaluation services include initial evaluations, reevaluations, revisions with a change in related services, and annual reviews. These services are defined in the Department of Education regulations (see *N.J.A.C. 6A:14, Subchapter 3*). Medicaid reimbursement is available for the medical component of the evaluation services when provided by SEMI-qualified clinical practitioners as described in this Provider Handbook.

Health-related evaluation services identify the need for specific services and the evaluation results are used to develop the student’s IEP, which prescribes the range and frequency of services the student needs in order to have access to a free, appropriate public education. The date of the IEP meeting or the date of the completed reevaluation or annual review constitutes the claimable evaluation service. Each LEA must develop an internal process in coordination with either the head of the Child Study Team or the Director of Special Education to collect and record each claimable evaluation service on an appropriate documentation form.

Initial and reevaluations for a Medicaid-eligible student are covered even if the evaluation results in a determination that the student is not eligible for the special education program. Individual evaluations by a non-district neurologist or other medical professional are not separate claimable services, but are included as part of an evaluation service. Additionally, evaluations are not eligible for reimbursement unless a SEMI-qualified provider is in attendance at the IEP meeting, and the attendance of that practitioner at the meeting must be educationally appropriate. Per State guidelines, LEAs may claim up to two health-related evaluation services per fiscal year, excluding those with service dates falling within consecutive months of one another.

**Note:** Special Services School Districts (SSSD) and DCF campuses are not eligible to submit claims for health-related evaluation services, as evaluations are performed and are the responsibility of the sending district or the Office of Education, respectively.

### **Record Retention**

The LEA **must** maintain the following documentation:

- New Jersey State license – a copy of the actual license issued to the licensee. A printout of the New Jersey Department of Consumer Affairs License Verification website **does not** meet the record retention requirement.
- The certification and/or license that is valid at the time of the evaluation/referral must be maintained with the service documentation or IEP.
- All records must be retrievable and made available upon audit.

### C. NURSING SERVICES

In accordance with New Jersey statute, a registered professional nurse (RN) may provide nursing services including “diagnosing and treating human responses to actual or potential physical and emotional health problems, through such services as case finding, health teaching, health counseling, and provision of care supportive to or restorative of life and well-being, and executing medical regimens as prescribed by a licensed or otherwise legally authorized physician or dentist. Diagnosing in the context of nursing practice means the identification of and discrimination between physical and psychosocial signs and symptoms essential to effective execution and management of the nursing regimen within the scope of the practice of the registered professional nurse. Such diagnostic privilege is distinct from a medical diagnosis. Treating means selection and performance of those therapeutic measures essential to the effective management and execution of the nursing regimen. Human responses mean those signs, symptoms, and processes which denote the individual’s health need or reaction to an actual or potential health problem” (*N.J.S.A. 45:11-23(1)(b)*). A licensed practical nurse (LPN) may provide services, as permitted by New Jersey law, “under the direction” of a registered nurse or licensed or otherwise legally authorized physician or dentist. (*N.J.S.A. 45:11-23(1)(b)*).

In order to be eligible for reimbursement through the SEMI program, nursing services:

- Must be specified in the IEP with a frequency. Nursing Services delivered “as needed” are not eligible for reimbursement through the SEMI Program;
- Must be services that can only be delivered by a licensed nurse (LPN or RN); and
- Must be consistent with the physician’s orders or prescriptions on file.

Practitioner Qualifications: Nursing and nursing evaluation services can be provided by a registered professional nurse (RN) or a licensed practical nurse (LPN) licensed by the New Jersey Board of Nursing. Services by an LPN must be provided “under the direction” of a licensed RN or licensed or otherwise legally authorized physician or dentist. The RN must sign the monthly related service documentation form or approve the logs of the non-SEMI-qualified nurse in EDPlan. Please note that only health-related direct services are eligible for reimbursement “under the direction”.

## **Record Retention**

The LEA **must** retain the following documentation:

- New Jersey State license – a copy of the actual license issued to the licensee. A printout of the New Jersey Department of Consumer Affairs License Verification website **does not** meet the record retention requirement.
- The certification and/or license that is valid at the time of the provided service must be maintained with the service documentation or IEP.
- All records must be retrievable and made available upon audit.

## **D. OCCUPATIONAL THERAPY**

In accordance with New Jersey statute, occupational therapy includes the “evaluation, planning and implementation of a program of purposeful activities to develop or maintain functional skills necessary to achieve the maximal physical or mental functioning, or both, of the individual in his daily occupational performance” (*N.J.S.A. 45:9-37.53*).

In accordance with Federal regulations (42 CFR § 440.110(b)), occupational therapy services must be “prescribed by a physician or other licensed practitioner of the healing arts within the scope of his or her practice under State law and provided to a beneficiary by or under the direction of a qualified occupational therapist” (42 CFR § 440.110(b)). Occupational therapy services required in a student’s IEP must be documented as prescribed by a qualified occupational therapist within the scope of his or her practice under New Jersey law. This documentation must be maintained in the student’s records in accordance with the New Jersey Administrative Code (*N.J.A.C. 6A:32, Subchapter 7*).

**Practitioner Qualifications:** Occupational therapy and occupational therapy evaluations must be provided by an occupational therapist licensed by the State Occupational Therapy Advisory Council and certified or endorsed by the Department of Education. Occupational therapy can also be provided by a certified occupational therapy assistant (COTA) under the supervision of a licensed occupational therapist. “Supervision” means the responsible and direct involvement of a licensed occupational therapist for the development of an occupational therapy treatment plan and the periodic review of the implementation of that plan. The licensed occupational therapist must sign the monthly related service documentation form or approve the logs of the non-SEMI-qualified occupational therapist in EDPlan. Please note that only health-related direct services are eligible for reimbursement “under the direction”.

## **Record Retention**

The LEA **must** retain all of the following documentation:

- DOE certificate – copy of the paper certificate issued before May 14, 2015; screen print of certificate issued after May 15, 2015

- New Jersey State license – a copy of the actual license issued to the licensee. A printout of the New Jersey Department of Consumer Affairs License Verification website **does not** meet the record retention requirement.
- The certification and/or license that is valid at the time of the provided service must be maintained with the service documentation or IEP.
- All records must be retrievable and made available upon audit.

## **E. PHYSICAL THERAPY**

In accordance with New Jersey statute, physical therapy “includes the identification of physical impairment or movement-related functional limitation that occurs as a result of injury of congenital or acquired disability, or other physical dysfunction through examination, evaluation and diagnosis of the physical impairment or movement-related functional limitation and the establishment of a prognosis for the resolution or amelioration thereof, and treatment of the physical impairment or movement-related functional limitation, which shall include, but is not limited to, the alleviation of pain, physical impairment and movement-related functional limitation by therapeutic intervention, including treatment by means of manual therapy techniques and massage, electro-therapeutic modalities, the use of physical agents, mechanical modalities, hydrotherapy, therapeutic exercises with or without assistive devices, neuro-developmental procedures, joint mobilization, movement-related functional training in self-care, providing assistance in community and work integration or reintegration, providing training in techniques for the prevention of injury, impairment, movement-related functional limitation, or dysfunction, providing consultative, educational, other advisory services, and collaboration with other health care providers in connection with patient care, and such other treatments and functions as may be further defined” (*N.J.S.A. 45:9-37.13*).

Physical therapy services, as defined in Federal regulations, (42 CFR § 440.110(a)), must be “prescribed by a physician or other licensed practitioner of the healing arts within the scope of his or her practice under State law and provided to a beneficiary by or under the direction of a qualified physical therapist.” Physical therapy services required in a student’s IEP must be documented as prescribed by a qualified physical therapist within the scope of his or her practice under New Jersey law. This documentation must be maintained in the student’s records in accordance with New Jersey administrative code (*N.J.A.C. 6A:32, Subchapter 7*).

**Practitioner Qualifications:** Physical therapy and physical therapy evaluations must be conducted by a physical therapist licensed by the State Board of Physical Therapy Examiners and certified or endorsed by the Department of Education. Physical therapy can also be provided by a licensed physical therapist assistant under the direct supervision of a licensed physical therapist. “Direct supervision” means the supervising physical therapist is present on-site and readily available to respond to any consequence regarding a student’s treatment or reaction to treatment. The licensed physical therapist must sign the monthly related service documentation form or approve

the logs of the non-SEMI-qualified physical therapist in EDPlan. Please note that only health-related direct services are eligible for reimbursement “under the direction”.

### **Record Retention**

The LEA **must** retain all of the following documentation:

- DOE certificate – copy of the paper certificate issued before May 14, 2015; screen print of certificate issued after May 15, 2015
- New Jersey State license – a copy of the actual license issued to the licensee. A printout of the New Jersey Department of Consumer Affairs License Verification website **does not** meet the record retention requirement.
- The certification and/or license that is valid at the time of the provided service must be maintained with the service documentation or IEP.
- All records must be retrievable and made available upon audit.

### **F. PSYCHOLOGICAL COUNSELING/PSYCHOTHERAPEUTIC COUNSELING**

Psychological counseling includes the provision of assessment and therapy services. Psychological services is “the application of psychological principles and procedures in the assessment, counseling or psychotherapy of individuals for the purposes of promoting the optimal development of their potential or ameliorating their personality disturbances and maladjustments as manifested in personal and interpersonal situations” (*N.J.S.A. 45:14B-2*). Psychotherapeutic counseling is defined as the “ongoing interaction between a social worker and an individual, family or group for the purpose of helping to resolve symptoms of mental disorder, psychosocial stress, relationship problems or difficulties in coping with the social environment, through the practice of psychotherapy” (*N.J.S.A. 45:15BB-3*).

**Practitioner Qualifications:** Psychological counseling must be provided by individuals licensed or otherwise authorized to provide psychological counseling services by New Jersey law and/or the State Board of Psychological Examiners or the State Board of Social Work Examiners and certified by the Department of Education. School certified psychologists and school certified social workers meet these criteria (*N.J.S.A. 45:14B-6(g)*) and *N.J.S.A. 45:15BB-5(c)*).

Crisis intervention, guidance counseling, drug counseling/treatment, or other similar services provided on an ad hoc basis and not specified in the IEP are not reimbursable under the SEMI program.

### **Record Retention**

The LEA **must** retain the following documentation:

- DOE Certificate in Social Work or Psychology – copy of the paper certificate issued before May 14, 2015; screen print of certificate issued after May 15, 2015.
- The certification and/or license that is valid at the time of the provided service must be maintained with the service documentation or IEP.
- All records must be retrievable and made available upon audit.

## **G. SPECIALIZED TRANSPORTATION SERVICES**

Specialized transportation services include transportation to receive Medicaid approved school-based health services. This service is limited to transportation of an eligible child to receive health-related services as listed in a student's IEP.

The specialized transportation service is Medicaid reimbursable if:

1. Provided to a Medicaid-eligible student;
2. Student has an IEP that is valid on the dates of service;
3. Student received health-related services of either audiology, occupational therapy, physical therapy, speech, nursing or psychological counseling as indicated in his/her IEP on the date for which transportation is billed; and
4. The LEA incurs the cost of the transportation service.

Specialized transportation services are defined as transportation that requires a specially equipped vehicle, or the use of specialized equipment to ensure a child is taken to and from the child's residence to school or to a community provider's office for IEP health-related services. Specialized transportation service is reimbursable if it is:

1. Transportation provided by or under contract with the LEA, to and from the student's place of residence, to the school where the student receives one of the health-related services covered by SEMI; or
2. Transportation provided by or under contract with the LEA, to and from the student's place of residence, to the office of a medical provider, who has a contract, with the school to provide one of the health-related services covered by SEMI; or
3. Transportation provided by or under contract with the LEA, from the student's place of residence, to the office of a medical provider, who has a contract with the school, to provide one of the health-related services covered by SEMI and returns to school.

For reference, these are some examples that could be listed on IEPs in regard to specialized transportation. Each of these examples should be supported by justification based on health-related reasons:

1. Bus with a lift
2. Door-to-door assistance

3. 1:1 Transportation Aide
4. Car seat required
5. Harness
6. Air-conditioned transportation

When claiming transportation costs as direct services, each LEA will be responsible for maintaining written documentation, such as a trip log, for individual trips provided. No payment will be made to parents providing transportation.

A Special Services School District (SSSD) cannot submit claims for specialized transportation.

LEAs cannot submit specialized transportation claims for students attending a SSSD or DCF campus.

- Each provider intending to receive transportation reimbursement must maintain records which fully document the basis for all claims for specialized transportation services and corresponding health-related justification. A sample specialized transportation trip log is located in Appendix D.

## **H. SPEECH THERAPY**

In accordance with New Jersey statute, speech therapy, or speech-language pathology, includes the “nonmedical and nonsurgical application of principles, methods and procedures of measurement, prediction, nonmedical diagnosis, testing, counseling, consultation, habilitation and rehabilitation and instruction related to the development and disorders of speech, voice, and language for the purpose of preventing, ameliorating and modifying these disorders and conditions in individuals or groups of individuals with speech, language, or hearing handicaps, or individuals or groups of individuals for whom these handicapping conditions must be ruled out” (*N.J.S.A. 45:3B-2(e)*).

<p><b>Note:</b> Practitioner qualifications differ for health-related evaluations and for direct services as described below.</p>
---

### Practitioner Qualifications for Medicaid Claiming

According to Federal Medicaid regulations, “services for individuals with speech, hearing and language disorders means diagnostic, screening, preventive, or corrective services provided by or under the direction of a speech pathologist or audiologist, for which a patient is referred by a physician or other licensed practitioner of the healing arts within the scope of his or her practice under State law” (42 CFR § 440.110(c)(1)).

### Evaluation/Referral for Speech Services

In New Jersey, in order to bill for speech-language services as documented in a student's IEP, a student's evaluation/IEP (Health-related evaluation services, as identified in Section B of this chapter) must specify that speech services are recommended/ordered by a:

A. Licensed physician

- OR -

B. Licensed practitioner of the healing arts within the scope of his or her practice under State law, authorized by the State Audiology and Speech-Language Pathology Advisory Committee in accordance with New Jersey law at *N.J.S.A. 45:3B-1 et seq.*, and holds a Department of Education\* certificate as a Speech-language specialist (*N.J.A.C. 6A:9B-14.6*)

who must provide documentation that identifies the referral of speech services that are included in or with the student's IEP. An acceptable written referral can be the completed evaluation and results, which address the student's communication problem and needs relative to speech-language services.

*\* Provisional certifications are not permissible for use in the SEMI program.*

### Speech-Language Services

Both State and federal guidelines must be met in order for services to be eligible for reimbursement. Speech services provided to eligible students will be considered for Medicaid reimbursement when the services are provided by a practitioner who is:

A. Certified or endorsed by the Department of Education\* and holds an American Speech-Language-Hearing Association (ASHA) Certificate of Clinical Competence

- OR -

B. Certified or endorsed by the Department of Education\* and holds a valid license authorized by the State Audiology and Speech-Language Pathology Advisory Committee in accordance with New Jersey law at *N.J.S.A. 45:3B-1 et seq.*

*\* Provisional certifications are not permissible for use in the SEMI program.*

### Reimbursable Services Provided by "Under the Direction"

*Speech services provided "under the direction" are claimed at the discretion of the LEA.*

If the district has speech providers who do not meet the Federal Medicaid regulations of a SEMI-qualified speech provider (as outlined above), the district can choose to have the non-SEMI-qualified staff member "supervised" by an ASHA-certified or licensed speech provider for SEMI purposes. If a district chooses to utilize "under the direction", the supervisee must meet

minimum qualifications of full DOE certification. The supervisor must be SEMI-qualified and meet all Federal Medicaid regulations of a qualified speech-language pathologist.

When a speech-language specialist is working “under the direction”, this means that the ASHA-certified or licensed personnel:

- Maintains responsibility for the services delivered;
- Sees the student, at least, once, and periodically thereafter, as needed;
- Provides input into the type of care provided;
- Monitors treatment status after treatment has begun;
- Meets regularly with the staff being supervised; and
- Is available to the supervised staff.

The speech-language pathologist, who is ASHA-certified or has a State license, must sign the monthly related service documentation form or approve the logs of the non-SEMI-qualified provider in EDPlan.

Please note that only health-related direct services are eligible for reimbursement “under the direction”. Additionally, speech services provided by a qualified ASHA-certified provider or licensed provider cannot be considered claimable unless the IEP evaluation – assessment and validation for such services - was recommended by a practitioner meeting the requirements as stated in the Evaluation/Referral for Speech Services section above.

### **Record Retention**

The LEA **must** retain the following documentation, as applicable to each individual speech provider:

- A valid ASHA certificate
- DOE certificate – copy of the paper certificate issued before May 14, 2015; screen print of certificate issued after May 15, 2015
- New Jersey State license – a copy of the actual license issued to the licensee. A printout of the New Jersey Department of Consumer Affairs License Verification website **does not** meet the record retention requirement.
- The certification and/or license that is valid at the time of the provided service must be maintained with the service documentation or IEP.
- All records must be retrievable and made available upon audit.

## **CHAPTER 7: MEDICAID ADMINISTRATIVE CLAIMING (MAC) OVERVIEW**

The purpose of the Medicaid Administrative Claiming (MAC) program is to promote the availability of additional reimbursements for work associated with the provision of Medicaid-covered health services. LEAs participating in the MAC program receive quarterly reimbursements for the administrative work required to support the Medicaid-funded services provided to students. These quarterly claims utilize data that have already been submitted for the cost settlement component of the SEMI program (see Chapter 7), such as staff submitted on the Staff Pool List (SPL) and Random Moment Time Study (RMTS) compliance.

The MAC program is designed to reimburse some of the costs associated with LEA-based health and outreach activities; costs that are not reimbursable under the SEMI program. Some of these activities include assisting family and State outreach with:

- Access to the Medicaid program
- Facilitating an application for Medicaid
- Care planning and coordination for Medical/Mental Health Services
- Client assistance to access Medicaid Services
- Program planning, policy developing, and monitoring of Medicaid Services

To receive reimbursement from a MAC quarterly claim, each LEA must:

1. Submit salary and benefit data as financial documentation;
2. Submit a Certified Public Expenditures (CPE) form electronically signed by an individual with signatory authority, to be retained on file (see Appendix B for a sample form); and
3. Certify that all reported financial data is accurate.

All three of these items must be completed, on a quarterly basis, in the PCG Claiming System. If the SPL is not certified for a quarter, the LEA will not receive a MAC reimbursement.

### **Record Retention**

Participating districts are required to maintain all cost data, salary detail, and staff/personnel data submitted as part of its quarterly financial submission for a MAC reimbursement. All records must be retrievable and made available for audit purposes.

## CHAPTER 8: ANNUAL COST SETTLEMENT

The cost settlement process is used annually in the State of New Jersey to ensure that LEAs are accurately reimbursed for the costs of providing medically-related, school-based services. The cost settlement process accomplishes this through a “retrospective cost based” approach that compares interim reimbursements to reported annual expenditures. This process requires LEAs to demonstrate that the interim reimbursements paid for school-based services accurately reflects the actual cost of providing medical services.

The cost settlement process requires each LEA to submit an annual cost report at the end of the fiscal year. If an LEA’s actual expenditures exceed the amount received in interim reimbursement payments, the LEA will receive a settlement. For LEAs with actual expenditures less than the amount received in interim reimbursements, they may need to return the difference.

LEAs demonstrate actual costs through completion of the following program requirements:

### **Quarterly Staff Pool List (SPL)**

The SPL is composed of all the staff, both administrative and qualified professionals, which an LEA identifies as involved in the provision of health services covered by the SEMI program. The SPL is used to determine which staff are eligible for the RMTS and allows LEAs to claim a portion of salary and benefit costs for individuals listed in the Staff Pool List for that quarter. The SPL must be certified prior to the start of each quarter, by the established deadlines. Each SPL participant is required to have a unique, valid email address in the Claiming System, where the SPL is created and certified. If an LEA cannot provide a valid email address for each SPL participant, that participant must be removed from the SPL and the LEA will be unable to claim costs for said individual. LEAs will only be able to report costs for staff included on the quarterly SPL.

### **Random Moment Time Study (RMTS)**

RMTS is used to calculate direct medical service costs and assists in determining potential reimbursement for each district. The RMTS is a five question online survey administered quarterly to a subset of staff who have been submitted on the LEA staff pool list. It is crucial that staff participate, as costs can only be claimed for RMTS participants.

If selected for a moment, participants will be asked to respond to what they were doing at a particular minute in time. These are to be completed regardless of whether the participant was working at that moment or not. Reminders of upcoming moments will be sent five days, three days, and one day prior to their moment.

RMTS is a statewide compliance percentage that gets applied to claims received by all participating LEAs. The RMTS benchmark is 90% each quarter, and must be met in order to produce a valid claim. It is important that this compliance rate is met each and every quarter, as the RMTS results are used in a calculation known as the “direct medical percentage”. To help

district's compliance percentages, districts can run the Compliance Report on the PCG Claiming System to determine if past moments have been responded to or if they are still outstanding.

### **District Calendars**

At the start of each quarter, LEAs must complete a calendar listing all scheduled days off for that respective quarter. The calendar, which includes the start and end time of their school day, will be used when drawing the RMTS quarterly sample. LEAs should set up work shifts for specific times or dates to reflect staff work schedules at each of the LEA's facilities. This will help make sure that staff are not selected for moments outside of the school and staff work schedule.

### **Annual Cost Settlement Process**

LEAs submit an annual cost report after the close of each fiscal year in order to receive or retain reimbursement for services rendered. Actual costs of providing Medicaid-covered health-related services are compared to Medicaid reimbursement received. If costs exceed the reimbursement, the LEA receives a settlement; conversely, if reimbursement exceeds costs, the LEA pays back the difference. Several factors are included in the determination of LEA costs: salaries, benefits, and other related expenditures for participating direct service staff; the Indirect Cost Rate (ICR); the statewide direct service RMTS percentage, and the special education Medicaid Eligibility Ratio (MER).

Below are the 9 CMS-approved cost and data elements used to determine Medicaid costs for Direct Medical Services:

1. Salary costs for eligible SEMI service providers employed by LEAs
2. Benefit costs for eligible SEMI service providers employed by LEAs
3. Contractor costs for eligible SEMI service providers
4. Approved Direct Medical Service Material and Supply costs
5. Depreciation costs for Approved Direct Medical Service Materials and Supplies
6. Random Moment Time Study (RMTS) Percentage Results (pre-populated by PCG)
7. Approved Private Schools for Students with Disabilities Tuition Costs
8. LEAs Indirect Cost Rates (ICR) (pre-populated by PCG)
9. Individualized Education Program (IEP) Ratio (pre-populated by PCG)

LEAs are required to report gross expenditures and then properly reduce expenditures for funds paid from other federal funding sources.

# APPENDIX A

## SAMPLE LOCAL EDUCATION AGENCY CERTIFICATION

**LOCAL EDUCATION AGENCY CERTIFICATION  
SPECIAL EDUCATION MEDICAID INITIATIVE (SEMI) COST REIMBURSEMENT PROGRAM  
MEDICAID-ELIGIBLE STUDENTS, AGES 3 TO 21**

The Local Education Agency (LEA) identified below, by its undersigned representatives, hereby certifies the following with respect to its participation in the SEMI Program:

1. There is an Individualized Education Program (IEP) for each special education student who receives health-related services in the SEMI Program.
2. Each health-related service that is provided to a SEMI Program student is in accordance with the student's IEP.
3. Each health-related service in an IEP (e.g., physical therapy) that is submitted for possible reimbursement is delivered by an appropriately credentialed practitioner who meets Medicaid requirements or, where allowable, by a provider under the direction of a Medicaid qualified practitioner, and there is appropriate documentation (e.g., date of service; type of service; signature of certified practitioner).
4. For each health-related evaluation and reevaluation service provided to a SEMI Program student that is submitted for possible reimbursement, there is written documentation, signed and dated by certified/licensed practitioners as appropriate.
5. For each transportation service that is provided to a SEMI Program student to enable the student to receive health-related services, there is appropriate documentation.
6. The LEA has written procedures and internal controls in place to ensure the maintenance and availability of required documentation to support all reimbursement claims to Medicaid.
7. The LEA has identified a contact person who will have responsibility for the project.
8. The LEA will bill Medicaid only for those services allowed in the SEMI Program, and will submit claims in a timely manner, according to requirements established by the State.
9. The LEA will act diligently to obtain informed, written parental consent for sharing personally identifiable student information, service data, and classification and placement, with the State and its authorized agents (including rate development and billing agents), and to submit billing information to the State for health-related services delivered to each SEMI Program student for whom consent has been received.
10. All LEA policies, procedures, and programs for students with disabilities are consistent with federal requirements in 34 Code of Federal Regulations (CFR) Parts 99 and 300 and 74-80 Education Department General Administrative Regulations (EDGAR), and with state requirements in New Jersey Administrative Code N.J.A.C. 6A:32, Student Records, and N.J.A.C. 6A:14, Special Education.
11. The LEA will provide the State and its authorized agents with access to the above-referenced documentation for audit purposes.

**I certify the information contained in this application is correct and complete and that the applicant LEA has authorized me, as its representative, to provide the foregoing certifications.**

\_\_\_\_\_  
Name of Chief School Administrator

\_\_\_\_\_  
Signature of Chief School Administrator

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of Director of Special Education

\_\_\_\_\_  
Signature of Director of Special Education

\_\_\_\_\_  
Date

\_\_\_\_\_  
District Name

\_\_\_\_\_  
County

# APPENDIX B

## EDPLAN MANUAL

*A copy of the most recent manual is located on the Home page of EDPlan.*

# APPENDIX C

## MAC PROGRAM CERTIFIED PUBLIC EXPENDITURE FORM

New Jersey Medicaid Administrative Claim (MAC)  
Certification of Public Expenditures (CPE) Form

<b>District Name:</b>	
<b>Reporting Period:</b>	

**Instructions**

This statement of expenditures that the undersigned certifies are allocable and allowable to the State Medicaid program under Title XIX of the Social Security Act (the Act), and in accordance with all procedures, instruction and guidance issued by the single state agency and in effect during the state fiscal year. Please review Section 1 and sign and date below.

**Section 1**

<b>Item #</b>	<b>Item</b>	<b>Amount</b>
1	Total Expenditures	\$100.00
2.	Total Computable Allowable Medicaid Expenditures	\$40.00
3.	Federal Share of MAC Claim (Line 2 multiplied by FFP rate)	\$20.00
4	Net Reimbursement to School District (Line 3 multiplied by 35%)	\$7.00

**Certification Statement By Officer of Provider**

1. I have examined this statement, the accompanying supported exhibits, the allocation of expenses and services, and the worksheets for the above indicated reporting period and to the best of my knowledge and believe they are true and correct statements prepared from our books and records in accordance with applicable instructions.
2. The expenditures included in this statement are based on the actual recorded expenditures.
3. The required amount of state and/or local funds (Item #1) were available and used to pay for total computable allowable expenditures (Item#2) included in this statement, and such state and/or local funds were in accordance with all applicable federal requirements for the non-federal share match of expenditures, including that the funds were not Federal funds in origin, or are Federal funds authorized by Federal law to be used to match other Federal funds, and that the claimed expenditures were not used to meet matching requirements under other Federally funded programs.
4. Federal matching funds are being claimed on this report in accordance with the quarterly financial reporting instructions provided by the New Jersey Department of Human Services, Division of Medical Assistance & Health Services effective for the above indicated reporting period.
5. I am the officer authorized by the referenced government agency to submit this form and I have made a good faith effort to assure that all information reported is true and accurate.
6. I understand that this information will be used as a basis for claims for Federal funds, and possibly State funds, and that a falsification and concealment of a material fact may be prosecuted under Federal or State civil or criminal law.

\_\_\_\_\_  
**Name of Signer (Please Print)**

\_\_\_\_\_  
**Signature of Signer**

\_\_\_\_\_  
**Title of Signer (Please Print)**

\_\_\_\_\_  
**Signature Date**

APPENDIX D  
RELATED SERVICE DOCUMENTATION FORMS

Use these forms (one per student) to document Health-Related Evaluation Services and Health-related direct services supported by the student's IEP. Blank form may be duplicated.

### INSTRUCTIONS

#### TOP SECTION

District Name	Enter the name of your school district
Service Month/Year	Enter the service month and year (e.g. Sept 2005 or 9/05)
Student Name (Last, First, Middle Initial)	Enter the student's last name, first name, middle initial
Date of Birth	Enter the student's date of birth
Student ID	Enter the student's 10-digit State Identification Number (SID)

#### PROFESSIONAL SERVICE LOG

Date	Enter the date service was rendered
Activities	Check applicable service type(s)

#### PROGRESS INDICATOR (Check only **one** that applies; for direct services only)

Progressed	Student's progress during particular activity/service - Check if applicable
Maintained	Student's progress during particular activity/service - Check if applicable
Regressed	Student's progress during particular activity/service - Check if applicable

#### SERVICE TIME – MEETING

Hours	Enter the number of hours direct service was delivered
Minutes	Enter the number of minutes direct service was delivered

#### SERVICE TYPE

Individual	Enter "I" if service was rendered in a one to one setting
Group	Enter "G" if service was rendered in a group setting

#### MONTHLY PROGRESS SUMMARY

Monthly Progress Summary	Enter a brief summary of the student's progress this month
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#### SIGNATURES

Provider's Signature	Enter your signature
Print Provider Name	Enter your name
Date	Enter the date you are signing the form
Signature – "Under the Direction"*	The Medicaid qualified practitioner fulfilling the "under the direction" requirement must sign when services are provided by a Physical Therapy Assistant, Certified Occupational Therapy Assistant, Licensed Practical Nurse, or a DOE Certified Speech-Language Specialist without ASHA Certification or a NJ License
Name/Title	The Medicaid qualified practitioner fulfilling the "under the direction" requirement enters his/her name and title
Date	The Medicaid qualified practitioner fulfilling the "under the direction" requirement enters the signature date













# APPENDIX E

## TRANSPORTATION TRIP LOG

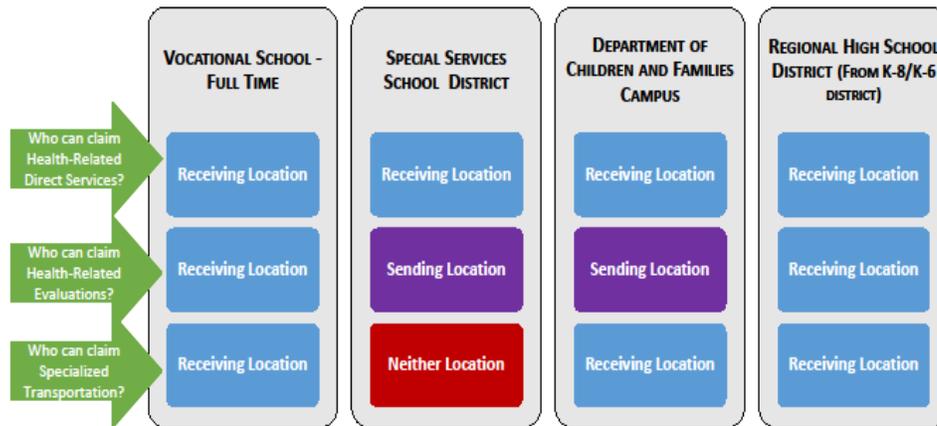


# APPENDIX E

## SENDING/RECEIVING RELATIONSHIP CHART

# SEMI Program Sending/Receiving Relationships

- As a general rule, if your LEA pays tuition for a student to attend another program (you are the financially responsible LEA), you are eligible to claim SEMI services for that student
  - General rule includes sending to: in District/Public Schools, Approved Private Schools For Students With Disabilities, Jointure Commissions, Department Of Education Day Training Schools, Vocational Schools (Half Time Only)
- If you are sending to any of the following locations, please see exceptions to determine who can bill:



# APPENDIX F

## REIMBURSEMENT MAXIMIZATION GUIDANCE

*Guidance and resources are located on the LEA's EDPlan site*