

Medicaid Reporting

July 28, 2011

Overview

Medicaid Administrative Claiming Program Overview (MAC Program)

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- Random Moment Time Study (RMTS)
 - RMTS Documentation
 - RMTS Oversight and Monitoring
- MAC Claim Record Retention
- MAC Claim Desk Review Issues
- Fee-for-Service (FFS) Certification of Non-Federal Match Form

MAC Program Overview

- Since 1999 NC has been participating in the MAC program to assist schools in partially funding the activities and services they are required to perform to address the unmet health needs of students.
- Reimbursable activities include those directed to individuals and families to provide information about the Medicaid Program, encourage individuals to apply, and assist in obtaining Medicaid services from available resources and providers of medical care.
- The MAC program is separate from but complimentary to the direct service (FFS) program.

MAC Program Overview (cont'd)

- The MAC program allows school systems to function as an “administrative arm” of the State Medicaid Agency in support of the proper and efficient administration of the State Medicaid Plan.
- More than \$170.5 Million in MAC claims are either pending or have been paid since April 1999.

Medicaid

- Medicaid is an entitlement program.
- For every federal dollar you receive from Medicaid, it must be matched with state and/or local funds.
- Medicaid receipts for both the Fee-for-Service and MAC programs must be matched with state and/or local funds, in the school's existing budget, that are not being used to match any other federal funds the school has received.

MAC Certification Form

- MAC Certification form is submitted as part of the quarterly claim.
- Purpose is to certify actual cash expenditures reported in the quarterly claim
- On a quarterly basis the Chief Financial Officer or an appropriate designee certifies the accuracy of the submitted financial information and availability of sufficient state and local revenues to meet federal match requirement guidelines as outlined in 42 CFR 433.51.

MAC Certification Matching Funds

- Please be careful when designating the State and/or Local Match to ensure you are not using Federal funds to match Federal receipts.
 - For example, using the DPI Chart of Accounts, Fund Code 2 is Local Current Expense Fund; however, Program Report Codes (PRCs) 300-399 are Federal Grants/Funding Sources Not Allotted by DPI.

Medicaid Administrative Claiming Form (MAC)

This form serves as both the invoice and the certification of expenditures of total computable and non-federal funds.

INSTRUCTIONS: Complete items 1 through 5, sign and date below. This form must be submitted with your claim. See back of page for explanations.

SCHOOL SYSTEM _____

MEDICAID PROVIDER NUMBER _____ QUARTER: _____
(MO/YY – MO/YY)

NPI NUMBER _____

1. TOTAL EXPENDITURES \$ _____
2. TOTAL CLAIMABLE MEDICAID ADMINISTRATIVE EXPENDITURES (MAC) \$ _____
3. TOTAL CLAIMABLE INDIRECT COSTS \$ _____
4. TOTAL CLAIMABLE COSTS = (#2 + #3) \$ _____
5. REIMBURSEMENT REQUESTED (#4 x 0.50) \$ _____

NON FEDERAL MATCH FUNDS provided by school. Designate the source and amount of funds in your school budget you are using to match the federal funds received from Medicaid. The total amount of the state funds you identify must equal the amount shown in item #5 above.

SOURCE	AMOUNT
_____	_____
_____	_____
_____	_____

VERIFICATION OF FUNDS BY _____ Date: _____
Signature of School Fiscal Budget Officer

Name (Please Print) _____

Title _____

I certify that (Line 1 above), to the best of my knowledge, the Medicaid Administrative Claiming (MAC) for the Quarter ending _____ represents actual expenses accumulated under our provider agreement with the North Carolina Department of Public Instruction (DPI). The claim amount is solely related to our provider agreement with DPI and does not duplicate any Federal claims for reimbursement, nor are the funds used to match other federal funds, unless expressly allowed by federal regulation.

The Local Educational Agency (LEA) may claim federal Medicaid funds for costs of administrative activities in support of the Medicaid Program. In order to be reimbursed with federal funds for allowable expenditures, the LEA must document and provide proof that allowable expenditures originate from non-federal sources spent on behalf of Medicaid eligible individuals and that these funds have not been used to match any other federal funds. The LEA may not claim FFP for the costs of administrative activities that have been or should have been reimbursed through an alternative mechanism or funding source. The LEA must provide assurances of non-duplication to the Division of Medical Assistance.

The MAC Cost Allocation Plan states that the FFP reimbursement request is to be submitted to DMA for expenditures made in a calendar quarter (Ex: Jan-Mar, April-June, July-Sept, Oct-Dec).

All requests for MAC must be certified as being accurate and in compliance with the requirements for claiming Medicaid Funds. The School Fiscal or Budget Officer must sign the MAC claim form.

Procedure for Completing MAC Form

1. Total Expenditures – Total Expenditures in all categories of cost pools for the quarter.
2. Total Claimable MAC – Total expenditures in support of the Medicaid Program, supported with documentation that verifies Medicaid allowable administrative expenses. Supporting documentation should include summaries of cost pool units from the time study and allowable expenditures for a district for the quarter.
3. Total Claimable Indirect Costs – Total Indirect Costs in support of the Medicaid Program, supported with documentation that verifies Medicaid allowable Indirect Costs. The supporting documentation should include the calculation of the District’s Federal Unrestricted Cost Rate applied to Total Gross Claimable Expenditures to allocate total indirect costs.
4. Total Claimable Costs – Sum of Lines Two (2) and Three (3).
5. Multiply amount from line Four (4) by 50% and put on line Five (5).
6. Non Federal Match Funds: This is explained on the form. Please identify the “match” funding source(s). The total amount of state funds must equal the amount shown in item #5 on the form.
7. The School’s Fiscal Budget Officer must sign and date the form, verifying the accuracy and completeness of the amounts listed.
8. The certification form, along with the supporting documentation from Items 2 and 3, is attached to the actual claim, and mailed to the Department of Public Instruction for processing and subsequent payment.

RANDOM MOMENT TIME STUDY

- LEAs participating in the MAC and FFS programs are required to participate in the Time Study if performing Medicaid related activities and seeking reimbursement.
- Time studies are conducted on a quarterly basis.
- The quarters are as follows:
 - October 1 –December 31
 - January 1 –March 31
 - April 1 –June 30
- No time study is conducted for the Summer quarter (July-September) since most schools are out of session.
- An average of the previous three quarter's time studies will be used to calculate a MAC claim for the July-September quarter.

RMTS Documentation

- Documentation of sampled moments must be sufficient to provide answers to the time study questions needed for accurate coding:
 - Who was with you?
 - What were you doing?
 - Why were you performing this activity?
 - Was the service covered in the student's IEP/IFSP?
 - In addition, sampled staff will certify the accuracy of their response prior to submission.

RMTS Oversight and Monitoring

- To assist in reaching the statewide goal of 85% compliance, LEAs are monitored to ensure they are properly returning sample moments and the return percentage for each quarter is analyzed.
- If an individual district has non-returns greater than 15% and greater than five (5) moments for a quarter, the LEA will receive a warning letter.
- If the same LEA is in default (as previously defined) the next quarter, after being warned, they will not be able to participate in the time study for a one year period of time.
- For instance, if an LEA has non-returns greater than 15% and greater than five (5) moments for the quarter ended December 30, 2010 and March 31, 2011, the LEA will not be able to claim for the Fiscal Year Ending September 30, 2011, and will need to return any interim payments sent to the LEA for the Fiscal Year under the Direct Services or FFS Program.

RMTS Oversight and Monitoring

cont'd

- On a quarterly basis, DMA monitors to identify LEAs who are billing Fee-for-Service and also to verify the LEA has participated in the quarterly time study.
- If DMA determines an LEA is in default (not participated in the time study) payments will be suspended until the problem is corrected.
- DMA staff monitors RMTS on a regular basis to ensure compliance with both federal and state rules and regulations.
- DMA staff began conducting desk reviews of MAC claims in January 2008. The desk review includes, but is not limited to, analysis of the required documentation and various reports maintained to verify costs billed.
- Due to budget restraints on-site reviews are not currently being scheduled.
- LEAs are randomly selected for reviews.
 - Each district should be reviewed once every three (3) years.

MAC Claim Supporting Documentation

- Each LEA should maintain documents, reports, and records to support its Medicaid administrative claims. Documentation includes, but is not limited to:
 - Copy of MAC Participation Agreement. If in consortium, a copy of the agreement between your district and the Cumberland County School Board, if not in consortium, a copy of the agreement between the district and the Department of Public Instruction (DPI).
 - Copy of the LEA MAC Program Local Oversight Plan (aka POP).
 - Time study sampling methodology.
 - Verification of quarterly training of time study participants.
 - Methodology to support calculation of claim.
 - Copy of RMTS Responses to Sampled Moments during the claiming quarter.

MAC Claim Supporting Documentation (cont'd)

- Copy of quarterly MAC claim and all claim backup documentation including the following:
 - Participant Listing or roster of eligible staff
 - Complete financial file from the district's accounting system for all staff expenditures reported in the claim (salaries and benefits for employees and contract expenditures for contracted staff)
 - Copies of the Detail Expenditure Worksheets for reporting eligible claim expenditures (broken out by job category, preferably).
 - Copies of contracts for all contract staff and copies of position descriptions for school employees listed on the Participant Listing

MAC Claim Supporting Documentation (cont'd)

- Financial files (from the school's accounting system) to verify claim expenditures for travel, training, material and supplies.
 - Please ensure the financial files show the complete funding source(s) using the DPI Chart of Accounts.
- MAC Certification Form
- Copy of Time Study Results

NOTE: There has been a lot of confusion between the **LEA Cost Report** (FFS Cost Settlement) and the **MAC Program Desk Review**. These are two separate reviews, which are handled by two different sections at DMA.

QUESTIONS ?

MAC Claim Record Retention

- Records should be maintained for a period of no less than five (5) years **or**, if your district has been notified of an upcoming audit or review within the 5 year period, the records for the period of the review shall be retained until the audit is completed and any or all Findings have been resolved.
- All records shall be available upon request from DMA, the State Auditor, CMS, or any duly authorized representative for audit purposes.

MAC Claim Review Issues

- Personal Activity Logs (PALs) used by time study participants to briefly describe the types of activities being performed during the week of the time study were not being maintained at the district level.
- Federal funds included in MAC claims.
- Job descriptions for staff listed on the MAC roster do not include the necessary health-related language to identify MAC-related activities performed by the positions listed on the MAC roster.
- Copies of contracts for contracted staff with claim expenditures are not being maintained at the district level. Copies of contracts should be included in the MAC claim supporting documentation file. Contracts should specify administrative duties at a separate or additional cost not recoverable through the FFS program.

MAC Claim Review Issues (cont'd)

- Districts are not maintaining copies of MAC participation agreements.
- Claim expenditures do not reconcile back to financial ledgers.
- Expenditures are being reported for individuals NOT listed on the roster or Participant Listing.
- Expenditures used in the calculation of the Unrestricted Indirect Cost Rate (ICR) are being included in the claim.
 - Use caution with the following Purpose Codes: 6390, 6420, 6510, 6520, 6540, 6570, 6580, 6590, 6610, 6620, 6630, 6640, 6650, 6660, 6670, 6690
- Only include Direct Costs—salaries, benefits, travel, training, materials and supplies.

FFS Certification Form

- Budget Management is responsible for monitoring and collecting the ***FFS Certification of Non-Federal Match Forms***
- Forms are due each quarter the district receives payment through HP (DMA's Fiscal Agent) for Direct Medical Services billed through the FFS program.
- Please make sure you are using the most current form available—**Revised Date July 2008.**
- Forms are available on DMA's website under Providers, LEA, Clinical Coverage Policy 10C, LEA Forms. <http://www.ncdhhs.gov/dma/mp/8h.pdf>

Division of Medical Assistance
Local Education Agencies

Effective Date: October 1, 2004
Revised Date: September 28, 2006

**Certification of Non-Federal Match Form
(To be used to certify Fee-For-Services)**

INSTRUCTIONS: Complete items 1 through 4 below, sign and date, and return the form to the address at the top of the second page. Please refer to your Remittance Advice - Total Paid Claims section when completing this form.

SCHOOL SYSTEM ABC SCHOOLS

MEDICAID PROVIDER NUMBER 1234567 QUARTER: 10/01/2005-12/31/05
(MO/YY - MO/YY)

1. TOTAL MEDICAID ALLOWABLE \$ 481.20

*Note-This amount should come from the RA - Total Paid Claims- in the Payable Charge Column

2. TOTAL MEDICAID RECEIPTS (Amount Received - FEDERAL SHARE ONLY) \$ 305.56

* Note - This amount should come from the RA - Paid Amt. Column

3. NON FEDERAL MATCH REQUIRED = (#1 - #2) (State Funds that the school must Identify) \$ 175.64

4. NON FEDERAL MATCH FUNDS provided by school. Designate the source and amount of funds in your school budget that you are using to match the federal funds received from Medicaid. The total amount of the state funds that you identify must equal the amount shown in item #3 above.

SOURCE	AMOUNT
<u>STATE 032 FUNDS</u>	\$ <u>175.64</u>
_____	\$ _____
_____	\$ _____

I certify that, to the best of my knowledge, the Non-Federal Match identified in #3 above, for the Quarter ending 12/31/05 represents actual expenditures accumulated. The certified amount does not duplicate any Federal claims for reimbursement, nor are the funds used to match other federal funds, unless expressly allowed by federal regulation.

For any quarter in which the school system is or will be seeking reimbursement for any Medicaid administrative activities that are related to the delivery or coordination of Medicaid screening, diagnosis, or treatment services, I certify that the school system has a Medicaid remittance advice on file documenting that there were Medicaid allowable paid claims for services that were actually delivered to children during that quarter.

CERTIFICATION OF FUNDS BY XXXXXXXX Date: 1/15/06
Signature of School Fiscal Budget Officer

Name (Please Print) JOHN DAVIS

Title SCHOOL FISCAL BUDGET OFFICER

RETURN THIS COMPLETED FORM TO:

**DHHS – Division of Medical Assistance
Attention: Budget Management
2501 Mail Service Center
Raleigh, NC 27699-2501**

The Local Educational Agency (LEA) may bill Medicaid for health related services and are eligible to be reimbursed the federal share only of the Medicaid allowed amount. The LEA's are responsible for "matching" the federal payment with state funds already in their budgets. This involves identifying what state funds in the school budget are being designated to match the federal Medicaid payment received by the school.

Each LEA must certify the availability of the matching non-federal share of service payments. All LEA's being reimbursed for Fee for Services (FFS) must sign and submit a "Certification of Non-Federal Match Form" to the Division of Medical Assistance to certify Fee for Service. This form should be submitted to DMA for expenditures incurred in a calendar quarter (Ex: Jan-Mar, April-Jun, July-Sept, Oct-Dec).

Procedure for Completing the Fee for Service Certification Form

1. **Total Medicaid Allowable** - All costs that Medicaid will allow as certifiable FFS expenditures. This amount is shown in the summary page of "Total Paid Claims" on the Remittance Advice (RA) and should be equal to the total in the column marked "Payable Charge".
2. **Total Medicaid Receipts** - The amount of Federal Funds received in support of the FFS program. This amount is shown in the summary page of "Total Paid Claims" on the Remittance Advice (RA) and should be equal to the total in the column marked "Paid Amount".
3. **Non-Federal Match Required** – These are the state funds that the LEA must identify. The amount is equal to the Total Medicaid expenses allowable (#1) less the Total Medicaid Receipts (#2).
4. **Non-Federal Match Funds** – Designate the source and the amount of funds in your school budget that you are using to match the federal funds received by Medicaid. This amount should be equal to the amount in #3.
5. The School's Fiscal Budget Officer must sign and date the form, certifying the accuracy and completeness of the amounts listed.

NORTH CAROLINA MEDICAID REMITTANCE AND STATUS REPORT

ABC CITY SCHOOLS
P O BOX 1234
YOUR CITY, YOUR STATE 22222

PPOVIDER NUMBER		1234567		REPORT SEQ NUMBER		14		DATE 12/05/2005		PAGE 1	
NAME RECIPIENT ID	SERVICE DATES	DAYS OR UNITS	PROCEDURE/ACCOMMODATION/DRUG CODE AND DESCRIPTION	TOTAL BILLED	NON ALLOWED	TOTAL ALLOWED	PAYABLE CUTBACK	PAYABLE CHARGE 1	OTHER DEDUCTED CHARGES	PAYED AMOUNT 2	EXPLANA- TION CODES
PAID CLAIMS MEDICAL											
DOE JOHN D CO=76 RCC= CLAIM NUMBER=252005											
123456789Z PAT ACCT - ABC1234Z MED REC=ST 05											
NCXIX	10042005	10042005	1.000 9 92508 TREATMENT OF SPEECH	40.00	8.60	31.40	0.00	31.40	0.00	19.94	98
NCXIX	10112005	10112005	1.000 9 92508 TREATMENT OF SPEECH	40.00	8.60	31.40	0.00	31.40	0.00	19.94	98
NCXIX	10132005	10132005	1.000 9 92508 TREATMENT OF SPEECH	40.00	8.60	31.40	0.00	31.40	0.00	19.94	98
<i>ORIGINAL BILLED AMOUNT= 120.00</i>				120.00	25.80	94.20	0.00	94.20	0.00	59.82	
DOE JAMES A CO=76 RCC= CLAIM NUMBER=2520053361395											
901372672Z PAT ACCT - ABCS277/Z MED REC=ST 05											
NCXIX	10052005	10052005	1.000 9 92508 TREATMENT OF SPEECH	40.00	8.60	31.40	0.00	31.40	0.00	19.94	98
NCXIX	10122005	10122005	1.000 9 92507 TREATMENT OF SPEECH	100.00	25.00	75.00	0.00	75.00	0.00	47.62	98
NCXIX	10202005	10202005	1.000 9.92507 TREATMENT OF SPEECH	40.00	0.00	40.00	0.00	40.00	0.00	25.40	99
<i>ORIGINAL BILLED AMOUNT = 180.00</i>				180.00	33.60	146.40	0.00	146.40	0.00	92.96	
6 CLAIMS				300.00	59.40	240.60	0.00	240.60	0.00	152.78	
*****-----TOTAL PAID CLAIMS			6 CLAIMS	300.00	59.40	240.60	0.00	240.60	0.00	152.78	

NORTH CAROLINA MEDICAID REMITTANCE AND STATUS REPORT

ABC CITY SCHOOLS
P O BOX 1234
YOUR CITY, YOUR STATE 22222

PPOVIDER NUMBER			1234567	REPORT SEQ NUMBER			15	DATE		12/06/2005	PAGE 1	
NAME RECIPIENT ID	SERVICE DATES	DAYS OR UNITS	PROCEDURE/ACCOMMODATION/DRUG CODE AND DESCRIPTION	TOTAL BILLED	NON ALLOWED	TOTAL ALLOWED	PAYABLE CUTBACK	PAYABLE CHARGE <u>1</u>	OTHER DEDUCTED CHARGES	PAYED AMOUNT <u>2</u>	EXPLANATION CODES	
PAID CLAIMS												
MEDICAL												
DOE JOHN D CO=76 RCC= CLAIM NUMBER=252005												
123456789Z PAT ACCT - ABC1234Z MED REC=ST 05												
NCXIX	10042005	10042005	1.000 9 92508 TREATMENT OF SPEECH	40.00	8.60	31.40	0.00	31.40	0.00	19.94	98	
NCXIX	10112005	10112005	1.000 9 92508 TREATMENT OF SPEECH	40.00	8.60	31.40	0.00	31.40	0.00	19.94	98	
NCXIX	10132005	10132005	1.000 9 92508 TREATMENT OF SPEECH	40.00	8.60	31.40	0.00	31.40	0.00	19.94	98	
<i>ORIGINAL BILLED AMOUNT= 120.00</i>				120.00	25.80	94.20	0.00	94.20	0.00	59.82		
DOE JANE A CO=76 RCC= CLAIM NUMBER=2520053361395												
90137267Z PAT ACCT - ABCS277/Z MED REC=ST 05												
NCXIX	10052005	10052005	1.000 9 92508 TREATMENT OF SPEECH	40.00	8.60	31.40	0.00	31.40	0.00	19.94	98	
NCXIX	10122005	10122005	1.000 9 92507 TREATMENT OF SPEECH	100.00	25.00	75.00	0.00	75.00	0.00	47.62	98	
NCXIX	10202005	10202005	1.000 9.92507 TREATMENT OF SPEECH	40.00	0.00	40.00	0.00	40.00	0.00	25.40	99	
<i>ORIGINAL BILLED AMOUNT = 180.00</i>				180.00	33.60	146.40	0.00	146.40	0.00	92.96		
6 CLAIMS				300.00	59.40	240.60	0.00	240.60	0.00	152.78		
*****-----TOTAL PAID CLAIMS				300.00	59.40	240.60	0.00	<u>240.60</u>	0.00	<u>152.78</u>		

QUESTIONS ??

- MAC Program
- Random Moment Time Study (RMTS)
- MAC Claim Supporting Documentation
- Medicaid Record Retention
- Medicaid Reporting:
 - MAC Certification Form
 - FFS Certification of Non-Federal Match Form

References and Links

- DMA School-Based Medicaid Administrative Claiming (MAC Program including RMTS; MAC Claims and MAC Desk Reviews):
Sandy Frederick 919-855-4153
Sandy.Frederick@dhhs.nc.gov
- DMA School-Based Medicaid Administrative Claiming (MAC Desk Reviews and RMTS Monitoring):
Monica Rhue 919-855-4151
Monica.Rhue@dhhs.nc.gov