

Distribution: School Based Services 03-01

Issued: December 20, 2002

Subject: Elimination of Enhanced Federal Matching Rate of 75% for Activities Performed by Skilled Professional Medical Personnel (SPMP)

Effective: January 1, 2003

Programs Affected: Medicaid School Based Services (SBS) Early Periodic Screening, Diagnosis, and Treatment (EPSDT) Administrative Outreach Program

Revised Medicaid SBS EPSDT Administrative Outreach Policy and Billing Procedures

The Centers for Medicare and Medicaid Services (CMS) has advised each State Medicaid Program that, effective January 1, 2003, the enhanced rate of 75 percent (75%) will no longer be available for administrative activities performed by Skilled Professional Medical Personnel (SPMPs) in the school setting.

CMS has determined that the advanced skills and training of a qualified SPMP are not necessary to perform the types of administrative activities that take place in school settings. Administrative activities provided in schools may include: outreach, facilitating eligibility determination, program planning and coordination, training, and referral, coordination and monitoring of services.

Activities that do require individuals with advanced medical skills and training are likely provided as part of a medical service and, as such, are not reimbursable as administrative costs under the Medicaid program. Federal matching for the costs of the activities provided as medical services and performed by such individuals who are qualified Medicaid providers may be claimed as medical assistance expenditures under the Medicaid fee-for-service program (as distinguished from costs claimed as administration), in accordance with the appropriate requirements associated with claiming for medical assistance expenditures.

This decision does not mean that all SPMP claims in the past were necessarily allowable. The allowability of SPMP claims for periods prior to the effective date of the policy change will be based on the specific aspects of such claims, in accordance with the requirements for claiming at the enhanced SPMP matching rate.

Special Billing Instructions

Effective for service dates beginning January 1, 2003, Intermediate School Districts/Detroit Public Schools or their billing agent must begin billing SPMP administrative activities at the 50 percent (50%) matching rate. However, it is also necessary to continue to identify and report SPMP activities separately on the quarterly bill and not include the SPMP expenditures with other 50% matchable expenditures.

The May 24, 2002 settlement agreement with the U. S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS) requires a new Outreach program that is scheduled for implementation on April 1, 2003. After the new methodology has produced four quarters of valid outreach claims, CMS will use the new program results to adjust claims for prior quarters beginning with the billing period of January-March 2000 quarter through March 31, 2003.

Because the results of the new program will be applied to prior billing quarters when SPMP activities could be recognized at the 75% rate, it is still necessary to identify and record the SPMP amounts on the quarterly claim for the backcasting process. However, the reimbursement rate must be calculated at 50% effective January 1, 2003. Providers are instructed to continue this method of record keeping and quarterly reporting even after the new outreach program is implemented on April 1, 2003.

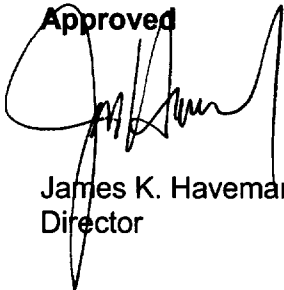
Manual Maintenance

Retain this bulletin for future reference.

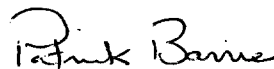
Questions

Any questions regarding this bulletin should be directed to: Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909, or e-mail at ProviderSupport@michigan.gov. When you submit an e-mail, be sure to include your name, affiliation, and a phone number so you may be contacted if necessary. Providers may phone toll free: 1-800-292-2550.

Approved



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Director



Patrick Barrie
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