



STATE OF MICHIGAN

DEPARTMENT OF COMMUNITY HEALTH

LANSING

JENNIFER M. GRANHOLM  
GOVERNOR

JANET OLSZEWSKI  
DIRECTOR

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Dear School Based Services Provider:

The purpose of this letter is to provide you with information regarding the Random Moment Time Study (RMTS) results, staff pool list submissions, RMTS compliance results, resolution of claims with dates of service prior to July 1, 2008, and financial training.

**Time Study Results for the July-September 2008 Quarter**

The School Based Services (SBS) reimbursement methodology changed effective July 1, 2008, and now utilizes the allowable cost of approved services and indirect costs discounted by the RMTS results and the health related Medicaid eligibility rate (MER). The RMTS results are a statewide average of the percent of time spent performing Medicaid allowable services for Administrative Outreach Program (AOP), Direct Services (DS), Targeted Case Management (TCM), and Personal Care Services (PCS). The results are applied to the allowable correlating cost pool to determine Medicaid reimbursement.

Please keep in mind when reviewing the time study results from the July – September 2008 quarter that the results are reflective of the changes and issues associated with the implementation of the new reimbursement methodology. It is expected that future time study results will reflect a higher statewide percentage as a result of the resolution of these implementation issues.

July – September 2008 RMTS Results:

- Total Administrative Outreach\* 2.25%
- Direct Service Reimbursable 46.19%
- Targeted Case Management Reimbursable 8.66%
- Personal Care Services Reimbursable 18.55%

\*Note: Reimbursable time is based on AOP activity codes 1, 3, 5, 7, 10, and 14. General administrative cost allocation is not included in the reimbursable percentage.

Time study summary and detail reports are available by quarter on the Michigan Department of Community Health (MDCH) website at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders) >> Billing and Reimbursement >> Provider Specific Information >> School Based Services

**Timely Staff Pool List Submission**

The completion of the time study and calculation of the RMTS percentages are dependent upon timely return of the staff pool lists. If staff pool lists are submitted after the deadline, compliance reporting and RMTS activity calculations are delayed as a result. **Providers are reminded to return staff pool lists and updates prior to the published deadline or they will be removed from participation in the time study for the affected quarter and costs will be removed for their corresponding financials.**

Public Consulting Group (PCG) has agreed to extend the completion time for staff pool lists from three weeks to four weeks to facilitate timely submission. PCG will send out a revised RMTS date schedule.

### **Statewide RMTS Compliance Results**

The compliance results indicate the percentage of completed time study moments returned to the contractor (PCG). As long as the completed moments maintain an 85% or higher completion rate, missing observations are dropped from all calculations. If the completion rate falls below 85%, missing observations will be included as non-matchable and reduce the overall RMTS percentage calculation.

#### July – September 2008 RMTS Results:

• Overall Statewide	96.25%
• Administrative Outreach	97.00%
• Direct Service	97.75%
• Targeted Case Management	96.00%
• Personal Care Service	94.24%

#### October – December 2008 RMTS Results:

• Overall Statewide	98.00%
• Administrative Outreach	98.73%
• Direct Service	97.98%
• Targeted Case Management	98.80%
• Personal Care Services	96.53%

Compliance summary and detail reports are available on the MDCH website at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders) >> Billing and Reimbursement >> Provider Specific Information >> School Based Services

### **Resolution of Claims with Dates of Service Prior to July 1, 2008**

For dates of service prior to July 1, 2008, ad hoc reports created by the Michigan Department of Information and Technology (MDIT) are used to generate the monthly expenditure reports. These expenditure reports are used to determine the monthly payment amount. MDCH has been informed that as of June 30, 2009, these reports will no longer be available. All providers must have claims with dates of service prior to July 1, 2008, submitted through their billing entities no later than May 1, 2009. Providers that have outstanding pending or rejected claim issues should notify Linda Sowle at 517-241-8398 or via e-mail at [sowle@michigan.gov](mailto:sowle@michigan.gov) prior to the beginning of June 2009 so that a resolution can be determined. MDCH will be unable to pay any claims that have not been resolved prior to July 1, 2009.

### **Financial Training**

Financial training for completion of the Medicaid Allowable Expenditure Report (MAER) begins the week of May 4, 2009, and continues through the week of May 18, 2009. It is the responsibility of the Intermediate School District (ISD) Medicaid Coordinators to make sure that the appropriate staff receive notice of these trainings and are in attendance.

If you have any questions or concerns, please contact Linda Sowle, School Based Services Policy Specialist at 517-241-8398 or by e-mail at [sowle@michigan.gov](mailto:sowle@michigan.gov)

Sincerely,



Stephen Fitton, Acting Director  
Medical Services Administration