

**Bulletin Number:** MSA 09-21

**Distribution:** School Based Services Providers

**Issued:** May 1, 2009

**Subject:** Revisions to the School Based Services and School Based Services Random Moment Time Study Medicaid Provider Manual Chapters

**Effective:** As Stated

**Programs Affected:** School Based Services

The purpose of this bulletin is to inform School Based Services providers (Intermediate School Districts, Detroit Public Schools, and Michigan School for the Deaf and Blind) of revisions to the School Based Services and the School Based Services Random Moment Time Study (RMTS) chapters of the Medicaid Provider Manual. School Based Service providers will be hereafter referred to as Intermediate School Districts (ISDs) for the purpose of this bulletin.

These revisions address issues that were raised during the implementation phase of the new cost-based reimbursement methodology.

### **School Based Services Chapter**

#### **Addition of Psychological Testing Codes with an HT Modifier**

The HT modifier has been added to allow the Michigan licensed psychologist to bill for their testing for the following procedures when it is done as part of the Individuals with Disabilities Education Act (IDEA) evaluation and assessment process.

Effective for dates of service on and after July 1, 2008, the following codes and descriptions are added to Section 2.1:

#### Procedure Codes:

- **96101 HT**– Psychological testing  
(Used by the psychologist when billing for the IDEA evaluation (HT) when the psychological testing is performed as part of the assessment/evaluation process.)
- **96116 HT**– Neurobehavioral status exam  
(Used by the psychologist when billing for the IDEA evaluation (HT) when the neurobehavioral status exam is performed as part of the assessment/evaluation process.)
- **96118 HT**– Neuropsychological testing  
(Used by the psychologist when billing for the IDEA evaluation (HT) when the neuropsychological testing is performed as part of the assessment/evaluation process.)

### **Revision of Orientation and Mobility Services Prescription Language**

The following language is being added to the Orientation and Mobility Services section to allow Doctors of Optometry, who are certified or experienced in low vision services, to prescribe Orientation and Mobility Services (low vision services) in the school setting.

Effective for dates of service on and after July 1, 2008, the following language replaces that found in Section 2.2.B.:

Orientation and mobility services must be prescribed by a physician (MD, DO, or OD). If services are prescribed by a Doctor of Optometry (OD), the OD must have either low vision experience or certification. The prescription must be updated at least annually. A stamped signature is not acceptable.

### **Additional Sanction Language**

The following language has been added to Section 3.3.A. to comply with the mandate from the Centers for Medicare and Medicaid Services.

Effective for dates of service on and after July 1, 2008, the following bullet is added to the examples of possible causes for sanctions in Section 3.3.A.:

- Failure to comply with the federal mandate to submit procedure-specific claims through the Medicaid Management Information System (MMIS).

### **Revised Specialized Transportation Reconciliation and Settlement Language**

The language within the Specialized Transportation section is modified to reflect corrections made to the cost reconciliation and settlement process.

Effective for dates of service on and after July 1, 2008, the following language replaces that found in Section 6.2.B.:

On an annual basis, the cost per trip is calculated by dividing the total Medicaid allowable costs (including indirect cost) by the total ISD-reported special education (specialized) one-way transportation trips. The cost per trip is multiplied by the quantity of Medicaid "allowable" one-way trips gleaned from the Medicaid Invoice Processing (IP) system to arrive at the Medicaid allowable cost.

An "allowable" one-way trip is one that is provided to a Medicaid beneficiary and fulfills all of the following requirements:

- Documentation of ridership is on file,
- The need for the specialized transportation service is identified in the Individualized Education Program/Individualized Family Service Program, and
- A Medicaid-covered service (other than transportation) is provided on the same date of service.

The cost settlement is accomplished by comparing the interim monthly payment totals to the annual Medicaid allowable specialized transportation cost. The cost settlement amount for the specialized transportation is combined with the cost settlement amounts for the fee-for-service (FFS) Direct Medical, Targeted Case Management, and Personal Care Services, and any over/under adjustments are processed as one transaction.

## **School Based Services Random Moment Time Study Chapter**

### **New Section Title and Submission Policy for RMTS Staff Pool List and Financial Reporting Submission**

To be consistent with subsections under it, the section title for Section 3.3 will be changed to read as follows:

#### **3.3 Time Study Staff Pools**

Effective for time studies performed for the January through March 2009 quarter and for all quarters thereafter, the following language will be added before the current paragraph to Section 3.3:

To preserve the integrity of the RMTS process and to allow for timely process flow, the ISD coordinators are given four weeks to review and return the staff pool lists and financials to the Contractor for those staff eligible to participate in each time study group. The staff pool lists must be returned as a complete file with all updates reflected. No partial staff pool list files will be accepted by the Contractor.

If staff pool lists and/or financials are not returned to the Contractor on or before the published deadline, the staff pool lists and correlating financials will be removed from the time study and claim calculation for the affected quarter.

#### **New "Financial Reporting Compliance Requirements" Section 8.4**

The following new section has been added to the School Based Services Random Moment Time Study Medicaid Provider Manual chapter. This language is added to assure that accepted accounting principles are followed when reporting expenditures.

Effective for financial reporting for the January through March 2009 quarter and for all quarters thereafter, the following language is added to the new Section 8.4:

The financial data reported (salaries, benefits, supplies, purchased services, and other expenditures) must be based on actual detailed expenditures from local educational agency payroll and financial systems. Payroll and financial system data must be applied using generally accepted governmental accounting standards and principles, or applicable administrative rules. The expenditures accumulated must correlate to the claiming period.

#### **Additional Administrative Outreach Program (AOP) Only Staff Pool Participants**

Upon review of the credentials and per Centers for Medicare and Medicaid Services direction the following staff categories are no longer eligible to participate in the AOP & FFS/Direct Medical Staff Pool but are eligible if outreach activities are performed as a regular part of the job to participate in the AOP Only Staff Pool.

Effective for staff pool lists beginning with the July through September 2008 quarter and for all quarters thereafter, the following staff may be added to those eligible within the AOP Only staff pool list in Section 3.3.A.:

- School Psychologists (certified by the Michigan Department of Education but without Michigan licensure)
- Teachers of Speech and Language Impairments (without their American Speech, Language and Hearing Association Certificate of Clinical Competence)
- School Social Workers (certified by the Michigan Department of Education but without Michigan licensure)

#### **Revision to AOP & FFS/Direct Medical Services Staff Pool Participant Description**

To clarify that only Michigan licensed Psychologists can be included as eligible staff pool participants for the AOP & FFS Direct Medical Services staff pool, the bullet reading "Psychologists" is revised to read "Psychologists (not School Psychologists)" in Section 3.3.B.

### **Addition of a New Activity Code for Non-Returned Moments**

Effective for time studies performed beginning with the July through September 2008 quarter and for all quarters thereafter, Activity Code 17(D) is added for coding non-returned moments as follows:

#### **4.1.S Code 17(D) – Non-Returned Moments**

U – Fee for Service  
U – Administrative Outreach

This code is used for moments that are not returned by the published deadline. As long as the compliance rate remains above 85%, these moments will not be used as a negative factor in the RMTS calculation.

Activity Code 18 will be renumbered as Section 4.1.T.

### **Revision of Time Study Steps**

Effective for time studies performed beginning with the July through September 2008 quarter and for all quarters thereafter, the 8<sup>th</sup> bullet in Section 7 is revised to read:

- The Contractor must produce quarterly reports summarizing the results of the random moment time studies and RMTS compliance reporting. Both reports are forwarded to the Michigan Department of Community Health, Program Policy Division for posting on the School Based Services, Provider Specific Information webpage.

### **Public Comment**

The public comment portion of the policy promulgation process is being conducted concurrently with the implementation of the change noted in this bulletin. Any interested party wishing to comment on the change may do so by submitting comments in writing to:

Attn: Linda Sowle  
MDCH/MSA  
PO Box 30479  
Lansing, Michigan 48909-7979  
Or  
E-mail: [sowlel@michigan.gov](mailto:sowlel@michigan.gov)

If responding by e-mail, please include "School Based Services Chapters Revisions" in the subject line.

Comments received will be considered for revisions to the change implemented by this bulletin.

### **Manual Maintenance**

Retain this bulletin until the information has been incorporated into the Michigan Medicaid Provider Manual.

### **Questions**

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). When you submit an e-mail, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

### **Approved**



Stephen Fitton, Acting Director  
Medical Services Administration