



**CHFS**

KENTUCKY  
*Cabinet for Health and  
Family Services*



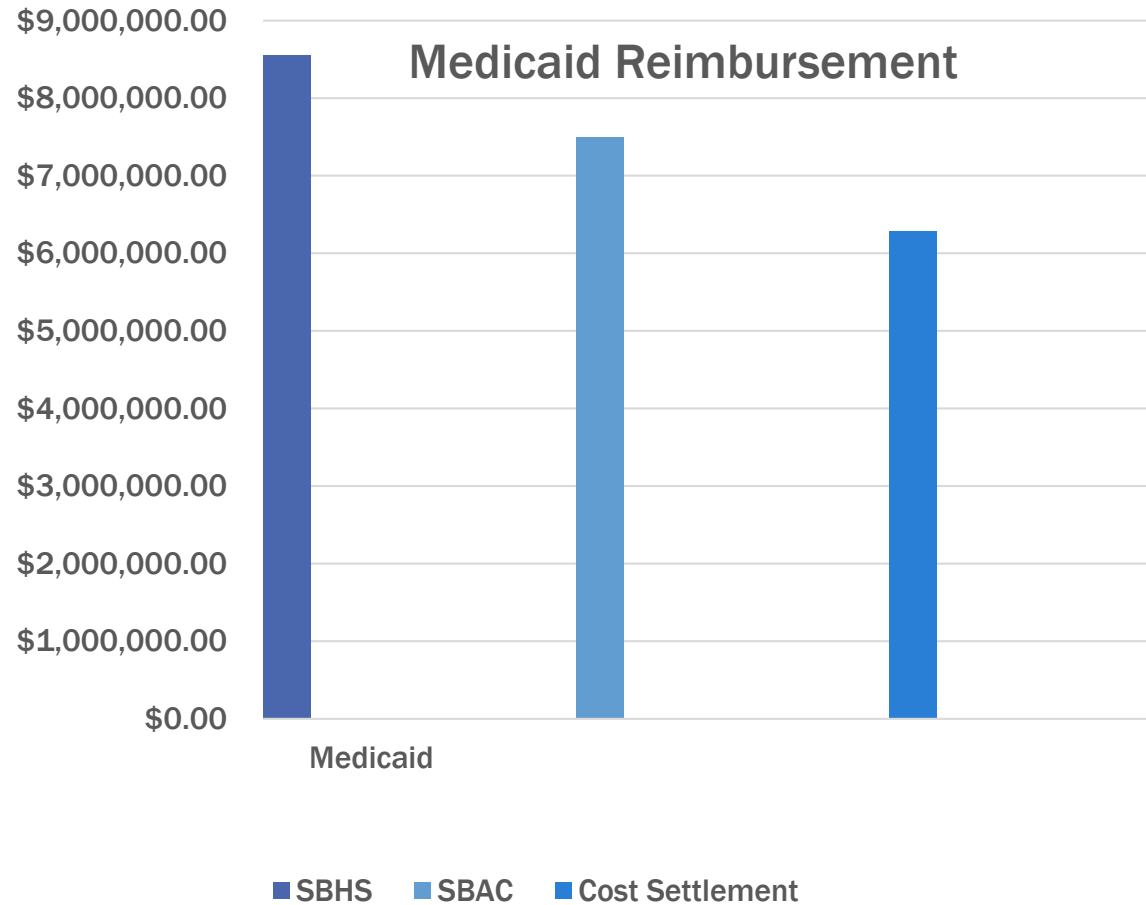
# School-Based Medicaid

## Expanded Care

# Medicaid Programs

- ▶ **School-Based Health Service:** This program allows schools to bill for the medically necessary services that a Medicaid-eligible child receives. This program is more commonly known as the fee-for-service program.
- ▶ **School Based Administrative Claiming:** (SBAC) This program offers reimbursement for the costs of administrative activities, such as outreach, that support the Medicaid program.
- ▶ **Cost Reporting/Settlement:** Kentucky transitioned to a cost-based approach for the fee-for-service (FFS) program. FFS Cost Reports must be completed annually and are used to compare FFS “interim” payments received throughout the year to actual costs collected on the Cost Report. **Schools are usually underpaid throughout the year and typically receive additional reimbursement.**

# Medicaid Reimbursement for the Schools



# What is Expanded Care?

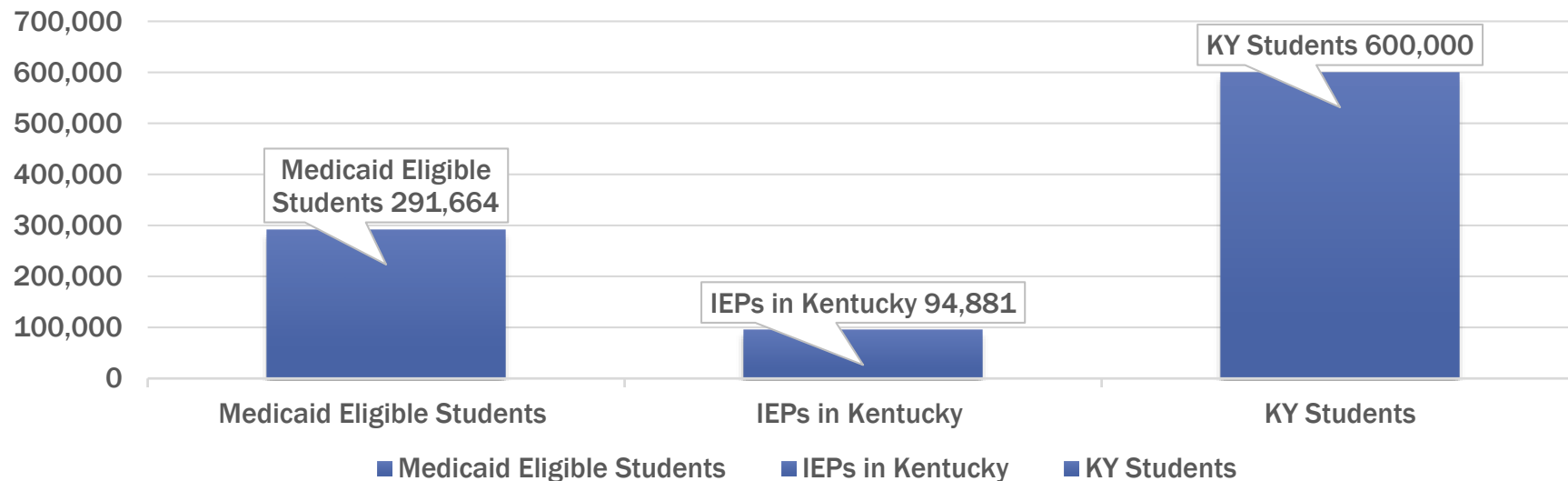
- ▶ Expanded care (AKA Free Care) allows schools to potentially bill for services provided to Medicaid-eligible children that fall outside the Individual Education Program (IEP)

Link to Centers for Medicare and Medicaid Services (CMS) guidance and policy:

[Medicaid and Medicaid Services \(CMS\) Guidance and policy](#)

# What does this mean for Kentucky?

- ▶ April 28, 2019, Kentucky's State Plan Amendment (SPA) was submitted to The Centers for Medicare and Medicaid Services (CMS). On Nov. 4, 2019, CMS approved Kentucky's SPA.



<https://chfs.ky.gov/agencies/dms/spa/KY-19-0003,%20Approval%20Documents.pdf>

# Basic Requirements for Billing

- ▶ The child must be Medicaid eligible.
- ▶ You must have parental consent.
- ▶ The child must have a reimbursable service listed in the IEP for traditional School-Based Medicaid.
- ▶ The service must be medically necessary for Expanded Access.
- ▶ Practitioners cannot bill if they are paid with 100% federal funds.
- ▶ The practitioner must be listed on annual application or an approved amendment.
- ▶ This program will not effect Medicaid eligibility outside of the school setting.

# Covered Services

The following services currently are eligible for Medicaid reimbursement when provided to a Medicaid-eligible student:

- ▶ Nursing
- ▶ Audiology
- ▶ Speech-Language
- ▶ Occupational Therapy
- ▶ Physical Therapy
- ▶ Mental Health/Behavioral Health
  - School psychologist are now a billable practitioner type
- ▶ Orientation and Mobility

*Please refer to the School-Based Health Services Technical Assistance Guide for a complete list of covered services: <https://education.ky.gov/districts/Pages/School-Based-Medicaid-Services.aspx>*

Note: Telehealth is approved as a method of delivery  
Contact tracing is not a covered service.



# Caution



- ▶ Be cautious of contractual agreements
  - Many factors have to be met for Medicaid reimbursement, so be careful when hiring additional staff
- ▶ This program is not meant to recoup 100% of a practitioner's salary and benefits.
  - Ex: Olivia is paid 100% from general funds; her district pays her \$43.62 per hour including salaries and benefits. Her Medicaid unit rate is \$43.62 divided by 4, which is \$10.88. The school district receives an average of \$7.51 (approximately 70/30 reimbursement total) per one unit (1 unit = 15 minutes) of reimbursable direct service therapy provided by Olivia. The district received a total of \$6,500 for Olivia for the entire year of direct service reimbursement. Medicaid's reimbursement of \$6,500 only covers a small portion of Olivia's salary and benefits. This example only includes reimbursement for the School-Based Health Service program.
  - The School-Based Health Services – also known as direct Services – is the highest reimbursement of the three programs. Please remember that Medicaid reimbursement comes from all three programs.

# Contact Information

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