



## School Health Services Medicaid in the Schools

## Division of Elementary and Secondary Education & Arkansas Division of Developmental Disabilities Services Joint Guidance on Billing for PASSE Beneficiaries Receiving School-Based Services

As of March 1, 2019, the Division of Developmental Disabilities Services (DDS) will not support direct-fee-for-service billing for PASSE enrolled Medicaid beneficiaries, unless the service provided is in conjunction with the LEA through an Individualized Education Plan (IEP), in accordance with the Individuals with Disabilities Education Act (IDEA). This guidance is intended to ensure that all school-based services provided are billed in a manner that generates Medicaid match on behalf of the Local Education Agency (LEA).

DESE, in collaboration with DDS, developed this joint guidance regarding school-based services required on an Individualized Education Program (IEP) that are eligible for reimbursement by Arkansas Medicaid. The purpose of this guidance is to ensure children receive the required services and those are reimbursed in a manner that allows for generation of the required Medicaid state match on behalf of the Local Education Agency (LEA), whether those services are provided by the LEA or a contract provider.

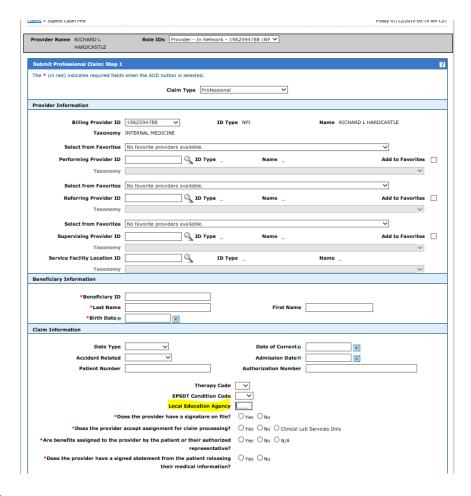
The LEA is responsible for ensuring the provision of special education, as required by the IEP. The LEA must convene an Individualized Education Program (IEP) Team for creating a complete and coordinated program of services based on the child's needs that outlines what is necessary in order to receive a Free and Appropriate Public Education (FAPE). If the IEP team decides that "related services," such as occupational therapy, physical therapy or speech/language therapy are needed for the child to access FAPE, the services must be included on the child's IEP and the LEA must ensure the services are provided. While the LEA may enter into an agreement or contract with a contract provider to deliver the related services listed on the IEP, the responsibility for ensuring FAPE may not be passed to EIDTs. The agreement or contract between the LEA and contract provider must set forth not only who will provide the services listed on the IEP, but also how those services will be billed to ensure that the Medicaid state match is generated.

There are three (3) basic organizational support structures that LEAs and contract providers may use to provide IEP related services.

- 1. LEAs may provide IEP related services to the beneficiaries independently.
  - a. This arrangement does not require an agreement or contract.
  - **b.** The LEA's staff will provide the services listed on the IEP directly to beneficiaries.
  - **c.** The LEA is responsible for billing all claims for services provided to beneficiaries using the LEA's Medicaid Provider Number.
- 2. The contract provider may provide related services to beneficiaries, but the LEA is responsible for all billing.

- **a.** The contract provider's staff may provide some or all related services listed on the IEP directly to beneficiaries at school.
- b. The LEA and contract provider must enter into an agreement or contract detailing:
  - i. which services listed on the IEP will be provided by the contract provider and how the provider will be reimbursed for those services and
  - ii. the LEA's responsibility for billing all claims for services on the IEP provided to beneficiaries on behalf of the LEA using the LEA's Medicaid Provider Number.
- 3. The contract provider may provide related services to beneficiaries and is responsible for billing on behalf of the LEA.
  - **a.** The contract provider's staff may provide some or all related services listed on the IEP directly to beneficiaries at school.
  - **b.** The LEA and contract provider must enter into an agreement or contract detailing:
    - i. which services listed on the IEP will be provided by the contract provider and
    - **ii.** the provider's responsibility for billing all claims for services on the IEP provided to beneficiaries on behalf of the LEA, as follows:
      - For Provider-led Arkansas Shared Savings Entity (PASSE) beneficiaries:
         Because school-based services are not eligible for payment under the
         PASSE, the contract provider must bill all claims for services on the IEP
         provided on behalf of the LEA using the LEA's Medicaid Provider
         Number.
      - 2. <u>For beneficiaries who are not enrolled in a PASSE</u>: The contract provider is responsible for billing all claims for services on the IEP provided to beneficiaries on behalf of the LEA:
        - a. Using the LEA's Medicaid Provider Number; or
        - b. Using the EIDT provider number and referencing the LEA's 4digit code at Step 1 when submitting each claim. See Screenshot below.

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