



SCHOOL BASED SERVICES RANDOM MOMENT TIME STUDY

TABLE OF CONTENTS

Section 1 – General Time Study Information.....	1
1.1 Administrative Outreach Program Activities.....	1
1.2 Direct Medical Services.....	1
1.3 Staff Pools and Confidence Levels.....	2
Section 2 – Centralized Coding.....	3
Section 3 – Time Study Methodology.....	4
3.1 Random Moment Time Study Overview.....	4
3.1.A. Long-Term Substitutes.....	4
3.2 Random Moment Time Study Form Completion.....	5
3.3 Time Study Staff Pools.....	5
3.3.A. AOP Only Staff Pool.....	6
3.3.B. AOP & Direct Medical Services Staff Pool.....	6
3.3.C. Personal Care Services Staff Pool.....	7
3.3.D. Targeted Case Management Services Staff Pool.....	7
Section 4 – Administrative Outreach and Direct Medical Activity Code Summary.....	8
4.1 Activity Coding.....	9
4.1.A. Code 1 - Medicaid Outreach and Public Awareness.....	9
4.1.B. Code 2 - Non-Medicaid Outreach.....	11
4.1.C. Code 3 - Facilitating Medicaid Eligibility Determination.....	11
4.1.D. Code 4 - Facilitating Application for Non-Medicaid Programs.....	12
4.1.E. Code 5 - Program Planning, Policy Development and Interagency Coordination Related to Medical Services.....	13
4.1.F. Code 6 - Program Planning, Policy Development and Interagency Coordination Related to Non-Medical Services.....	14
4.1.G. Code 7 - Referral, Coordination, and Monitoring of Medical Services.....	15
4.1.H. Code 9 - Referral, Coordination, and Monitoring of Non-Medical Services.....	16
4.1.I. Code 10 - Medicaid-Specific Training on Outreach, Eligibility and Services.....	17
4.1.J. Code 12 - Non-Medicaid Training.....	18
4.1.K. Code 13 - IEP/IFSP Direct Medical Services.....	18
4.1.L. Code 13(A) - IEP/IFSP Personal Care Services.....	19
4.1.M. Code 13(B) - IEP/IFSP Targeted Case Management Services.....	20
4.1.N. Code 13(C) - Other and Non IEP/IFSP Direct Medical Services.....	21
4.1.O. Code 14 - Transportation and Translation Services in Support of Medicaid-Covered Services.....	21
4.1.P. Code 15 - Transportation and Translation Services in Support of Non-Medicaid Covered Services.....	22
4.1.Q. Code 16 - General Administration.....	23
4.1.R. Code 17 - School-Related and Educational Activities.....	23
4.1.S. Code 17(D) – Non-Returned Moments.....	24
4.1.T. Code 18 - Not Scheduled to Work and Not Paid.....	25
Section 5 – Confidentiality.....	26
Section 6 – Time Study Training.....	27
6.1 Training.....	27
6.1.A. Local ISD Coordinator Training.....	27



Medicaid Provider Manual



6.1.B. Time Study Participant Training	27
Section 7 – Summary of Time Study Steps	28
Section 8 – Summer Quarter Time Study Methodology	29
8.1 AOP Quarterly Claim (Other Than Summer Quarter).....	29
8.2 AOP Summer Quarter Formula and Random Moment Time Study	29
8.2.A. Part I - July 1 to the Individual ISD Date that Students Return to School	29
8.2.B. Part II – Date Students Return to School Through September 30	29
8.3 Direct Medical Summer Quarter Formula and Random Moment Time Study	30
8.4 Financial Reporting Compliance Requirements	30
Section 9 – Audit and Quality Assurance.....	31
9.1 Audit	31
9.1 A. Activities to be Performed by MDHHS Office of Audit Staff	31
9.1.B. SSAE 16 Audit Requirements	31
9.2 Quality Assurance, Oversight and Monitoring	32
9.2.A. MDHHS Program Policy – Oversight of Administration and Operations.....	32
9.2.B. MDHHS Office of Inspector General – Post Payment Review and Compliance	33
9.2.C. MDHHS Rate Review Section – Cost Settlement Review	33
9.2.D. Contractor Oversight and Quality Assurance.....	33
9.2.E. ISD Oversight.....	34



SECTION 1 – GENERAL TIME STUDY INFORMATION

This chapter describes the random moment time study process for the School Based Services (SBS) direct medical services program.

In accordance with the Centers for Medicare & Medicaid Services (CMS) reimbursement policy, some activities performed by medical professionals and Intermediate School District (ISD) staff in a school-based setting are eligible for federal matching funds. These activities may be performed by staff with multiple responsibilities. CMS reimbursement requirements include the use of a random moment time study (RMTS) as a component of the Medicaid reimbursement methodology. The time study results are used to determine the amount of staff time spent on Medicaid-allowable activities. One statewide time study per staff pool is performed each quarter.

1.1 ADMINISTRATIVE OUTREACH PROGRAM ACTIVITIES

The School Based Services Administrative Outreach Program (AOP) offers reimbursement for the cost of administrative activities that support efforts to identify and enroll potentially eligible persons into Medicaid and that are in support of the state Medicaid plan.

The activities fall into several categories:

- Medicaid Outreach
- Facilitating Medicaid Eligibility Determinations
- Health-related Referral Activities
- Medical Service Program Planning, Policy Development, and Interagency Coordination
- Programmatic Monitoring and Coordination of Medical Services
- Transportation and Translation Services

1.2 DIRECT MEDICAL SERVICES

Medicaid covered services that are medically necessary and specified in the beneficiary's Individualized Education Program (IEP) or Individualized Family Services Plan (IFSP) include:

- Occupational Therapy Services
- Orientation and Mobility Services
- Physical Therapy Services
- Assistive Technology Device Services
- Speech, Language and Hearing Services
- Psychological, Counseling and Social Work Services
- Developmental Testing Services
- Nursing Services
- Physician and Psychiatric Services



- Personal Care Services
- Targeted Case Management Services

1.3 STAFF POOLS AND CONFIDENCE LEVELS

The RMTS is carried out utilizing customized claims development software that automates aspects of the school district time study process. The claims development software is comprised of three components: sampling/staff pool lists, training, and cost/claim generation. All ISDs are required to utilize the services of the State's RMTS and Claims Development Contractor (hereafter referred to as the Contractor). The Contractor conducts the statewide time studies, produces the implementation plans and reports, and develops and submits the claims on behalf of the 56 ISDs, Detroit Public Schools and Michigan School for the Deaf (hereafter referred to as the ISDs).

Time studies will be carried out over the following staff pools:

- AOP Only Staff – This staff pool consists of individuals who perform only administrative outreach activities. They do not perform any direct medical activities.
- AOP & Direct Medical Staff – This staff pool consists of individuals who perform both Direct Medical activities and AOP activities.
- Personal Care Services Staff – This direct medical only staff pool consists of individuals who perform direct care Personal Care Services.
- Targeted Case Management Services Staff – This direct medical only staff pool consists of individuals who perform Targeted Case Management (TCM) Services.

The RMTS results identifying the percentage of claimable time are applied to the allowable correlating cost pool. All staff pools are mutually exclusive.

The sample size of each cost pool ensures a quarterly level of precision of $\pm 2\%$ (two percent) with at least a 95% (ninety-five percent) confidence level and an annual level of precision of $\pm 2\%$ (two percent) with at least a 95% (ninety-five percent) confidence level.

Valid moments are completed moments that have been received by the Contractor and determined to be complete and accurate. Invalid moments are moments that are assigned to staff who are no longer in the position as selected, moments that are outside of paid work hours, and moments not returned for any other reason (including Activity Code 18).

As long as the completed observation rate meets or exceeds 85%, missing observations will be dropped from all calculations. Should the completion rate fall below 85%, missing observations will be included as non-matchable.



Medicaid Provider Manual

SECTION 2 – CENTRALIZED CODING

The Contractor is responsible for coding the time study moments. MDHHS oversees the Contractor and ISDs participating to assure their compliance with all aspects of program policy and federal regulations.



SECTION 3 – TIME STUDY METHODOLOGY

3.1 RANDOM MOMENT TIME STUDY OVERVIEW

The time study design logs only what the participant is doing at one moment in time. A random moment consists of one minute of work done by one employee, both chosen at random, from among all such minutes of work that have been scheduled for all designated staff statewide.

The RMTS measures the work effort of each group of approved staff involved in the time study process by sampling and analyzing the work efforts of a randomly-selected cross-section of each staff pool. The RMTS methodology employs a technique of polling employees at random moments over a given time period and tallying the results of the polling over that period. The method provides a statistically valid means of determining the work effort being accomplished in each program of services. The sampling period is defined as the three-month period comprising each federal quarter of the year, except for the abbreviated sample period used in the summer quarter (July through September).

The Contractor will use the claims development software to conduct the statewide time studies each quarter. This software produces random moments concurrent with the entire reporting period which are then paired with randomly selected members of the designated staff pool population. The sampling is constructed to provide each staff person in the pool with an equal opportunity or chance to be included in each sample moment. Sampling occurs with replacement so that after a staff person and a moment are selected, the staff person is returned to the potential sampling universe. Therefore, each staff person has the same chance as any other person to be selected for each moment, which ensures true independence of sample moments.

Once the random sample of staff moments has been generated, the sample is printed in the form of master and location control lists for sample administration purposes, and as time study forms for collecting the moment data. Each sampled moment is identified on its respective control list in chronological order by the name of the staff person to be sampled and the date and time at which the recording should take place.

3.1.A. LONG-TERM SUBSTITUTES

Long-term substitute staff replacing permanent staff on leave may be added to the staff pool lists. The following criteria apply when long-term substitutes are utilized:

- A long-term substitute staff must be employed by the ISD/Local Educational Agency (LEA) for at least 30 calendar days within the quarter.
- The ISD/LEA may report the name of the long-term substitute staff any time after the sampling moments are distributed.
- The long-term substitute staff must meet all of the program requirements and provider qualifications necessary to participate in the Medicaid school based services program staff pool.
- If listed on the staff pool list, the substitute staff must complete the time study moment.
- The cost reflected should be the sum of the cost of the regular staff on leave and the long-term substitute staff.



Medicaid Provider Manual

- All audit liability for the financial data reported and the tracking of the moments is the responsibility of the ISD/LEA reporting entity.
- All staff whose costs are included in the cost pool, including long-term substitutes, must be included in the sample universe for the time study.

3.2 RANDOM MOMENT TIME STUDY FORM COMPLETION

There are two steps to completing a time study form:

- In the first step, for the designated moment, the time study participant provides the answers to three questions (What are you doing? Who are you with? Why are you doing it?). These questions relate to their activities at the time of their randomly selected moment.
- In the second step, the time study forms are collected from the participants, and the Contractor assigns the appropriate activity code for that moment based on the answers to the three time study questions.

The Contractor conducts the statewide time studies each quarter for all ISDs and produces a report detailing the results. This involves importing clinician information from the ISDs to compile the statewide pool of all eligible time study participants for each staff pool list. There are four separate staff pools sampled for the RMTS each quarter: 1) the AOP only staff pool, 2) the AOP and Direct Medical Services staff pool, 3) the Personal Care Services staff pool, and 4) the Targeted Case Management Services staff pool. All staff pools have 800 moments randomly selected for the summer quarter (July-September). For the remaining three quarters, the Direct Medical Services and the Targeted Case Management Services staff pools have 3,000 moments randomly selected per quarter, and the Personal Care Services staff pool has 3,200 moments randomly selected per quarter. The person's name that is associated with each moment is placed on a time study form. The Contractor distributes the control lists of their selected staff and the time study forms to the ISDs prior to the beginning of the reporting period. The Contractor is also responsible for the collection of all time study forms for the ISDs.

The Contractor monitors the status of each time study form so that appropriate follow-up calls are made for delinquent moments or missing data. The ISD is responsible for ensuring that a copy of the time study form and instructions are distributed to staff just prior to the assigned moment. The completed time study forms are returned to the Contractor, generally on a weekly basis, for data entry and tabulation.

At the end of the sampling period after all data has been collected and tabulated, program precision tables will be produced by the Contractor. These tables will verify that a sufficient number of personnel were sampled to ensure time study results that have a confidence level of at least 95% quarterly with a precision level of +/- 2% annually.

3.3 TIME STUDY STAFF POOLS

To preserve the integrity of the RMTS process and to allow for timely process flow, school staff 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.



Medicaid Provider Manual

If staff pool lists and/or financials for the Personal Care Services, the Targeted Case Management, or the Administrative Outreach Program (AOP) time studies are not returned to the Contractor on or before the published deadline, the LEA staff pool lists and correlating financials will be removed from the time study and claim calculation for the affected quarter. ISD coordinators and LEA financial contact staff will be notified.

When providing the staff pool list of those eligible to participate in the time studies, school districts must certify the list of participants and activities to be claimed to ensure that all appropriate personnel are submitted and that appropriate credentials are in place for billing Medicaid.

3.3.A. AOP ONLY STAFF POOL

AOP Only Staff Pool:

- Administrators
- Counselors
- Early Identification/Intervention Personnel
- Physician Assistants
- Teacher Consultants
- School Psychologists (certified by the Michigan Department of Education but without Michigan licensure)
- Limited Licensed Speech Language Pathologists (without their American Speech-Language-Hearing Association Certificate of Clinical Competence)
- School Social Workers (certified by the Michigan Department of Education but without Michigan licensure)

3.3.B. AOP & DIRECT MEDICAL SERVICES STAFF POOL

AOP & Direct Medical Services Staff Pool:

- Fully Licensed Speech Language Pathologists
- Audiologists
- Counselors
- Licensed Practical Nurses
- Occupational Therapists
- Occupational Therapist Assistants
- Orientation and Mobility Specialists
- Physical Therapists
- Physical Therapist Assistants
- Physician and Psychiatrists
- Psychologists (not School Psychologists)
- Registered Nurses
- Social Workers



3.3.C. PERSONAL CARE SERVICES STAFF POOL

The following staff may be appropriate for inclusion in time studies if they are involved in Personal Care activities in the school setting:

- Bilingual Aides
- Health Aides
- Instructional Aides
- Paraprofessionals
- Program Assistants
- Teacher Aides
- Trainable Aides

3.3.D. TARGETED CASE MANAGEMENT SERVICES STAFF POOL

Staff with the following credentials may be appropriate for inclusion in time studies if they are involved in Targeted Case Management activities in the school setting:

- A bachelor's degree with a major in a specific special education area.
- Coursework credit equivalent to a major in a specific special education area.
- Minimum of three years' personal experience in the direct care of an individual with special needs.
- A licensed Registered Nurse (RN) in Michigan.

Targeted case managers must also demonstrate knowledge and understanding of all of the following:

- Services for infants and toddlers who are eligible under the IDEA law as appropriate;
- Part C of the IDEA law and the associated regulations;
- The nature and scope of services covered under IDEA, as well as systems of payments for services and other pertinent information;
- Provision of direct care services to individuals with special needs; and
- Provision of culturally competent services within the community being served.



SECTION 4 – ADMINISTRATIVE OUTREACH AND DIRECT MEDICAL ACTIVITY CODE SUMMARY

This section summarizes the code categories utilized for the random moment time study and indicates whether they are claimable for reimbursement under the AOP only, the AOP & Direct Medical program (including Personal Care Services and Targeted Case Management Services), allocated across all programs, or "unallowable" (not claimable). The "unallowable" activities are those that are purely educational in nature.

Activities can fall into one of the following categories for Medicaid reimbursement purposes:

- "A" - Allowable means the expense is allowable for Medicaid reimbursement
 - AOP services have a federal financial participation (FFP) rate of 50%
 - Direct medical IEP/IFSP services have a federal medical assistance percentage (FMAP) rate that varies from year to year
- "U" - Unallowable means the expense is not allowable for Medicaid reimbursement
- "R" - Reallocated means reimbursement across multiple activities that is allocated to isolate the amount applicable to the Medicaid allowable category
- "AOP Medicaid Eligibility Rate (MER)" - The AOP MER is determined by calculating the percentage of the county student population that is Medicaid eligible
- "IEP MER" - The direct medical IEP MER is determined by calculating the percentage of special education students under the age of 21 with health related support services documented in their IEP/IFSPs that are Medicaid eligible

These codes represent activities that may be performed by any time study participants during a typical workday. Some of these activities may be claimed under Medicaid and some may not. In the following section, examples and clarifications of each code are provided to assist with the appropriate coding of the activities.

Activity Code		Federal Matching Rate	Reimburse		IEP MER
			DMS	AOP	
1	Medicaid Outreach and Public Awareness	50%	U	A	AOP MER
2	Non-Medicaid Outreach		U	U	U
3	Facilitating Medicaid Eligibility Determination	50%	U	A	AOP MER
4	Facilitating Application for Non-Medicaid Programs		U	U	U
5	Program Planning, Policy Development and Interagency Coordination Related to Medical Services	50%	U	A	AOP MER
6	Program Planning, Policy Development and Interagency Coordination Related to Non-Medical Services		U	U	U
7	Referral, Coordination, Monitoring of Medical Services (services that are not part of a direct service – AOP only)	50%	U	A	AOP MER



Medicaid Provider Manual

Activity Code	Federal Matching Rate	Reimburse		IEP MER
		DMS	AOP	
9 Referral, Coordination, and Monitoring of Non-Medical Services		U	U	U
10 Medicaid-Specific Training on Outreach, Eligibility and Services	50%	U	A	AOP MER
12 Non-Medicaid Training		U	U	U
13 IEP/IFSP Direct Medical Services	Annual FMAP Rate	A	U	IEP MER
13(A) IEP/IFSP Personal Care Services	Annual FMAP Rate	A	U	IEP MER
13(B) IEP/IFSP Targeted Case Management Services	Annual FMAP Rate	A	U	IEP MER
13(C) Other and Non IEP/IFSP Direct Medical Services		U	U	U
14 Transportation and Translation Services in Support of Medicaid-Covered Services (not specialized direct medical services transportation services)	50%	U	A	AOP MER
15 Transportation and Translation Services in Support of Non-Medicaid-Covered Services		U	U	U
16 General Administration		R	R	N/A
17 School-Related and Educational Activities		U	U	U
17(D) Non-Returned Moments		U	U	U
18 Not Scheduled to Work and Not Paid		U	U	U

4.1 ACTIVITY CODING

4.1.A. CODE 1 - MEDICAID OUTREACH AND PUBLIC AWARENESS

U – Direct Medical Services

A – Administrative Outreach

This code is used when school staff are performing activities that inform eligible or potentially eligible individuals about Medicaid and how to access Medicaid programs. This code is also used for describing the services covered under the Medicaid program and how to obtain Medicaid preventive services. Activities related to Child Find are not recorded here, but instead under Code 2.



Medicaid Provider Manual

It includes related paperwork, clerical activities, or staff travel required to perform the following activities:

- Informing families and distributing literature about the services and availability of the Early and Periodic Screening, Diagnosis and Treatment (EPSDT) program and the many different Michigan Medicaid programs such as Healthy Kids, MICHild and Children's Special Health Care Services.
- Informing and encouraging families to access Medicaid managed care systems, i.e., Medicaid Health Plans.
- Informing families about the EPSDT and Medicaid health-related programs and the value of preventive health services and periodic exams.
- Assisting the Medicaid agency to fulfill outreach objectives of the Medicaid program by informing individuals, students, and their families about health resources available through the Federal Medicaid Program.
- Conducting Medicaid outreach campaigns and activities not related to Child Find (e.g., health fairs) that provide information about services provided by such entities as the Community Mental Health Service providers, Local Health Departments, etc.
- Conducting a family planning health education outreach program or campaign, if it is targeted specifically to Medicaid-covered family planning services.
- Contacting pregnant and parenting teenagers about the availability of Medicaid services, including referral to family planning and well baby care programs and services.
- Providing referral assistance to families with information about the Medicaid program.
- Providing information about Medicaid screenings that will help improve the identification of medical conditions that can be corrected or ameliorated through Medicaid services.
- Notifying families of EPSDT program initiatives such as Medicaid screenings conducted at a school site. These screenings are distinct from other general health screenings that are covered by Code 2.
- Coordinating with the local media (newspaper, TV, radio, video) to inform the public about EPSDT screenings, health fairs and other health related services, programs and activities organized by the school.
- Coordinating or attending child health fairs that emphasize preventive health care and promote Medicaid services by presenting Medicaid material in areas with the likelihood of high Medicaid eligibility.
- Informing families about the availability of Medicaid providers of specific covered services, and how to effectively utilize services and maintain participation in the Medicaid program.
- Providing parents, on report card pick-up day or at parent conferences, information about the Medicaid program and health care services available to eligible children, including EPSDT screening services and medically necessary treatment.



Medicaid Provider Manual

4.1.B. CODE 2 - NON-MEDICAID OUTREACH

U – Direct Medical Services

U – Administrative Outreach

This code is used for performing activities that inform eligible or potentially eligible individuals about social, vocational and educational programs, including special education, that are not covered by Medicaid and how to access them. Activities include describing the eligible or potentially eligible individuals, the range of benefits covered under these non-Medicaid social, vocational, and educational programs, and how to obtain them (e.g., WIC, SSI, LIF, Child Find).

It includes related paperwork, clerical activities, or staff travel required to perform the following activities:

- Informing families about wellness programs and how to access these programs.
- Scheduling and promoting activities that educate individuals about the benefits of healthy lifestyles and practices.
- Conducting general health education programs or campaigns addressed to the general population.
- Conducting outreach campaigns directed toward encouraging persons to access social, educational, legal or other services not covered by Medicaid.
- Assisting in early identification of children with special medical/mental health needs through various Child Find activities.
- Developing the school district's student/parent handbook.
- Coordinating with the local media (newspaper, TV, radio, video) to inform the public about upcoming events such as health fairs or screenings that focus on non-Medicaid social, vocational and educational programs, and activities such as scholarships, remedial classes, Child Find, DARE, anti-smoking campaigns, etc.
- Providing parents, on report card pick-up day or at parent conferences, information about non-Medicaid programs, social, vocational and educational, and general health care services available in the community or the school for their children.

4.1.C. CODE 3 - FACILITATING MEDICAID ELIGIBILITY DETERMINATION

U – Direct Medical Services

A – Administrative Outreach

This code is used for assisting an individual to become eligible for Medicaid. This activity does not include the actual determination of Medicaid eligibility.



Medicaid Provider Manual

It includes paperwork, clerical activities, or staff travel required to perform the following activities:

- Verifying an individual's current Medicaid eligibility status.
- Facilitating eligibility determination for Medicaid by planning and implementing a Medicaid information program.
- Participating as a provider of Medicaid eligibility outreach information.
- Explaining Medicaid eligibility rules and the Medicaid eligibility process to prospective applicants.
- Referring an individual or family to the local MDHHS office or other local office to make application for Medicaid benefits.
- Assisting individuals or families to complete the Michigan Medicaid eligibility application.
- Assisting the individual or family in collecting/gathering information related to the application and eligibility determination for an individual, including resource information and third party liability (TPL) information, as a prelude to submitting a formal Medicaid application.
- Providing necessary forms and packaging all forms in preparation for the Medicaid eligibility determination.
- Referring families to appropriate sources to obtain Medicaid applications.

4.1.D. CODE 4 - FACILITATING APPLICATION FOR NON-MEDICAID PROGRAMS

U – Direct Medical Services

U – Administrative Outreach

This code is used for informing an individual or family about programs such as Child Find, Food Stamps, SSI, WIC, Daycare, Legal Aid, Free and Reduced Lunch, and other social or educational programs and referring them to the appropriate agency to make application.

It includes related paperwork, clerical activities, or staff travel required to perform the following activities:

- Explaining the eligibility process for non-Medicaid programs.
- Assisting the individual or family to collect/gather information and documents for the non-Medicaid program applications.
- Assisting the individual or family in completing the non-Medicaid programs application(s).
- Developing and verifying initial and continuing eligibility for the Free and Reduced Lunch Program.
- Providing necessary forms and packaging all forms in preparation for the non-Medicaid eligibility determination.



Medicaid Provider Manual

4.1.E. CODE 5 - PROGRAM PLANNING, POLICY DEVELOPMENT AND INTERAGENCY COORDINATION RELATED TO MEDICAL SERVICES

U – Direct Medical Services

A – Administrative Outreach

This code is used for performing activities associated with the collaborative development of programs with other agencies that assure the delivery of Medicaid-covered medical/mental health services to school-age children. It applies only to employees whose position descriptions include program planning, policy development and interagency coordination, and/or those staff specifically appointed to appropriate committees/programs performing required activities.

It includes related paperwork, clerical activities or staff travel required to perform the following activities:

- Defining the scope of each agency's Medicaid service in relation to the other, and identifying gaps or duplication of medical/mental health programs.
- Analyzing Medicaid data related to a specific program, population, or geographic area and working with Medicaid resources, such as Medicaid Health Plans, to locate and develop EPSDT health services referral relationships and expanding school medical/mental health programs to school populations of need.
- Creating a collaboration of health professionals to provide consultation and advice on the delivery of health care services to the school populations, and developing methods to improve the referral and service delivery process by Medicaid health providers.
- Containing Medicaid costs for individuals with multiple challenging disabilities by reducing overlap and duplication of Medicaid services through collaborative efforts with Medicaid Health Plans, local Community Mental Health Service providers and Local Health Departments.
- Monitoring and evaluating policies and criteria for performance standards of medical/mental health delivery systems in schools and designing strategies for improvements.
- As a part of the school health policy quality assurance system, maintain and ensure the continuity of all Medicaid health-related services, including developing and monitoring contracts with private providers, agencies and/or provider groups.
- Overseeing the organization and outcomes of the coordinated medical/mental health service provision with Medicaid Health Plans.
- Developing internal referral policies and procedures for use by staff so that appropriate coordination of health services occurs between the various Medicaid providers and entities, such as Community Mental Health Service providers, Local Health Departments, Medicaid Health Plans, and those in the educational setting.



Medicaid Provider Manual

- Designing and implementing strategies to:
 - identify students who may be at high risk for poor outcomes because of poverty, dysfunctional families, and/or inappropriate referrals, and need medical/mental health interventions.
 - identify pregnant students who may be at high risk of poor health outcomes because of drug usage, lack of appropriate prenatal care, and/or abuse or neglect.
 - assure that students with any significant health problems are diagnosed and treated early.
- Presenting specific provider information about Medicaid EPSDT screening in the schools that will help identify medical conditions that can be corrected or ameliorated by services covered through Medicaid.
- Developing procedures for tracking and resolving families' requests for assistance with Medicaid services and providers. This does not include the actual tracking of requests for Medicaid services.
- Developing new health programs with local community health providers for the Medicaid population, as determined by a needs assessment and geographic mapping.
- Working with requests and inquiries from local school board members, county commissioners, or State legislators to resolve unique or unusual requests or boundary issues regarding appropriate care for certain Medicaid-eligible groups or populations.
- Coordinating with interagency committees to identify, promote and develop medical services in the school system.

4.1.F. CODE 6 - PROGRAM PLANNING, POLICY DEVELOPMENT AND INTERAGENCY COORDINATION RELATED TO NON-MEDICAL SERVICES

U – Direct Medical Services

U – Administrative Outreach

This code is used when performing activities associated with the development of strategies to improve the coordination and delivery of community services to school-age children, and when performing collaborative activities with other agencies. Non-medical services may include social, educational, and vocational services.

It includes related paperwork, clerical activities or staff travel necessary to perform the following activities:

- Identifying gaps or duplication of other non-medical services (e.g., social, vocational and educational programs) to school-age children and developing strategies to improve the delivery and coordination of these services.
- Developing strategies to assess or increase the capacity of non-medical school programs.
- Developing procedures for tracking and resolving families' requests for assistance with non-medical services and the providers of such services.



Medicaid Provider Manual

- Developing and coordinating advisory or work groups of professionals to provide consultation and advice regarding the delivery of non-medical services to the school populations.
- Developing non-medical referral sources.
- Analyzing non-medical data related to a specific program, population, or geographic area.
- Working with other agencies providing non-medical services to improve the coordination and delivery of services and to improve collaboration around the early identification of non-medical problems.
- Defining the scope of each agency's non-medical service in relation to the other.
- Evaluating the need for non-medical services in relation to specific populations or geographic areas.
- Monitoring the non-medical delivery system in schools.
- Coordinating with interagency committees to identify, promote and develop non-medical services in the school system.

4.1.G. CODE 7 - REFERRAL, COORDINATION, AND MONITORING OF MEDICAL SERVICES

U – Direct Medical Services

A – Administrative Outreach

This code is issued for developing appropriate referral sources for program-specific services for the school district, coordinating programs and services at the school or district level, and monitoring the delivery of Medicaid services within the school system.

This code is not to be used for providing IEP/IFSP targeted case management referral, coordination and monitoring of Medicaid eligible services. IEP/IFSP targeted case management is reported under code 13(C).

It includes related paperwork, clerical activities or staff travel necessary to perform the following activities:

- Making referrals for, and coordinating access to, medical services.
- Identifying and referring adolescents who may be in need of Medicaid family planning services.
- Making referrals for and/or scheduling appropriate Medicaid-covered immunizations, vision, and hearing testing, but not to include the child health screenings (vision, hearing and scoliosis) and immunizations that are required for all students.
- Providing information about Medicaid EPSDT screening (e.g., dental, vision) in the schools that will help identify medical conditions that can be corrected or improved by services through Medicaid.



Medicaid Provider Manual

- Contacting Medicaid providers of pediatric services in lower income areas to determine the scope of EPSDT screening and treatment services available to meet the needs of the at-risk child.
- Reviewing clinical notes of staff by a designated clinician to identify medical referral and follow-up practices, and making recommendations to supervisors for improvements as needed.
- Conducting quality assurance reviews of specific health-related programs objectives.
- Providing both oral and written instructions about the referral policies and procedures between the various agencies to parents for appropriate coordination of health services in the educational setting and for follow-up at home.

4.1.H. CODE 9 - REFERRAL, COORDINATION, AND MONITORING OF NON-MEDICAL SERVICES

U – Direct Medical Services

U – Administrative Outreach

This code is used for making referrals for, coordinating, and/or monitoring the delivery of non-medical, such as educational, services.

It includes related paperwork, clerical activities or staff travel necessary to perform the following activities:

- Making referrals for, and coordinating access to, social and educational services, such as childcare, employment, job training, and housing.
- Making referrals for, coordinating, and/or monitoring the delivery of immunizations and child health screenings (vision, hearing, and scoliosis) that are required for all students.
- Making referrals for, coordinating, and monitoring the delivery of educational, scholastic, vocational, and other non-health-related examinations/assessments.
- Gathering any information that may be required in advance of these non-Medicaid-related referrals.
- Participating in a meeting/discussion to coordinate or review a student's need for instructional, scholastic, vocational, and non-health-related services not covered by Medicaid.
- Monitoring and evaluating the non-medical components of the individualized plan, such as parent-teacher conferences regarding a student's educational progress, or compiling attendance reports.
- Linking or referring a family to a non-medical service delivery system.
- Evaluating curriculum and instructional services, policies and procedures.
- Developing procedures for tracking families' requests for assistance with non-medical services and the providers of those services, such as tutors or remedial education courses.



Medicaid Provider Manual

- Health networking beyond the scope of Medicaid that is necessary to coordinate or monitor health fairs or screenings that focus on non-Medicaid social, vocational or educational programs and activities, i.e., scholarships, remedial classes, Child Find, DARE, anti-smoking campaigns, etc.

4.1.I. CODE 10 - MEDICAID-SPECIFIC TRAINING ON OUTREACH, ELIGIBILITY AND SERVICES

U – Direct Medical Services

A – Administrative Outreach

This code is used for coordinating, conducting, or participating in training events and seminars for outreach staff regarding the benefits of the Medicaid program, how to assist families to access Medicaid services, and how to more effectively refer students for services. Training for Child Find activities is NOT recorded here, but under Code 12.

It includes related paperwork, clerical activities or staff travel required to perform the following activities:

- Participating in or coordinating training that improves the delivery of Medicaid services.
- Participating in or coordinating training which enhances early identification, intervention, screening and referral of students with special health needs to EPSDT services.
- Coordinating training to assist families to access Medicaid services.
- Participating in or presenting training that improves the quality of identification, referral, treatment and care of children, e.g., talking to new staff about the EPSDT referral process or available EPSDT and health-related services.
- Conducting Medicaid outreach training of non-medical professional staff for the purpose of targeting and identifying children with special or severe health or mental health needs for appropriate referral to EPSDT screening services.
- Disseminating information on training sessions and conducting all related administrative tasks.
- Conducting seminars and presentations to teachers, parents, and community members on:
 - appropriately identifying students concerning indications of mental health behavioral conditions (i.e., bi-polar disorders, drug/substance abuse, autism, attention deficit, mood disorders, pervasive disability disorder, suicidal tendencies, and clinical depression);
 - identifying physical disabilities and other medical conditions that can be corrected or ameliorated by services covered through Medicaid; and
 - providing information on where and how to seek assistance through the Medicaid system.



4.1.J. CODE 12 - NON-MEDICAID TRAINING

U – Direct Medical Services

U – Administrative Outreach

This code is used for coordinating, conducting, or participating in training events and seminars for outreach staff regarding the benefits of the programs other than the Medicaid program. Programs may include educational programs such as how to assist families to access the services of the relevant programs, and how to more effectively refer students for those services.

It includes related paperwork, clerical activities, or staff travel required to perform these activities:

- Participating in or coordinating training that improves the delivery of services for programs other than Medicaid.
- Participating in or coordinating training that enhances IDEA Child Find Programs.
- Participating in or coordinating training that improves relationships between and among local agencies.
- Participating in training to improve computer skills to collect data.
- Training regarding educational issues.
- Training regarding other non-medical social service issues.
- Participating in or coordinating training that improves the medical knowledge and skills of skilled professional medical personnel.
- Training on general health awareness and prevention programs, such as DARE, sex education, the Michigan Model, vocational or scholarship programs, MEAP tests, etc.

4.1.K. CODE 13 - IEP/IFSP DIRECT MEDICAL SERVICES

A – Direct Medical Services

U – Administrative Outreach

This code is used for providing medically necessary direct medical services which are part of an IEP/IFSP treatment plan. These services are provided to an individual in order to correct or ameliorate a specific condition. Medical evaluations or assessments that are conducted to determine a child's health-related needs for purposes of the special education eligibility and for the development of the IEP/IFSP are covered under this code.

Direct Medical Services includes related paperwork, clerical activities, or staff travel required to perform the following activities:

- Occupational therapy services
- Physical therapy services



Medicaid Provider Manual

- Speech, language and hearing services
- Orientation and mobility services
- Psychological, counseling and social work services
- Developmental testing and assessments
- Nursing services
- Physician and psychiatrist services
- Assistive technology device services
- Providing health/mental health services contained in an IEP/IFSP
- Medical/health assessment and evaluation as part of the development of an IEP/IFSP
- Conducting medical/health assessments/evaluations and diagnostic testing, and preparing reports
- Providing or participating in face-to-face interventions with either an individual student or a group (2-8 students)
- Administering/monitoring medication included as part of an IEP/IFSP and documented in the IEP/IFSP

4.1.L. CODE 13(A) - IEP/IFSP PERSONAL CARE SERVICES

A – Direct Medical Services

U – Administrative Outreach

This code is used for providing a range of human assistance services to persons with disabilities and chronic conditions which enable them to accomplish tasks that they would normally do for themselves if they did not have a disability or chronic condition.

Assistance may be in the form of hands-on assistance or cueing so that the person performs the task by him/herself. The need for services must be documented in the child's IEP/IFSP. Services are not covered when provided by a family member or if they are educational in nature.

Personal care services include related paperwork, clerical activities, or staff travel required to perform the following activities:

- Eating/feeding
- Respiratory assistance
- Toileting
- Grooming
- Dressing
- Transferring
- Ambulation



Medicaid Provider Manual

- Intervention for seizure disorder
- Personal hygiene
- Mobility/Positioning
- Meal preparation
- Skin care
- Muscle strengthening
- Bathing
- Maintaining continence
- Medical equipment maintenance
- Assistance with self-administered medications
- Redirection and intervention for behavior
- Health related functions through hands-on assistance, supervision and cueing

4.1.M. CODE 13(B) - IEP/IFSP TARGETED CASE MANAGEMENT SERVICES

A – Direct Medical Services

U – Administrative Outreach

This code is used for providing services which are a part of the IEP/IFSP treatment plan. These services identify and address special health problems and needs that affect the student's ability to learn, and assist the student to gain and coordinate access to a broad range of medically-necessary services covered under the Medicaid program.

Targeted Case Management Services include related paperwork, clerical activities, or staff travel required to perform the following activities:

- Assure that standard re-examination/follow-up of the student is periodically conducted to ensure the student receives needed diagnosis and treatment
- Assist families in identifying/choosing appropriate care providers and services
- Maintain case records and indicate all contact for student in the same manner as other covered services
- Coordinate performance evaluations/assessments and other service needs for the student
- Prevention of duplicate services
- Facilitation/participation in development, review and evaluation of the multi-disciplinary assessment
- Supporting activities that link or coordinate needed health services for the student
- Meeting with teachers and other professional staff to discuss testing, planning, treatment, coordinating effective interventions, and student progress



Medicaid Provider Manual

- Coordinating school based services and treatment with parents and student
- Monitoring and recommending a plan of action
- Providing modifications to the multi-disciplinary, patient-centered treatment plan
- Coordinating with staff/health professionals to establish continuum of health and behavioral services in the school setting
- Provide summary of provider, parent and student consultation

4.1.N. CODE 13(C) - OTHER AND NON IEP/IFSP DIRECT MEDICAL SERVICES

U – Direct Medical Services

U – Administrative Outreach

This code is used when providing direct medical services that are not documented in an IEP/IFSP or for services that are not allowable for Medicaid federal matching purposes.

- Administering first aid
- Performing routine or mandated child health screens including, but not limited to, vision, hearing, dental, scoliosis, and EPSDT screens
- Administering immunizations
- Discussing health care needs and the importance of well-baby care with adolescents
- Routine medication administration (such as over-the-counter medications or maintenance medications)

4.1.O. CODE 14 - TRANSPORTATION AND TRANSLATION SERVICES IN SUPPORT OF MEDICAID-COVERED SERVICES

U – Direct Medical Services

A – Administrative Outreach

This code is used for assisting an individual to obtain transportation to Medicaid-covered services. This does not include the provision of the actual transportation service, but rather the administrative activities involved providing transportation. This code also does not include activities that contribute to the actual billing of transportation as a medical service, nor does it include accompanying the Medicaid-eligible individual to Medicaid services as an administrative activity.

This code is used for school employees who provide translation services related to Medicaid-covered services as an activity. Translation may be allowable as an administrative activity if it is not included and paid for as part of a medical assistance service.



Medicaid Provider Manual

It includes related paperwork, clerical activities or staff travel required to perform the following activities:

- Scheduling or arranging transportation to Medicaid-covered services.
- Assisting or arranging for transportation for the family in support of the referral and evaluation activities.
- Arranging for or providing translation services that assist the individual to access transportation and medical services.
- Arranging for or providing translation services that assist the individual to "communicate" with service providers about medical services being provided.
- Arranging for or providing translation services that assist the individual to understand necessary care or treatment.
- Assisting the student to define/explain their symptoms to the physician.
- Arranging for or providing signing services that assist family members to understand how to provide necessary medical support and care to the student.

4.1.P. CODE 15 - TRANSPORTATION AND TRANSLATION SERVICES IN SUPPORT OF NON-MEDICAID COVERED SERVICES

U – Direct Medical Services

U – Administrative Outreach

This code is used for assisting an individual to obtain transportation to services not covered by Medicaid, or accompanying the individual to services not covered by Medicaid.

This code is used for school employees who provide translation services related to social, vocational, or educational programs and activities as an activity separate from the activities referenced in other codes.

It includes related paperwork, clerical activities, or staff travel required to perform the following activities:

- Scheduling or arranging transportation for social, vocational, and/or educational programs and activities.
- Scheduling or arranging transportation to and from school when no Medicaid service has been provided.
- Arranging for or providing translation services that assist the individual to access and understand non-medical services, programs, and activities.
- Arranging for or providing signing services that assist the individual's or family's access to and understanding of non-medical programs and activities.



4.1.Q. CODE 16 - GENERAL ADMINISTRATION

R – Direct Medical Services

R – Administrative Outreach

This code is used for time study participants performing activities that are not directly assignable to program activities.

It includes related paperwork, clerical activities, or staff travel required to perform these activities. Typical examples (not all inclusive) of general administrative activities may include:

- Establishing goals and objectives of health-related programs as part of the school's annual or multi-year plan
- Reviewing school or district procedures and rules
- Attending or facilitating school or unit staff meetings, training, or board meetings
- Performing administrative or clerical activities related to general building or district functions or operations
- Providing general supervision of staff, including supervision of student teachers or classroom volunteers, and evaluation of employee performance
- Reviewing technical literature and research articles
- Taking lunch, breaks, or time not at work when staff are paid for these activities
- Paid leave day
- Paid leave of absence
- Processing payroll/personnel-related documents
- Maintaining inventories and ordering supplies
- Developing budgets and maintaining records
- Training (not related to curriculum or instruction), such as how to use the district's new computer system
- Other general administrative activities of a similar nature, as listed above, which cannot be specifically identified under other activity codes

4.1.R. CODE 17 - SCHOOL-RELATED AND EDUCATIONAL ACTIVITIES

U – Direct Medical Services

U – Administrative Outreach

This code is used for any other school-related activities that are not health-related, such as social services, educational services and teaching services, and employment and job training. These activities include the development, coordination, and monitoring of a student's education plan.



Medicaid Provider Manual

It includes related paperwork, clerical activities, or staff travel required to perform these activities. Examples of activities may include:

- Providing classroom instruction (including lesson planning)
- Testing and correcting papers
- Compiling attendance reports
- Performing activities that are specific to instructional, curriculum, and student-focused areas
- Reviewing the education records for students who are new to the school district
- Providing general supervision of students (e.g., playground, lunchroom)
- Monitoring student academic achievement
- Providing individualized instruction (e.g., math concepts) to a special education student
- Conducting external communications related to school educational issues/matters
- Compiling report cards
- Applying discipline activities
- Activities related to the immunization requirements for school attendance
- Compiling, preparing, and reviewing reports on textbooks or attendance
- Enrolling new students or obtaining registration information
- Conferring with students or parents about discipline, academic matters, or other school-related issues
- Evaluating curriculum and instructional services, policies, and procedures
- Participating in or presenting training related to curriculum or instruction (e.g., language arts workshop, computer instruction)
- Translating an academic test for a student
- Transportation, if covered as a medical service under Medicaid

4.1.S. CODE 17(D) – NON-RETURNED MOMENTS

U – Direct Medical Services

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.



4.1.T. CODE 18 - NOT SCHEDULED TO WORK AND NOT PAID

U – Direct Medical Services

U – Administrative Outreach

This code is used for time study participants who are not scheduled to work and not paid on the randomly selected moment pre-printed on the time study form.

Examples of this may include:

- Participant is a part-time employee who is not scheduled to work at the selected sample time
- The selected sample time falls before or after the participant's scheduled work day
- School is closed due to an unpaid holiday or an unpaid school district day off (i.e., winter break, spring break, or a built-in "bad weather day")
- Unpaid leave of absence



SECTION 5 – CONFIDENTIALITY

Aggregate time study data may occasionally be useful for other administrative tasks (i.e., planning) and may be used in that way. However, any individually identifiable information must be protected as required by all applicable state and federal statutes and regulations to ensure confidentiality and protection of privacy.



SECTION 6 – TIME STUDY TRAINING

6.1 TRAINING

The approved training methods, materials, information, and instructions are tailored to each group involved in the time studies.

The Contractor, along with MDHHS, is responsible for developing training programs and materials and, along with the ISD coordinator, providing follow-up assistance as needed. For training, there are some services the Contractor will provide statewide and other services that will be provided to the individual ISDs.

6.1.A. LOCAL ISD COORDINATOR TRAINING

All ISDs have an ISD Coordinator/representative who receives training that ensures a thorough understanding of their coordinator responsibilities, the approved time study and cost reporting activities. These individuals must understand their role as the liaison between the Medicaid Program, the Contractor, and other staff. They must understand and be able to convey to others the basic purpose of the program, assist the Contractor with follow-up as needed, and serve as a facilitator for the Contractor to "navigate" the district as necessary.

6.1.B. TIME STUDY PARTICIPANT TRAINING

For time study participants, it is essential that these individuals understand the purpose of the time studies, that time is of the essence related to completion of the form, and that their role is crucial to the success of the time study. The Contractor develops and provides detailed written information and instructions for completing the time study forms as a coversheet attached to each time study form. The coversheet provides a "tutorial" with the aforementioned basics of the program as well as information about the Medicaid covered services provided in the school setting.



SECTION 7 – SUMMARY OF TIME STUDY STEPS

The Contractor duties are to:

- Import eligible school district staff information to create the RMTS staff pools.
- Randomly select staff/moments to be sampled.
- Generate printed or electronic RMTS forms for each moment.
- Generate and distribute a master list of selected moments to the ISD Coordinators as a local control list.
- Generate mailing labels addressed to randomly selected staff.
- Code the time study responses.
- Calculate activity percentages for each of the activity codes.
- Scan completed and coded time study forms.
- Transfer raw data from scanned forms to the claims development software to calculate activity percentages for each of the activity codes.
- Produce quarterly reports summarizing the results of the random moment time studies (RMTS) and RMTS compliance reporting. (Both reports are forwarded to the MDHHS Program Policy Division for posting on the MDHHS website. Refer to the Directory Appendix for website information.)
- Produce periodic and special RMTS reports that provide data and information sorted by LEA and ISD that are provided to the CMS, MDHHS, MDE, ISDs and their auditors.
- Create and verify the eligible staff pools for time studies from the quarterly information provided by the ISDs.
- Distribute time study forms and collect completed time study forms.
- Code the activity forms received from the ISDs.
- Initiate and complete the ISD claim workbooks by obtaining the financial data from each LEA and compiling data to complete the workbook.



SECTION 8 – SUMMER QUARTER TIME STUDY METHODOLOGY

8.1 AOP QUARTERLY CLAIM (OTHER THAN SUMMER QUARTER)

The claim consists of the results of the quarterly RMTS of the approved staff pool for the quarter and the correlating allowable costs applied to the reimbursement methodology.

8.2 AOP SUMMER QUARTER FORMULA AND RANDOM MOMENT TIME STUDY

The summer quarter months are July, August and September. There is a break period between the end of one regular school year and the beginning of the next regular school year during which only a few staff are working. The majority of school staff work during the school year and do not work for part of the summer quarter (9-month staff). However, there are some 9-month staff that opt to receive their pay over a 12-month period. Therefore, different factors must be applied to the summer formula in order to accurately reflect the activities that are performed by the staff.

The summer quarter is divided into two parts producing two partial claims. For the AOP process, the sum of both claims is submitted to Medicaid for reimbursement for the summer quarter. The first part of the quarter is from July 1 to the date students return to school. The second part of the quarter is from the date students return to school through September 30.

The summer time study of 800 moments is performed after students return to school and is only applied to the staff pool costs for the second part of the summer quarter (Fall staff pool costs). The RMTS is performed during a shorter time period to accurately reflect the work efforts being performed when all staff have returned to work.

The sums of Part I and Part II are utilized to calculate the claim submitted to Medicaid for reimbursement.

8.2.A. PART I - JULY 1 TO THE INDIVIDUAL ISD DATE THAT STUDENTS RETURN TO SCHOOL

Part I of the summer quarter is comprised of the following elements:

- Staff Pool – those eligible staff in the April through June staff pool
- Costs – April through June allowable staff pool costs
- A weighted average of the October-December, January-March, April-June, and the summer time study results.

8.2.B. PART II – DATE STUDENTS RETURN TO SCHOOL THROUGH SEPTEMBER 30

Part II of the summer quarter is comprised of the following elements:

- Staff Pool – the eligible new Fall staff returning to work
- Costs – the allowable cost associated with the new Fall staff pool
- RMTS – the time study for Part II is performed for a shortened period of time from the day students return to school through September 30. The start date will vary by ISD depending on the date the students return to school.



Medicaid Provider Manual

8.3 DIRECT MEDICAL SUMMER QUARTER FORMULA AND RANDOM MOMENT TIME STUDY

A weighted average of the four time study results for the staff pool periods listed below is applied to the Medicaid Allowable Expenditure Report (MAER) total costs. The MAER costs include the annual costs associated with the direct medical services, personal care services and targeted case management services.

The direct medical services time study application is comprised of the following elements:

- Staff Pools – Those individuals eligible to participate in the following four staff pool periods:
 - October through December
 - January through March
 - April through June
 - Date students return to school through September 30 (summer time study)
- Cost Pool – The costs from the annual Medicaid Allowable Expenditure Report (direct medical services, targeted case management and personal care services).
- RMTS – A weighted average of the October–December, January–March, April–June and the summer time study results as described above.

8.4 FINANCIAL REPORTING COMPLIANCE REQUIREMENTS

The financial data reported (salaries, benefits, supplies, purchased services, and other expenditures) must be based on actual detailed expenditures from LEA 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.



SECTION 9 – AUDIT AND QUALITY ASSURANCE

9.1 AUDIT

9.1 A. ACTIVITIES TO BE PERFORMED BY MDHHS OFFICE OF AUDIT STAFF

MDHHS audit staff review of selected ISD cost reports includes the following activities:

- Verification that the salaries listed for employees/positions included in the Random Moment Time Study (RMTS) staff pool match the payroll records for the same period as the time study.
- A review of the salaries of employees who changed positions during the time study period.
- If a replacement was hired/transferred, the auditor will verify that only the salary earned while working in a position on the staff pool list was reported, and that salaries for both the original and replacement employees were not duplicated on the report for the same time period.
- Verification that any other salaries and costs for supplies, etc., are of direct benefit to the employees on the relevant staff pool list and, therefore, allocable to that staff pool cost. For the Direct Medical program, all supplies and materials must be medically related.
- Confirmation that none of the direct costs reported were also claimed as an indirect cost, that the proper indirect cost rate was used, and the rate was applied only to costs in the base. The employees in non-standard job categories are the most likely to be considered indirect type employees; therefore, documentation will be reviewed for these individuals.
- Verification that no federal funds were claimed on the cost reports and that costs were not accepted for cost sharing.
- A standard review of other areas, such as confirmation that reported costs were actually paid, support documentation was maintained as required, and costs were properly charged to the correct accounts.
- Verification of recipient eligibility, documentation of services in the IEP/IFSP, and provider credentials.

The ISD must be prepared to direct the auditor to any document used to support and identify the reported RMTS costs.

9.1.B. SSAE 16 AUDIT REQUIREMENTS

The Contractor is required to have a Type II Statement on Standards for Attestation Engagements (SSAE) 16 audit to provide the necessary assurances that the claiming process (e.g., methodology, time studies, cost allocations, etc.) have been properly applied.

In a SSAE 16 Type II engagement, the service auditor expresses an opinion on whether the description of the service organization's system is fairly presented, whether the controls included in the description are suitably designed, whether the controls were



Medicaid Provider Manual

operating effectively, and provides a description of the service auditor's tests of operating effectiveness and the results of those tests.

The Contractor must undergo a SSAE 16 audit annually. The SSAE 16 audit must be submitted within 90 days after the end of the examination period.

Three (3) copies of the audit should be forwarded to the MDHHS Program Policy Section. (Refer to the Directory Appendix for contact information.)

9.2 QUALITY ASSURANCE, OVERSIGHT AND MONITORING

Quality assurance, oversight and monitoring activities include:

9.2.A. MDHHS PROGRAM POLICY – OVERSIGHT OF ADMINISTRATION AND OPERATIONS

MDHHS policy staff responsibilities are:

- Review quarterly time study results against historical benchmarks according to:
 - Overall results and matchable percentages
 - Benchmarks by activity code and by staff category
- Detailed investigation of anomalies in results.
- Determination of policy or procedure changes based on results of anomaly review.
- Overall statistical requirements in terms of confidence and precision levels on a quarterly basis and an annual basis.
- Sampling to review coding activities performed by the Contractor.
- Disseminate CMS guidance.
- Monitor ISDs processing of claims for compliance with State and Federal regulations and program guidelines.
- Assure that billing entities have the processes in place to correct any claims paid in error.
- Provide information and training to billing entities as needed for program compliance.
- Provide operational oversight and technical assistance.
- Assist the ISDs with quality assurance and compliance monitoring.
- Provide oversight of the ISDs quality assurance and compliance plans to insure that they provide oversight and monitoring of such things as documentation, provider credentials, record retention, parental consent, and confidentiality.



Medicaid Provider Manual

9.2.B. MDHHS OFFICE OF INSPECTOR GENERAL – POST PAYMENT REVIEW AND COMPLIANCE

MDHHS Office of Inspector General staff responsibilities are:

- Post payment review for the purpose of adherence to provider policy, provider credentials and appropriate billing practices.
- Post payment review for the purpose of reported fraud or abuse.

For more detailed information regarding the Fraud and Abuse and Post Payment Review, refer to the Post Payment Review and Fraud/Abuse Section of the General Information for Providers Chapter.

9.2.C. MDHHS RATE REVIEW SECTION – COST SETTLEMENT REVIEW

MDHHS Rate Review Section staff responsibilities are:

- Import and create a database of the cost report data submitted by the ISDs.
- Perform reviews of the data for accuracy and completeness.
- Summarize the data and forward to the ISDs for final approval.
- Compile cost settlement summaries and prepare over/under adjustments.

9.2.D. CONTRACTOR OVERSIGHT AND QUALITY ASSURANCE

There are several levels of quality assurance and validation built into the RMTS process.

- In terms of coding, the Contractor has a coding process in place in which centralized coders code all moments, and then a second coder reviews all moments coded as matchable for verification of accurate and consistent application of activity codes. The second coder also reviews a random sample of 10% of all non-matchable moments for quality assurance purposes.
- Quality assurance and validation includes the quarterly review which includes the Contractor meeting with MDHHS staff specifically to review time study results and other procedural issues. Each quarter, the team reviews detailed reports which outline the current quarter time study results benchmarked against past quarter results. The results are reviewed by activity code as well as by matchable/non-matchable categories. Comparisons are made of the variances in the overall quarterly results from the same quarter in the previous year, as well as variances of the current quarter against the average of the past four quarters. Results are reviewed and discussed in terms of results by staff category. Any anomalies identified are pursued through a detailed investigation of the moments which produced the anomaly. The Contractor, in conjunction with MDHHS, then determines how to handle any issues in terms of additional communication or training for RMTS participants, policy or procedural changes, etc.
- ISDs utilizing the web-based input process may view compliance reporting online.
- ISDs utilizing the paper methodology are sent compliance reporting on a weekly basis.



Medicaid Provider Manual

9.2.E. ISD OVERSIGHT

ISD responsibilities are to:

- have systems in place to monitor service delivery, claim documentation, claim billing, and payments received.
- verify that the credentials of all clinicians are current and appropriate for Medicaid billing and that services rendered are within the scope of the clinician's practice.