

Webinar 4 FAQ: Dec. 9, 2024 | Medicaid Expansion: School Medicaid Cost Calculations Best Practices and Key Considerations

Background: An education agency (EA) must complete an annual cost worksheet and submit it to the Oregon Health Authority (OHA) for review and acceptance prior to billing for School Based Health Services (SBHS) Medicaid.

Cost Setting Instructions and Deadlines

SBHS Medicaid cost worksheets must be submitted annually to OHA for review and acceptance by January 31 of each year. An EA may not bill until they have received notification of OHA's acceptance. Accepted costs may only be applied to claims within the calendar year they were established for.

The development of a separate cost worksheet is necessary for each program type to distinguish program specific costs. If the medically qualified individuals rendering services for each program type are the same, the EA should develop one worksheet representing all program types. Billing provider information must be included on the summary page of the cost worksheet for all program types.

Program types:	
▶	K-12 Individuals with Disabilities Education Act (IDEA)
▶	K-12 non-IDEA
▶	Early Intervention/Early Childhood Special Education (EI/ECSE)

Establishing the billing provider

An agreement must be executed to reflect which agency will be the authorized billing provider. The authorized billing provider is required to submit hourly costs for each medically qualified discipline they bill for. Key considerations must be made by EAs when establishing who the authorized billing provider will be. These decisions should be reflected in the agreement between the EAs involved and may include, but are not limited to:

- Delineating the billing relationship and flow of funds.
- Ensuring there is no duplication of billing.
- Clearly defining service provision.
- Identifying training and communication protocols.
- Articulating software platform to be utilized and/or integration of software platforms.
- Ensuring compliance with all applicable education and Medicaid rules and regulations, including but not limited to:
 - Parent consent.
 - Practitioner recommendation.
 - Practitioner documentation.
 - Data sharing and record-keeping.
 - Audit responsibilities.
 - Payback in the event of an audit.
 - Medicaid cost setting.
 - Billing and referring provider enrollment.

The OHA SBHS Medicaid cost worksheet is designed to aid in the development of an EA's annual Medicaid costs per hour for each medically qualified discipline category.

Medically Qualified Discipline Categories:

▶	Registered Nurse (RN)/Licensed Practical Nurse (LPN)/Nurse Practitioner (NP)
▶	Occupational Therapist (OT)/Certified Occupational Therapist Assistant (COTA)
▶	Physical Therapist (PT)/Licensed Physical Therapist Assistant (LPTA)
▶	Speech Language Pathologist (SLP)/Speech Language Therapist Assistant (SLPA)
▶	Audiologist
▶	Oregon Board Psychologist/Oregon Board Psychologist Associate
▶	Oregon Medical Board Psychiatrist
▶	Licensed Professional Counselor (LPC)/Licensed Professional Counselor Associate (LPCA)
▶	Licensed Clinical Social Worker (LCSW)/Licensed Clinical Social Work Associate (CSWA)
▶	Licensed Marriage and Family Therapist (LMFT)
▶	Delegated Health Care (DHC)

SBHS Medicaid cost calculation questions

What are the start-up costs and future benefits of program participation?

To assist with determining the cost benefit, ODE and OHA have jointly developed tools to determine readiness and feasibility to include: [SBHS Medicaid Billing Startup Checklist](#), [School Medicaid Readiness Assessment Tool](#) and [School Medicaid Cost-Benefit Analysis Tool](#). We recommend connecting with the State SBHS Medicaid Team for onboarding support.

Which expenses and Program Budgeting and Accounting Manual (PBAM) codes are eligible for inclusion?

The allowable/unallowable tab in the [2025 Medicaid Cost Calculation Worksheet](#) provides guidance on what expenses and associated PBAM codes are eligible for inclusion.

How does a school district collect costs associated with services included in the district's Medicaid cost calculation provided by an ESD via resolution or contract?

The ESD providing Medicaid covered health services via resolution or contract on behalf of the school district responsible for a Free and Appropriate Public Education (FAPE) for K-12 students will utilize the cost worksheet to develop actual costs to provide to school districts who intend to bill Medicaid. ESDs must submit these costs to OHA for review and acceptance prior to sharing the cost information with the school district for use.

Are license renewal fees for medically qualified practitioners an allowable cost?

Yes, medically qualified practitioner's license renewal fees may be included in the development of Medicaid costs.

Are we allowed to submit an addendum to increase costs after the January 31 annual deadline?

No. An addendum may only be reported in the same calendar year to include additional medically qualified discipline categories not previously included.

Are cost changes applied retroactively to prior billings?

Costs are developed based on prior fiscal year (FY) audited costs and good for the following calendar year only. Example, 2025 costs may be used for services rendered from January 1 – December 31, 2025.

Is the ability of an ESD to directly bill for services provided to a school for K-12 student's part of the recent SBHS Medicaid expansion? My understanding was that ESDs could not bill directly for K-12 services; the school district had to bill.

Yes, this change is part of recent SBHS Medicaid expansion, specifically due to the updated definition of "education agency" in Oregon Administrative Rule (OAR) [410-133-0040](#).

Can we include school psychologists in the 2025 cost worksheet?

Teacher Standards and Practices Commission (TSPC) School Psychologists, School Social Workers, and School Counselors have not been added yet to the SBHS Medicaid OARs as medically qualified individuals. OHA plans to update OARs to include these practitioners by Summer 2025. These practitioners will be added to the Medicaid cost worksheet once the OARs are updated.

Can we include delegated RN services staff who support a student with a seizure protocol (frequency of episodic seizures vary) in the cost calculations?

If your intention is to bill for delegated RN services rendered by an Unregulated Assistive Person (UAP), include those providers in the cost worksheet under

Delegated Health care (DHC) even if the services they render are episodic or infrequent.

Are utilities allowable costs? We have a stand-alone building for our OT, PT and SLP programs and the utilities are directly "attributable" to those programs.

In the scenario provided above the utility costs are allocable to the SLPs, OT, and PTs. Utilities are not allowed in SBHS Medicaid costs unless they can be specifically attributed to a medically qualified discipline category.

To include supervisor costs, is it required the supervisor have a direct relationship with the medically qualified individual(s)?

Yes, to include salary and benefits associated with supervisors and support staff, the supervisor and support staff must have a direct relationship (e.g. provide professional supports, is the program director and/or employee evaluator) with the medically qualified individual's costs they are applied to.

How do we allocate supervisor support costs across multiple medically qualified disciplines? For example, if 10 FTE are supervised of which 2.0 FTE are RNs and 8.0 FTE are SLPs.

If a supervisor provides supports to a total of 10 FTE of which 2.0 FTE are RNs and 8.0 FTE are SLPs, the total salary and benefits allocated to the RN hourly cost is 20% and 80% to SLP hourly cost.

Currently we do not bill for evaluations. Can we submit an addendum after January 31 to include a new cost for the staff performing evaluations?

Submitting a cost addendum after the January 31 annual deadline is only allowed to add a "new" medically qualified discipline category not previously submitted for the calendar year. For example, an EA who may be taking a phased approach to Medicaid billing by first onboarding RNs, submits RN costs by the January 31 deadline, then onboards SLPs six months later, may submit costs for SLPs at that time.