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MEDICAID MEMO

TO: All School Divisions and Managed Care
Organizations Participating in the Virginia Medicaid
Program

FROM: Patrick W. Finnerty, Director
Department of Medical Assistance Services

DATE: 10/12/2006

SUBJECT: Clarification of School Services

The purpose of this memo is to clarify some issues concerning School Services and to update providers regarding the status of the State Plan Amendment (SPA). This memo also serves to clarify the policy for School Services health screenings which will soon be updated in the School Services Manual. Medicaid does not cover health screenings outside of an Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) visit. Medicaid Managed Care Organizations (MCOs) have also mandated the provision of comprehensive health care services, including EPSDT health screenings. As of December 31, 2006, Medicaid will no longer reimburse health screenings performed outside of an EPSDT visit. This memo includes the process for School Service Providers to be reimbursed for hearing screens (CPT code 92551) performed on children who are enrolled in a Medicaid MCO.

BACKGROUND

Under the Individuals with Disabilities Education Act (IDEA), public schools are required to provide children with disabilities a free appropriate public education (FAPE), including special education and related services according to each child's individualized education plan (IEP) or individualized family service plan (IFSP).

While state education agencies are financially responsible for educational services, in the case of a Medicaid-eligible child, state Medicaid agencies remain responsible for the "related services" identified in the child's IEP if they are covered under the state's Medicaid plan. Related services are those services that enable a child to benefit from special education. In 1992, the regulations which interpret IDEA were reissued in the Code of Federal Regulations and indicate that "Nothing in this part relieves an insurer or similar third party from an otherwise valid obligation to provide or to pay for services provided to a child with a disability."

SCHOOL REHABILITATION SERVICES

In order to expand reimbursement for school services, DMAS submitted, in September 2003, a State Plan Amendment (SPA) to modify program requirements and to cover additional services. The additional services are audiology, school social worker as a provider of psychology/psychiatry services, school health assistant services, medical evaluation, and transportation. Also included in the SPA was the request to exempt schools from the requirement of physician orders and preauthorization of services. Subject to approval by the Centers for Medicare and Medicaid Services (CMS), it was DMAS's intent that the SPA would be effective for dates of service on or after July 1, 2003. However, the above mentioned services within the SPA continue to be under review by CMS and it is unclear at this point if the provisions will be approved and whether or not the retroactive payment will be allowed. As a result of the time frame the SPA has been under review, the emergency regulations for the coverage of these additional services have expired and we are currently operating under regulation (12VAC30-50-229.1) which includes, for example, the requirement of the physician order for rehabilitative services. It is suggested that school providers familiarize themselves with the existing regulations. DMAS will provide updated information for schools at the Medicaid/Department of Education training this October 2006.

CLARIFICATION OF HEALTH SCREENINGS COVERAGE
EFFECTIVE JANUARY 1, 2007

Included in the benefits commonly provided in school-based settings are Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) screenings. EPSDT screening services include Health Screenings/Well Child check-ups, hearing screenings, vision screenings, lead testing, and immunizations and must be performed by a Physician or Nurse Practitioner.

The Centers for Medicare and Medicaid Services (CMS) has recently clarified that in order for Medicaid to reimburse providers for health services provided in the schools, the services must be included among those listed in the Medicaid statute and included in the state's Medicaid plan or be available under the EPSDT benefit. CMS further states that separate from EPSDT, a service must be specifically identified in the state's Medicaid plan to make Medicaid payment available for that service. There is no provision for health screenings outside of EPSDT in the Virginia Medicaid state plan.

Due to some confusion regarding the coverage of hearing screenings outside of EPSDT, Medicaid will allow for reimbursement of special education determination hearing screenings only through December 31, 2006 for children enrolled in Medicaid and Medicaid Managed Care Organizations (MCO). Effective January 1, 2007, the only screenings that DMAS will provide reimbursement for are EPSDT screenings for children enrolled in Medicaid. Further, these EPSDT screenings need to be rendered by either Physicians or Nurse Practitioners. For children enrolled in a Medicaid MCO, DMAS will research any school provider denied claim (reason 0453 – Enrolled in an HMO) for hearing screens (CPT code 92551) from dates of service July 1, 2005 through December 31, 2006 and pay school providers via off line payment. Federal regulations require the initial submission of all claims within 12 months from the date of service. Providers are encouraged to submit billings within 30 days from the last date of service.

ELIGIBILITY AND CLAIMS STATUS INFORMATION

DMAS offers a web-based Internet option (ARS) to access information regarding Medicaid or FAMIS eligibility, claims status, check status, service limits, prior authorization, and pharmacy prescriber identification. The website address to use to enroll for access to this system is <http://virginia.fhsc.com>. The MediCall voice response system will provide the same information and can be accessed by calling 1-800-884-9730 or 1-800-772-9996. Both options are available at no cost to the provider.

“HELPLINE”

The “HELPLINE” is available to answer questions Monday through Friday from 8:30 a.m. to 4:30 p.m., except on state holidays. The “HELPLINE” numbers are:

1-804-786-6273	Richmond area and out-of-state long distance
1-800-552-8627	All other areas (in-state, toll-free long distance)

Please remember that the “HELPLINE” is for provider use only. Please have your Medicaid Provider Identification Number available when you call.

PROVIDER E-NEWSLETTER SIGN-UP

DMAS is pleased to inform providers about the creation of a new Provider E-Newsletter. The intent of this electronic newsletter is to inform, communicate, and share important program information with providers. Covered topics will include changes in claims processing, common problems with billing, new programs or changes in existing programs, and other information that may directly affect providers. If you would like to receive the electronic newsletter, please sign up at www.dmas.virginia.gov/pr-provider_newletter.asp.

Please note that the Provider E-Newsletter is not intended to take the place of Medicaid Memos, Medicaid Provider Manuals, or any other official correspondence from DMAS.