

## School Based Health Services: Medicaid Cost Report and Cost Settlement Training FY 2014 - 2015

State of West Virginia  
Department of Health and Human Services  
Bureau of Medical Services

November 2015

**PCG | Health**  
Public Focus. Proven Results.™

### Agenda

- Overview of School Based Health Services and Cost Settlement
- Annual Medicaid Cost Report
  - Direct Medical Service Costs
  - Specialized Transportation Costs
- Annual Cost Settlement Process
- Contact Information

## Overview of School Based Health Services and Cost Settlement

### SBHS Overview

The School Based Health Services (SBHS) program provides reimbursement for medically necessary services that are received in schools and provided by an LEA for Medicaid eligible students with an Individualized Education Program (IEP).

## SBHS Overview

- In West Virginia, there are two types of eligible Medicaid reimbursement within the school setting:
  - Direct medical services provided by School-Based Service Providers; and
  - Medicaid Administrative Claiming (MAC)
- The MAC and SBHS programs are administered by the West Virginia Department of Health and Human Resources, Bureau of Medical Services (DHHR/BMS). DHHR/BMS's responsibilities include:
  - Setting program policy;
  - Monitoring documentation and claiming for covered services; and
  - Auditing claiming practices.

## SBHS Overview

- Services eligible for reimbursement under the SBHS program include:
  - Audiology and Speech Language Pathology;
  - Occupational Therapy;
  - Physical Therapy;
  - Psychological Services;
  - Nursing Services;
  - Targeted Case Management Services;
  - Personal Care Services; and
  - Specialized Transportation Services.
- Services provided under the SBHS program have traditionally been reimbursed based on the SBHS Medicaid fee schedule.

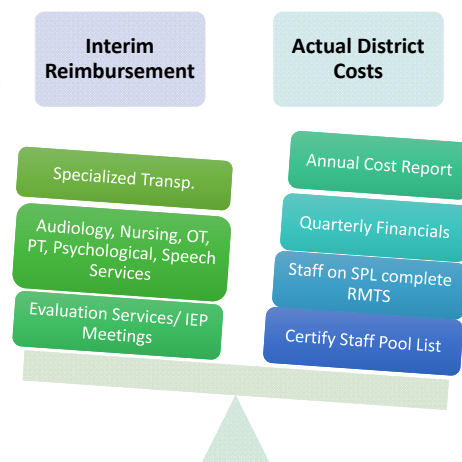
## Cost Settlement Overview

- In accordance with West Virginia's State Plan, LEAs are required to participate in an annual cost reconciliation process.
- Effective for dates of services beginning July 1, 2014, services will be cost reimbursed based on an annual CMS-approved Medicaid cost report filed by each LEA.
- The Medicaid cost report captures the actual costs of providing Medicaid covered health-related services as reported by the LEAs, which will be compared to Medicaid reimbursement received through SBHS interim payments for the fiscal year in order to determine the cost settlement.
  - Interim payments are those payments received by the LEA for direct services throughout the fiscal year.

## Cost Settlement Overview

### What is Cost Settlement?

- A cost-based reimbursement methodology used to determine the actual cost of delivering direct medical services to special education students
- Compares the **actual cost incurred** by LEAs to the **Medicaid interim reimbursement** payments as received through regular Fee for Service billing
  - Ensures that LEAs are reimbursed for actual costs
  - Ensures that Medicaid is not overpaying for services
- Medicaid allowable costs are determined through completion of the Annual Medicaid Cost Report



## Impact of Cost Based Reimbursement on LEAs

- To identify the costs of delivering Medicaid school-based services, LEAs will participate in an annual cost settlement process.
- The cost reconciliation process will include the submission of an annual Medicaid cost report.
  - The Medicaid cost report calculates the actual costs of providing Medicaid covered health related services.
  - LEAs will complete an annual Medicaid cost report online at <https://claimingsystem.pcqus.com/wv/>
  - LEAs will be required to file an annual Medicaid cost report by December 31<sup>st</sup> each year.
  - All Medicaid cost reports will cover a full fiscal year corresponding to the state fiscal year - July 1<sup>st</sup> to June 30<sup>th</sup>.
- LEAs will continue to be reimbursed on an interim basis based upon the Medicaid fee schedule.
- Medicaid costs will be compared to Medicaid interim payments and a settlement will be calculated for each LEA.

## Impact of Cost Based Reimbursement on LEAs

*What are the possible results of cost settlement for each LEA?*

### Scenario 1:

If Medicaid costs exceed reimbursement received, LEAs will receive a settlement from DHHR/BMS.

Cost Settlement	Example LEA 1
Medicaid Cost for Direct Medical Services – Gross	\$510,000
Federal Financial Participation <small>(Federal Share based on FFP Rates published by the US Department of Health and Human Services)</small>	71.35%
Medicaid Cost for Direct Medical Services – Net FFP	\$363,885
Medicaid Interim Payments Received for Direct Medical Services – Net FFP	\$275,000
Medicaid Cost Settlement Amount – Net FFP	\$88,885

## Impact of Cost Based Reimbursement on LEAs

*What are the possible results of cost settlement for each LEA? (cont.)*

### Scenario 2:

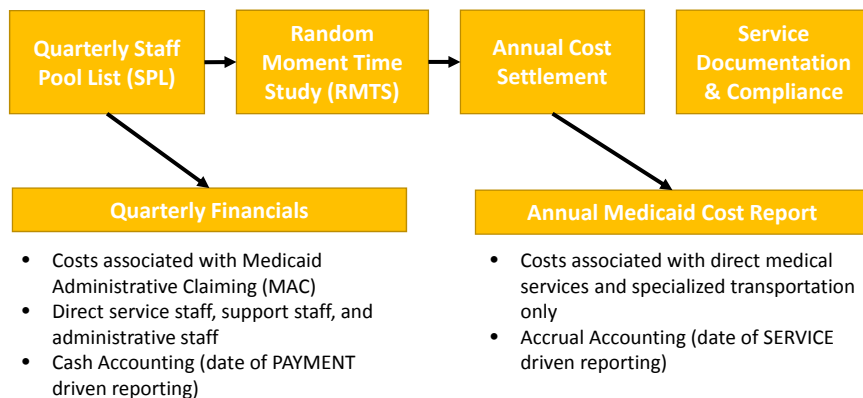
If Medicaid costs are less than reimbursement received, LEAs will pay back the difference.

Cost Settlement	Example LEA 2
Medicaid Cost for Direct Medical Services – Gross	\$450,000
Federal Financial Participation (Federal Share based on FFP Rates published by the US Department of Health and Human Services)	71.35%
Medicaid Cost for Direct Medical Services – Net FFP	\$321,075
Medicaid Interim Payments Received for Direct Medical Services – Net FFP	\$380,000
Medicaid Cost Settlement Amount – Net FFP	(\$58,925)

## Annual Medicaid Cost Report

*Allowable Cost Components  
and application in the PCG Claiming System*

## FY 15 Cost Settlement SBHS Program Components



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## FY 15 Cost Settlement Annual Cost Report Deadline

The Annual Medicaid Cost Report for the reporting period  
July 1, 2014 to June 30, 2015 is due on

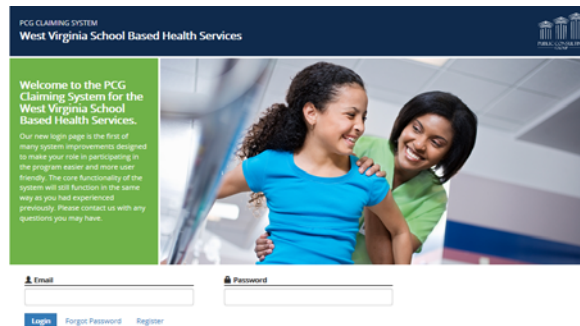
**December 31<sup>st</sup>, 2015.**

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## Annual Medicaid Cost Report

- This is the first year the annual cost report will be completed in the new PCG Claiming System
- This is the same system used for Random Moment Time Study (RMTS) and Quarterly Financials
- Everything you need is now housed under one system for easy access!



## Annual Medicaid Cost Report Cost Reporting Requirements

All costs captured on the SBHS Annual Medicaid Cost Report must be reported on an **accrual basis**.

- This is a requirement by the Centers for Medicare and Medicaid Services (CMS).
- Under an accrual based accounting methodology, expenses are recorded at the time in which the transaction occurs, rather than when the payment is made.
- Expenses are counted when the LEA receives the goods or services. The LEA does not have to wait until the expense is actually paid to record a transaction.

### ***Example of Accrual Based Reporting:***

- In July 2015, the LEA pays salaries and benefits for the last two weeks of June 2015.
- This expense occurred in July 2015, but pertained to services provided in June 2015.
- This expense should be recorded on the July 2014 - June 2015 annual cost report when the transaction occurred, not when it was paid.



## Annual Medicaid Cost Report

### Cost Reporting Elements

Only allowable costs approved by CMS can be reported on the cost report.

- CMS approved a cost reimbursement methodology that includes a number of data elements
- Cost and data elements related to **direct health-related services** include:
  - Salary costs for eligible direct service providers;
  - Benefit costs for eligible direct service providers;
  - Health-related Purchased Services (PPS) costs for eligible direct service providers;
  - Approved Direct Medical Service Materials and Supplies costs;
  - Depreciation costs for Approved Direct Medical Service Equipment;
  - Random Moment Time Study (RMTS) Direct Medical Service Percentage Results (*statewide factor*); and
  - Individualized Education Program (IEP) Ratio (LEA specific).

**Please ensure your LEA maintains all documentation to support allowable costs reported. This includes financial documentation & transportation logs.**

## Annual Medicaid Cost Report

### Cost Reporting Elements

- The CMS-approved cost elements related to **transportation** include:
  - Salary costs for eligible transportation staff;
  - Benefit costs for eligible transportation staff;
  - Contract costs for eligible transportation staff;
  - Other allowable transportation costs (such as fuel, insurance, repairs & maintenance, etc.); and
  - Depreciation costs for approved transportation service equipment.

**Please ensure your LEA maintains all documentation to support allowable costs reported. This includes financial documentation & transportation logs.**

## Direct Medical Service Costs

## Annual Medicaid Cost Report Getting Started – Annual Financials

PCG CLAIMING SYSTEM  
West Virginia School Based Health Services

Session 55:51 - Manage Account - Log off

FY15 | Jul-Sep 2014 | District: | Annual | Configuration | Reports

Quarterly Milestones

Quarterly Start Process

- ✓ Open Quarter
- ✓ Certify Staff Pool
- ✓ Approve Staff Pool

Certify Calendar

Approve Calendar

Generate Moments

Review Moments

Approve Coding

Quarterly Claim Process

Close Moment Coding

State Approve Coding

- ✓ Open Financials
- ✓ Certify Financials

Quarterly CPE Form Process

Compliance

RESA 1/1 Certified: No

Staff Pool Compliance

RESA 1/ Certified: Yes

Resources

- RESA / LEA Admin User Guide
- Participant RMTS Training Manual
- Guide to Certifying Financials

Email Verification Report

Quarterly Financials Certified/Uncertified

## Annual Medicaid Cost Report Getting Started – Annual Financials

PCG CLAIMING SYSTEM  
West Virginia School Based Health Services

Lauren (Session 45:16, Manage Account +, Log off)

FY15: Jul-Sep 2014 District:

Home People Calendar Moments Notifications Quarterly Annual Configuration Reports

Quarterly Milestone Summary

Quarterly Start Process

- ✓ Open Quarter
- ✓ Certify Staff Pool
- ✓ Approve Staff Pool
- Certify Calendar
- Approve Calendar
- Generate Moments
- Review Moments
- Approve Coding
- Quarterly Claim Process
- Close Moment Coding
- State Approve Coding
- ✓ Open Financials

PCG Message:

Welcome to the new PCG Claiming System. For more information, contact us at wvsbhs@pcgus.com or 877-908-1745.

Annual Configuration Reports

- Claims
- Salaried Staff
- Transportation Salaried Staff
- Direct Medical Services Other Costs
- Transportation Other Costs
- Contractor Costs
- Direct Medical Equipment Depreciation
- Transportation Equipment Depreciation
- General and Statistical Information
- Interim Payments
- Cost Report
- Cost Settlement
- CPE Form

Guide to Certifying Financials

Active Coordinators

- SPL History
- SPL Certified/Uncertified
- Calendar Certified/Uncertified
- Compliance Report
- Inactive Participants
- Email Verification Report

County Certified?: Yes

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## Annual Medicaid Cost Report Annual Payroll Information

**Record Salary and Benefits for those staff listed on the staff pool list throughout the year.**

- Only record salaries and benefits for the quarters each employee was listed on the staff pool list.

**Salaries:** Regular wages, extra pay, PTO, overtime, bonuses/longevity, stipends, and cash incentives for full-time and part-time staff

- Total pre-tax earnings for the claimable period

**Employee Benefits:** Employer-paid health/medical, life, disability, or dental insurance, employer-paid child care for children of employees, retirement contributions, worker's compensations costs

- Report amount directly associated with each individual by benefits type

- Report gross Salaries, Benefits, and Contract Costs for eligible SBHS **direct service providers** that were included on the appropriate Staff Pool Lists **ONLY**.
- Properly reduce these by any sources of federal funding.

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## Annual Medicaid Cost Report Salaried Staff

PCG CLAIMING SYSTEM  
West Virginia School Based Health Services

Session 57.02, Manage Account - Log off

PY13 Jul-Sep 2014 Districts

Home People Calendar Moments Notifications Quarterly Annual Configuration Reports

Annual: Salaried Staff

Approve selected Reject selected Reset selected Exclude selected **Export** **Import**

Available Filters

Status	Agency	Emp Id	Name	Job Cat	Cost Pool	Title	Job Span	Salary	Employee Benefits	Employee WCPRB	Employee Medicare Tax	Fed Offset	Gross
✓		974002320		Case	Targeted Case	Case Manager		\$8,000.00	\$2,000.00	\$200.00	\$300.00	\$500.00	\$10,500.00
✓						Speech Therapist		\$40,000.00	\$10,000.00	\$500.00	\$400.00	\$410.00	\$50,900.00

There are two options to enter data into the system:

- Export/Import
- Individually Selecting Staff

## Annual Medicaid Cost Report Entering Employee Costs

Edit Line Item 1 / 188

Employee Name:

Job Category: Case Manager

Employee Salary: 2000

Employee Benefits: 2,000 (Invalid Dollar Amount)

Employee WCPRB: 0

Employee Medicare Tax: 0

Federal Offset: 0

Gross Costs: \$2,000.00

Net Costs: \$2,000.00

Notes:

Warnings:

- Salary entered with 0 benefits
- Salary is low for job

Explanation: okay

< > Edit Another? Cancel Save Changes

Enter data into each of the fields.

Include only numbers  
No commas or currency symbols

Employee Benefits: 2,000 (Invalid Dollar Amount)

Warnings will be triggered if data is outside expected norms.

Examples:

- Salary entered with 0 benefits
- Salary is higher than expected

Warnings:

- Salary entered with 0 benefits
- Salary is low for job

Explanation: okay

Example of an incomplete explanation.  
Please include more detail.  
Ex: Employee is part-time; employee is only enrolled in dental benefit plan.

Explanations are required for any warnings

## Annual Medicaid Cost Report

### Entering Employee Costs – Job Span Toolbar

18% of Year Worked  
Q1: July 1 – Sept 4 (30 hrs/wk)  
Q2: No  
Q3: No  
Q4: No

50% of Year Worked  
Q1: No  
Q2: No  
Q3: Jan 1 – Mar 31 (30 hrs/wk)  
Q4: Apr 1 – June 30 (30 hrs/wk)

100% of Year Worked  
Q1: July 1 – Sept 30 (30 hrs/wk)  
Q2: Oct 1 – Dec 31 (30 hrs/wk)  
Q3: Jan 1 – Mar 31 (30 hrs/wk)  
Q4: Apr 1 – June 30 (30 hrs/wk)

The system indicates the amount of time an employee was listed on the Staff Pool List by the Job Span toolbar.

Recall that ***you can only include employee costs for the period they were listed on the Staff Pool List.***

## Annual Medicaid Cost Report

### Exporting/Importing Cost Data

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	AgencyId	Agency	Jul - Sep	Oct - Dec	Jan - Mar	Apr - Jun	PercentOfEmployeeId	LastName	FirstName	JobCategory	CostPool	JobTitle		
1	327	6	Yes	No	No	No	18.36	974002370		Case Manager	Targeted Case Manag	Case Manager		
2	270	6	Yes	Yes	Yes	Yes	100	974005183		Speech Language Direct Service		Speech Therapist		
3	373	6	No	No	Yes	Yes	49.59	974006478		Case Manager	Targeted Case Manag	Special Ed Teacher (sub)		
4	354	6	No	Yes	Yes	Yes	74.79			Case Manager	Targeted Case Manag	Special Ed Teacher		
5	374	6	No	No	Yes	No	24.66	974001231				Teacher (sub)		
6	333	6	Yes	Yes	Yes	Yes	100	974001239				Therapist		
7	207	6	Yes	Yes	No	Yes	75.34	974001575				Teacher		
8	362	6	No	No	Yes	Yes	49.59	974001371				Teacher		
9	325	6	Yes	No	No	Yes	43.29	974005368				Education Teacher		
10	321	6	Yes	No	No	No	18.36	974006404				Teacher		
11	356	6	No	Yes	No	No	25.21					Teacher (sub)		
12	381	6	No	No	No	Yes	24.93	974005909				Education Teacher		
13	363	6	No	No	Yes	Yes	49.59	974006021				Teacher (sub)		
14	211	6	Yes	Yes	Yes	Yes	89.59	974006234				Teacher (sub)		
15	250	6	Yes	Yes	Yes	Yes	100	974004236		Case Manager	Targeted Case Manag	Special Ed Teacher		
16	346	6	No	Yes	Yes	Yes	74.79			Personal Care	Personal Care	Personal Care Aide		
17	313	6	Yes	Yes	Yes	Yes	100	974002370		Case Manager	Targeted Case Manag	Special Ed Teacher		
18	267	6	Yes	Yes	Yes	Yes				Case Manager	Targeted Case Manag	Special Ed Teacher		
19	347	6	No	No	Yes	Yes				Case Manager	Targeted Case Manag	HI Itinerant Teacher		
20	301	6	Yes	No						Personal Care	Personal Care	Personal Care		
21	214	6	Yes	Yes						Personal Care	Personal Care	Personal Care		

The Annual Salaried Staff page can also be exported for completion in excel or csv.

Import Salaried Staff

Import File:

(No changes on page)

## Annual Medicaid Cost Report Exporting/Importing Cost Data

Import Salaried Staff

Please review the log below. If these are the expected results, then confirm the log and commit.

Import Log:

Header checks passed

WARNING on line 2: high benefit/salary ratio

Time Taken: 809 ms  
Total Records in Import: 17  
Number of Error Records: 0  
Number of records successfully uploaded: 17

Time Taken estimating counts: 20 ms  
Total Rows: 17  
Estimated Same as DB, no action: 0  
Estimated Inserts: 0  
Estimated Updates: 17  
Estimated Errors: 0

Once reviewed, check the box and select *Commit*.

☐ I have reviewed and verified the log

Close Commit

When importing the file back into the system, review the log which will outline any warnings or errors in the exported file.

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## Annual Medicaid Cost Report Exporting/Importing Cost Data

### Exporting/Importing Tips:

You may easily export your salaried staff into a spreadsheet, report costs in the spreadsheet and then import into the system. It's important to follow the following guidance when reporting costs this way.

- Don't change any information in the spreadsheet that exports out of the system except for adding numbers and decimals (your costs). Required fields to report costs are between salary and federal offset columns. Don't add commas, don't add dollar signs, etc. Only add numbers and decimal points.
- Please make sure ALL cells between salary and federal offset are filled with a number. If you have no costs to report you MUST put a zero in the cell between the salary and federal offset columns.
- Save your file as an EXCEL file. The exported spreadsheet is a .CSV file, please save as an EXCEL file to import.
- Importing hours is NOT a required field. If you choose to import hours they must be whole numbers. Decimals in the hour's field will result in errors in the upload.

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## Annual Medicaid Cost Report Contractor Costs

Contracted staff costs include compensation paid for all services contracted by the LEA for an individual who delivered any SBHS services to Medicaid and/or non-Medicaid clients.

LEAs are required to report gross expenditures and then properly reduce expenditures for funds **paid from other federal funding sources**.

## Annual Medicaid Cost Report Contractor Costs

KCS CLAIMING SYSTEM  
West Virginia School Based Health Services

Home People Calendar Moments Notifications Quarterly Annual Configuration Reports

Annual: Contractor Costs

Available Filters

Status	Agency	Service Type	Vendor	Contractor Costs	Contractor Costs Federal Funds
<input checked="" type="checkbox"/>	✓	Nursing Services	Abode	\$6,500.00	\$1,000.00

Create New Line Item

Service Type:

Vendor:

Cost

Contractor Costs:  (Required)

Contractor Costs Federal Funds:  (Required)

Gross Costs:

Net Costs:

Notes:

☐ Add Another?

(no changes on page)

## Annual Medicaid Cost Report

### Direct Medical Services Other Costs

*What types of Material and Supply costs will be included in the cost settlement process?*

- CMS has approved a very limited list of direct medical service material and supply costs.
  - Only those items included within the approved list can be reported on the Medicaid cost report.
  - Examples include: battery testers, hearing aid stethoscopes, electronic suction unit, wheelchair, blood glucose meter, etc.
- Direct Medical Service Material and Supply Costs applicable only to General Education students **should not** be reported on the cost report.

## Annual Medicaid Cost Report

### Direct Medical Services Other Costs

#### **X Do NOT Include X**

- **Costs for materials and supplies applicable to ONLY general education students**
- **Items costing more than \$5,000**
  - Depreciate these items in the next section
- **100% Federally funded costs**

**Helpful Hint:** When determining whether or not a particular cost is eligible (such as for technology equipment) think about how the item is used.

- Items reported should be used solely or predominantly for special education students and for providing direct medical services. Items of a solely educational (and not medical) nature should not be included.
- If you still can't determine whether or not to include a cost, PCG can help!



## Annual Medicaid Cost Report

### Direct Medical Services Other Costs

PCG CLAIMING SYSTEM  
West Virginia School Based Health Services

FY15 : Jul-Sep 2014 District: [Dropdown]

Home People - Calendar Moments - Notifications Quarterly - Annual - Configuration - Reports

Annual: Direct Medical Services Other Costs (Opened)

Approve selected Reject selected Reset selected Exclude selected

Available Filters

Status	Agency	Service Type	Materials and Supplies	Materials and Supplies Fed. Funds	Gross	Net	Clear
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Occupational Therapy Services	\$5,000.00	\$1,000.00	\$5,000.00	\$4,000.00	X
<input type="checkbox"/>		Nursing Services					

Service types appear only for those service categories for which a cost was reported on the *Salaried Staff* or *Contractor Costs* page.

These costs should only include materials and supplies listed on the CMS approved list.

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## Annual Medicaid Cost Report

### Direct Medical Equipment Depreciation

What is Depreciation?

- “Depreciation” is the systematic and rational allocation of the acquisition cost of an asset over its estimated useful life.

What type of depreciation needs to be used in order to report costs on the Medicaid Cost Report?

- The **straight-line depreciation method** is a method of calculating the depreciation of an asset which assumes the asset will lose an equal amount of value each year.
- The annual depreciation is calculated by dividing the purchase price by the estimated useful life of the asset.

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## Annual Medicaid Cost Report Direct Medical Equipment Depreciation

When is it required to report direct medical service materials and supplies as depreciated cost?

- If a single direct medical service material and supply cost exceeds \$5,000, then the item should be depreciated.
- Only those items included within the approved list can be reported on the Medicaid cost report.

### **X Do NOT Include X**

- Costs for equipment applicable to ONLY general education students
- Items costing \$5,000 or less
- 100% Federally funded costs

## Annual Medicaid Cost Report Direct Medical Equipment Depreciation

PCG CLAIMING SYSTEM  
West Virginia School Based Health Services

Home People Calendar Monitors Notifications Quarterly Annual Configuration Reports

Annual: Direct Medical Equipment Depreciation

**Add Asset** Export Import

Available Filters

Unique Asset ID	Asset Type	Service Type	Description	Placed In Service	Remove From Service	Years of Useful Life

Select *Add Asset* to include Medical Equipment with a cost over \$5,000

Create new Direct Medical Equipment

Asset Types (Required)

Unique Asset ID (Required)

Description (Required)

Service Types (Required)

Placed In Service (Required)

Removed From Service (Required)

Years Of Useful Life (Required)

Cost (Required)

Federal Funds and Other Reimbursements (Required)

Notes

☐ Excluded

☐ Add Another?

Cancel Create New Depreciable Asset (No changes on page)

## Annual Medicaid Cost Report

### Calculation of Medicaid Allowable Costs

#### Calculation of Medicaid Allowable Costs

##### Direct Medical Services Salary and Benefits Summary

Service Type	* Line Items	Salaries	Benefits	Contracted Staff Costs	Total Costs	Fed Funds and Other Reductions	Staff Costs
Occupational Therapy Services	1	\$90,000.00	\$18,000.00	\$0.00	\$48,000.00	\$4,000.00	\$41,000.00
Nursing Services	2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Targeted Case Management	147	\$90,800.00	\$18,000.00	\$0.00	\$68,800.00	\$4,800.00	\$64,000.00
Audiology and Speech Language Services	16	\$90,000.00	\$23,400.00	\$0.00	\$113,400.00	\$2,910.00	\$110,490.00
Personal Care Services	19	\$10,000.00	\$3,800.00	\$0.00	\$13,800.00	\$400.00	\$13,200.00
Physical Therapy Services	3	\$25,000.00	\$14,500.00	\$0.00	\$49,500.00	\$5,000.00	\$44,500.00
Psychological Services	3	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		\$215,800.00	\$74,700.00	\$0.00	\$290,200.00	\$17,010.00	\$273,190.00

##### Direct Medical Services Total Costs Summary

Service Type	Staff Costs	Other Costs	Cost Paid Funds	Total Costs	Direct Medical Percentage	Net DHS	Contractor Costs	Contractor Fee Offsets	Net Costs	Unrestricted Indirect Cost Rate	Indirect Costs	Net All Costs Plus Indirect Costs	MSR	Medicaid Allowable Costs
Occupational Therapy Services	\$41,000.00	\$5,000.00	\$1,000.00	\$47,000.00	47.2 %	\$21,240.00	\$0.00	\$0.00	\$21,240.00	10 %	\$2,124.00	\$23,364.00	19 %	\$4,439.16
Nursing Services	\$0.00	\$3,550.00	\$420.00	\$3,970.00	47.2 %	\$1,477.36	\$6,500.00	\$1,000.00	\$6,977.36	10 %	\$697.74	\$7,675.10	19 %	\$1,450.27
Targeted Case Management	\$64,000.00	\$6,000.00	\$1,000.00	\$71,000.00	19.2 %	\$10,488.00	\$0.00	\$0.00	\$10,488.00	10 %	\$1,048.80	\$11,536.80	19 %	\$2,191.99
Audiology and Speech Language Services	\$110,490.00	\$11,000.00	\$3,000.00	\$124,490.00	47.2 %	\$58,927.28	\$0.00	\$0.00	\$58,927.28	10 %	\$5,892.73	\$64,820.01	19 %	\$11,688.80
Personal Care Services	\$13,200.00	\$3,000.00	\$420.00	\$16,620.00	11.4 %	\$1,881.20	\$0.00	\$0.00	\$1,881.20	10 %	\$188.12	\$2,069.32	19 %	\$396.45
Physical Therapy Services	\$44,500.00	\$9,000.00	\$1,000.00	\$54,500.00	47.2 %	\$24,785.00	\$0.00	\$0.00	\$24,785.00	10 %	\$2,478.50	\$27,263.50	19 %	\$5,179.02
Psychological Services	\$0.00	\$3,000.00	\$1,100.00	\$4,100.00	47.2 %	\$896.80	\$0.00	\$0.00	\$896.80	10 %	\$89.68	\$986.48	19 %	\$187.43
Totals	\$273,190.00	\$40,550.00	\$7,920.00	\$321,660.00		\$116,610.64	\$6,500.00	\$1,000.00	\$122,110.64		\$12,211.07	\$134,321.71		\$25,521.12

## Annual Medicaid Cost Report

### Direct Medical Service Percentage

The **Direct Medical Service Percentage** is a state-wide rate identifying on average what portion of a direct service provider's time is spent performing direct medical services.

- A rate of 65% means that on average, direct service providers spend 65% of their time providing direct medical services and 35% of their time performing other administrative duties, training tasks, etc.
- PCG will input this number from the RMTS results

How is it calculated?

- Providers on the Staff Pool List participate in the quarterly Random Moment Time Study and respond to moments
- PCG codes the RMTS results and takes a state-wide average
- The percentage used in the Medicaid Cost Report is the average of the results of the three quarterly time study periods (Oct-Dec, Jan-Mar, Apr-June)

## Annual Medicaid Cost Report

### Calculation of Medicaid Allowable Costs

#### Calculation of Medicaid Allowable Costs

##### Direct Medical Services Salary and Benefits Summary

Service Type	* Line Items	Salaries	Benefits	Contracted Staff Costs	Total Costs	Fed Funds and Other Reductions	Staff Costs
Occupational Therapy Services	1	\$90,000.00	\$18,000.00	\$0.00	\$48,000.00	\$4,000.00	\$41,000.00
Nursing Services	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Targeted Case Management	147	\$90,800.00	\$18,000.00	\$0.00	\$68,800.00	\$4,800.00	\$64,000.00
Audiology and Speech Language Services	16	\$90,000.00	\$23,400.00	\$0.00	\$113,400.00	\$2,910.00	\$110,490.00
Personal Care Services	19	\$10,000.00	\$3,800.00	\$0.00	\$13,800.00	\$400.00	\$13,200.00
Physical Therapy Services	3	\$25,000.00	\$14,500.00	\$0.00	\$49,500.00	\$5,000.00	\$44,500.00
Psychological Services	3	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		\$215,800.00	\$74,700.00	\$0.00	\$290,200.00	\$17,010.00	\$273,190.00

##### Direct Medical Services Total Costs Summary

Service Type	Staff Costs	Other Costs	Cost Fed Funds	Total Costs	Direct Medical Percentage	Net DHS	Contractor Costs	Costs	Net Costs	Unrestricted Indirect Cost Rate	Indirect Costs	Net All Costs Plus Indirect Costs	ICR	Medicaid Allowable Costs
Occupational Therapy Services	\$41,000.00	\$5,000.00	\$1,000.00	\$47,000.00	47.2 %	\$21,240.00	\$0.00	\$0.00	\$21,240.00	10 %	\$2,124.00	\$23,364.00	19 %	\$4,439.16
Nursing Services	\$0.00	\$3,550.00	\$420.00	\$3,970.00	47.2 %	\$1,477.36	\$6,500.00	\$1,000.00	\$6,977.36	10 %	\$697.74	\$7,675.10	19 %	\$1,450.27
Targeted Case Management	\$64,000.00	\$6,000.00	\$1,000.00	\$71,000.00	19.2 %	\$10,488.00	\$0.00	\$0.00	\$10,488.00	10 %	\$1,048.80	\$11,536.80	19 %	\$2,191.89
Audiology and Speech Language Services	\$110,490.00	\$11,000.00	\$3,000.00	\$124,490.00	47.2 %	\$58,927.28	\$0.00	\$0.00	\$58,927.28	10 %	\$5,892.73	\$64,820.01	19 %	\$11,688.80
Personal Care Services	\$13,200.00	\$3,000.00	\$420.00	\$16,620.00	11.4 %	\$1,881.20	\$0.00	\$0.00	\$1,881.20	10 %	\$188.12	\$1,969.32	19 %	\$376.45
Physical Therapy Services	\$44,500.00	\$9,000.00	\$1,000.00	\$54,500.00	47.2 %	\$24,785.00	\$0.00	\$0.00	\$24,785.00	10 %	\$2,478.50	\$27,263.50	19 %	\$5,179.02
Psychological Services	\$0.00	\$0.00	\$1,100.00	\$1,100.00	47.2 %	\$896.80	\$0.00	\$0.00	\$896.80	10 %	\$89.68	\$986.48	19 %	\$187.43
Totals	\$273,190.00	\$40,550.00	\$7,920.00	\$321,660.00		\$116,610.64	\$6,500.00	\$1,000.00	\$122,110.64		\$12,211.07	\$134,321.71		\$25,521.12

## Annual Medicaid Cost Report

### LEA Indirect Cost Rate

The **Unrestricted Indirect Cost Rate (UICR)** is used to include additional costs of doing business that cannot be easily identified within a particular grant, contract, or program, but are necessary for the general operation of the organization.

- Example: overhead costs, such as heating or electricity
- PCG will input this number.
- LEA's without a WVDE approved ICR will use a default rate of 10%.

The West Virginia Department of Education (WVDE) is the cognizant agency responsible for calculating and approving LEA indirect cost rates on behalf of the United States Department of Education (USDOE).

Example Calculation:

Net Direct Service Costs (less federal funds)	\$800,000
Indirect Cost Rate (10%)	.10
Indirect Costs	\$80,000
<b>Net Direct Service Costs + Indirect Costs</b>	<b>\$880,000</b>

## Annual Medicaid Cost Report

### Calculation of Medicaid Allowable Costs

#### Calculation of Medicaid Allowable Costs

##### Direct Medical Services Salary and Benefits Summary

Service Type	* Line Items	Salaries	Benefits	Contracted Staff Costs	Total Costs	Fed Funds and Other Reductions	Staff Costs
Occupational Therapy Services	1	\$90,000.00	\$18,000.00	\$0.00	\$48,000.00	\$4,000.00	\$41,000.00
Nursing Services	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Targeted Case Management	147	\$90,800.00	\$18,000.00	\$0.00	\$68,800.00	\$4,800.00	\$64,000.00
Audiology and Speech Language Services	16	\$90,000.00	\$23,400.00	\$0.00	\$113,400.00	\$2,910.00	\$110,490.00
Personal Care Services	19	\$10,000.00	\$3,800.00	\$0.00	\$13,800.00	\$400.00	\$13,200.00
Physical Therapy Services	3	\$25,000.00	\$14,500.00	\$0.00	\$49,500.00	\$5,000.00	\$44,500.00
Psychological Services	3	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		\$215,800.00	\$74,700.00	\$0.00	\$290,200.00	\$17,010.00	\$273,190.00

##### Direct Medical Services Total Costs Summary

Service Type	Staff Costs	Other Costs	Cost Fed Funds	Total Costs	Direct Medical Percentage	Net DHS	Contractor Costs	Contractor Fee Offsets	Net Costs	Unrestricted Indirect Cost Rate	Indirect Costs	Net All Costs Plus Indirect Costs	IEP Ratio	Medicaid Allowable Costs
Occupational Therapy Services	\$41,000.00	\$5,000.00	\$1,000.00	\$47,000.00	47.2 %	\$21,240.00	\$0.00	\$0.00	\$21,240.00	10 %	\$2,124.00	\$23,364.00	19 %	\$4,439.16
Nursing Services	\$0.00	\$3,550.00	\$420.00	\$3,970.00	47.2 %	\$1,477.36	\$6,500.00	\$1,000.00	\$6,977.36	10 %	\$697.74	\$7,675.10	19 %	\$1,458.27
Targeted Case Management	\$64,000.00	\$6,000.00	\$1,000.00	\$71,000.00	19.2 %	\$10,488.00	\$0.00	\$0.00	\$10,488.00	10 %	\$1,048.80	\$11,536.80	19 %	\$2,191.99
Audiology and Speech Language Services	\$110,490.00	\$11,000.00	\$3,000.00	\$124,490.00	47.2 %	\$58,927.28	\$0.00	\$0.00	\$58,927.28	10 %	\$5,892.73	\$64,820.01	19 %	\$11,668.80
Personal Care Services	\$13,200.00	\$3,000.00	\$420.00	\$16,620.00	11.2 %	\$1,881.20	\$0.00	\$0.00	\$1,881.20	10 %	\$188.12	\$1,969.32	19 %	\$376.45
Physical Therapy Services	\$44,500.00	\$9,000.00	\$1,000.00	\$54,500.00	47.2 %	\$24,785.00	\$0.00	\$0.00	\$24,785.00	10 %	\$2,478.50	\$27,263.50	19 %	\$5,179.02
Psychological Services	\$0.00	\$3,000.00	\$1,100.00	\$4,100.00	47.2 %	\$896.80	\$0.00	\$0.00	\$896.80	10 %	\$89.68	\$986.48	19 %	\$187.43
Totals	\$273,190.00	\$40,550.00	\$7,920.00	\$321,660.00		\$116,610.64	\$6,500.00	\$1,000.00	\$122,110.64		\$12,211.07	\$134,321.71		\$25,521.12

## Annual Medicaid Cost Report

### Individualized Education Program (IEP) Ratio

The **IEP Ratio** allocates a portion of the total direct medical services cost to the Medicaid program.

- Direct medical services are defined as those services billable under the SEMI program
- This number is derived from the December 1<sup>st</sup> student count information submitted to WVDE by each LEA.
- PCG will input this number.

$$\text{IEP Ratio} = \frac{\text{Total Number of Medicaid Eligible Special Education Students With a Prescribed Direct Medical Service in their IEP}}{\text{Total Number of ALL Special Education Students With a Prescribed Direct Medical Service in their IEP}}$$

## Annual Medicaid Cost Report

### Calculation of Medicaid Allowable Costs

#### Calculation of Medicaid Allowable Costs

Direct Medical Services Salary and Benefits Summary									
Service Type	* Line Items	Salaries	Benefits	Contracted Staff Costs	Total Costs	Fed Funds and Other Reductions	Staff Costs		
➤ Occupational Therapy Services	1	\$50,000.00	\$15,000.00	\$0.00	\$65,000.00	\$4,000.00	\$41,000.00		
➤ Nursing Services	0	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
➤ Targeted Case Management	147	\$50,500.00	\$15,000.00	\$0.00	\$65,500.00	\$4,500.00	\$61,000.00		
➤ Audiology and Speech Language Services	16	\$90,000.00	\$23,400.00	\$0.00	\$113,400.00	\$2,910.00	\$110,490.00		
➤ Personal Care Services	19	\$10,000.00	\$3,800.00	\$0.00	\$13,800.00	\$400.00	\$13,200.00		
➤ Physical Therapy Services	3	\$35,000.00	\$14,500.00	\$0.00	\$49,500.00	\$5,000.00	\$44,500.00		
➤ Psychological Services	3	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00		
		\$215,500.00	\$74,700.00	\$0.00	\$290,200.00	\$17,910.00	\$273,190.00		

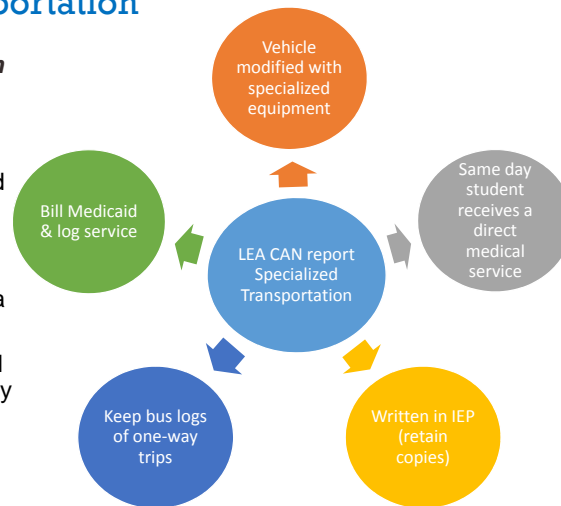
Direct Medical Services Total Costs Summary													
Service Type	Staff Costs	Other Costs	Other Cost Fed Funds	Total Costs	Direct Medical Percentage	Net DHS	Contractor Costs	Contractor Fee Offsets	Unrestricted Indirect Cost Rate	Indirect Costs	Net All Costs Plus Indirect Costs	MSR	Medical Allowable Costs
Occupational Therapy Services	\$41,000.00	\$5,000.00	\$1,000.00	\$45,000.00	47.2 %	\$21,240.00	\$0.00	\$0.00	10 %	\$2,124.00	\$23,364.00	19 %	\$4,439.16
Nursing Services	\$0.00	\$3,550.00	\$420.00	\$3,970.00	47.2 %	\$1,477.36	\$6,500.00	\$1,000.00	10 %	\$697.74	\$7,675.10	19 %	\$1,450.27
Targeted Case Management	\$64,000.00	\$6,000.00	\$1,000.00	\$69,000.00	19.2 %	\$10,488.00	\$0.00	\$0.00	10 %	\$1,048.80	\$11,536.80	19 %	\$2,191.99
Audiology and Speech Language Services	\$110,490.00	\$11,000.00	\$3,000.00	\$118,490.00	47.2 %	\$55,927.28	\$0.00	\$0.00	10 %	\$5,592.73	\$61,520.01	19 %	\$11,688.80
Personal Care Services	\$13,200.00	\$3,000.00	\$420.00	\$16,620.00	11.4 %	\$1,891.20	\$0.00	\$0.00	10 %	\$189.12	\$1,980.32	19 %	\$376.45
Physical Therapy Services	\$44,500.00	\$9,000.00	\$1,000.00	\$52,500.00	47.2 %	\$24,785.00	\$0.00	\$0.00	10 %	\$2,478.00	\$27,263.00	19 %	\$5,179.02
Psychological Services	\$0.00	\$3,000.00	\$1,100.00	\$1,900.00	47.2 %	\$896.80	\$0.00	\$0.00	10 %	\$89.68	\$986.48	19 %	\$187.43
Totals	\$273,190.00	\$40,550.00	\$7,920.00	\$305,820.00		\$116,610.64	\$6,500.00	\$1,000.00	\$122,110.64	\$12,211.07	\$134,321.71		\$25,521.12

## Specialized Transportation Costs

## Annual Medicaid Cost Report Specialized Transportation

### **Specialized Transportation Services** include:

- Travel to and from a Medicaid covered direct IEP service to be rendered on school premises or another location.
- Specialized transportation is included on the IEP as a separate service.
- Use of a specially adapted vehicle (such as a specially adapted bus or van).



## Annual Medicaid Cost Report Specialized Transportation – Salaried Staff

### **Salary and Benefit Costs**

- Only those salary and benefit costs for eligible specialized transportation service providers are eligible for SBHS cost reimbursement
  - Eligible special education transportation service providers include: Bus Drivers, Bus Attendants, Mechanics, Substitute Drivers
- LEAs are required to report gross expenditures and then properly reduce expenditures for **funds paid from federal funding sources**
- Costs can be reported as special education transportation only or not special education transportation only

## Annual Medicaid Cost Report Specialized Transportation – Salaried Staff

**Salaries:** Regular wages, extra pay, PTO, overtime, bonuses/longevity, stipends, and cash incentives for full-time and part-time staff

- Total pre-tax earnings for the claimable period

**Employee Benefits:** Employer-paid health/medical, life, disability, or dental insurance, employer-paid child care for children of employees, retirement contributions, worker's compensations costs

- Report amount directly associated with each individual by benefits type

- Report gross Salaries, Benefits, and Contract Costs for eligible SBHS **specialized transportation providers**
  - These employees should not be included on the Staff Pool List.
- Properly reduce these by any sources of federal funding.

## Annual Medicaid Cost Report Specialized Transportation – Salaried Staff

PCG CLAIMING SYSTEM  
West Virginia School Based Health Services

Session 47:57, Manage Account, Log off

PT15 Jul-Sep 2014 District

Home People Calendar Moments Notifications Quarterly Annual Configuration Reports

Annual: Transportation Salaried Staff (Opened)

**Add New Line Item** Approve selected Reject selected Reset selected Exclude selected Review Questions Clear Questions Export

Import

Please note that any data entered on this page will require the transportation related ratios to be entered on the General and Statistical Information page.

Available Filters

Status	Agency	Service Type	Job Cat	Emp Id	Name	Title	Emp Status	Hours	Salary	Employee Benefits	Employee WVCPRB	Employee Medicare Tax	Fed Offset	Gross	Net	Delete
<div> <p>Select <b>Add New Line Item</b> to add staff</p> <p>If including transportation costs, remember to complete the transportation ratios on the <i>General and Statistical</i> page</p> </div>																



## Annual Medicaid Cost Report Specialized Transportation – Salaried Staff

- Select 'Specialized Transportation' if the employee works exclusively with Specialized Transportation.
- Choose 'Not Only Specialized Transportation' if the employee provides both general and specialized transportation.

Create New Line Item

Service Type:  (Required)

Job Category:  (Required)

Employee Id:  (Required)

First Name:  (Required)

Last Name:  (Required)

Job Title:  (Required)

Employment Status:  (Required)

Hours Paid:  (Required)

Employee Salary:  (Required)

**Employee Benefits**

Employee Benefits:  (Required)

Employee WVCPRB:  (Required)

Employee Medicare Tax:  (Required)

**Offsets**

Federal Offset:  (Required)

Complete all remaining required fields.

## Annual Medicaid Cost Report Specialized Transportation – Other Costs

### ***Approved Specialized Transportation Non-Personnel costs***

- CMS has approved a list of special education transportation non-personnel costs, including:
  - Lease or Rental Costs
  - Insurance Costs
  - Maintenance and Repair Costs
  - Fuel and Oil Costs
  - Major Purchases under \$5,000
  - Contract Costs – for transportation services and transportation equipment
- **Only those items included within the above categories** can be reported on the Medicaid cost report
- Costs can be reported as either special education transportation only or not special education transportation only

## Annual Medicaid Cost Report Specialized Transportation – Other Costs

PCS CLAIMING SYSTEM  
West Virginia School Based Health Services  
2015 | 10-Sep-2016 | Logout | Session 14:02, Manage Account - Log off

Home People Calendar Moments Notifications Quarterly Annual Configuration Reports

### Annual: Transportation Other Costs

Approve selected Reject selected Reset selected Exclude selected Review Questions Clear Questions

Please note that any data entered on this page will require the transportation related ratios to be entered on the General and Statistical information page.

Available Filters

Status	Agency	Service Type	Maintenance and Repairs Fed. Funds	Maintenance and Repairs Fed. Funds	Fuel and Oil Fed. Funds	Fuel and Oil Fed. Funds	Lease/Rental Fed. Funds	Lease/Rental Fed. Funds	Insurance Fed. Funds	Insurance Fed. Funds	Contract - Transportation Services Fed. Funds	Contract - Transportation Services Fed. Funds
✓		Only Specialized Transportation	\$4,000.00	\$400.00	\$900.00	\$250.00	\$0.00	\$0.00	\$500.00	\$50.00	\$0.00	\$0.00
		Not Only Specialized Transportation										

Report costs as Specialized Transportation, or Not Only Specialized Transportation

If including transportation costs, remember to complete the transportation ratios on the *General and Statistical* page

SBHS Training – Annual Cost Settlement

51

## Annual Medicaid Cost Report Specialized Transportation Equipment Depreciation

### **Depreciation costs for Approved Special Education Transportation Non-Personnel Costs**

- Depreciation for special education transportation assets follows a similar process as that for the depreciation of direct medical service materials and supplies
- If a single special education transportation non-personnel item cost exceeds \$5,000, then the item should be depreciated
- Costs can be reported as special education transportation only, or not special education transportation only

SBHS Training – Annual Cost Settlement

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## Annual Medicaid Cost Report Specialized Transportation Equipment Depreciation

### **X Do NOT Include X**

- Costs for equipment applicable to ONLY general education students
- Items costing \$5,000 or less
- 100% Federally funded costs

Create New Transportation Equipment

Asset Types:  (Required)

Unique Asset ID:  (Required)

Description:  (Required)

Service Types:  (Required)

Placed In Service:  (Required)

Removed From Service:  (Required)

Years Of Useful Life:  (Required)

Cost:  (Required)

Federal Funds and Other Reductions:  (Required)

Notes:

☐ Excluded

☐ Add Another?

## Annual Medicaid Cost Report Specialized Transportation Equipment Depreciation

PCG CLAIMING SYSTEM  
West Virginia School Based Health Services

FY15 Jul-Sep 2014 District:

Home People Calendar Moments Notifications Quarterly Annual Configuration Reports

Annual: Transportation Equipment Depreciation (Opened)

Please note that any data entered on this page will require the transportation related ratios to be entered on the General and Statistical Information page.

Available Filters

Unique Asset ID	Asset Type	Service Type	Description	Placed In Service	Remove From Service	Years of Useful Life	Cost	Federal Funds and Other Reductions	Net Cost	Prior Accumulated Depreciation	Depreciation For Reporting Period	Delete
( 0 Depreciable Assets )												

Select **Add Asset** to include Transportation Equipment with a cost over \$5,000

## Annual Medicaid Cost Report

### Calculation of Medicaid Allowable Costs

#### Calculation of Medicaid Allowable Costs

##### Transportation Salary and Benefits Summary

Service Type	# line items	Salaries	Benefits	Total Costs	Fed Funds and Other Reductions	Staff Costs
► Only Specialized Transportation	1	\$20,000.00	\$7,800.00	\$27,800.00	\$3,000.00	\$24,800.00
► Not Only Specialized Transportation		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		\$20,000.00	\$7,800.00	\$27,800.00	\$3,000.00	\$24,800.00

##### Transportation Total Costs Summary

Service Type	Staff Costs	Other Costs	Other Cost-Fed Funds	Total Costs	Unrestricted Indirect Cost Rate	Indirect Costs	Net Direct Costs Plus Indirect Costs	Specialized Transportation Ratio	One Way Trip Ratio	Medicaid Allowable Costs
Only Specialized Transportation	\$24,800.00	\$1,666.67	\$166.67	\$26,300.00	10 %	\$2,630.00	\$28,930.00	100 %	10 %	\$2,893.00
Not Only Specialized Transportation	\$0.00	\$12,450.00	\$1,900.00	\$10,550.00	10 %	\$1,055.00	\$11,605.00	5.71 %	10 %	\$66.27
Totals	\$24,800.00	\$14,116.67	\$2,066.67	\$36,850.00		\$3,685.00	\$40,535.00			\$2,959.27

## Annual Medicaid Cost Report

### LEA Indirect Cost Rate

The **Unrestricted Indirect Cost Rate (UICR)** is used to include additional costs of doing business that cannot be easily identified within a particular grant, contract, or program, but are necessary for the general operation of the organization.

- Example: overhead costs, such as heating or electricity
- PCG will input this number.
- LEA's without a WVDE approved ICR will use a default rate of 10%.

The West Virginia Department of Education (WVDE) is the cognizant agency responsible for calculating and approving LEA indirect cost rates on behalf of the United States Department of Education (USDOE).

Example Calculation:

Net Direct Service Costs (less federal funds)	\$800,000
Indirect Cost Rate (10%)	.10
Indirect Costs	\$80,000
<b>Net Direct Service Costs + Indirect Costs</b>	<b>\$880,000</b>

## Annual Medicaid Cost Report

### Calculation of Medicaid Allowable Costs

#### Calculation of Medicaid Allowable Costs

##### Transportation Salary and Benefits Summary

Service Type	# line items	Salaries	Benefits	Total Costs	Fed Funds and Other Reductions	Staff Costs
► Only Specialized Transportation	1	\$20,000.00	\$7,800.00	\$27,800.00	\$3,000.00	\$24,800.00
► Not Only Specialized Transportation		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		\$20,000.00	\$7,800.00	\$27,800.00	\$3,000.00	\$24,800.00

##### Transportation Total Costs Summary

Service Type	Staff Costs	Other Costs	Other Cost Fed Funds	Total Costs	Unrestricted Indirect Cost Rate	Indirect Costs	Net Direct Costs Plus Indirect Costs	Specialized Transportation Ratio	One Way Trip Ratio	Medicaid Allowable Costs
Only Specialized Transportation	\$24,800.00	\$1,666.67	\$166.67	\$26,300.00	10 %	\$2,630.00	\$28,930.00	100 %	10 %	\$2,893.00
Not Only Specialized Transportation	\$0.00	\$12,450.00	\$1,900.00	\$10,550.00	10 %	\$1,055.00	\$11,605.00	5.71 %	10 %	\$66.27
Totals	\$24,800.00	\$14,116.67	\$2,066.67	\$36,850.00		\$3,685.00	\$40,535.00			\$2,959.27

## Annual Medicaid Cost Report

### Specialized Transportation Ratio

The **Specialized Transportation Ratio** is used when specialized transportation costs cannot be discreetly broken out their from general transportation costs.

- Only applies to costs reported as Not Only Specialized.
- LEA must report the numerator and denominator.

**Specialized Transportation Ratio =**

$$\frac{\text{Total Number of Medicaid Eligible Students Receiving Specialized Transportation Services per Their IEP}}{\text{Total Number of ALL Students Receiving Transportation Services (Specialized of Non-Specialized)}}$$

## Annual Medicaid Cost Report

### Calculation of Medicaid Allowable Costs

#### Calculation of Medicaid Allowable Costs

##### Transportation Salary and Benefits Summary

Service Type	# line items	Salaries	Benefits	Total Costs	Fed Funds and Other Reductions	Staff Costs
► Only Specialized Transportation	1	\$20,000.00	\$7,800.00	\$27,800.00	\$3,000.00	\$24,800.00
► Not Only Specialized Transportation		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		\$20,000.00	\$7,800.00	\$27,800.00	\$3,000.00	\$24,800.00

##### Transportation Total Costs Summary

Service Type	Staff Costs	Other Costs	Other Cost-Fed Funds	Total Costs	Unrestricted Indirect Cost Rate	Indirect Costs	Net Direct Costs Plus Indirect Costs	Specialized Transportation Ratio	One Way Trip Ratio	Medicaid Allowable Costs
Only Specialized Transportation	\$24,800.00	\$1,666.67	\$166.67	\$26,300.00	10 %	\$2,630.00	\$28,930.00	100 %	10 %	\$2,893.00
Not Only Specialized Transportation	\$0.00	\$12,450.00	\$1,900.00	\$10,550.00	10 %	\$1,055.00	\$11,605.00	5.71 %	10 %	\$66.27
Totals	\$24,800.00	\$14,116.67	\$2,066.67	\$36,850.00		\$3,685.00	\$40,535.00			\$2,959.27

## Annual Medicaid Cost Report

### One Way Trip Ratio

The **Specialized Transportation One Way Trip Ratio** allocates a portion of specialized transportation costs to the Medicaid Program.

- PCG will input the numerator based on paid claims data, but if you report any specialized transportation, then you must input the denominator.

$$\text{OWT Ratio} = \frac{\text{Total Number of Medicaid One Way Trips}}{\text{Total Number of ALL One Way Trips}}$$

A Medicaid **One Way Trip** is defined as a trip to or from school for a special education student with specialized transportation in their IEP on the same day the student received a SEMI direct medical service.

- Transportation to **AND** from school would be considered two one way trips.

## Annual Medicaid Cost Report

### Calculation of Medicaid Allowable Costs

#### Calculation of Medicaid Allowable Costs

##### Transportation Salary and Benefits Summary

Service Type	# line items	Salaries	Benefits	Total Costs	Fed Funds and Other Reductions	Staff Costs
➤ Only Specialized Transportation	1	\$20,000.00	\$7,800.00	\$27,800.00	\$3,000.00	\$24,800.00
➤ Not Only Specialized Transportation		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
		\$20,000.00	\$7,800.00	\$27,800.00	\$3,000.00	\$24,800.00

##### Transportation Total Costs Summary

Service Type	Staff Costs	Other Costs	Other Cost Fed Funds	Total Costs	Unrestricted Indirect Cost Rate	Indirect Costs	Net Direct Costs Plus Indirect Costs	Specialized Transportation Ratio	One Way Trip Ratio	Medicaid Allowable Costs
Only Specialized Transportation	\$24,800.00	\$1,666.67	\$166.67	\$26,300.00	10 %	\$2,630.00	\$28,930.00	100 %	10 %	\$2,893.00
Not Only Specialized Transportation	\$0.00	\$12,450.00	\$1,900.00	\$10,550.00	10 %	\$1,055.00	\$11,605.00	5.71 %	10 %	\$66.27
Totals	\$24,800.00	\$14,116.67	\$2,066.67	\$36,850.00		\$3,685.00	\$40,535.00			\$2,959.27

## Annual Medicaid Cost Report

### General and Statistical Information

PCG CLAIMING SYSTEM  
West Virginia School Based Health Services

Session 55:25, Manage Account +, Log off

Home People Calendar Moments Notifications Quarterly Annual Configuration Reports

General and Statistical Information (Opened)

Export Options Import

Variable Value

IndirectCostRate

Ratio	Numerator	Denominator	Ratio	Warning	Explanation
IEP			0%		
OneWayTrip		10	0%		
SpecializedTransportation	20	100	20%		

Submit Changes

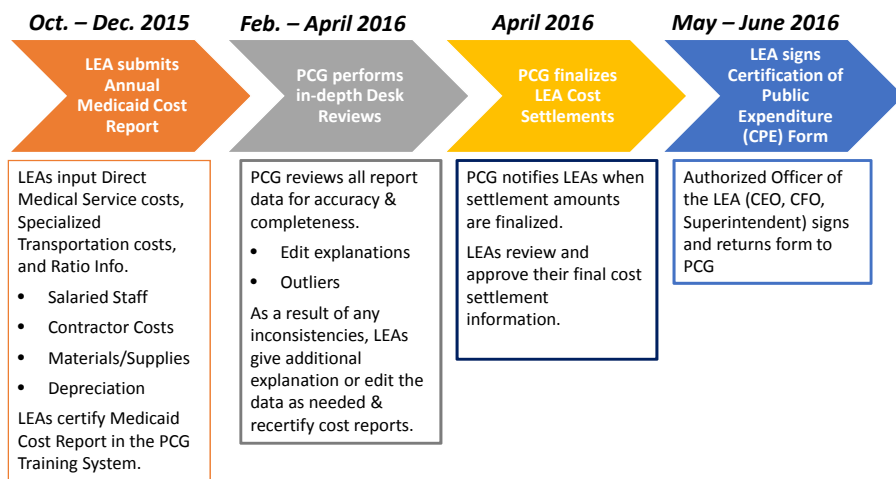
- If including transportation costs, you must complete the transportation ratios on the *General and Statistical* page.
- PCG will input the IEP ratio and the Indirect Cost Rate on this page.





## Annual Cost Settlement Process

### Annual Cost Settlement Process Next Steps



## Annual Cost Settlement Process

### Certification of Public Expenditure Forms

- After all final calculations have been made and entered into the PCG Claiming System, the system will calculate each LEA's final cost settlement amount.
- LEAs will be notified that cost settlements have been finalized.
- LEAs will then be responsible for reviewing the final cost settlement information in the system and approving the settlement.
- A Certification of Public Expenditure (CPE) form can then be printed from PCG Claiming System
  - This form must be signed by an authorized officer of the LEA (CEO, CFO, Superintendent)
  - CPE forms must be returned to PCG and DHHR/BMS.

## Annual Cost Settlement Process

### Cost Settlement Payment/Recoupment

Once an LEA agrees to the cost settlement amount and returns the CPE form to PCG and DHHR/BMS, DHHR/BMS will process payment or recoupment from the LEA.

- A cost settlement payment will be made if Medicaid costs exceeds SBHS Medicaid payments received.
- If Medicaid costs are less than SBHS Medicaid payments received, the LEA will be responsible for paying back the overpayment.

## Annual Cost Settlement Process

### Monitoring Process for SBHS Medicaid Cost Reports

- After all cost settlement processes have been completed, PCG will be conducting comprehensive audits of a random sample of LEA cost reports.
- These audits will be comprehensive in evaluating:
  - Salary and benefit costs reported for staff listed on the RMTS;
  - Licensing and credentials of direct service staff listed on the RMTS;
  - Direct medical materials and supplies costs reported;
  - Depreciation expenses reported for direct medical equipment; and
  - Contracted staff costs;
  - Student counts reported for the numerator of the IEP Ratio.
- LEAs need to maintain supporting documentation for all financial and statistical information reported during the SBHS cost settlement process.

## Contact Information

## Contact Information

### PCG Contacts

If you have any questions about the Annual Medicaid Cost Report, or the Cost Settlement process, please reach out to us!

Public Consulting Group  
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