Medicaid Update – July 12, 2016

Quarterly Cost Report (April – June 2016 Quarter)

The Medicaid Quarterly Cost Report for the April – June 2016 quarter are due on August 14, 2016.

Annual Cost Report Status – FY15

The custom fee-for-service billing reports from the Molina system for population in the annual cost report have been reviewed and found to be accurate and complete based on the review performed. The West Virginia Department of Health and Human Resources (DHHR) is working on generating the reports for all LEAs. Once all of the reports have been generated, they will be provided to Public Consulting Group (PCG) to load into the annual cost report for each LEA. Once the information has been loaded into the annual cost report, DHHR will be able to do an "interim" cost settlement for the 2014-15 year. The settlement will be considered interim at that time since the window to submit and finalize claims for the fiscal year will still technically be open. Once the window is closed and the final fee-for-service payments for the year are known, the "final" cost settlement will be performed.

While it is unlikely that the interim cost settlement amounts will be known before June 30, 2016, the amounts should be known before the September 28, 2016 financial statement submission deadline.

Annual Cost Report – FY16

The anticipated due date for the annual Medicaid cost report for the 2015-16 school year is December 31, 2016. This date has not yet been finalized with PCG.

IEP Ratios – FY16

The Office of School Finance hopes to soon provide the IEP ratios for the FY16 annual cost report to the county boards of education. The data was submitted in WOW by the county boards of education a few months ago, so it should be available in the near future to calculate the actual ratios. The data will also be provided to PCG as they prepare for the FY16 annual cost report.

Transportation Ratios - FY16

One of the key data elements for the transportation ratios on the annual cost reports is the total number of one-way trips for the Medicaid-eligible students with specialized transportation in their IEP. That number is being tracked on the paper monthly specialized transportation fee-for-service billing forms being maintained by the bus drivers/transportation aides in each county.

Ideally, there will be a place programmed in WVEIS for county boards of education to enter this information in total for all applicable students for each month. However, we are currently uncertain whether the programming changes would be made in sufficient time to enter the FY16 data in WVEIS. If the programming changes cannot be made soon, county boards of education will have to provide that number themselves directly in the annual cost report. That would be similar to the process for the FY15 annual cost report, only the number would be more readily available from the fee-for-service billing forms.

It is recommended that county boards of education begin gathering copies of the underlying transportation billing forms to summarize the amounts for either entry into WVEIS by month or to enter the annual total directly in the annual cost report.

Revenue Projections for FY17

As of May 31, 2016, the year-to-date state-wide Medicaid fee-for-service reimbursements totaled $8,403,168, which is only approximately **32.5%** of the year-to-date May 31, 2015 total of $25,852,935.

The April and May 2016 fee-for-service statewide billing amounts averaged roughly $600,000. If we assume that is reflective of the expected revenues for FY17, the statewide average projected revenue for FY would only be $7.2 million.   That is less than the YTD May 2016 amount of $8,403,168 because that figure is on the cash basis and would include paid claims from July and August that were actually booked as revenue in FY15 for financial statement purposes.

It is difficult to predict whether the fee-for-service billing will increase for FY17 once county boards of education are over the learning curve and have new processes in place to comply with the fee-for-service billing changes implemented at the beginning of the FY16 school year.   While a possibility, it would be more conservative to estimate FY17 revenues at the lower levels experienced during FY16.

Cost Settlements for 2004-2014

Now that the custom fee-for-service billing reports from the Molina system for population in the annual cost report have been developed, these same reports will be available for use to begin the cost settlements for fiscal years 2004 – 2014.   We do not have any additional information on when to expect the cost settlement process for those fiscal years to begin. More information will be provided upon receipt by WVDE.

Status of RMTS Implementation Guide

The RMTS Implementation Guide has not yet been approved by CMS.   DHHR recently held a call with CMS, during which time CMS raised several questions regarding the draft guide submitted by DHHR for approval. WVDE will be meeting with DHHR in the near future to address the ongoing concerns raised

by CMS.   In particular, CMS seems to have issues with the length of time provided for RMTS participants to respond to moments.

Fingerprinting / Background Check Requirements

All county boards of education must notify Terry Riley, WVDE Medicaid Coordinator, of who will be the primary contact for Medicaid background checks for the county by July 15, 2016.   Terry has started individually reaching out to county special education directors for this information, which was previously requested via a weekly Superintendent Update and emails to the applicable listservs. Please see below for the original notification regarding the fingerprinting/background check requirements.

> Fingerprinting/background checks are now required by Bureau for Medical Services (BMS) Policy for all staff that sign billing forms for Medicaid eligible students. This will apply to: Audiologists, School Psychologists, Speech Language Pathologists, Occupational Therapists, Physical Therapists, Registered Nurses, select bus drivers, bus aides, staff performing personal care services (Aide, Paraprofessional, Early Childhood Classroom Assistant Teacher (ECCAT), Autism Mentor, LPN, interpreter, sign support specialist, braille support specialist) and any staff billing Targeted Case Management.   This would apply to both county employees as well as contracted staff.

> Administrators and secretarial staff working with Medicaid paperwork are not required to be fingerprinted. Staff paid 100% with federal funds are not eligible to bill Medicaid.

> The West Virginia Clearinghouse for Access: Registry & Employment Screening (WV CARES) manages fingerprinting for Medicaid in the private sector. The WVDE and WVDHHR/BMS will also work with WV CARES to process fingerprinting for Medicaid. Using WV CARES increases the time window between required background checks from three to five years. WV CARES will also notify districts of background check issues that arise during that time window for all employees processed through their system.

> The estimated fingerprinting cost through Morpho Trust at this point is $37.25 per person, but there is also a $20 charge per staff member from WV CARES. The $20 charge may potentially be covered with a grant through WV CARES for a limited time. For a staff member who works for two districts there would only need to be one background check, but each district would have the $20 charge.

> New staff will still need to have the current fingerprinting/background checks required for employment and/or certification. However, a new staff member signing Medicaid billing would also need the additional background/fingerprinting check through WV CARES. **It is the WVDE's position that the districts should cover the cost of the additional background check with WV CARES since that additional requirement does not apply to all employees.**

> The various steps which county boards of education will need to perform are listed below:

STEP ONE:

Apply for an account with Safran/Morpho Trust USA. Several districts may already have an account for processing background checks. The recommendation to these counties is to create a new account which would be used exclusively for Medicaid background checks. These accounts would be setup for WV CARES' ORI number.

The application is also available in the forms and links section on-line at

https://wv.l1enrollment.com/OpenNetworkPortal/spring/customer?execution=e1s1

Click on forms and links. Click on Escrow Account link. The company is aware that WV Schools districts are not allowed to have an escrow account where they deposit funds in advance of the fingerprinting services. For school systems, the company will invoice the district after fingerprinting has occurred.

To directly access the application use this link:

https://wv.l1enrollment.com/OpenNetworkPortal/customer/documents/escrow-account.pdf

The application is rather straight forward. For the ORI number section use the following:
WV CARES/WVPAC000Z. In the Deposit area indicate a request for a billed account, with net 30 day terms. Specific blanks on the application that don't apply can simply be marked "N/A". Processing the applications can take up to three weeks

STEP TWO:

Each district should designate a primary contact for the fingerprinting/background check requirements. The district's primary contact name and e-mail should be forwarded to Terry Riley at tjriley@k12.wv.us. While it is clearly a local decision as to who the primary contact will be, since the district's personnel office already handles the fingerprinting/background checks for regular employment and certification requirements, selecting someone from that office as the primary contact would be recommended to avoid confusion and duplicate fingerprinting appointments. Regardless of who is selected as the primary contact for the district, the new Medicaid fingerprinting/background checks should be a collaborative effort involving the Special Education Director, CSBO and Personnel Office.

STEP THREE:

Determine the specific staff that will need to be fingerprinted for the upcoming school year.

STEP FOUR:

When WVDE receives the official notice from BMS/WVDHHR that the process may begin, districts will have six months to complete the fingerprinting/background check process. Each staff member to be fingerprinted is required to complete a WV CARES self-disclosure application and consent form. This form will be sent to districts with additional instructions. It is important for staff to understand that a false statement on this form will lead to the staff member failing the background check and prevent them from billing fee-for-service Medicaid or being included on the Medicaid cost report.

STEP FIVE:

Morpho Trust offers fingerprinting at 26 West Virginia locations. The list of locations can be found at: https://wv.l1enrollment.com/OpenNetworkPortal/spring/customer?execution=e1s1 Click on browse locations.

If a district or combination of districts, have more than 30 staff to fingerprint, Morpho Trust may schedule an on-site fingerprinting session. WVDE will work with the districts to schedule the mobile unit to come on-site, with regional visits if deemed appropriate by the districts.

Mandatory training sessions are being scheduled with WVCARES to train county board of education and RESA staff regarding the Medicaid background check requirements. The scheduled dates are as follows:

- Friday, September 23, 2016 – RESA 8 (Martinsburg)
- Tuesday, September 27, 2016 – RESAs 1 & 4 (Beckley)
- Thursday, September 29, 2016 – RESA 7 (Clarksburg)
- Thursday, October 6, 2016 – RESAs 5 & 6 (Parkersburg)
- The date for a combined training for RESAs 2 & 3 has not yet been finalized.

Note that if the RESA employs staff who provide direct services for county boards of education that are billed to Medicaid by those county boards, the RESA must have background checks performed for those employees. The RESA must then provide a notification to the county boards of education that utilize the direct service employees that those employees have passed the background checks. If this is applicable to a particular RESA, the RESA must also follow the steps above to establish an account with WV CARES.