

Frequently Asked Questions

Billing Medicaid for Services Delivered in Out of District Placements

The following questions and answers have been prepared by MSB™. This summary is the result of recent audit findings, analysis of existing regulations, and direct conversations with personnel at the Division of Developmental Services in an effort to clarify allowable reimbursable costs.

While MSB believes the following information to be accurate, **official interpretation for policy on billing Medicaid for Out of District Services should come from the Division of Developmental Services.**

1. Is it permissible to bill Medicaid for covered services delivered at Out of District facilities?

Yes. There may be health-related, covered services in the “Medicaid to Schools” Program, ordered in an IEP and delivered in Out of District facilities, that are billable to Medicaid as long as the district incurred the cost of these services and all documentation and practitioner licensure requirements are met.

2. If health related costs are bundled into a facility’s tuition rate and paid by the district, what information is needed for the District to set rates for Out of District services?

Health related costs, if bundled into a facility’s tuition rate and included in the cost to the district, must be separated from non-health related costs in order to be reimbursable. If the facility does not have an itemized rate sheet, we can use salary information, including employer-paid taxes and benefits, provided to MSB by the facility.

3. Does the fact that a child is in an “approved” treatment facility lessen the sending district’s responsibility to fulfill documentation requirements under the “Medicaid to Schools” Program rules?

Absolutely not. As the provider of record, the district is responsible to ensure that all billing and audit criteria documentation is in place at the Out of District facility. For example, transaction logs are necessary post-payment records (for in or Out of District placements) that record service delivery. Whether the Out of District facility records services via Lumea™, uses transaction logs, or produces a Medicaid compliant invoice, the elements that must be recorded on the service record for billing and audit purposes include:

- Practitioner name
- Signature of practitioner (original ink for paper records)
- For Rehabilitative Assistance, the Licensed Practitioner of the Healing Arts’ certification statement and handwritten, original signature of the Licensed Practitioner of the Healing Arts
- Student’s full name
- Specific Service dates
- Service types
- Service durations
- Group sizes (if applicable)
- Original signatures of Qualified Licensed Practitioners of the Healing Arts who provide direction to licensed assistants (OT, PT, Speech)

The district must ensure that such logs are not only maintained, but also forwarded to the district and then to MSB when paper logs are utilized. For facilities that record electronically via a separate Lumea account, the sending district is encouraged to review those service records as an OOD Reviewer.

When Out of District facilities are delivering reimbursable services, districts are responsible to ensure that the following items are in place:

- Health related services are ordered in the IEP
- Proper orders/recommendations/referrals are signed by a properly credentialed licensed practitioner of the healing arts where necessary
- Parental Consent has been signed and the Annual Notification of Parental Rights is sent to the parents annually as required by the IDEA and the NH Special Education Regulations
- Rehabilitative assistants receive weekly consultations from a licensed practitioner of the healing arts
- Practitioners hold appropriate credentials that fall within the licensure requirements of the Medicaid to Schools rules
- Rate information (if support is requested from the district by MSB)
- Names and dates of birth for service providers for the purpose of comparison to federal exclusions lists
- Transaction logs (District should forward original logs to MSB unless the facility is recording services electronically in a separate Lumea account)
- School calendar and student attendance are forwarded to MSB

All transaction logs must accompany the invoice sent to the district by the Out of District facility in order for the district to be able to submit Medicaid claims.

4. How can I make sure that such Out of District facilities are maintaining appropriate transaction logs?

MSB has provided an addendum on our website that can be added to Out of District placement contracts in order to help ensure cooperation. Another suggestion is that you include language in your contract that obligates facilities to provide all required documentation prior to district payment of invoices. Recall that due to regulatory changes as of February 2013, Specialized Transportation cannot be reimbursed if an additional Medicaid coverable service is not delivered on the day that Specialized Transportation is delivered. Practically speaking, if an Out of District facility does not provide proper documentation to a school district of all Medicaid reimbursable services, not only will the school district not be able to recover reimbursement for the health-related services, but the district will also be unable to recover any reimbursement for Specialized Transportation.

If the Out of District facility is currently utilizing its own Lumea account to document health related services, the district administrator can request access as an OOD Reviewer. This role allows the district administrator to review session logs, run reports and review all services documented in Lumea that were delivered to district student(s) receiving services at the facility.

5. Does the sending district have to be concerned about practitioner qualifications at Out of District facilities that the district utilizes?

Absolutely. There are clear practitioner qualifications for each covered service area under the “Medicaid to Schools” Program (see Snapshot). All practitioners delivering services to district students in an Out of District facility must meet credentialing requirements in order for the district to bill Medicaid. As the provider of record, the sending district must be assured that such qualifications are met. Pay particular attention to the credentials of staff who are employed by out of state facilities, as well as contracted staff. **Copies of credentials must be maintained by the district** and be available for audits that may occur years after the services have been delivered and reimbursed.

6. *Can we bill Medicaid for services delivered in out of state treatment facilities even though qualified practitioners who do not hold the necessary New Hampshire licenses/certifications are delivering the services?*

Yes, for the most part. For example, if occupational therapy is being delivered in a Massachusetts facility by an OT with a Massachusetts license, the New Hampshire regulations recognize this out of state license. All in state and out of state occupational therapists must also be certified by the National Board for Certification in Occupational Therapy (NBCOT). Out of state speech pathologists must maintain current ASHA certification and be licensed by the state in which they practice. All in state and out of state BCBA's require a waiver. Waiver instructions and a template are available on MSB's [website](#). Your Claims Analyst can walk you through the process if you have any questions. Waivers are only effective from the time that they are approved forward. It is for this reason that we suggest the school districts collect credentialing information from Out of District facilities as soon as a child is placed at the facility so that the school district can conduct a timely review of the credentials of all the practitioners working with the child and seek waivers as soon as possible where necessary. Medicaid reimbursements are not appropriately claimed until the waiver is granted. Waiver renewals may be requested from the state 30 days prior to the expiration of an existing waiver.