

SCHOOL-BASED HEALTH COST REPORTING AND RATE SETTING

With over 20 years of experience in the field, Public Consulting Group (PCG) successfully guides numerous school districts and states through the cost reporting and rate setting processes to help them achieve optimum revenues and maintain compliance.



SCHOOL-BASED HEALTH COST REPORTING

CENTERS FOR MEDICARE & MEDICAID SERVICES (CMS) REQUIREMENTS ARE CHANGING:

CMS has begun implementing significant changes to how Medicaid agencies reimburse health services to school districts that are performed in adherence with the Early Periodic Screening, Diagnosis, and Treatment (EPSDT) Program.

Typically, school districts seek reimbursement for certain school health services, such as speech therapy, physical therapy, and occupational therapy, for Medicaid-eligible children under a Fee for Service (FFS) billing model. Historically, State Medicaid agencies have had considerable flexibility in establishing payment rates for covered health services provided by school districts. However, CMS recently required a number of states to implement drastic changes to existing reimbursement methodologies in order to implement district-specific and service-specific cost-based reimbursement rates. These requirements are commonly foreign to school districts, as very few understand the intricacies of Medicaid cost reporting requirements.

Such CMS requirements could have a significant impact on school districts and their reimbursement levels. School districts will be required to file Medicaid cost reports that will serve as a tool to reconcile Medicaid FFS interim payments with the cost of providing these services.

A significant risk exists for these states and school districts if rates are not set appropriately. If interim rates are set above costs, then the state and the school districts will be liable for paying back the federal share of the Medicaid payment. States and the school districts they represent must ensure that they establish a process for rate setting which improves cash flow, compliance, and revenue generation for the school districts.

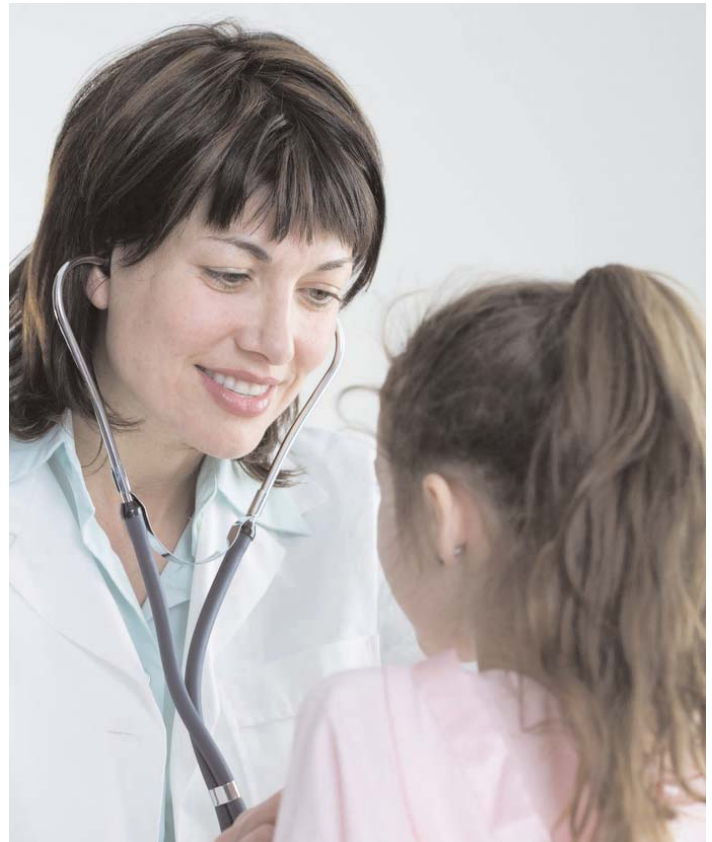
PCG EXPERTISE:

PCG is one of the few firms in the country to have successfully assisted state Medicaid agencies and school districts with implementing new CMS processes.

PCG has an in-depth understanding of OMB Circular A-87, which provides guidance on the permissibility of costs, and has assisted state Medicaid agencies to develop cost reporting forms that successfully capture all of the costs associated with providing health services in a school setting.

Rate development, in turn, must account for differences in volume, area wages, cost ceilings, and outliers. PCG has developed a proven process which allows providers to maximize cash flows on an interim basis while limiting the districts' liability at the end of the cost settlement process.

PCG has been a critical resource in implementing statistical allocation methodologies to apportion costs reasonably and accurately so that school district revenue levels do not suffer. Call on PCG for unmatched school-based health cost reporting and rate setting services, including:



- Completion of Medicaid cost reporting forms;
- Development of statistical allocation methodologies that optimize the apportioning of costs;
- Implementation and administration of CMS approved Random Moment Time Studies (RMTS);
- Development of interim rates which account for volume, area wages, cost ceilings, and outliers;
- Support throughout Medicaid audits, plus ongoing cost reporting consulting services.

ASK US ABOUT PCG'S WORK WITH STATE MEDICAID AGENCIES AND SCHOOL DISTRICTS IN:

- Louisiana
- Colorado
- Michigan
- Texas
- North Carolina

By choosing PCG as your cost reporting and rate setting vendor, you can be assured your Medicaid report will adhere to Medicaid cost reporting regulations and that revenues will be optimized. Contact us to learn more about PCG school-based health cost reporting and rate setting services.