

---

## **Questions and Answers: Administrative Claiming Related to Training and Registry Costs**

*July 8, 2015*

**Q: Can training costs be built into the rate paid for covered medical services?**

**A:** Yes. Once a qualified provider has enrolled in Medicaid under the state's conditions of participation, the provider's costs incurred to acquire and maintain Medicaid-specific knowledge and skills could be recognized by the state and built into the rates paid for the service. For example, time to attend Medicaid-specific pre-service orientation and the time a worker spends in Medicaid-specific training could be included as an element of the service rate. Likewise, should a state wish to promote advanced provider skills training, costs associated with that advanced training could also be included in the development of rates paid for services. For example, a state may wish to increase the availability of providers qualified to serve beneficiaries with higher or complex medical needs, and could provide for a higher payment rate for providers who attend training courses. Payment of the training increment could be made directly to a third party training provider (but would remain related to the underlying provider hours and the cost of the training). Additionally, the state could set provider qualification requirements at a separate and distinct level for those advanced level providers, and pay rates commensurate with their higher skill levels. The qualifications and rates could be higher than those for services furnished by less skilled individuals (for example, there could be separate rates for personal care services furnished by trained personal care attendants and those furnished by untrained family members or friends). In addition, costs associated with maintaining status as a qualified Medicaid provider may be included in determining the rate for services. However, costs associated with requirements that are prerequisite to being a qualified Medicaid provider are not reimbursable by Medicaid. CMCS issued an Informational Bulletin providing guidance on the inclusion of training costs in provider rate development on July 13, 2011, which is available at <http://www.medicaid.gov/Federal-Policy-Guidance/downloads/CIB-7-13-11.pdf>.

**Q: Is federal Medicaid administrative match available for provider training activities?**

**A:** Yes. Provider training provided by the Medicaid agency or its contracted designee regarding the scope or the benefits of Medicaid covered services, or that is aimed at improving the delivery of Medicaid services, is reimbursable as a Medicaid administrative expenditure. This could include, for example, training for case managers, individuals who develop and coordinate person-centered care planning, primary care practitioners, or hospital discharge planners. Costs incurred by the providers to meet continuing education and advanced training requirements cannot be claimed as a Medicaid administrative expenditure; as described above, in some circumstances such costs may be reflected in provider rates. States should contact CMS directly for technical assistance.

**Q: Is Medicaid funding available for the establishment and maintenance of registries to reflect available qualified providers of long term services and supports?**

**A:** Yes, such activities are appropriate to be reimbursed as administrative costs under the Medicaid program. Administrative costs are reimbursed for all states at a 50% FMAP rate. To the extent that the registry is used by non-Medicaid eligible individuals, or non-Medicaid providers, the costs of its establishment and maintenance would need to be allocated between Medicaid and non-Medicaid funding streams.