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State/Territory Name: Georgia

State Plan Amendment (SPA) #: 17-0014

This file contains the following documents in the order listed:

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601

Financial Management Group

June 14, 2021

Lynette Rhodes, Esq.
Executive Director, Medical Assistance Plans
Department of Community Health
2 Peachtree Street, NW, Suite 36-450
Atlanta, Georgia 30303

RE: TN 17-014

Dear Ms. Rhodes:

We have reviewed the proposed Georgia State Plan Amendment (SPA) 17-014, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on September 5, 2017. This plan amendment updates the School Nurses Administrative Agreement for the Provision of Direct Nursing Services.

Based upon the information provided by the State, we have approved the amendment with an effective date of July 1, 2017. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Moe Wolf at 410-786-9291 or Moshe.Wolf@CMS.HHS.gov.

Sincerely,

[redacted]

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

1. TRANSMITTAL NUMBER: 17-014

2. STATE: GEORGIA

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
CENTERS FOR MEDICARE AND MEDICAID SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
1 July 2017

5. TYPE OF PLAN MATERIAL *(Check One)*:

☐ NEW STATE PLAN ☒ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☐ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT *(Separate Transmittal for each amendment)*

6. FEDERAL STATUTE/REGULATION CITATION:
42 C.F.R. § 433.51

7. FEDERAL BUDGET IMPACT:
FFY 2017 $12,153,651.17
FFY 2018 $48,614,604.66

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
~~Attachment 4.19-G~~ Attachment 4.19-B

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*:
(Not applicable)

10. SUBJECT OF AMENDMENT: School Nurses Administrative Agreement for the Provision of Direct Nursing Services.

11. GOVERNOR'S REVIEW *(Check One)*:
☐ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
Attached
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
☒ OTHER, AS SPECIFIED:
Single State Agency Comments

12. SIGNATURE OF STATE AGENCY OFFICIAL:
[redacted]

13. TYPED NAME: LYNNETTE RHODES

14. TITLE: ASSOCIATE CHIEF, DIVISION OF MEDICAID

15. DATE SUBMITTED: 8/24/17

16. RETURN TO:
Department of Community Health
Division of Medicaid
2 Peachtree Street, NW, 36th Floor
Atlanta, Georgia 30303-3159

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: September 1, 2017

18. DATE APPROVED: June 14, 2021

PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: July 1, 2017

20. SIG [redacted]

21. TYPED NAME: Todd McMillion

22. TITLE: Director, Division of Reimbursement Review

23. REMARKS:

Pen and ink change authorized on 6/14/2021 via email in box 8 to change "Attachment 4.19-G" to "Attachment 4.119-B". (MW)

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES FOR OTHER TYPES OF CARE OR SERVICE

V. Therapy Services (includes Physical, Occupational and Speech Pathology Therapists), Nursing Services, Counseling Services, Nutrition Services and Audiology Services).

1. Reimbursement to Therapy Service providers under the Children's Intervention Services program is based on the lower of submitted charges or the state's maximum allowable rate as listed in the Part II, Policies and Procedures for Children's Intervention Services. Effective for dates of service on or after July 1, 2020, the state's maximum allowable rate is 84.645% of Medicare's Resource Based Relative Value Scale (RBRVS) for 2020 for Region IV (Atlanta). The CIS rates utilized for each state fiscal year are those rates that are in effect on July 1st, the start of the state fiscal year. Except as otherwise noted in the plan, state developed fee schedule rates are the same for both governmental and private providers of therapy services and the fee schedule is published in the Georgia Department of Community Health's Policies and Procedures Manual for Children's Intervention Services.

2. Effective for dates of service on or after July 1, 2020, the state's maximum allowable rate for codes 97110, 97112, 97116, 97140, 97530 and 97535 will be based on 80% of Medicare's Resource Based Relative Value Scale (RBRVS) for 2020 for Region IV (Atlanta). The CIS rates utilized for each state fiscal year are those rates that are in effect on July 1st, the start of the state fiscal year.

3. Children's Intervention School Services – School-Based Reimbursement Program

   Reimbursement to Local Education Agencies (LEAs) under the Children's Intervention School Services (CISS) program is based on a cost-based methodology. Medicaid Services provided under the Children's Intervention School Services program are services that are medically necessary and provided to Medicaid recipients by LEAs in accordance with an Individualized Education Program (IEP) under the Individuals with Disabilities Education Act (IDEA). For Nursing Services, medical necessity can be documented in an Individual Education Program (IEP), Individual Family Service Plan (IFSP), other medical plans of care, or where medical necessity has otherwise been established)and defined in Attachment 3.1-A pages 1k-1o:

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES FOR OTHER TYPES OF CARE OR SERVICE

a. Audiology Services Performed by Licensed Audiologists
b. Counseling Services Performed by Licensed Clinical Social Workers
c. Nursing Services Performed by Licensed Registered Professional Nurses or Licensed Practical Nurses/Licensed Vocational Nurses
d. Nutrition Services Performed by Licensed Dieticians
e. Occupational Therapy Services Performed by Licensed Occupational Therapists and/or Occupational Therapists Assistants
f. Physical Therapy Services Performed by Licensed Physical Therapists and/or Physical Therapists Assistants
g. Speech-Language Pathology Services Performed by Licensed Speech Language Pathologists and/or Masters Level Speech Language Pathologists (with professional certificate from GA Department of Education or Certificate of Clinical Competence in Speech Language Pathology by ASHA).

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES FOR OTHER TYPES OF CARE OR SERVICE

A. Direct Medical Services Payment Methodology

Providers will be reimbursed on interim basis for School-Based direct Medicaid covered services provided according to a fixed fee schedule.

The Department of Community Health (DCH) will use a cost-based methodology for all LEAs. This methodology will consist of a Cost Report, a CMS reviewed Random Moment Time Study (RMTS) methodology, Cost Reconciliation, and Cost Settlement. If payments exceed Medicaid allowable costs, the excess will be recouped. If payments are less than Medicaid allowable costs, DCH will pay the federal share of the difference to the LEA and submit claims to CMS for reimbursement of that payment.

Data Capture for the Cost of Providing Rehabilitative-Related Services

Data capture for the cost of providing health-related services will be accomplished utilizing the following data sources:

Total direct and indirect costs, less any federal non-Medicaid payments or other revenue offsets for these costs, will be captured utilizing the following data:

a. School-Based direct Medicaid Services cost reports received from school districts as described below
b. Georgia Department of Education (GA DOE) Unrestricted Indirect Cost Rate (UICR);
c. Random Moment Time Study (RMTS) Activity Code 4b (Direct Medical Services pursuant to IEP or IFSP), Activity Code 4c (Direct Medical Services pursuant to other medical plan of care), and Activity Code 10 (General Administration):
    i. Direct medical RMTS percentage (IEP/IFSP Services);
    ii. Direct medical RMTS percentage (Direct Medical Services pursuant to other medical plan of care) – To be applied to Nursing Services ONLY
d. School District specific Medicaid Ratios. These are defined in detail in Section #4 below
    i. Medicaid IEP/IFSP Ratio
    ii. Medicaid Ratio for Other Medical Plan of Care

The ratios are defined in detail in Item #4 on the following pages, To determine the Medicaid-allowable direct and indirect costs of providing direct medical services to Medicaid-enrolled clients in the LEA, the following steps are performed:

1. Allowable Costs: Direct costs for direct medical services include payroll and general ledger cost data that can be directly charged to direct medical services cost pools using the random moment time study results. Direct payroll costs include total compensation (i.e., salaries and benefits and contract compensation) of direct services personnel listed in the descriptions of the covered Medicaid services delivered by school districts. Costs for administrative staff are not included in the annual cost report. These direct costs will be calculated on a district-specific level and will be reduced by any federal payments for these costs, resulting in adjusted direct costs.

   Other direct costs include costs directly related to the approved direct services personnel for the delivery of medical services, such as medically-related purchased services, supplies and materials. Additional direct costs include payments made for out of district health related services, including Medicaid covered health related services provided through approved private schools and special school districts including contracted staff costs. These direct costs are accumulated on the annual School-Based Health Services Cost Report and are reduced by any federal payments for these costs, resulting in adjusted direct costs. The cost report contains the scope of cost and methods of cost allocation that have been approved by the Centers for Medicare & Medicaid Services (CMS).

   The source of this financial data will be audited payroll and general ledger records kept at the school district level.

   a. Direct Medical Services
      Non-federal cost pool for allowable providers consists of:

      i. Salaries;
      ii. Benefits;
      iii. Medically-related purchased services; and
      iv. Medically-related supplies and materials

2. Indirect Costs: Indirect costs are determined by applying the school district's specific unrestricted indirect cost rate to its adjusted direct costs. The Georgia Department of Education (GA DOE) has, in cooperation with the United States Department of Education (ED), developed an indirect cost plan to be used by public school districts in Georgia. Pursuant to the authorization in 34 CFR §75.561(b), GA DOE, as the cognizant agency, approves unrestricted indirect cost rates for school districts for the ED. Providers are permitted only to certify Medicaid-allowable costs and are not permitted to certify any indirect costs that are outside their unrestricted indirect cost rate.

Indirect Cost Rate

a. Apply the Georgia Department of Education (GA DOE) Cognizant Agency Unrestricted Indirect Cost Rate applicable for the dates of service in the rate year.
b. The GA DOE UICR is the unrestricted indirect cost rate calculated by the Georgia Department of Education.

3. Time Study Percentages: A CMS-reviewed time study is used to determine the percentage of time that medical service personnel spend on IEP, IFSP, or other medical plan of care direct medical services, general and administrative time, and all other activities to account for 100 percent of time to assure that there is no duplicate claiming. The RMTS methodology will utilize two distinct cost pools; one cost pool for Direct Medical Services which includes all eligible staff except Licensed Registered Nurses (RN) and Licensed Practical Nurses (LPN) and one also for Direct Medical Services staff but only to include Licensed Registered Nurses (RN) and Licensed Practical Nurses (LPN). The RMTS will generate two Direct Medical Services time study percentages; one for Direct Medical Services pursuant to an IEP or IFSP and one for Direct Medical Services pursuant to other medical plan of care. The Direct Medical Service time study percentages will be applied to only those costs associated with Direct Medical Services to generate a Direct Medical Service Costs amount for services provided pursuant to an IEP or IFSP for both cost pools. The Direct Medical Services Cost amount for services provided pursuant to other medical plan of care will only be applied to the cost pool containing Licensed Registered Nurses (RN) and Licensed Practical Nurses (LPN). The direct medical services costs and time study results must be aligned to ensure proper cost allocation. The CMS approval letter for the time study will be maintained by the DCH and CMS.

4. Medicaid Ratio Determinations: Two distinct Medicaid Ratios will be established for each participating school district. When applied, these ratios will discount the associated Direct Medical Service cost pools by the percentage of Medicaid enrolled students.

a. Medicaid IEP Ratio: The numerator will be the number of Medicaid enrolled IEP students in the LEA who have an IEP and received direct medical services as outlined in their IEP and the denominator will be the total number of students in the LEA with an IEP who received direct medical services as outlined in their IEP. Direct medical services are those services billable under the FFS program as defined in pages 1k through 1o of Attachment 3.1-A. This ratio is calculated

annually based on census data on March 1st of each year and will be applied to the entire Fiscal Year.

b. Medicaid Eligibility Ratio for Other Medical Plan of Care: The numerator will be the number of Medicaid enrolled students in the LEA and the denominator will be the total number of students in the LEA. This ratio will only be utilized for the Nursing Services Cost Pool calculation of direct medical services pursuant to other medical plans of care. This ratio is calculated annually based on census data on March 1st of each year and will be applied to the entire Fiscal Year.

5. Total Medicaid Reimbursable Cost: The result of the previous steps will be a total Medicaid reimbursable cost for each LEA for Direct Medical Services.

B. Certification of Funds Process

Each LEA will submit a Certification of Public Expenditure of Forms to DCH on an annual basis. On an annual basis, each LEA will certify through its cost report its total actual, incurred Medicaid allowable costs/expenditures, including the federal share and the nonfederal share. Providers are permitted only to certify Medicaid-allowable costs and are not permitted to certify any indirect costs that are outside their unrestricted indirect cost rate.

C. Annual Cost Report Process

For Medicaid services provided in schools during the state fiscal year (July I through June 30), each provider must complete an annual cost report. The cost report is due on or before September 15 following the reporting period each year. At the discretion of DCH, providers may be granted extensions up to three months.

Providers that fail to fully and accurately complete Medicaid cost reports within the time period specified by DCH or that fail to furnish required documentation and disclosures for Medicaid cost reports required under this Plan within the time period specified by the Department, may be subject to penalties for non-compliance.

The primary purposes of the LEA provider's cost report are to:

l) Document the LEA provider's total CMS reviewed Medicaid allowable costs of delivering Medicaid coverable services using a CMS reviewed cost allocation methodology.

2) Reconcile the annual interim payments to the LEA provider's total CMS reviewed, Medicaid-allowable costs using a CMS reviewed cost allocation methodology

D. Annual Cost Reconciliation Process

The annual Children's Intervention School Services (CISS) Cost Report includes a certification of funds statement to be completed. including certifying the provider's actual, incurred costs/expenditures. All filed annual CISS Cost Reports are subject to desk review by DCH or its designee.

The cost reconciliation process must be completed within twenty-four months of the end of the reporting period covered by the annual CISS Cost Report. The total CMS-reviewed, Medicaid allowable scope of costs based on CMS-reviewed cost allocation methodology procedures are compared to the LEA provider's Medicaid interim payments delivered during the reporting period as documented in the Medicaid Management Information System (MMIS), resulting in a cost reconciliation.

For the purposes of cost reconciliation, the state may not modify the CMS-reviewed scope of costs, the CMS reviewed cost allocation methodology procedures, or its CMS-reviewed RMTS for cost-reporting purposes. Any modification to the scope of cost, cost allocation methodology procedures, or RMTS for cost-reporting purposes requires approval from CMS prior to implementation; however, such approval does not necessarily require the submission of a new state plan amendment.

E. The Cost Settlement Process

Services delivered during the period covering July 1 through June 30, the annual CISS Cost Report is due on or before September 15 of that same year (i.e. services delivered July 1 , 2011 through June 30, 2012 would be included in the annual cost report due September 15, 2012), with the cost reconciliation and settlement processes completed within twenty-four months of the cost report due date.

If the LEA provider’s interim payments exceed the actual, certified costs for the delivery of school-based health services to Medicaid clients, the LEA provider will return an amount equal to the overpayment. DCH will submit the federal share of the overpayment to CMS in the federal fiscal quarter following receipt of payment from the provider.

If the LEA provider's actual, certified costs exceed the interim payments, DCH will pay the federal share of the difference to the provider in accordance with the final actual certification agreement and submit claims to CMS for reimbursement of that payment in the federal fiscal quarter following payment to the provider.