



# Best Practices for Reimbursement and Service Documentation for Medicaid School-Based Services (SBS)



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## Today's Presenters



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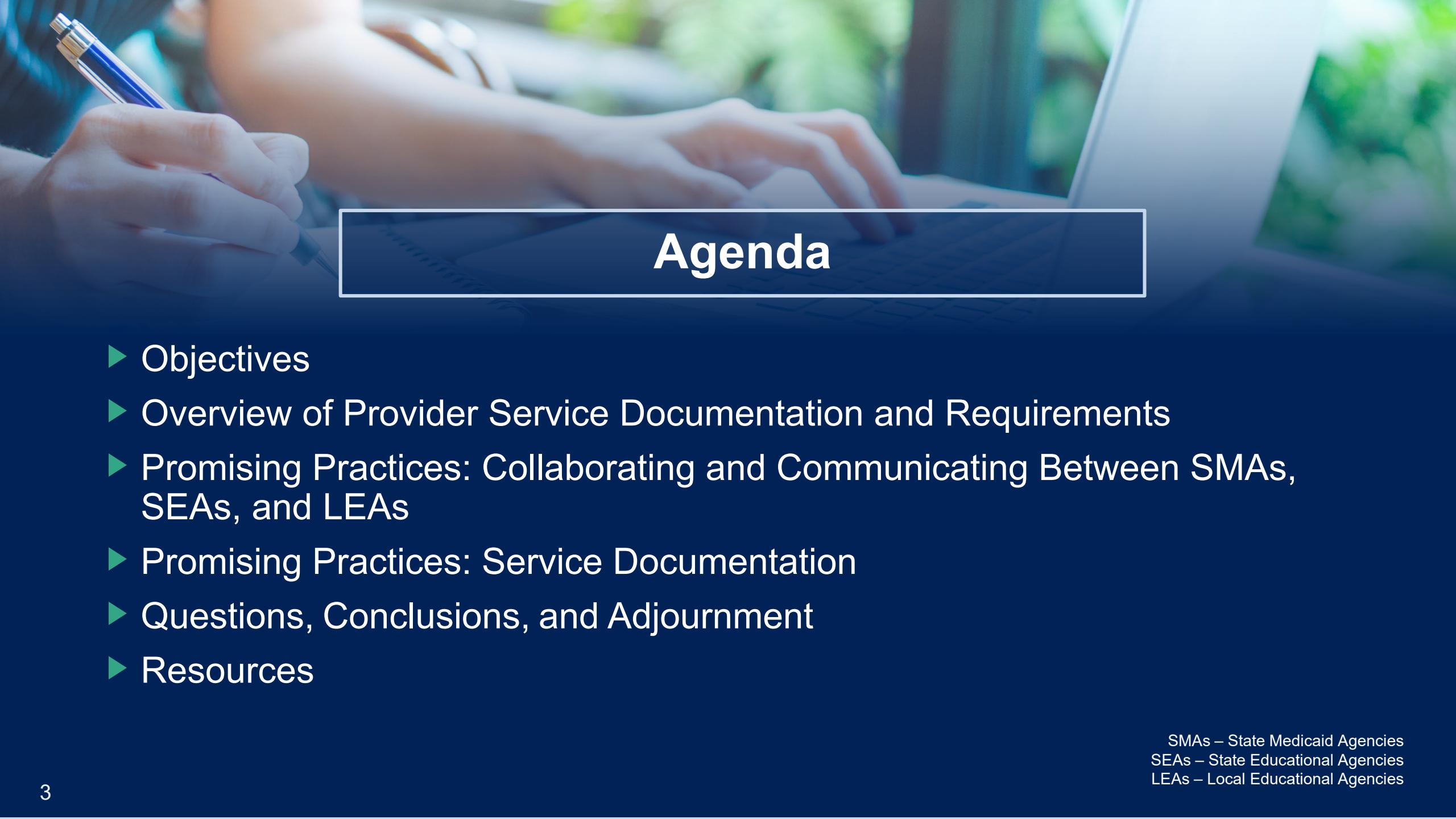
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# Agenda

- ▶ Objectives
- ▶ Overview of Provider Service Documentation and Requirements
- ▶ Promising Practices: Collaborating and Communicating Between SMAs, SEAs, and LEAs
- ▶ Promising Practices: Service Documentation
- ▶ Questions, Conclusions, and Adjournment
- ▶ Resources

SMAs – State Medicaid Agencies  
SEAs – State Educational Agencies  
LEAs – Local Educational Agencies



## Objectives

- ▶ Describe federal and state expectations for medical necessity and service documentation requirements for School-Based Services (SBS) reimbursement.
- ▶ Provide examples of state best practices for service documentation and collaboration to minimize administrative burden.
- ▶ Describe best practices for working with your state and vendors to use procedure codes.



# Overview of Provider Service Documentation and Requirements

# Importance of Service Documentation



## Maintain high-quality care for students

- ▶ Support students' access to a **free appropriate public education**.
- ▶ Support improvement to quality of care by **monitoring progress and achievement**.
- ▶ Align with **clinical standards** of practice.



## Support communication between all providers, school staff, and parents

- ▶ Provide documentation to ensure **communication between providers, Medicaid and other insurers, and other stakeholders** involved in a student's education and health needs.
- ▶ Support **care coordination** among community providers and school providers.

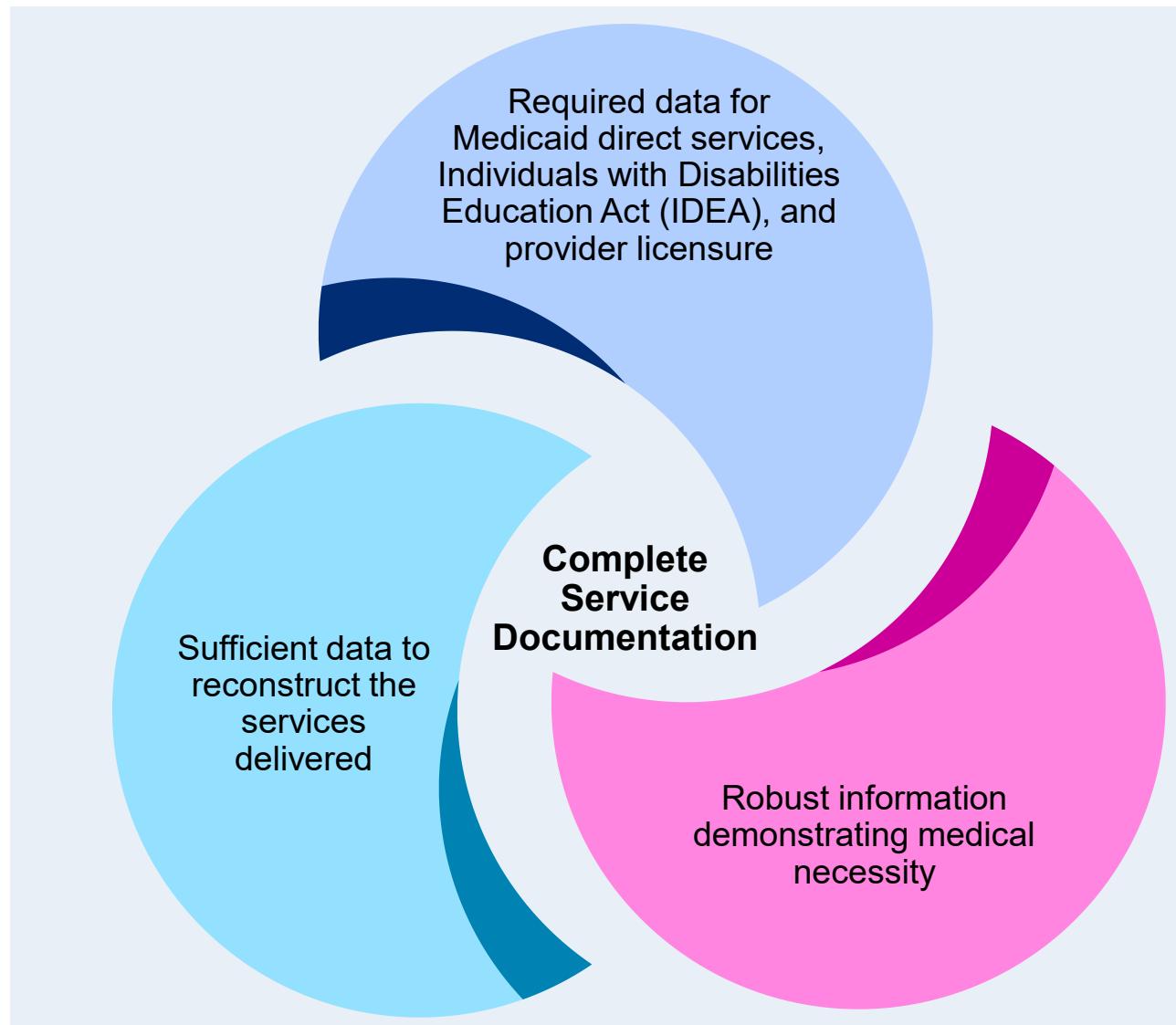


## Receive reimbursement and comply with requirements

- ▶ Support compliance with a **student's individualized education program (IEP)**.
- ▶ Maintain auditable documentation of services and cost reporting to receive **Medicaid reimbursement**.
- ▶ Ensure documentation of services performed and demonstrate **medical necessity** to inform **internal and external audits**.
- ▶ **Corroborate** random moment time study (RMTS) moments.
- ▶ Comply with **provider licensure expectations**.

# Components of Complete Service Documentation

- ▶ Complete service documentation to support reimbursement, regardless of the reimbursement methodology, includes:
  - **Data:** Information about the student, services delivered, progress, outcomes, and medical necessity
  - **Documents:** Paper or electronic records that detail a student's medical history, condition, treatment plan, diagnosis (if applicable), and any other state or federal required data.



# Data Requirements for Medicaid Reimbursement for Direct Services

## Federal minimum required data elements:

- Date of service
- Name of recipient
- Medicaid Identification Number of student
- Provider agency and person providing the service
- Nature, extent, or units of service
- Place of service

- ✓ States may require additional data elements.
- ✓ In addition to required data elements, SBS providers must establish and retain service-level information that demonstrates:
  - Medicaid-enrolled students received the covered services by a Medicaid-enrolled provider
  - Quantity or unit of services
  - Medical necessity of the services
- ✓ Reimbursement is only available for services that meet all the following criteria:
  - Medicaid-enrolled provider
  - Medicaid-enrolled student
  - Service covered under a Medicaid State Plan or 1905(a) of the Social Security Act

# Overlap Between Medicaid and IDEA Requirements

- There are several common data elements between Medicaid and IDEA. IDEA documentation alone is not sufficient for Medicaid reimbursement.

Minimum Required Data	Medicaid	IDEA
Date of service	X	
Name of recipient	X	X
Medicaid Identification Number of student	X	
Provider agency and person providing the service	X	X
Nature, extent, or units of service	X	X
Place of service	X	X
Eligibility for IDEA services		X

- Required data for Medicaid and/or IDEA may be found in multiple documents.

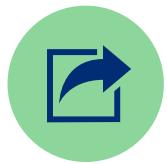
Types of Documents
▪ IEP evaluation and re-evaluation records
▪ IEP or other care plans
▪ Clinical notes of services provided
▪ Medical records
▪ Attendance records
▪ Prior authorizations
▪ Provider agreements
▪ Evidence of provider licensure/certifications
▪ Transportation logs
▪ Payroll records

A photograph of a woman with long dark hair, smiling broadly. She is wearing a blue top and a necklace. In her arms, she is holding a young child with dark hair tied back. The background is slightly blurred, showing an outdoor setting with greenery.

## Promising Practices: Collaborating and Communicating between SMAs, SEAs, and LEAs

# Strategies for Collaborating on Service Documentation at All Levels

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Create a shared documentation platform.



Invest in staff to oversee and coordinate providers and documentation.



Create resources on documentation for multiple audiences/programs.



Celebrating timely and consistent documentation practices and decreasing claim denials.



Utilize contracts and agreements to facilitate coordination.



Designate roles and responsibilities in documentation.



Conduct peer review of a random sample of treatment notes using rubrics.



Regularly review and update documentation guidance.

# LEA Role in Service Documentation

- Ensure information is appropriately shared across general and special education teachers and any providers that deliver services.
- Oversee providers by maintaining adequate records and documentation to ensure the delivery of quality care and prevent claim denials.
- Verify that the services being claimed are medically necessary and that service logs and progress reports are maintained.
- Coordinate with SMA and SEA to provide trainings and resources to providers on complete and accurate service documentation.
- Work with vendors to ensure procedure codes are available and data platforms are user-friendly.



## State Spotlight

- The Monroe County Intermediate School District in Michigan offers resources and support to providers in various formats, including Google Forms, office hours, tip sheets, exemplars, one-on-one trainings, and coaching feedback.
- A designated coordinator works with providers to ensure regulatory compliance, quality improvement, and up to date trainings on service documentation.

# SMA Role in Service Documentation

- Review and update provider billing manuals, ensuring billing and documentation requirements for providers are clear and relatable to a school audience, including guidance on billing codes.
- Coordinate with SEA and LEA to conduct frontline training to SBS providers on Medicaid documentation standards and audit processes.
- Ensure state documentation requirements align with federal requirements.
- Review Medicaid payment rates for SBS to determine if rates account for the LEAs' cost to participate (e.g., staffing and training).
- Track services provided in school-based settings using Medicaid Management Information System.

## State Spotlight

- South Carolina's SMA coordinates with providers to gather feedback and update provider manuals accordingly.
- The South Carolina Department of Health and Human Services conducted an evaluation of mental health SBS to make recommendations to improve access to mental health services in schools.

# SEA Role in Service Documentation

- Disseminate guidance and information to schools on service documentation and help LEAs understand SMA expectations.
- Coordinate with SMA and LEAs to deliver or coordinate training and technical assistance to school staff on service documentation.
- Facilitate collaboration and communication between SMA, LEAs, and vendors.
- Provide or support LEAs in acquiring electronic records platforms that collect data required by IDEA and Medicaid.
- Provide check-ins with LEAs to audit service documentation and offer performance plans.
- Monitor and enforce program and documentation requirements for IDEA.



## State Spotlight

- The South Carolina Department of Education coordinates with each school district to conduct quality assurance on student files for complete documentation.
- South Carolina's Department of Education also provides quality assurance checklists to LEAs. These include checks for provider credentials, eligibility verification, consent forms, referrals, prescription or written medical orders, clinical notes, and progress summaries.

SMA – State Medicaid Agency

SEA – State Educational Agency

LEA – Local Educational Agency

IDEA – Individuals with Disabilities Education Act

A photograph of four professionals in a meeting room. A whiteboard in the background features a blue Mercedes-Benz logo and some faint text. A woman with curly hair is speaking, while the others listen attentively. The scene is set in a modern office environment.

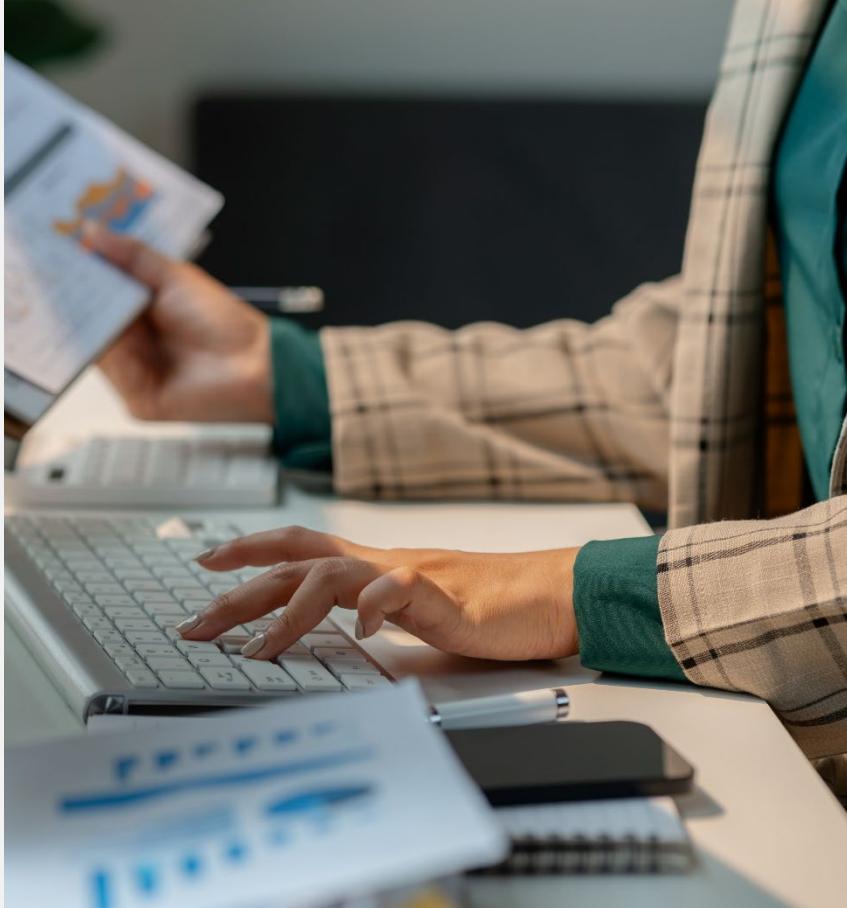
# Discussion: Michigan

A young boy with curly hair is smiling in a library setting. He is wearing a blue jacket and is positioned in front of a bookshelf. The background is slightly blurred, showing shelves filled with books.

# Promising Practices: Service Documentation

# Using Procedure Codes to Support Service Documentation

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- Procedure codes communicate a host of information to Medicaid, such as the services or devices supplied to a student.
- Service documentation can support that the procedure codes were used appropriately.
- Clinical notes and documents that include a student's medical history, physician referral information, evaluation results, and other documents can support your professional judgment in selecting the code.
- If your state uses a fee-for-service methodology, procedure codes are used to claim for Medicaid reimbursement. If your state uses a cost-reimbursement methodology, procedure codes can be submitted to help document the service but are not tied to the reimbursement the LEA receives at the end of the year.

# Promising Practice: Identifying State Procedure Codes to Support Service Documentation

- There are no federal requirements outlining which procedure (e.g., CPT, HCPCS) or diagnosis codes (e.g., ICD-10) should be used for SBS.
- States may have their own requirements and guidance on which procedure or diagnosis codes can be used. LEAs and providers could:
  - Consult with their state to understand which CPT and HCPCS codes should be used to document services commonly provided in school settings.
  - Share the list of services they provide for IEP and general education students with the SMA and ask for corresponding codes.
  - Consider what codes are available for screenings, services without a diagnosis, or to document information about a student's risk factors (e.g., housing or economic status).

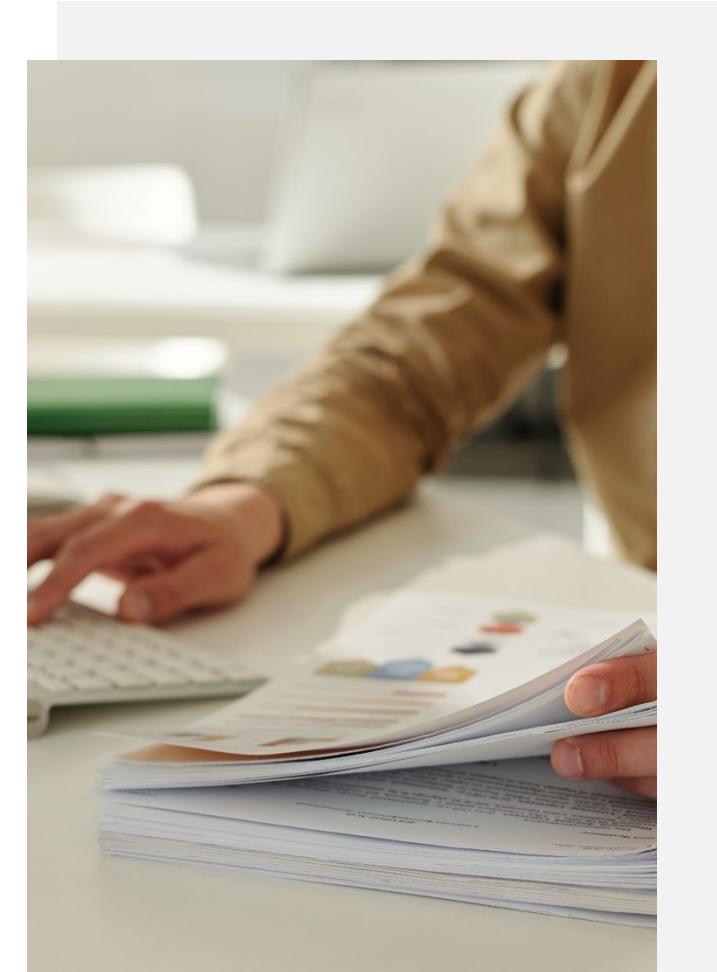
CPT – Current Procedural Terminology

HCPCS – Healthcare Common Procedure Coding System

ICD – International Classification of Diseases

IEP – Individualized Education Program

LEAs – Local Educational Agencies



# Examples of Commonly Used Procedure Codes Applied to SBS

Procedure Code	Definition
92508	Treatment of speech, language, voice, communication, and/or auditory processing disorder; group of two or more individuals
T1019	Personal care services, per 15 minutes, not for an inpatient or resident of a hospital, nursing facility, ICF/MR or IMD, part of the individualized plan of treatment (code may not be used to identify services provided by Home Health aide or Certified Nurse Assistant)
92507	Treatment of speech, language, voice, communication, and/or auditory processing disorder; individual
T1018	School-based individualized education program (IEP) services, bundled
T2003	Non-emergency transportation; encounter/trip
97530	Therapeutic activities, direct (one-on-one) patient contact (use of dynamic activities to improve functional performance), each 15 minutes
S5125	Attendant care services; per 15 minutes
T1502	Administration of oral, intramuscular and/or subcutaneous medication by health care agency/professional, per visit
97153	Adaptive behavior treatment by protocol, administered by technician under the direction of a physician or other qualified health care professional, face-to-face with one patient, each 15 minutes
97110	Therapeutic procedure, one or more areas, each 15 minutes; therapeutic exercises to develop strength and endurance, range of motion and flexibility

# Promising Practice: Sharing Procedure Codes with Providers

- Available procedure codes and modifiers should be provided to SBS providers to support billing.
  - Monroe County Intermediate School District provides tip sheets by provider type that describe available procedure codes, corresponding service types, and descriptions.
  - Providers are also advised to document intervention/ strategies used, student response, and next steps.
- Work with your vendors to ensure allowable procedure codes are turned on for both IEP and general education services.



**Relevant procedure codes for a licensed clinical social worker:**

- ▶ **97153**  
Adaptive Behavior Treatment by Protocol, administered by technician under the direction of a QHP, face-to-face with one patient, each 15 minutes
- ▶ **90832**  
Psychotherapy, 16 to 37 minutes with student and/or family member
- ▶ **H0031 HT**  
Initial/Reeval Mental Health Assessment, IDEA

# Promising Practice: Using an Electronic Record System

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- Establish an electronic record system.
  - Monroe County Intermediate School District captures the evaluation plan, parental consents, clinical notes, and future service plans into one system for IEP-related services and another system for behavioral health and nursing services for non-IEP services.
  - Data collected from these platforms can be extracted and shared with the SMA or billing vendor.
- Ensure that all data can be migrated from old systems to new ones and that providers and LEAs are involved in any procurement and rollout of new technology.
- Consider if your IEP record system can be modified for general education services or if another record system is needed.

# Promising Practice: Documenting Medical Necessity in Clinical Notes and RMTS Moments

- School-based providers are required to document that services meet the state's definition of medical necessity.
- Determining medical necessity considers whether a service is necessary healthcare, diagnostic services, treatment, or other measures to correct or ameliorate defects and physical and mental illnesses and conditions.
- Establishing medical necessity is an ongoing practice that should be established in an IEP/IFSP or other plan of care and continuously supported as part of clinical notes.

IEP – Individualized Education Program  
IFSP – Individualized Family Service Plan  
RMTS – Random Moment Time Study



## Questions providers can ask themselves while documenting:

- Does this service require the practitioner's licensed skills and knowledge?
- Would the student be able to participate and become educated without the licensed practitioner's services?
- Would the student participate as their peers without the practitioner's services?
- Would the practitioner provide the same or similar service at a clinic or hospital?

# Tips to Demonstrate Medical Necessity

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Describe the skilled interventions used and why the expertise of this provider type was needed to deliver them.

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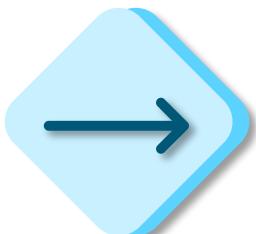
Be specific and detailed; provider notes must include enough details to reconstruct the service provided.

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Describe how the student benefits from the services being provided and is making progress towards goal(s).

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Include next steps for services.

# Improving a Note to an Exemplary One: Individual Therapy

Original Note

1/31/24: Student Z received occupational therapy services to improve handwriting. We practiced handwriting by completing a writing assignment from language arts class.

Exemplary Note

Individual Therapy; Procedure Code 97110

1/31/24: Student Z demonstrates deficits in fine motor strength, coordination, and visual motor skills which impact their ability to write legibly. Student Z received 30 min of occupational therapy to build fine motor strength, coordination, and visual motor skills necessary to write with improved letter formation and legibility. We practiced pinching and rolling Theraputty for hand strengthening. Student demonstrated X% accuracy in letter formation when writing a paragraph. Based on the initial evaluation from 1/29/24, recommend 30 minutes 1x week for 8 weeks, then re-evaluate. Direct therapy will continue to address visual and fine motor strength, skills, and coordination.

# Improving a Note to an Exemplary One: Group Therapy

Original Note

2/1/24: Student Z participated in a social skills group. Student played a game to practice identifying feelings.

Exemplary Note

Group therapy; 2–8 students; Procedure Code 90853

2/1/24: Student Z participated in a social skills group with peers during center time in the classroom. Student identified feelings cards (4/4 attempts) and utilized the visuals for Feelings Bingo game. Student practiced identifying various feelings and talking about situations when they could experience that emotion. Student was not always engaged in the game as he would fixate on unrelated topics (off-topic 3/5 times). Student continues to show difficulties in managing his emotions appropriately. He also is working on his communication/listening skills. Therapy will continue to address these skills.

# Clinical Notes Using SOAP: Jefferson County Public Schools, KY

A student reports to the school nurse's office with symptoms of pertussis or whooping cough. The school nurse is required to document:

- ✓ **Reason for the visit**  
(e.g., persistent cough, vomiting after coughing fits).
- ✓ **Physical assessment of symptoms**  
(e.g., oxygen saturation, cough characteristics).
- ✓ **Any interventions provided**  
(e.g., referral to healthcare provider, isolation, antibiotic information).
- ✓ **Referrals made** to healthcare providers.
- ✓ **Disposition**  
(whether the student was sent home or returned to class).

## Example of Documentation Using a SOAP Note

<b>S</b> Subjective	Student presents with severe coughing fits for the past 3 days. Parent reports that the student vomits after coughing episodes and has been fatigued. No fever reported
<b>O</b> Objective	<ul style="list-style-type: none"><li>• Temp: 98.6° F</li><li>• Persistent coughing noted during visit with "whooping" sound.</li><li>• No cyanosis observed, but student appears tired after coughing fits.</li><li>• Lungs clear to auscultation between coughing fits.</li></ul>
<b>A</b> Assessment	Suspected pertussis infection.
<b>P</b> Plan	<ul style="list-style-type: none"><li>• Referred to Medicaid-enrolled healthcare provider for antibiotic treatment.</li><li>• Advised parent to keep the student home until cleared by the healthcare provider or until 5 days after starting antibiotics.</li><li>• Encouraged hydration and rest.</li><li>• Disposition: Student sent home for medical evaluation and treatment.</li></ul>

# Documenting Medical Necessity in RMTS Responses

## Question 1: Who was with you?

Vague	Detailed
A student	Student with severe multiple impairments
A parent	A parent of an autistic student
A teacher	The SXI classroom teacher
Principal and staff	The principal of our center program for special education students, along with the OT, PT, and social worker

## Question 3: Why were you doing this activity?

Vague	Detailed
It was scheduled	Student receives therapy as part of her IEP to address a language and articulation disorder.
Planning needed	We are holding a new IEP. Our team is recommending a change in certification from speech and language impaired to autism spectrum disorder. I will be presenting evaluations to the parent and team at the meeting.
It is required in the IEP	Student receives individual therapy as part of her IEP to address a neurological and developmental disorder.

## Question #2: What were you doing?

Vague	Detailed
Seeing a student	Provided individual therapy to a student. We worked on her goal of answering simple WH questions to obtain or give information with decreasing cues and with 80% accuracy.
Looking over records	Reviewed student's background and medical records to prepare for an IEP meeting to recertify a student with a disability of speech and language impairment to autism spectrum disorder.
Helped a student play with peers	Provided individual therapy with an autistic student during table time, providing corrective and affirmative feedback for appropriate behavior and coping skills.
Worked on communication skills	Instructed the student in the use of picture display to augment use of a voice output device for effective communication of daily needs during a therapy session.

OT – Occupational Therapy

PT – Physical Therapy

SXI – Severe Multiple Impairment

IEP – Individualized Education Program

A photograph of four professionals in a meeting room. A whiteboard in the background features a blue Mercedes-Benz logo and some faint text. A woman with curly hair is speaking, while the others listen attentively. The scene is set in a modern office environment.

# Discussion: Michigan



# Questions?

Email: [SchoolBasedServices@cms.hhs.gov](mailto:SchoolBasedServices@cms.hhs.gov)



# Resources

- ▶ [Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming](#)
- ▶ [42 C.F.R. §431.107 Required provider agreement](#)
- ▶ [42 C.F.R. §430.40\(c\) Handling of documents and materials](#)
- ▶ [34 C.F.R. §300 Assistance to states for the education of children with disabilities](#)
- ▶ [34 C.F.R. §300.304 Evaluation procedures](#)
- ▶ [34 C.F.R. §300.306 Determination of eligibility](#)
- ▶ [34 C.F.R. §300.320 Definition of individualized education program](#)
- ▶ [Using Z Codes – CMS Infographic](#)
- ▶ [CMS HCPCS Quarterly Update](#)
- ▶ [AMA CPT Books and Products](#)
- ▶ [Monroe County Intermediate Schools Provider Tip Sheets and Trainings](#)
- ▶ [ASHA Medical Necessity for Audiology and Speech-Language Pathology Services](#)
- ▶ [42 C.F.R. §441 Subpart B – EPSDT of individuals under age 21](#)
- ▶ [Monroe County Intermediate Schools RMTS Tip Sheet](#)
- ▶ [JCPS Health and Wellness School Sample Protocols 2024–2025](#)