
ATTACHMENT B

ARMAC Resource Guide

Arkansas Medicaid Administrative Claiming (ARMAC)

Resource Guide

Fall 2006

*Arkansas Department of Education,
Special Education Unit*

Medicaid In The Schools (MITS)

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Foreword

Upon the approval of Title XIX of the Social Security Act, states were permitted to offer medical assistance and other services to families and individuals that did not have a sufficient amount of income to pay for these necessities. This became known as Medicaid, which was implemented in Arkansas in 1970.

The Individuals with Disabilities Education Act (IDEA) coupled with the Medicare Catastrophic Coverage Act of 1988 established a system of Medicaid related reimbursement for schools that offer medical services to students. In order for Local Education Agencies (LEAs) to obtain reimbursement from Medicaid for services rendered, the student must qualify for special education¹ and the service(s) must be listed on an Individualized Education Plan (IEP) or Individualized Family Service Plan (IFSP). Along with the mandates listed on the above plans, the service must also meet medical necessity guidelines determined by the state agency operating the Medicaid system.

In Arkansas, LEAs have been able to receive reimbursement for therapy services (occupational, physical, speech language pathology) since 1988. Within the past five years, the menu of services available for reimbursement has expanded to include personal care, private duty nursing, school-based mental health, targeted case management, and most recently EPSDT vision and hearing screens. With the availability of added services, comes the potential for LEAs to receive more reimbursement for the services provided to students. As with any new programs, more time is needed to get accustomed to new mandates, extra paperwork, additional training, and interagency coordination. Once developed, these skills along with the direct services being delivered, offer a continuity of care for students that has not traditionally been met by education.

The Centers for Medicare/Medicaid Services established Medicaid Administrative Claiming (MAC) programs to help support the Medicaid covered programs being delivered in the schools. Most states participate in these MAC programs with varied success; all with the same goal of reimbursing LEAs for administrative activities associated with Medicaid/medical services delivered in the schools. In 2005, the Arkansas Department of Education, Special Education Unit in coordination with the Division of Medical Services, received federal approval to begin the Arkansas Medicaid Administrative Claiming (ARMAC) program. Beginning with 57 LEAs in fall of 2005, currently 200 LEAs are participating in the program with an estimated reimbursement of \$8 million for the 06-07 school year.

¹ LEAs can be reimbursed for EPSDT vision and hearing screens and school-based mental health services for all Medicaid covered children (excluding ARKidsB).

ARMAC Overview

Medicaid Administrative Claiming is a federally funded program administered by the Centers for Medicare and Medicaid Services (CMS). This program provides LEAs with the ability to receive reimbursement for certain administrative activities. Under the ARMAC program, Arkansas LEAs would be able to be reimbursed for administrative costs incurred which directly support the Arkansas Medicaid program. Typical services that are deemed reimbursable by CMS include Medicaid outreach (identifying and enrolling potential eligibles for Medicaid), coordination and monitoring of Medicaid services, and referrals for Medicaid services. ARMAC serves as an organizational framework for the LEAs delivering services and the children/families receiving benefits from Medicaid.

Unlike traditional (fee for service) Medicaid participation, individual claims for each service rendered to or on behalf of a student and service documentation are not specifically required under the ARMAC program. Instead, LEAs will be reimbursed quarterly for the cost incurred in providing allowable Medicaid administrative activities. Statistical methods will be used to calculate the amount of the reimbursement that each participating Arkansas LEA will receive. Medicaid Administrative Claiming is a reimbursement of funds already expended by the LEA related to activities that are in support of the Arkansas Medicaid program. Every Arkansas LEA that chooses to participate in ARMAC must be covered by an interagency agreement and must participate as required in a random moment time study.

An LEA that receives payments for Medicaid administrative activities being performed in the school setting is acting as an agent for the Division of Medical Services (DMS). Such activities may be paid under Medicaid only if they are necessary for the proper and efficient administration of the Medicaid state plan. An interagency agreement, which describes and defines the relationships between DMS, Arkansas Department of Education (ADE), and the participating Arkansas LEA conducting the activities, must be in place in order to claim federal matching funds.

The aforementioned interagency agreement may only exist between governmental entities and cannot be extended to private contractors or consultants. If a LEA hires a private consultant to manage its administrative claims, the contract between the LEA and the private consultant would be considered outside the scope of the interagency agreement. LEAs that incur a cost to contract with a third party entity for the administration of the Arkansas Medicaid program are not allowed to include the expenditure in the calculation of the ARMAC claim.

LEA employees may perform administrative activities that directly support the Medicaid program. Some or all of the costs of these administrative activities may be reimbursable under Medicaid; however, an appropriate claiming mechanism must be used. An accepted methodology recognized by CMS is Random Moment Sampling. The tool for accomplishing Random Moment Sampling will be a random moment time study (RMTS). The RMTS is the primary mechanism for identifying and categorizing Medicaid

administrative activities performed by LEA or LEA employees. The RMTS also serves as the basis for developing claims for the costs of administrative activities that may be properly reimbursed under Medicaid. The RMTS will incorporate a comprehensive list of the activities performed by staff whose costs are to be claimed under Medicaid. That is, the RMTS will reflect all of the time and activities (whether allowable or unallowable under Medicaid) performed by employees participating in the ARMAC program. The time study mechanism will entail careful documentation of all work performed by certain staff over a set period of time and is used to identify, measure, and allocate the school staff time that is devoted to Medicaid reimbursable services.

The time study will reflect all of the time and activities (whether allowable or unallowable under Medicaid) performed by the employees participating in the ARMAC program. RMTS will pool all participating LEAs together to generate the time study percentages. This includes all allowable and unallowable administrative activities under Medicaid. Each calendar quarter, selected staff persons from participating LEAs will be asked to complete a short questionnaire related to what activities they were performing at a specific time, on a specific date. The RMTS data will then be submitted electronically to the ADE to determine how much time was being spent on statewide reimbursable administrative activities. That percentage and the LEA's Medicaid eligibility percentage are then applied to the LEA's quarterly cost pool to determine the amount of the reimbursement. Please see the *Time Study and Reimbursement Methodology* section for further clarification.

Since many school-based administrative activities are provided both to Medicaid and non-Medicaid eligible students, the costs applicable to these activities must be allocated to both groups. This allocation of costs involves the determination and application of the proportional share of Medicaid students to the total number of students. Medicaid's proportional share is referred to as the Medicaid eligibility rate. There are some activities that are not subject to allocation using the Medicaid Eligibility Rate. These activities include Medicaid outreach and facilitating eligibility determinations.

The Medicaid Eligibility Rate is calculated by taking the number of Medicaid eligible students in the county divided by the total number of students within the county. The Medicaid Eligibility Rate is calculated annually. The same time period must be used when identifying student counts. The Medicaid Eligibility Rate is applied to all activity codes that must be allocated between Medicaid and non-Medicaid.

ARMAC involves all LEA staff who, as part of their routine job duties, help students and their families learn about Medicaid, apply for Medicaid benefits, refer students to community medical and mental health providers or collaborate with other school staff or community agencies to better address the health care needs of students. The staff that participates in the time study may include a variety of personnel in local districts because many different staff members provide health-related administrative activities on behalf of their students.

LEA employees or contract staff that are normally involved with activities that lead a child or family toward receiving medical/dental/mental health and/or Medicaid benefits should be included in the time study. These activities generally include:

- Referring a student/family for a Medicaid eligibility determination
- Providing health care information
- Coordination and monitoring of health services
- Interagency coordination

For an inclusive list of activity codes please see the *Activity Codes* section.

LEAs choosing to participate in the ARMAC program must fulfill certain requirements prior to being involved with the quarterly time study. An interagency agreement must be put in place, district cost data must be released to ADE, and email addresses for trained participants must be sent to ADE. LEAs must also commit to meeting specific obligations while participating in the program as well. These include but are not limited to updating ADE with any new cost data or trained staff, certifying 100 % of the costs associated with the staff involved with the program (quarterly), and answering email questionnaires in a consistent manner. Please see the *Implementation* section for further explanation.

In order to ensure that the time study is statistically valid, monitoring of administrative claiming records is required by the ADE, DMS, and CMS. LEAs enrolled in ARMAC must make documentation records available to the ADE, DMS, and/or CMS for periodic audits.

ADE and DMS are responsible for ensuring that the participating LEAs are complying with the ARMAC program. Initially, the ADE and DMS will monitor LEAs quarterly to ensure that ARMAC reimbursement claims submitted are accurate with the necessary back-up documentation (e.g. form completion, training records). Each participating LEA will be required to maintain an Administrative Claiming file containing this required documentation. Please see the *Monitoring* section for more information.

The ADE coordinated with DMS to develop the ARMAC training guide. RMTS participants will receive training from the ADE prior to being included in the sample. Any staff not in attendance will receive training through a DVD presentation available by request from the ADE and complete an ARMAC Participant Entrance Exam post-test. This serves as proof of training for the DVD trained participant. The ARMAC Coordinator in each district will have access to this information. All new participating districts will receive training. Subsequent annual trainings may be required for all districts. Additional training will be available on an as needed basis.

From the training, the staff will develop a comprehensive understanding of how to complete the necessary email questionnaire, report activities, know the difference between health related services (e.g. outreach) and other related services (e.g. child find, education), and have a general knowledge of Medicaid services available in Arkansas. Technical assistance is available from the ADE for the staff involved in the sample.

Implementation

As mentioned above, LEAs choosing to participate in the ARMAC program must first fulfill certain requirements before being a part of the time study. ADE and DMS have assured CMS that LEAs will only participate when these requirements are met. LEAs that are interested in participating in the ARMAC program need to contact Medicaid In The Schools (MITS) at 1-866-280-8300. The following duties are required for each LEA choosing to participate in the program:

Training: Each LEA will need to establish an ARMAC Coordinator, as well as a contact person, if different than the Coordinator. The Coordinator will decide which staff members (based on ADE recommendations) will be involved with the time study. Each LEA staff member participating in the time study will require being trained. There are two training methods available to LEAs: In-person training and the ARMAC DVD. Upon request, ADE will locally train an LEA or several LEAs, depending on the size of the requesting LEA. In some instances, staff members are unable to attend the in-person training. For this reason, the DVD is available. Staff members that are trained via the DVD must take the ARMAC Participant Entrance Exam. Copies of the exam must be kept at the local level and must also be released to the ADE for auditing purposes. The exam is not required of the staff members that have attended the in-person training.

Interagency Agreement: Each LEA must enter into an interagency agreement with DMS as a provider. Unlike fee for service reimbursement, the ARMAC program does not require a provider enrollment application. The interagency agreement includes the duties required for the LEA, DMS, and ADE. See *Attachment I* for a copy of the interagency agreement.

Cost data: LEAs choosing to participate in the ARMAC program are generally seeking reimbursement for the costs associated with allowable administrative time spent by staff members during a given quarter. In order to calculate the reimbursement, the LEA must have a cost. In particular to this program, the cost is the sum of all participating staff member salaries and other costs. This information is required to be released to the ADE in order to calculate the quarterly claim.

Email Verification: The ARMAC Time Study Application is a paperless system that requires an active/verified email address for each staff member involved. The verification process allows the ARMAC Time Study Application to recognize the participant at the listed address and then considers the participant as a potential choice for the quarterly time study. If the staff member does not verify their email address that is entered into the ARMAC Time Study Application, they will not be eligible to participate in the time study and the cost data will not be included in the LEA claim.

Once each quarterly time study is completed, ADE will calculate the amount of the LEA claim and submit it to DMS. Upon review, DMS will then forward the claim to CMS. CMS will review the claim, then disperse the total statewide claim to the ADE. Upon receiving all required documentation from the LEA, the ADE will wire the amount of the claim to the LEA bank account. In order for this to happen, the LEA must submit a quarterly certification of expenditure to the ADE. This certification is an assurance that the LEA incurred the total amount of the cost (salary and other cost) for the staff involved with the time study for the specific period of time. Other paperwork may be required of the LEA prior to receiving the claim from the ADE.

Activity Codes

Activity codes have been developed to represent all of the actual duties and responsibilities of participating LEA employees that are participating in the ARMAC program. The time study includes an activity code for each random moment generated in order to allocate administrative costs for purposes of making claims under the ARMAC program. The activity codes are defined within three areas; discounted, non-discounted, and reallocated, which will be discussed further in the Reimbursement Methodology section of the guide. Below is a listing of activity codes. See *Attachment II* for a detailed description of each Activity Code.

ARMAC Activity Codes:

Code 1.a. Non-Medicaid Outreach

This code will be used when staff performs activities that inform individuals about their eligibility for non-Medicaid social, vocational, and educational programs.

Code 1.b. Medicaid Outreach

This code will be used when staff performs activities that inform eligible or potentially eligible individuals about Medicaid and how to access the program.

Also includes describing to a student/family the range of services covered under Medicaid and how to obtain Medicaid services. *Non-Discounted Activity*

Code 2.a. Facilitating Application for Non-Medicaid Programs

This code will be used when staff informs a student/family about programs other than Medicaid (i.e. TANF, food stamps, WIC).

Code 2.b. Facilitating Medicaid Eligibility Determination

This code will be used when staff assists a student/family in the Medicaid eligibility process. Include related paperwork, clerical activities, or staff travel required to perform these activities. ***Non-Discounted Activity***

Code 3. School Related and Educational Activities

This code will be used for school-related activities, including social services, educational services, teaching services, employment and job training, and other activities not Medicaid related. These activities include the development, coordination, and monitoring of a student's education plan. Include related paperwork, clerical activities, or staff travel required to perform these activities.

Code 4. Direct Medical Services

This code will be used when staff provides care, treatment, and/or counseling services to an individual. This code also includes administrative activities that are an integral part of or extension of a medical service (e.g. patient follow-up, patient assessment, patient counseling, patient education, parent consultations, billing activities). This also includes all paperwork, clerical activities, and billing.

Code 5.a. Transportation for Non-Medicaid Services

This code will be used when staff assists an individual to obtain transportation to services not covered by Medicaid, or accompanying the individual to services not covered by Medicaid. Include related paperwork, clerical activities, or staff travel required to perform these activities.

Code 5.b. Transportation-Related Activities in Support of Medicaid Services

This code will be used when staff assists an individual to obtain transportation to services covered by Medicaid. This does not include the provision of the actual transportation service or the direct costs of the transportation, but rather the administrative activities involved in providing transportation. Include related paperwork, clerical activities, or staff travel required to perform these activities. ***Discounted Activity***

Code 6.a. Non-Medicaid Translation

This code will be used when staff provides translation services for non-Medicaid activities use this code. Include related paperwork, clerical activities, or staff travel to perform these activities.

Code 6.b. Translation Related to Medicaid Services

This code may be allowable as an administrative activity, if it is not included and paid for as part of a medical assistance service. However, translation must be provided either by separate units or separate employees performing solely translation functions for the school and it must facilitate access to Medicaid covered services. Include paperwork, clerical activities, or staff travel required to perform these activities. ***Discounted Activity***

***Code 7.a. Program Planning, Policy Development, and Interagency
Coordination Related to Non-Medicaid Services***

This code will be used when staff performs activities associated with developing strategies to improve the coordination and delivery of non-medical services to school age children. Non-medical services may include social services, education services, vocational services, and state or state education mandated child health screenings provided to the general school population. Include all paperwork, clerical activities, and staff travel required to perform these activities.

***Code 7.b. Program Planning, Policy Development, and Interagency
Coordination Related to Medicaid Services***

This code will be used when staff performs activities associated with the development of strategies to improve the coordination and delivery of medical/dental/mental health services to school age children and their families, and when performing collaborative activities with other agencies and/or providers. Employees whose position descriptions include program planning, policy development, and interagency coordination may use this code. Include related paperwork, clerical activities, or staff travel required to perform these activities. ***Discounted Activity***

Code 8.a. Non-Medical/Non-Medicaid Training

This code will be used when staff coordinates, conducts, or participates in training events and seminars for outreach staff regarding the benefit of programs other than the Medicaid program. For example, training may include how to assist families to access the services for education programs, and how to more effectively refer students for those services. Include paperwork, clerical activities, or staff travel required to perform these activities.

Code 8.b. Medical/Medicaid Related Training

This code will be used when staff coordinates, conducts, or participates in training events and seminars for outreach staff regarding the benefits of medical/Medicaid related services, how to assist families to access such services, and how to more effectively refer students for services. Include related paperwork, clerical activities, or staff travel required to perform these activities. ***Discounted Activity***

Code 9.a. Referral, Coordination, and Monitoring of Non-Medicaid Services

This code will be used when staff makes referrals for, coordinates, and/ or monitors the delivery of non-medical services, such as educational services. Include related paperwork, clerical activities or staff travel required to perform these activities.

Code 9.b. Referral, Coordination, and Monitoring of Medicaid Services

This code will be used when staff makes referrals for, coordinates, and/or monitors the delivery of medical (Medicaid covered) services. Referral, coordination and monitoring activities related to services in an IEP are reported in this code. *Activities that are part of a direct service are not claimable as an administrative activity.* Furthermore, activities that are an integral part of or an extension of a medical service (e.g. patient follow-up, patient assessment, patient counseling, patient education, patient consultation, billing) should be reported under Code 4, Direct Medical Services. Note that targeted case management, if provided or covered as a medical service under Medicaid, should be reported under Code 4, Direct Medical Services. Activities related to the development of an IEP should be reported under Code 3, School Related and Educational Activities. Include related paperwork, clerical activities, or staff travel necessary to perform these activities.

Discounted Activity

Code 10. General Administration

This code will be used when staff performs activities that are not directly assignable to program activities. Include related paperwork, clerical activities, or staff travel required to perform these activities. Note that certain functions, such as payroll, maintaining inventories, developing budgets, executive direction, etc., are considered overhead and, therefore, are only allowable through the application of an approved indirect cost rate.

Reallocated Activity

Staff Involved with the ARMAC Time Study

Staff members that may participate in the RMTS include, but are not limited to:

- Speech-Language Pathologists and assistants
- Audiologists and assistants
- Occupational therapists and assistants
- Physical therapists and assistants
- Social workers
- Counselors
- Psychologists, school psychologists, and interns
- Psychotherapists
- Registered nurses, licensed practical nurses, school health aides
- Interpreters

- Bilingual specialists
- Administrators for special education students
- Principals, Assistant Principals
- Special Education Teachers
- Designated school district or educational cooperative Medicaid liaisons

Staff who provide exclusive direct support services to students should not be considered for the time study. These services are directly charged to and paid by the medical assistance program. Including this time in the time study would result in double payment for these services. Additionally, activities that are integral parts or extensions of direct medical services, such as patient follow-up, patient assessment, billing, patient education, counseling or consultations between medical professionals are already reflected in the direct reimbursement and cannot be claimed as administrative costs.

Time Study and Reimbursement Methodology

Medicaid Eligibility

Since many school-based administrative activities are provided both to Medicaid and non-Medicaid eligible students, the costs applicable to these activities must be allocated to both groups. This allocation of costs involves the determination and application of the proportional share of Medicaid students to the total number of students. Medicaid's proportional share is referred to as the Medicaid eligibility rate. There are some activities that are not subject to allocation using the Medicaid Eligibility Rate. These activities include Medicaid outreach and facilitating eligibility determinations.

The Medicaid Eligibility Rate is calculated by taking the number of Medicaid eligible students in the county divided by the total number of students within the county. The Medicaid Eligibility Rate is calculated annually. The same time period must be used when identifying student counts. The Medicaid Eligibility Rate is applied to all activity codes (discounted activities) that must be allocated between Medicaid and non-Medicaid.

Random Moment Time Study

An accepted methodology recognized by CMS is Random Moment Sampling. The tool for accomplishing Random Moment Sampling will be a random moment time study (RMTS). The RMTS is the primary mechanism for identifying and categorizing Medicaid administrative activities performed by LEA or LEA employees. The RMTS also serves as the basis for developing claims for the costs of administrative activities that may be properly reimbursed under Medicaid. The RMTS will incorporate a comprehensive list of the activities performed by staff whose costs are to be claimed under Medicaid. That is, the RMTS will reflect all of the time and activities (whether allowable or unallowable under Medicaid) performed by employees participating in the ARMAC program. The time study mechanism will entail careful documentation of all

work performed by trained LEA staff over a set period of time and is used to identify, measure, and allocate the school staff time that is devoted to Medicaid reimbursable services. The web-based application (ARMAC Time Study Application) allows ADE to enter and track several different data elements not available through the traditional paper sampling methods.

All data entry into the ARMAC Time Study Application is a responsibility of the ADE. Prior to each quarter, ADE receives staff information and cost data from participating LEAs. This LEA information is entered into the ARMAC Time Study Application creating an email that is sent out to each staff member. Once the email is verified, the staff member is then considered a participant and eligible for forthcoming time studies. The required information that must be entered includes: name, position, email address, phone number, and allowable cost (salary and other) information. The building number where the participant works is an option to be completed.

As mentioned in the approved plan, the RMTS sampling methodology is constructed to provide each staff person in the pool with an equal opportunity, or chance, to be included in each sample observation. Sampling occurs with replacement, so that after a staff person and a moment is selected, the staff person is returned to the potential sampling universe. The application allows for the ADE to choose a date range for the sampling, as well as target a certain amount of moments to be generated.

Once the moments for the quarter are generated, the application will send an email questionnaire to each participant for each moment selected. The email will include the name, position, LEA, and a question relating to what the participant was doing at the selected moment in time. Within the software is the ability to verify the source of the data that is being collected. The questionnaire includes and 'Notify *Admin*' option for the participant to select if they have received the email in error. To notify MITS of any incorrect or updated information, participants may send an email to the following address: armac.support@arkansas.gov.

Once the email is confirmed and the questionnaire completed, the participant will save the response by choosing the '*Save Response*' option. ADE then accesses all sent questionnaires for the purpose of coding the moments. 'Coding' is the process of assigning one of the aforementioned activity codes to each response made and sent by every participant. If ADE needs clarification from the participant regarding the activity, the option exists to re-send the moment for further explanation. The participant will then clarify the activity they were involved with, then save it by choosing the '*Save Response*' option. The ADE will then assign a code to the response like the other moments saved during the quarter.

All saved participant responses to the email questionnaire are also kept in the ARMAC database. These are in electronic format, but are able to be printed when needed. Seven (7) of the seventeen (17) activity codes represent reimbursable administrative activities related to Medicaid. Two (2) of the activities are 100 percent reimbursable for the amount of time spent by the participants (non-discounted). The other five (5) activities are reimbursable for 50 percent of the time spent by the participants (discounted). Based on

the information coded from the email responses, statewide percentages can be calculated for each code. These percentages are later used in calculating the claim.

Within the ARMAC Time Study Application is the ability to retrieve all moments selected within the quarter. Accessible moments are categorized in the following ways: missing, incomplete, rejected, rejected but incomplete, complete, and all moments. This methodology enables ADE staff and Quality Assurance Officers the ability to monitor participant responses, response rate, and other related activities.

Cost Accrual and Claim Calculation

For each LEA participating in the ARMAC program, the cost of participating staff will be accumulated into one cost pool. Cost data will be derived from the statewide Financial Management System (FMS), or its equivalent, in each district. FMS costs will be accumulated on the basis of assigned job codes for each affected position. Financial reports at the local level will be generated each quarter to establish each district's administrative cost pool.

Total costs are determined based on a calculation of direct personnel costs, indirect costs and revenue offsets. Direct personnel costs include salaries, wages, fringe benefits, contracted personnel payments or purchased administrative services, travel, training, materials, and supplies. Restricted federal funding must be deducted from the actual expenses; only state and local funding is included in calculating the claim. Employees whose positions are 100 percent federally funded will be excluded from the time study; employees supported with partial federal funding will participate, but the federally funded portion of their salary will be excluded when the administrative cost pool.

Indirect costs will be added to the administrative cost pool by applying the statewide-unrestricted indirect cost rate to the direct charges. In cases where an unrestricted rate is not applicable or not available, the restricted indirect cost rate will be applied.

Finally, the cost pool will be adjusted to offset any federal or other revenues that are already collected or claimed through another mechanism. Examples include Title VI-B under the Individuals with Disabilities Education Act, insurance and other fees collected from non-government sources, and applicable credits, such as receipts or reduction of expenditure type transactions that offset or reduce expense items, allocable to federal awards as direct or indirect costs.

To calculate the claim, the ADE will use the percentage of Medicaid administrative time claimable as documented through the results of the statewide time study multiplied by each LEA's Medicaid eligibility rate multiplied by the adjusted costs pool total. The results of this calculation will be supplied quarterly to DMS.

In order for a participating LEA to obtain their quarterly reimbursement, a certification statement (Attachment IV) must be signed and returned to ADE. After the quarterly time study has been completed, MITS will send the certification statement to the district. The statement certifies that the participating LEAs have incurred 100% of the expenditures

listed in the ARMAC Time Study Application for the indicated quarter. The certification will also state that the expenditures: (1) were eligible for Medicaid Federal financial participation (FFP); and (2) were incurred using funding sources that were not prohibited by Federal regulations. Upon receipt of the certification, MITS will arrange for the transfer of funds for the allocated amount to the participating LEA's bank account.

CMS recommends that the revenue received by the LEA from the ARMAC program be dedicated to the provision of health services and may be used to facilitate, improve and/or expand the level and quality of health/medical services provided to all students within the district. This differs from the reimbursement received from Medicaid for direct services provided to Special Education students as listed in Individualized Education Programs. These revenues are restricted to be used by LEA Special Education programs.

Monitoring

Required Documentation for Participating LEAs

LEAs participating in the ARMAC program are required to maintain a minimal amount of documentation. LEAs should develop and sustain an ARMAC file with the following information included:

- List of trained participants
- Copies of the ARMAC Entrance Exam for the participants trained via DVD
- Copies of the quarterly claim
- Copies of the quarterly certification
- Copy of the Interagency Agreement
- Participant cost documentation

ADE also maintains the abovementioned information for quality assurance and monitoring purposes. ADE also has record of each completed moment generated by the ARMAC Time Study Application. ADE will also maintain results of any on/off-site reviews and audit findings.

On/Off-Site Reviews

ADE will conduct quarterly time study quality assurance reviews of LEA participant information and cost data. The purpose of these reviews is to verify the accuracy of the LEA data used in calculation of the quarterly claim.

Each participating LEA will be assigned a unique numerical identifier and by random selection 25% of each quarter's total participating districts or educational service cooperatives will be selected for on/off-site records monitoring. ADE quarterly reviews will include the following elements:

- Prior to moments being generated for a time study, MITS will review the participant lists used to determine the participant sample universe and cost data information in the ARMAC Time Study Application.
- During a time study, MITS staff will review staff selected to participate in the time study and 100% of responses to random moments.
- Retrospective reviews will be conducted according the procedures outlined in the ARMAC Monitoring policy, which includes on-site monitoring of selected participant records and financial data to validate appropriate inclusion and calculation of allowable cost data.

Records to be monitored will include:

- Personnel records, which outline the participants' salary, wages, fringe benefits, contract rate, work schedules, time keeping documentation and/or additional records documenting district-incurred cost for participants.
- District/cooperative budget documentation noting funding source information (i.e., state, local, or federal).
- Employee information may include, but is not limited to contracts, payroll/accounting documentation, and jobs descriptions.
- Direct services documentation to include time records, progress notes, and billing records.

After an on/off-site review is complete, findings will be documented submitted to the LEA noting the results and when needed, corrective action items will be submitted with outlined timelines for resolution to noted issues.

Desk Reviews

Prior to submitting the quarterly claim to DMS/CMS, the ADE completes desk reviews to ensure compliance and accuracy with the data being calculated. ADE reviews every moment to ensure that the moments are coded correctly. ADE also recalculates the claim to ensure that formulas are applied correctly and to ensure supporting documentation was provided and agrees with the claim.

Recoupment

Based on review findings, it may be necessary for a participating LEA to repay a portion of a previous claim received from CMS. In these cases, ADE will provide a written notification of recoupment. The notice will include the reason for the recoupment, the amount, remittance instructions, and the date for submitting the recoupment.

Recoupment of ARMAC reimbursement will be requested or withheld for the following reasons:

- Unsubstantiated proof of personnel costs which were included in ARMAC claim calculations.
- Costs being included that were not derived from state and local funds.
- Costs being included that were the result of established contingency fee agreements.
- Audit findings by CMS.
- Non-remittance of executed quarterly certification of state expenditures verifying allowable district/cooperative incurred costs.

Participating LEAs may request an appeal for review of a recoupment request in writing up to 30 days after the receipt of the recoupment notification. Final determination of any recoupment will be determined by CMS. ARMAC reimbursement withholdings will be determined by ADE and held until the public education entity meets compliance standards and principles outlined in the established ARMAC Interagency Agreement. In the event compliance standards are not met within 1 year of initial reimbursement being withheld, the district/cooperative pending reimbursement, minus the administrative fee, will be returned to CMS through Medicaid submission per the request of ADE.

Attachment I

INTERAGENCY AGREEMENT BETWEEN ARKANSAS DIVISION OF MEDICAL SERVICES, ARKANSAS DEPARTMENT OF EDUCATION, AND _____ SCHOOL DISTRICT FOR THE PROVISION AND REIMBURSEMENT OF ARKANSAS MEDICAID ADMINISTRATIVE CLAIMING ACTIVITIES.

Arkansas Division of Medical Services (DMS), Arkansas Department of Education (ADE), and the _____ School District hereby agree to the principles, terms and effective dates carried in this agreement. This agreement is set forth to define each party's responsibilities in order to effectively administer the provision and reimbursement of Arkansas Medicaid Administrative Claiming (ARMAC) activities and is necessary to implement part of the Arkansas Medicaid state plan under Title XIX of the Social Security Act. The DMS is the single state agency in Arkansas under Title XIX of the Social Security Act. Additional governing policies and procedures are found in the Office of Management and Budget's (OMB) Circular A-87 and the Code of Federal Regulations (CFR), Title 45, Parts 74 and 95.

I. General Principles of Agreement:

This interagency agreement is based on the following principles:

1. The abovementioned parties have a common and concurrent interest in providing and reimbursing ARMAC activities, within constraints set by the federal Centers for Medicare and Medicaid Services (CMS). When changes in the program are required by CMS, the abovementioned parties will be responsible for implementing any alterations.
2. This interagency agreement is not intended to modify the existing responsibilities or authority given to the parties.
3. This interagency agreement is not intended to override or supplant any other agreements or memorandums of understanding which may already exist between the two parties
4. Any LEA that contracts with outside agencies with regard to administrative claiming activities are bound by this agreement to adhere to the administrative policies and procedures.
5. This agreement serves as an instrument for payment of federal funds from CMS. The parties have agreed that it in no way creates a requirement of the DMS to reimburse any LEA from Arkansas Medicaid state funds.

6. An LEA cooperative representing one or more other LEA within the state for the purposes of billing the DMS for ARMAC activities shall also comply with the provisions of Attachment 1.b of this agreement.

II. Roles and Responsibilities:

The **Arkansas Division of Medical Services** agrees to the following terms:

1. DMS will forward allowable claims for funding to CMS for Title XIX participation on a quarterly basis, consistent with guidelines outlined in the Medicaid School-Based Administrative Claiming Guide (CMS, May 2003).
2. DMS will coordinate with the ADE to periodically monitor LEAs enrolled to ensure compliance with the requirements of the sampling methodology and record keeping for reimbursable activities, as outlined in the training manual.
3. DMS will develop specific procedures required for recoupment of funds from the LEAs if justified by monitoring.
4. DMS will reimburse enrolled Arkansas LEAs 100% of the federal share of actual and reasonable costs for involvement with ARMAC activities, as determined by the CMS approved cost allocation methodologies and time study formulas.
5. DMS will devise a list of approvable Medicaid reimbursable administrative claiming activities performed by Arkansas LEA salaried or contract staff, in coordination with the ADE.
6. DMS will review LEA administrative claims for reimbursement on a quarterly basis. Further, they will reimburse the Arkansas LEA for administrative claiming where allowable under CMS policies and procedures for the program.

The **Arkansas LEA** agrees to the following terms:

1. The time accounting system used by the LEA or its contractor will comply with the requirements contained in OMB Circular A-87 and 45 CFR, Parts 74 and 95.
2. The LEA will follow the policies and procedures contained in the Medicaid Administrative Claiming Guide.
3. The LEA will be responsible for any refund due to an audit exception, or denial, considered appropriate by CMS or the DMS. In the event of a determination by Federal authorities of noncompliance with Federal regulations and standards, the LEA will be liable to the DMS in full for all penalties, sanctions and disallowances assessed against the DMS.
4. Claims for administrative activities will be submitted, in accordance with the format prescribed by DMS, on a quarterly basis.

5. The LEA will maintain and make available to Arkansas DMS/CMS records, as referenced in the training manual, for claimed administrative activities.
6. The LEA will assign an ARMAC Coordinator to act as a contact with the ADE for issues relating to ARMAC agreement of terms. They will also assign an ARMAC Quality Assurance Officer.
7. The LEA will designate a percentage of the reimbursement to the ADE for administration and management of the ARMAC program. The amount will not exceed five (5) percent of the quarterly reimbursement.
8. The LEA will certify the 50 % state match from its state and local funds and submit the certification to the ADE, Special Education Unit. Additionally, the LEA certifies that it has met the 50 % match requirement at the time the quarterly ARMAC claim is submitted.

The **Arkansas Department of Education** agrees to the following terms:

1. ADE will ensure that the participating LEAs are in compliance with the ARMAC program.
2. ADE will coordinate with the DMS to develop the ARMAC training guide.
3. ADE will provide technical assistance for any LEA interested in initiating the ARMAC program or staff involved in the sample.
4. ADE will maintain all training materials and documentation of material, dates, and attendance.
5. ADE will receive a share of each LEA reimbursement for the administration and management of the ARMAC program. The share will not exceed five (5) percent of total reimbursement each school district receives on a quarterly basis.
6. ADE will coordinate with the DMS to periodically monitor LEAs enrolled to ensure compliance with the requirements of the sampling methodology and record keeping for reimbursable activities, as outlined in the training manual.

III. Confidentiality:

The participating Arkansas LEA agrees to safeguard the use and disclosure of information pertaining to current or former Medicaid recipients, and to comply with all state and federal laws pertaining to confidentiality of protected health information and personal identifiable information.

IV. Life of this Agreement, Effective Date, and Changes

1. This agreement will continue to be in effect for the earlier of five years or until terminated by DMS or the LEA. The DMS or the LEA may terminate this agreement by providing a thirty-day written notification to the other party.
2. Any amendment to the agreement must be in writing and signed by the parties.
3. Changes in the CMS matching percentage or costs eligible for match will not be made via this agreement but will be applied pursuant to changes in applicable Medicaid federal regulations and effective the date specified by CMS.
4. The effective date of this agreement will be the first day of the first quarter during which valid time studies were conducted in the LEA and subject to CMS approval.

LEA Representative

Date

Arkansas LEA

DMS Representative

Date

ADE Representative

Date

Attachment II

Arkansas Medicaid Administrative Claiming (ARMAC) Activity Codes

Code 1.a. Non-Medicaid Outreach

Unallowable as administration under ARMAC

This code will be used when staff performs activities that inform individuals about their eligibility for non-Medicaid social, vocational, and educational programs. Include related paperwork, clerical activities, or staff travel required to perform these activities.

Includes:

1. Informing families about wellness programs and how to access these programs.
2. Scheduling and promoting activities that educate individuals about the benefits of healthy life-styles and practices.
3. Conducting general health education programs or campaigns that address life-style changes in the general population.
4. Conducting outreach campaigns that encourage persons to access social, educational, legal or other services not covered by Medicaid.
5. Assisting in early intervention of children with special medical/dental/mental health needs through various child find activities.
6. Outreach activities in support of programs that are 100 percent funded by state general revenue.
7. Developing outreach materials such as brochures or handbooks for these programs.
8. Distributing outreach materials regarding the benefits and availability of these programs.

Code 1.b. Medicaid Outreach

100 percent allowable under ARMAC - 50 percent FFP

This code will be used when staff performs activities that inform eligible or potentially eligible individuals about Medicaid and how to access the program. Such activities include bringing potential eligibles into the Medicaid system for the purpose of the eligibility process. Include related paperwork, clerical activities, or staff travel required to perform these activities.

Examples of activities considered Medicaid Outreach:

1. Informing Medicaid eligible and potential Medicaid eligible children and families about the benefits and availability of services provided by Medicaid (including

- preventative treatment, and screening). Including services provided through the EPSDT program.
2. Developing and/or compiling materials to inform individuals about the Medicaid program (including EPSDT) and how and where to obtain those benefits. This shouldn't be used when Medicaid-related materials are already available to the schools (such as through the Medicaid agency). As appropriate, school developed outreach materials should have prior approval of the Medicaid agency.
 3. Distributing literature about the benefits, eligibility requirements, and availability of the Medicaid program, including EPSDT.
 4. Assisting the Medicaid agency to fulfill the outreach objectives of the Medicaid program by informing individuals, students, and their families about health resources available through the Medicaid program.
 5. Providing information about Medicaid EPSDT screening (e.g. dental, vision) in schools that will help identify medical conditions that can be corrected or improved by services offered through the Medicaid program.
 6. Contacting pregnant and parenting teenagers about the availability of Medicaid prenatal and well baby care programs and services.
 7. Providing information regarding Medicaid managed care programs and health plans to individuals and families and how to access that system.
 8. Encouraging families to access medical/dental/mental health services provided by the Medicaid program.

Code 2.a. Facilitating Application for Non-Medicaid Programs

Unallowable as administration under ARMAC

This code will be used when staff informs a student/family about programs other than Medicaid (i.e. TANF, food stamps, WIC).

Includes:

1. Explaining the eligibility process for non-Medicaid programs, including IDEA
2. Assisting the individual or family collect/gather information and documents for the non-Medicaid program application.
3. Assisting the individual or family in completing the application, including necessary translation activities.
4. Developing and verifying initial and continuing eligibility for the Free and Reduced Lunch Program.
5. Developing and verifying initial and continuing eligibility for non-Medicaid programs.
6. Providing necessary forms and packaging all forms in preparation for the non-Medicaid eligibility determination.

Code 2.b. Facilitating Medicaid Eligibility Determination

100 percent allowable under ARMAC - 50 percent FFP

This code will be used when school staff assists a student/family in the Medicaid eligibility process. Include related paperwork, clerical activities, or staff travel required to perform these activities. This activity does not include the actual determination of Medicaid eligibility.

Includes:

1. Verifying an individual's current Medicaid eligibility status for purposes of the Medicaid eligibility process.
2. Explaining Medicaid eligibility rules and the Medicaid eligibility process to prospective applicants.
3. Assisting individuals and families to complete a Medicaid eligibility application.
4. Gathering information related to the application and eligibility determination for an individual, including resource information and third party liability (TPL) information, as a prelude to submitting a formal Medicaid application.
5. Providing necessary forms and packaging all forms in preparation for the Medicaid eligibility determination.
6. Referring an individual or family to the local Assistance Office to make an application for Medicaid benefits.
7. Assisting the individual and family in collecting/gathering required information and documents for the Medicaid application.
8. Participating as a Medicaid eligibility outreach outstation, but does not include determining eligibility.

Code 3. School Related and Educational Activities

Unallowable as administration under ARMAC

This code will be used for school-related activities, including social services, educational services, teaching services, employment and job training, and other activities not Medicaid related. These activities include the development, coordination, and monitoring of a student's education plan. Include related paperwork, clerical activities, or staff travel required to perform these activities.

Includes:

1. Providing classroom instruction (including lesson planning).
2. Testing, correcting papers.
3. Developing, coordinating, and monitoring the Individualized Education Program (IEP) for a student, which includes ensuring annual reviews of

- the IEP are conducted, parental sign-offs are obtained, and the actual IEP meetings with the parents. This also refers to the same activities performed in support of an Individualized Family Service Plan (IFSP).
4. Compiling attendance reports.
 5. Performing activities that are specific to instructional, curriculum, and student-focused areas.
 6. Reviewing the education record for students who are new to the school district.
 7. Providing general supervision of students (e.g. playground, lunchroom).
 8. Monitoring student academic achievement.
 9. Providing individualized instruction (e.g. math concepts) to a special education student.
 10. Conducting external relations related to school educational issues/matters.
 11. Compiling report cards.
 12. Carrying out discipline.
 13. Performing clerical activities specific to instructional or curriculum areas.
 14. Activities related to the educational aspects of meeting immunization requirements for school attendance.
 15. Compiling, preparing, and reviewing reports on textbooks or attendance.
 16. Enrolling new students or obtaining registration information.
 17. Conferring with students or parents about discipline, academic matters or other school related issues.
 18. Evaluating curriculum and instructional services, policies, and procedures.
 19. Participating in or presenting training related to curriculum or instruction (e.g. language arts workshop, computer instruction).
 20. Translating an academic test for a student.

Code 4. Direct Medical Services

Unallowable as administration under ARMAC

This code will be used when school staff provides care, treatment, and/or counseling services to an individual. This code also includes administrative activities that are an integral part of or extension of a medical service (e.g. patient follow-up, patient assessment, patient counseling, patient education, parent consultations, billing activities). This also includes all paperwork, clerical activities, and staff travel required to perform these activities. To prevent duplicative payments, any service billed or that will be billed to Medicaid through fee-for-service should be coded here.

Includes:

1. Providing health/mental health services contained in an IEP.
2. Medical/health assessment and evaluation as part of the development of an IEP.
3. Conducting medical/health assessments/evaluations and diagnostic testing and preparing related reports.
4. Providing personal aide services.
5. Providing speech, occupational, physical and other therapies.

6. Administering first aid, or prescribed injection or medication to a student.
7. Providing direct clinical/treatment services.
8. Performing developmental assessments.
9. Providing counseling services to treat health, mental health, or substance abuse conditions.
10. Developing a treatment plan (medical plan of care) for a student if provided as a medical service.
11. Performing routine or mandated child health screens including but not limited to vision, hearing, dental, scoliosis, and EPSDT screens.
12. Providing immunizations.
13. Targeted Case Management (if provided or covered as a medical service under Medicaid).
14. Transportation (if covered as a medical service under Medicaid).
15. Activities that are services, or components of services, listed in the state's Medicaid plan.

Code 5.a. Transportation for Non-Medicaid Services

Unallowable as administration under ARMAC.

This code will be used when staff assists an individual to obtain transportation to services not covered by Medicaid, or accompanying the individual to services not covered by Medicaid. Include related paperwork, clerical activities, or staff travel required to perform these activities.

Includes:

1. Scheduling or arranging transportation to social, vocational, and/or educational programs and activities.

Code 5.b. Transportation-Related Activities in Support of Medicaid Services

Proportionally allowable under ARMAC - 50 percent FFP

This code will be used when staff assists an individual to obtain transportation to services covered by Medicaid. This does not include the provision of the actual transportation service or the direct costs of the transportation, but rather the administrative activities involved in providing transportation. Include related paperwork, clerical activities, or staff travel required to perform these activities.

Includes:

1. Scheduling or arranging transportation to Medicaid covered services.

Code 6.a. Non-Medicaid Translation

Unallowable as administration under ARMAC.

This code will be used when staff provides translation services for non-Medicaid activities use this code. Include related paperwork, clerical activities, or staff travel to perform these activities.

Includes:

1. Arranging for or providing translation services (oral or signing services) that assist the individual to access and understand social, educational, and vocational services.
2. Arranging for or providing translation services (oral or signing services) that assist the individual to access and understand state education or state-mandated health screenings (e.g. vision, hearing, scoliosis) and general health education outreach campaigns intended for the student population.
3. Developing translation materials that assist individuals to access and understand social, educational, and vocational services.

Code 6.b. Translation Related to Medicaid Services

Proportionally allowable under ARMAC - 50 percent FFP

Translation may be allowable as an administrative activity, if it not included and paid for as part of a medical assistance service. However, translation must be provided either by separate units or separate employees performing solely translation functions for the school and it must facilitate access to Medicaid covered services. Include paperwork, clerical activities, or staff travel required to perform these activities.

Includes:

1. Arranging for or providing translation services (oral and signing services) that assist the individual to access and understand necessary care or treatment covered by Medicaid
2. Developing translation materials that assist individuals to access and understand necessary care of treatment covered by Medicaid.

Code 7.a. Program Planning, Policy Development, and Interagency Coordination Related to Non-Medical Services

Unallowable as administration under ARMAC

This code will be used when staff performs activities associated with developing strategies to improve the coordination and delivery of non-medical services to school age children. Non-medical services may include social services, education services, vocational services,

and state or state education mandated child health screenings provided to the general school population. Include all paperwork, clerical activities, and staff travel required to perform these activities.

Includes:

1. Identifying gaps or duplication of non-medical services (e.g. social, vocational educational and state mandated general health care programs) to school age children and developing strategies to improve delivery and coordination of these services.
2. Developing strategies to assess or increase the capacity of non-medical school programs.
3. Monitoring the non-medical delivery systems in schools.
4. Developing procedures for tracking families' requests for assistance with non-medical services and the providers of such services.
5. Evaluating the need for non-medical services in relation to specific population of geographic areas.
6. Analyzing non-medical data related to a specific program, population, or geographic area.
7. Working with other agencies providing non-medical services to improve the coordination and delivery of services and to improve collaboration around the early identification of non-medical problems.
8. Defining the relationship of each agency's non-medical services to one another.
9. Developing advisory or work groups of professionals to provide consultation and advice regarding the delivery of non-medical services and state-mandated health screenings to the school populations.
10. Developing non-medical referral sources.
11. Coordinating with interagency committees to identify, promote and develop non-medical services in the school systems.

Code 7.b. Program Planning, Policy Development, and Interagency Coordination Related to Medical Services

Proportionally allowable under ARMAC - 50 percent FFP

This code will be used when staff performs activities associated with the development of strategies to improve the coordination and delivery of medical/dental/mental health services to school age children and their families, and when performing collaborative activities with other agencies and/or providers. Employees whose position descriptions include program planning, policy development, and interagency coordination may use this code. Include related paperwork, clerical activities, or staff travel required to perform these activities.

Includes:

1. Identifying gaps or duplication of medical/dental/mental services to school age children and developing strategies to improve the delivery and coordination of these services.

2. Developing strategies to assess or increase the capacity of school medical/ dental/ mental health programs.
3. Monitoring the medical/dental/mental health delivery systems in schools.
4. Developing procedures for tracking families' requests for assistance with medical/dental/mental health services and providers, including Medicaid.
5. Evaluating the need for medical/dental/mental health services in relation to specific populations or geographic areas.
6. Analyzing Medicaid data related to a specific program, population, or geographic area.
7. Working with other agencies and/or providers that provide medical/dental/mental health services to improve coordination and delivery of services, to expand access to specific populations of Medicaid eligibles, and to increase provider participation and improve provider relations.
8. Working with other agencies and/or providers to improve collaboration around the early identification of medical/dental/mental health problems.
9. Developing strategies to assess or increase the cost effectiveness of school medical/dental/mental health programs.
10. Defining the relationship of each agency's Medicaid services to one another.
11. Working with Medicaid resources, such as the Medicaid agency and Medicaid managed care plans, to make good faith efforts to locate and develop EPSDT health services referral relationships.
12. Developing advisory or work groups of health professionals to provide consultation and advice regarding the delivery of health care services to the school populations.
13. Working with the Medicaid agency to identify, recruit, and promote the enrollment of potential Medicaid providers.
14. Developing medical referral sources such as directories of Medicaid providers and managed care plans, who will provide services to targeted populations groups (e.g. EPSDT children).
15. Coordinating with interagency committees to identify, promote, and develop EPSDT services in the school system.

Code 8.a. Non-Medical/Non-Medicaid Training

Unallowable as administration under ARMAC

This code will be used when staff coordinates, conducts, or participates in training events and seminars for outreach staff regarding the benefit of programs other than the Medicaid program. For example, training may include how to assist families to access the services for education programs, and how to more effectively refer students for those services. Include paperwork, clerical activities, or staff travel required to perform these activities.

Includes:

1. Participating in or coordinating training that improves the delivery of services for programs other than Medicaid.
2. Participating in or coordinating training that enhances IDEA child find programs.

Code 8.b. Medical/Medicaid Related Training

Proportionally allowable under ARMAC - 50 percent FFP

This code will be used when staff coordinates, conducts, or participates in training events and seminars for outreach staff regarding the benefits of medical/Medicaid related services, how to assist families to access such services, and how to more effectively refer students for services. Include related paperwork, clerical activities, or staff travel required to perform these activities.

Includes:

1. Participating in or coordinating training that improves the delivery of medical/Medicaid related services.
2. Participating in or coordinating training that enhances early identification, intervention, screening, and referral of students with special health needs to such services (e.g. Medicaid EPSDT services). This is not a child find activity.
3. Participating in training on administrative requirements related to medical/Medicaid services.

Code 9.a. Referral, Coordination, and Monitoring of Non-Medicaid Services

Unallowable as administration under ARMAC

This code will be used when staff makes referrals for, coordinates, and/ or monitors the delivery of non-medical (and non-Medicaid) services, such as educational services. Include related paperwork, clerical activities or staff travel required to perform these activities.

Includes:

1. Making referrals for and coordinating access to social and educational services such as childcare, employment, job training, and housing.
2. Making referrals for, coordinating, and/or monitoring the delivery of state education agency mandated child health screens (e.g. vision, hearing, scoliosis).
3. Making referrals for, coordinating, and monitoring the delivery of scholastic, vocational, and other non-health related examinations.
4. Gathering any information that may be required in advance of these non-Medicaid related referrals.
5. Participating in a meeting/discussion to coordinate or review a student's need for scholastic, vocational, and non-health related services not covered by Medicaid.
6. Monitoring and evaluating the non-medical components of the individualized plan as appropriate.

Case Management Note: Case Management as an administrative activity involves the facilitation of access to and coordination of program services. Such activities may be provided under the term "Case Management" or may also be referred to as Referral,

Coordination, and Monitoring of non-Medicaid services. Case Management may also be provided as an integral part of the service and would be included in the service cost.

Code 9.b. Referral, Coordination, and Monitoring of Medicaid Services

Proportionally allowable under ARMAC - 50 percent FFP

This code will be used when staff makes referrals for, coordinates, and/or monitors the delivery of medical (Medicaid covered) services. Referral, coordination and monitoring activities related to services in an IEP are reported in this code. *Activities that are part of a direct service are not claimable as an administrative activity.* Furthermore, activities that are an integral part of or an extension of a medical service (e.g. patient follow-up, patient assessment, patient counseling, patient education, patient consultation, billing) should be reported under Code 4, Direct Medical Services. Note that targeted case management, if provided or covered as a medical service under Medicaid, should be reported under Code 4, Direct Medical Services. Activities related to the development of an IEP should be reported under Code 3, School Related and Educational Activities. Include related paperwork, clerical activities, or staff travel necessary to perform these activities.

Includes:

1. Identifying and referring adolescents who may be in need of Medicaid family planning services.
2. Making referral for and/or coordinating medical or physical examinations and necessary medical/dental/mental health evaluations.
3. Making referrals for and/or scheduling EPSDT screens, interperiodic screens, and appropriate immunization, but not to include the state-mandated health services.
4. Referring students for necessary medical health, mental health, or substance abuse services covered by Medicaid.
5. Arranging for any Medicaid covered medical/dental/mental health diagnostic or treatment services that may be required as the result of a specifically identified medical/dental/mental health condition.
6. Gathering any information that may be required in advance of medical/dental/mental health referrals.
7. Participating in a meeting/discussion to coordinate or review a student's needs for health-related services covered by Medicaid.
8. Providing follow-up contact to ensure that a child has received the prescribed medical/dental/mental health services covered by Medicaid.
9. Coordinating the delivery of community based medical/dental/mental health services for a child with special/severe health care needs.
10. Coordinating the completion of the prescribed services, termination of services, and the referral of the child to other Medicaid service providers as may be required to provide continuity of care.
11. Providing information to other staff on the child's related medical/dental/mental health services and plans.

12. Monitoring and evaluating the Medicaid service components of the IEP as appropriate.
13. Coordinating medical/dental/mental health service provision with managed care plans as appropriate.

Case Management Note: If targeted case management is provided or covered as a medical service under Medicaid, then it should be reported under Code 4.

Code 10. General Administration

Reallocated activities

This code will be used when staff performs activities that are not directly assignable to program activities. Include related paperwork, clerical activities, or staff travel required to perform these activities. Note that certain functions, such as payroll, maintaining inventories, developing budgets, executive direction, etc., are considered overhead and, therefore, are only allowable through the application of an approved indirect cost rate.

Includes:

1. Taking lunch, breaks, leave, or other paid time not at work.
2. Establishing goals and objectives of health-related programs as part of the school's annual or multi-year plan.
3. Reviewing school or district procedures and rules.
4. Attending or facilitating school or unit staff meetings, training, or board meetings.
5. Performing administrative or clerical activities related to general building or district functions or operations.
6. Providing general supervision of staff, including supervision of student teachers or classroom volunteers, and evaluation of employee performance.
7. Reviewing technical literature and research articles.
8. Other general administrative activities of a similar nature as listed above that cannot be identified under other activity codes.

Attachment III

Arkansas Medicaid Administrative Claiming (ARMAC)

LEA:

Fiscal Year:

LEA Number:

Quarter:

LEA Medicaid Eligibility: %

Allowable Statewide Activity:

Non-Discounted:

1b. Medicaid Outreach

2b. Facilitating Medicaid Eligibility Determination

Activity: %

Discounted:

5b Transportation-Related Activities in Support of Medicaid Services

7b Program Planning, Policy Development, and Interagency Coordination Related to Medicaid

8b Medical/Medicaid Related Training

9b Referral, Coordination, and Monitoring of Medicaid Services

Activity: %

Claimable Cost Calculation

Gross Claimable	Non-Discount Activity	Discount Activity	Total
<u>Salary</u>			
\$	\$	\$	\$
<u>Other</u>			
\$	\$	\$	\$
		Total:	\$

Unrestricted Cost Rate Calculation

Gross Claimable Salary	Unrestricted Cost Rate	Total
\$	%	\$

District Claim Calculation

Gross Claimable Cost:	\$
Claimable Indirect Cost:	\$
Total:	\$
.50 FFP rate:	\$
Total Quarterly District Claim:	\$

Attachment IV

ARMAC Claim Amount and Certification

LEA:

LEA Number:

Fiscal Year:

LEA Medicaid Eligibility: %

Quarter:

Statewide Non-Discounted Activity: %

Claimable Salaries: \$

Statewide Discounted Activity: %

Claimable Other Costs: \$

Total Costs: \$

Total Claim for Quarter: \$

LEA Quarterly Certification of State Expenditures

I, as financial officer of _____, am charged with the duties of supervising the administration and coordination of the Arkansas Medicaid Administrative Claiming (ARMAC) program provided under Title XIX (Medicaid) of the Social Security Act, as amended. I hereby certify that the public education agency has incurred 100% of the state share of public, non-federal funds needed for Medicaid Federal financial participation (FFP) complying with 42 CFR 433.51. The total cost of \$ for quarter _ of the fiscal year _____ represents 100% state share required for federal reimbursement for participation in the school-based administrative claiming program.

I also certify that the public education agency's certified expenditures were incurred in accordance with provision outlined in the interagency agreement completed and signed by this public education agency, the Arkansas Department of Education, and the Arkansas Division of Medical Services. These certified expenditures are separately identified and supported in our accounting system.

Printed Name

Date

Signature

Date

Return completed certification to:
Medicaid In The Schools (MITS)
2402 Wildwood Ave., Ste 170
Sherwood, AR 72120