

**Billing for Allowable Health-Related Purchased Services**  
**Frequently Asked Questions**

1. Q: Can the LEA claim costs for all students with IEPs who attend schools outside the district?  
A: **No. The LEA can only include contracted health services and contracted tuition costs for students who are receiving a direct medical service as listed in their IEPs.**
  
2. Q: Can health-related purchased services for both Medicaid eligible and non-Medicaid eligible students be reported?  
A: **Yes. Contracted health services and contracted tuition costs are subjected to the LEA's IEP ratio to determine Medicaid Allowable costs, so it is appropriate to include costs for both MA and non-MA eligible students. It is also important that any students for which costs are reported should be included in the IEP ratio, with the total of all students with a health-related service in their IEP included in the denominator and total number of MA eligible students with a health-related service in their IEP included in the numerator.**
  
3. Q: How can an LEA claim contracted APS tuition costs on their annual cost report, if they receive partially funded PDE slots?  
A: **First, the LEA must confirm whether the student enrolled in the APS is in a PDE partially funded slot or whether the LEA is responsible for paying the full tuition for the student. For example, the LEA sends Student A and Student B to an APS with an annual tuition rate of \$75,000. Student A is in a PDE partially funded slot, with PDE paying for 60% of the tuition and the LEA paying 40%. Student B is funded 100% by the LEA. The LEA would claim \$105,000 of tuition on their annual cost report (\$30,000 for Student A and \$75,000 for Student B).**
  
4. Q: Will the APS receive any SBAP reimbursements for providing the LEA with documentation to submit direct service claims or for participating in the LEA's RMTS staff pool?  
A: **Since APS' are no longer eligible to participate as MA providers in the SBAP as of January 1, 2015, they cannot receive direct reimbursement. However, a funding agreement may be established between the LEA and APS.**
  
5. Q: Can the LEA include costs paid to an APS for administrative support as part of the LEA's annual cost report?  
A: **No. Cost reports are used to determine Medicaid allowable costs for direct medical services only.**
  
6. Q: If an LEA is billed separately for health-related services such as occupational therapy or 1:1 aide services, outside of the annual APS tuition rate, can the LEA include costs incurred as both contracted health services and contracted tuition for the same student?  
A: **Yes, if the LEA provides payments to an APS for both tuition and separate health-related service(s) for the same student, the LEA may include both tuition and contracted costs on their cost report. As in Question #3, the LEA must first determine whether the student is in a PDE partially funded slot or not.**
  
7. Q: How does the LEA know which APS staff to include on their RMTS Direct Service Staff Pool list?  
A: **If an LEA plans to claim contracted health services, it must include contracted staff members who perform direct health-related services. LEAs would need to work with APS' to identify those direct service staff.**

**NEW QUESTIONS – updated 9.14.15:**

8. Q: What information does the LEA need from an APS, Chartered School for the Deaf and Blind or other licensed private academic schools in order to report contracted tuition costs on their annual cost reports?  
A: **An LEA would need financial documentation that demonstrates the total tuition costs that are paid by the LEA to the licensed school(s) for students who are receiving a direct medical service as listed in their IEPs. Please note: LEAs only need to identify the total amount of tuition paid. They do not need to break down the tuition costs into health-related services vs. education-related services, as this is the function of the health-related tuition percentage specific to each licensed school.**
9. Q: If an LEA is reporting contracted tuition costs on their annual cost reports, can they also submit health-related services included in tuition for interim payments and include the staff from licensed private academic schools on their RMTS Direct Service Staff Pool?  
A: **No. Health-related services prescribed in a student’s IEP and covered in the tuition costs should not be submitted by the LEA to Medicaid for interim payments, nor should the LEA include those service providers on its RMTS Direct Service Staff Pool. For example, if Occupational Therapy is included in the contracted tuition rate, the LEA cannot submit OT claims for the student nor can it include the Occupational Therapist(s) from the licensed school on its RMTS Direct Service Staff Pool.**
10. Q: When can an LEA report contracted costs on its annual cost report and submit direct service claims for health-related services provided by an APS, Chartered School for the Deaf and Blind or other licensed private academic schools?  
A: **If the student receives health-related services outside of the contracted tuition rate, and the LEA pays separate contract costs for the service(s), the LEA must include the contracted staff members on their RMTS Direct Service Staff Pool who perform direct health-related services if the LEA plans to claim contracted costs. For example, if the LEA pays for personal care services in addition to the contracted tuition rate, the LEA would include the PCA(s) from the licensed school on their RMTS Direct Service Staff Pool and report the costs of those individual service providers on their quarterly and annual cost reports. The LEA can submit direct service claims for services outside of the contracted tuition rate; however, service documentation must be maintained.**
11. Q: Can the LEA receive payment for transportation claims for students who receive health-related service(s) at an APS, Chartered School for the Deaf and Blind or other licensed private academic schools?  
A: **A transportation claim can only be paid to the LEA if it has received payment for a separate, health-related Medicaid service claim for the same date of service, and if the transportation is included in the student’s IEP.**
12. Q: Would an LEA be required to obtain parental consent for students who attend an APS, Chartered School for the Deaf and Blind or other licensed private academic schools if they plan to report tuition on its annual cost report?  
A: **No, LEAs are only required to obtain a signed parental consent prior to disclosing personally identifiable student information with the PA Department of Education, Department of Human Services, a physician or nurse practitioner in order to bill Medical Assistance for services the student receives as part of his/her IEP. The only purpose of this disclosure is to bill for services provided. Tuition is not reported with personally identifiable student information.**