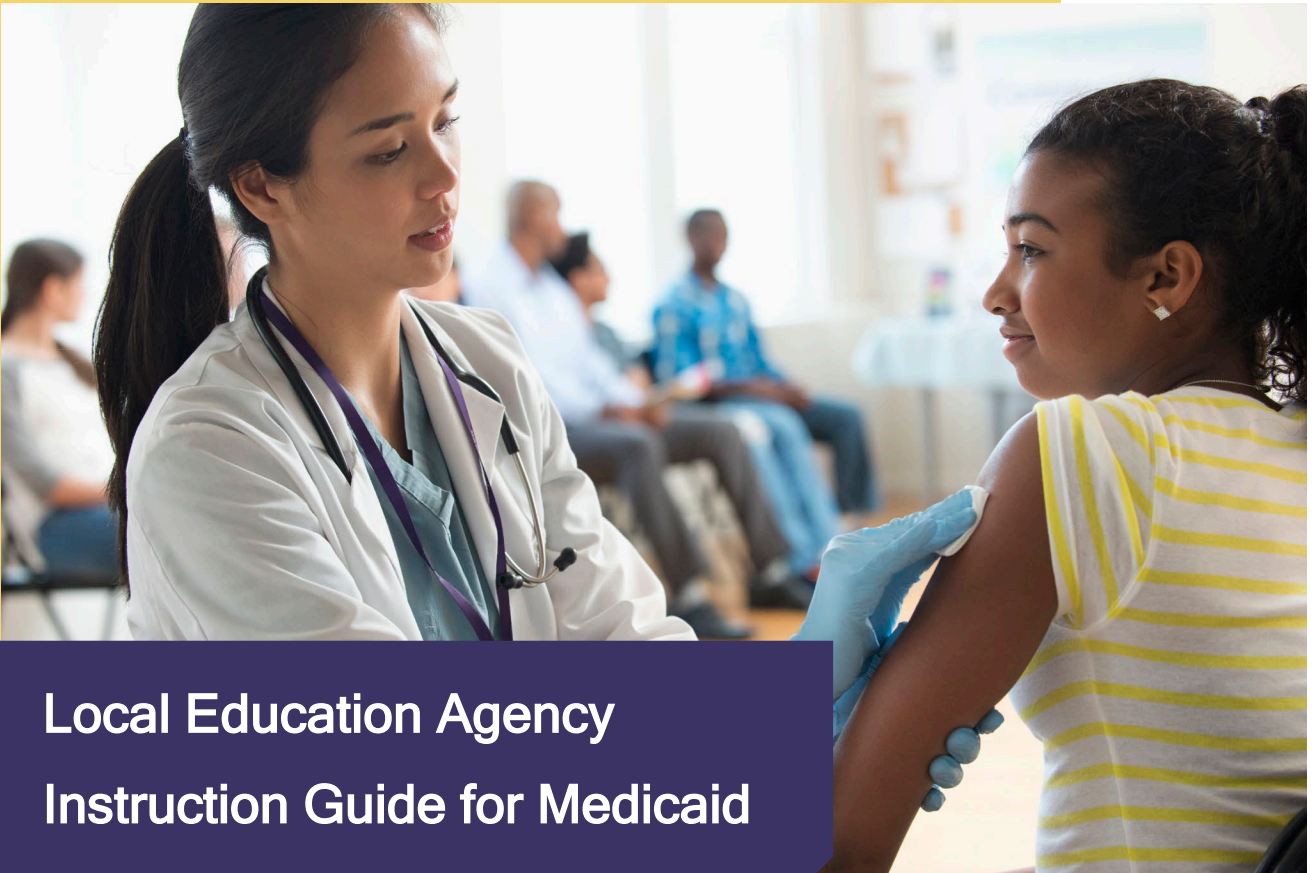




Virginia Medicaid

Department of Medical Assistance Services



**Local Education Agency
Instruction Guide for Medicaid
Claiming of Administrative
Costs**

**Commonwealth of Virginia
Department of Medical Assistance Services (DMAS)**

Effective July 1, 2022

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SECTION I: OVERVIEW

Virginia's Local Education Agencies (LEAs), including the Virginia School for the Deaf and Blind at Staunton (VSDB), provide a range of school-based health services to students in order to ensure their safety, attendance and academic performance in the school setting. Some of the students receiving these services are eligible for Virginia's Medicaid program or Virginia's Children's Health Insurance Program (known as Family Access to Medical Insurance Services or FAMIS), and some of the school-based health services provided are covered under one or both of these programs as direct health care services. The Department of Medical Assistance Services (DMAS) oversees the Medicaid and FAMIS programs for Virginia. LEAs that meet DMAS provider screening and enrollment requirements may seek Medicaid and FAMIS program cost-based reimbursement for costs associated with:

1. Providing covered direct health care services to Medicaid and FAMIS eligible students;
2. Providing specialized transportation services to and/or from a location where a covered direct health care service is rendered for a Medicaid or FAMIS eligible student, *if the service is included in the student's Individualized Education Program (IEP) plan*, and
3. Performing administrative activities that support access to covered services for Medicaid eligible students.

This manual provides LEAs with instructions for determining costs associated with numbers 2 and 3 above (providing specialized transportation services and performing administrative activities). The process for determining each LEA's costs is called Administrative Activity Claiming (AAC). (The term AAC is used throughout this manual and includes both administrative activity and specialized transportation cost claiming.)

For instructions on determining costs associated with providing direct health care services, LEAs should consult the *Virginia LEA Direct Health Care Services Cost Report Instruction Guide*.

The University of Massachusetts Chan Medical School (UMass) is the contractor engaged by DMAS to manage the administrative activity and specialized transportation cost claims process (DMAS contractor).

University of Massachusetts Chan Medical School (UMass)

Health Care Financing Solutions

School-Based Medicaid Program

333 South Street

Shrewsbury, Massachusetts 01545

Call Center: 1-800-535-6741

SECTION II: APPLICABLE LAWS, REGULATIONS, AND GUIDANCE

All LEAs participating in the DMAS AAC program must comply with applicable federal and state laws, regulation and guidance, including, but not limited to:

- Section 1902(a) of the Social Security Act;
- Code of Federal Regulation (C.F.R.) Titles 42 and 45;
- OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 C.F.R. §200);
- OMB Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations; and
- GS-102, Fiscal Records (December 2017), of the Library of Virginia Record Retention Policy

Requirements for Expenditure Reporting

Unless otherwise indicated in this guide, the LEA must ensure that a particular quarter's report of allowed AAC include only expenditures incurred during that quarter (i.e. the date of the activity related to an allowed expenditure determines the reporting period). Following this rule, prepaid expenditures may be included in the AAC only after the applicable service or activity date associated with the expenditure has occurred.

Expenditures must be **excluded** from AAC in all expenditure categories in any of the following situations:

- One hundred percent of the staff person's salary is paid through a federal grant or from other federal funds, including Individuals with Disabilities Education Act (IDEA) and all federal funding sources such as the Coronavirus Aid, Relief, and Economic Security Act (CARES) funds;
- State or local funds that were a required match to receive a federal grant or other federal funds, which are considered part of the federal funding percentage related to staff salary (2 C.F.R. § 200.306);

- Medicaid billing vendors that are paid on a contingency fee (percent of claim) basis;
and
- Any expenditures, including staff salary included in the LEA's Indirect Cost Rate. See Appendix D for additional details and excluded account object codes.

SECTION III. OVERVIEW OF ADMINISTRATIVE CLAIMING PROCESS

The quarterly Medicaid AAC calculations utilize participating LEA staff (LEA participant) data and time study results from the RMTS combined with actual costs/expenditures incurred during the specified quarter that are uploaded and/or entered into a data system maintained by the DMAS contractor. (For detailed, step-by-step instructions for entering and submitting quarterly Medicaid Administrative Activity Claims using this system, please refer to the “*Step-by-Step AAC Claim Data Entry User’s Manual.*”)

The quarterly claiming process is as follows:

Step 1: Claim data is uploaded and/or entered into the data system by the LEA

Step 2: The LEA checks/reviews a report generated based on the claim data on a quarterly basis

Step 3: The report is approved by the LEA

Step 4: The LEA signs and submits a Certification Letter to the DMAS contractor

Step 5: The DMAS contractor finalizes claim and submits to DMAS for payment

Claims are submitted on a quarterly basis. Claims not submitted and certified by the deadline date listed in Table 1 below will not be processed until the following quarter.

Table 1. AAC Submission Timelines:

Quarter (FY)	Quarter Dates	Deadline to Submit Claim Data	Certification Deadline
1	July 1 - September 30	January 15	January 22
2	October 1 - December 31	April 15	April 22
3	January 1 - March 31	July 15	July 22
4	April 1 - June 30	October 15	October 22

Administrative claims must be submitted within 7 quarters and 15 days from the end of the quarter in which the cost/expenditure was incurred. For example, claims for the quarter ended December 31, 2020 must be submitted by the October 15, 2022 deadline. This includes amendments that increase the amount of the claim (positive amendments). Amendments that decrease the amount of the claim (negative amendments) do not have a deadline and may be submitted at any time.

SECTION IV: ALLOWABLE MEDICAID COSTS FOR AAC

The AAC claim includes the following components, as applicable:

- Staff salary and employer paid benefit expenditures;
- Material and supply expenditures in support of Medicaid administrative activities;
- Indirect costs through the application of the Virginia Department of Education approved indirect cost rate; and
- Capital costs through the application of a capital percentage allocation rate
- Specialized transportation expenditures*;

*Note: Specialized transportation reimbursement in AAC includes reimbursement for both the scheduling and arranging of covered specialized transportation services as an administrative activity, and the cost of the *provision* of transportation services as a direct health care service. Please see Section V for additional information.

Reimbursable Administrative Activities

There are eight types of reimbursable administrative activities.

1. Medicaid Outreach—informing eligible or potentially eligible individuals and families about Medicaid and FAMIS, and accessing benefits.
2. Application Assistance—assisting individuals or families to apply or renew eligibility for Medicaid and FAMIS benefits.
3. Provider Networking/Program Planning/Interagency Coordination—participating in activities to develop strategies to improve the delivery of covered services, including collaborative activities with other agencies regarding covered services.
4. Individual Care Planning, Monitoring, Coordination, and Referral for Covered Services— making referrals to covered services, coordinating, or monitoring the delivery of covered services.
5. Arranging covered specialized transportation services when required to access covered services.

6. Arranging or providing translation or interpretation services when required to access covered services.
7. Training—participating in and coordinating (including providing) training related to Medicaid and FAMIS topics.
8. Activities performed in response to state or federal public health guidance.

For more information and examples, please see Appendix C.

Educational Activities are Non-Reimbursable Activities

Costs associated with activities that serve an education purpose are not reimbursable. Some examples of non-reimbursable activities include:

- Planning, preparing for, or attending IEP meetings;
- Working to obtain parental consent (e.g., to meet VDOE/Family Educational Rights and Privacy Act (FERPA) requirements or permission to treat students);
- Providing student supervision; and
- Conducting educational, vocational, academic, or disciplinary activities.

Section IV.A. Salary and Benefit Expenditures

Personnel costs may be claimed in AAC for staff that perform reimbursable administrative activities. DMAS uses a Random Moment Time Study (RMTS) process to quantify the time that staff spend doing reimbursable activities. All employed staff members whose cost the LEA seeks to include in Administrative Activity Claiming (AAC) must participate in the RMTS for the applicable AAC quarter. Although staff participating in the RMTS are categorized as Direct Service or Administrative Only, staff from both groups may engage in administrative activities and, therefore, a portion of the cost of any staff person may go into the AAC. Costs associated with contracted staff may be included in the AAC if those staff participate in the RMTS for the applicable AAC quarter.

Please reference the *Random Moment Time Study (RMTS) Implementation Guide for Medicaid School-Based Direct Health Care and Administrative Services* for more detailed instruction on the RMTS process.

Personnel costs for a particular staff member may only be included in an AAC for a specified quarter when all the following conditions have been met:

1. The staff member was included on the RMTS participant list and available for random assignment of a RMTS sample moment during quarter;
2. The staff member was indicated in the RMTS participant list as being a minimum of one percent funded from state or local funds;
3. The staff member was working or using employer-paid benefit time during the claiming period. (Please note: Submission of a Change of Status (COS) request indicating that a staff member was terminated or out of work on unpaid time off removes that staff member from RMTS participation. No costs associated with such staff may be included for those periods of time.)
4. For staff assigned to a Direct Service RMTS pool, the provider qualifications to perform Medicaid-covered direct services must have been met for any period of costs included in the claim. This includes holding an active license, if applicable.

Allowable personnel expenditures

LEAs can include expenditures that are staff costs related to each staff member's performance of the job position that qualified that staff member for participation and reimbursement in the DMAS School-Based Services program. Any personnel costs related to a staff member's employment for separate and unrelated duties must be excluded. For example:

- Stipends paid for supervision of extracurricular activities (such as an athletic coach or club advisor) should be excluded from the claim.
- For staff who hold two part-time job positions where only one is qualified for Medicaid participation, only those costs attributable to the salary and benefits earned for the job position related to Medicaid participation may be included (e.g., a part-time occupational therapy assistant OTA also works part time in the cafeteria).

Note: Federal rules prohibit including the costs of professional licensing fees.

Personnel costs reported in the quarterly AAC are broken down into the following cost categories:

1. **Actual Quarterly Salary** - The staff member's actual salary amount for the period (without reduction for federal or other funding; the claim system will calculate the state/local share based on the funding percentages indicated). All actual quarterly expenditures incurred during the quarter (i.e. the "service date" that an expenditure is related to determines the reporting period, not the "check date" when payment was issued). Expenditures must have already been incurred (paid) to be claimed.
2. **Federally Funded Percentage** - The percentage of a staff member's salary that is funded from federal grant(s). This includes any state or local funds that were a required match to receive the federal grant. These dollars should also be considered part of the federal funding percentage. A percentage between 0.00 and 100 must be reported. The field may not be left blank.
3. **State/Local Funded Percentage** - The percentage of a staff member's salary that is funded from state and local funding. Any state or local funds that were used as a required match to receive a federal grant are excluded from reporting in this category and should instead be reported as part of the federally funded percentage. A percentage between 0.00 and 100 must be reported. The field may not be left blank.
4. **IDEA Funded Percentage** - The percentage of a staff member's salary that is funded from IDEA. This includes any state or local funds that were a required match to receive the IDEA grant. These dollars should also be considered part of the IDEA funding percentage. A percentage between 0.00 and 100 must be reported. The field may not be left blank
5. **Other Funding Percentage** - The percentage of a staff member's salary that is funded from any sources not categorized above. This includes any state or local funds that were a required match to receive this funding. These dollars should also be considered part of the other funding percentage. A percentage between 0.00 and 100 must be reported. The field may not be left blank.
6. **Other Funding (Specify)** - If a percentage greater than 0.00 is reported in the Other Funding Percentage field, then a brief description of the funding source must be provided in this field, up to 100 characters.
7. **Medicare Tax** - The actual employer-paid Medicare tax for the staff member.
8. **Pension or Retirement** - The actual employer-paid retirement contribution for the staff member.
9. **Social Security Tax - Employer** - The actual employer paid social security tax for the staff member.

10. **Health Insurance** - The actual employer-paid health insurance amount for the staff member.
11. **Dental Insurance** - The actual employer-paid dental insurance amount for the staff member.
12. **Workers' Compensation** - The actual employer-paid workers' compensation insurance contribution for the staff member
13. **Unemployment** - The actual employer-paid unemployment contribution for the staff member.
14. **Life Insurance** - The actual employer-paid life insurance contribution for the staff member.
15. **Disability Insurance** - The actual employer-paid disability contribution for the staff member.
16. **Other Benefits** - The total amount of any actual employer-paid benefits for the staff member not categorized above. (Note: Federal rules prohibit including the costs of professional licensing fees).

Section IV.B. Medicaid Penetration Rate:

For the AAC reimbursement calculation, LEAs must determine the percentage of their total student enrollment who are eligible for Medicaid as of the defined eligibility “snapshot” date for the quarter. (Students eligible for FAMIS are NOT included in this calculation.) This is accomplished by completing a match of the LEA total enrollment roster for the quarter to the DMAS eligibility list for the quarter.

The Total LEA enrollment for the quarter must include all students, age 2 through 22, enrolled in the LEA. This data should be a “snapshot” of the LEA’s total enrollment as of the following dates for each quarterly claim:

Claim Quarter	Enrollment Snapshot Date
Q1: July 1 - September 30	September 1
Q2: October 1 - December 31	December 1
Q3: January 1 - March 31	March 1
Q4: April 1 - June 30	June 1

Parentally placed private school students must be excluded from the LEA enrollment roster. Instructions for completing the match are available in the “*Medicaid Eligibility Matching User Instruction Guide*.”

LEAs will report two statistics:

1. Total LEA Enrollment for Quarter
2. Total number of Medicaid eligible students in the LEA for the quarter. Do not count FAMIS students.

The AAC system will calculate the resulting Medicaid Penetration Rate. Statistics reported in the claim must match the results from the Medicaid Eligibility Matching system “Summary” report.

Section IV. C. Reporting Materials and Supply Expenditures and Full Time Equivalent (FTE) Staff

Materials and Supply Expenditures

LEAs may include the actual quarterly expenditure funded by state/local revenue for materials and supplies used to carry out reimbursable Medicaid administrative activities (e.g., computer supplies, copying, printing and postage costs). Refer to Appendix C for a description of reimbursable administrative activities.

Materials and supplies used to carry out health care related activities must be excluded from the AAC, but may be considered for inclusion in the Direct Services Cost Report. Please see the “LEA Instruction Guide for the Direct Services Cost Report” for more information.

LEA Total FTE

LEAs who include materials and supplies expenditures must also report the quarterly division-wide total FTE count for all personnel, including full and part-time staff, cafeteria staff, administrators, teachers, paraprofessionals, custodial staff, etc.

Note: all 100% federally funded personnel should be **included** in this FTE count.

Section IV. D: Annual Capital Costs

LEAs can include the actual acquisition cost of capital assets in active use and occupancy during the fiscal year. These costs are used to calculate a capital percentage allocation rate that is applied to the AAC claim. Claimable costs of capital assets are reported in one of three categories:

1. Buildings and Fixed Assets
2. Major Movable
3. Net Interest Expense

Capital assets described in this section are reported on an annual basis and cannot vary throughout the year unless amendments are filed for prior quarters within the same fiscal year to make the corrections. Reported costs “must be supported by adequate property records, and physical inventories must be taken at least once every two years to ensure that the assets exist and are usable, used, and needed” (2 C.F.R. §200.436).

Per 2 C.F.R. § 200.12 and § 200.33, capital assets reported in this section “means tangible assets currently in use in operations having a useful life of more than one year which are capitalized in accordance with Generally Accepted Accounting Principles (GAAP)” (§ 200.12) and have a per-unit acquisition cost of \$5,000 or more (§ 200.33). Capital assets include:

- a. “Land, buildings (facilities), equipment, and intellectual property (including software) whether acquired by purchase, construction, manufacture, lease-purchase, exchange, or through capital leases;” (§ 200.12(a)) and
- b. “Additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations or alterations to capital assets that materially increase their value or useful life (not ordinary repairs and maintenance)” (§ 200.12(b)).

Annual Building and Fixed Asset Valuation

This amount should be based on the **accumulated acquisition** costs of these assets. Do **not** use insurance valuation or replacement value. Do **not** include depreciation.

Acquisition costs of buildings and fixed assets **include:**

- “Building shell (including construction and design costs)” and “building services systems (e.g., elevators, HVAC, plumbing system and heating and air-conditioning system)” (2 C.F.R. § 200.436(d)(3));
- “Capital expenditures for improvements to land, buildings...which materially increase their value or useful life” (2 C.F.R. § 200.439(b)(3), such as land improvements, such as paved parking areas, fences, and sidewalks; and
- “Fixed equipment (e.g., sterilizers, casework, fume hoods, cold rooms, and glassware/ washers)” (2 C.F.R. § 200.436(d)(3)).

Acquisition costs of buildings and fixed assets **exclude**:

- the costs of fully depreciated assets, meaning “any assets that have outlived their depreciable lives” (2 C.F.R. § 200.436(d)(4))
- “the cost of land” (2 C.F.R. § 200.436(c)(1));
- “any portion of the cost of buildings and equipment borne or donated by the federal government, regardless of where title was originally vested or where it presently resides” (2 C.F.R. § 200.436(c)(2));
- any portion of the costs of building and equipment contributed in satisfaction of a federal matching requirement (2 C.F.R. § 200.306);
- any equipment merely attached to a building which is not permanently fixed to it, which is used as furnishing, decoration, or for specialized purposes. Such items may be included in the major movables cost;
- rent or lease payments.

Major Moveable Equipment

Include the division-wide accumulated acquisition cost of equipment that are not included in any of the Building and Fixed Asset valuations above and that meet the definitions below.

Vehicles may be included if they are owned, but not if they are leased. Insurance valuation or replacement value is **not** to be used. Do **not** include depreciation.

Acquisition costs of major movable assets **include**:

- equipment, which means “tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000 (2 C.F.R. § 200.33); or

- general purpose equipment, which means “equipment which is not limited to research, medical, scientific or other technical activities. Examples include office equipment and furnishings, modular offices, telephone networks, information technology equipment and systems, air conditioning equipment, reproduction and printing equipment, and motor vehicles.” (2 C.F.R. § 200.48).
- “Capital expenditures for improvements to equipment which materially increase their value or useful life” (2 C.F.R. § 200.439(b)(3)).

Acquisition costs of major movable assets **exclude**:

- Any specialized transportation vehicles included as capital costs in Section III.F. below.
- “The cost of land” (2 C.F.R. § 200.436(c)(1));
- “Any portion of the cost of buildings and equipment borne or donated by the federal government regardless of where title was originally vested or where it presently resides” (2 C.F.R. § 200.436(c)(2));
- “Any assets that have outlived their depreciable lives” (2 C.F.R. § 200.436(d)(4)); and
- any portion of the cost of buildings and equipment contributed by or for the governmental unit or a related donor or organization in satisfaction of a federal matching requirement (2 C.F.R. § 200.306).

Net Interest Expense

Enter the LEA’s net interest expense associated with financing costs for school building acquisition, construction, remodeling, and equipment for the prior fiscal year. Capital assets are defined in 2 C.F.R. § 200.12: Capital assets. An asset cost includes (as applicable) acquisition costs, construction costs, and other costs capitalized in accordance with GAAP. The LEA may include no other interest expenses on the claim. Allowable interest costs and interest earnings offsets must meet the conditions described in 2 C.F.R. § 200.449.

Division-wide Salary and Fringe Benefits

Enter the LEA-wide salary and fringe benefits annual amounts. These are defined as the actual division-wide (**all** personnel and district payroll) salaries and fringe benefits (**employer portion only**) for the prior fiscal year.

Note: Exclude any federal funds used to fund salaries.

Enter: Division-wide Salaries

Division-wide Medicare Contribution

Division-wide Health Insurance

Division-wide Dental Insurance

Division-wide Social Security Contribution

Division-wide Retirement/Pension Contributions

Division-wide "Other" Benefits

Section IV. E. Indirect Cost Rate:

Each LEA's annual unrestricted indirect cost rate, as calculated by VDOE, will be prepopulated in the AAC system. All expenditures reported in AAC must comply with all guidance included in Appendix D related to indirect cost rates and exclusion of costs.

SECTION V. CERTIFICATION OF PUBLIC EXPENDITURES

Certification of Public Expenditure letters should be printed on LEA letterhead, signed by an officer of the LEA, such as a Superintendent or appropriate designee, and sent to the DMAS Contractor by the appropriate quarterly deadline (refer to Appendix A and B) so that the LEA's claim can be processed with the quarterly submission.

Any certification letters received after the deadline will be held and processed in the following quarterly submission.

Signed certification letters must be scanned and emailed to:

Email: RMTSHelp@umassmed.edu

SECTION VI. RECORD RETENTION POLICY

The federal government regularly audits the Medicaid and FAMIS programs, and all costs are subject to audit review by DMAS and other state and federal agencies. LEAs are responsible for ensuring that the appropriate documentation can be produced in the event of an audit or other request by DMAS or other state or federal compliance agency. Failure to do so may result in a recoupment or termination from the program. LEAs must follow a 6-year record retention policy by adding one year to the 5-year period as prescribed in section GS-102, Fiscal Records (December 2017), of the Library of Virginia Record Retention Policy.

Below is the link for your reference:

http://www.lva.virginia.gov/agencies/records/sched_state/index.htm

APPENDIX A: CERTIFICATION OF PUBLIC EXPENDITURE

Virginia Local Education Agency Quarterly Medicaid Claim

Certification of Public Expenditure

I certify, that to the best of my knowledge, the statement of expenditures submitted for the LEA's Administrative Activity Claim and Specialized Transportation Costs for the quarter [Quarter Start Date – Quarter End Date] represents actual expenses accumulated under the [Local Education Agency Name] provider agreement with the Virginia Department of Medical Assistance Services.

I certify that:

1. I have examined this statement, the accompanying supporting exhibits, the allocation of expenses and services, and the attached worksheets for the reporting period specified above and that, to the best of my knowledge and belief, they are true and correct statements prepared from the financial ledgers and records of the LEA in accordance with the applicable instructors.
2. The expenditures included in this statement represent actual costs and are based on expenditures recorded in the LEA's financial ledgers.
3. The required amount of State and/or local funds were available and used to pay for total computable allowable expenditures included in this statement, and such State and/or local funds were in accordance with all applicable Federal requirements for the non-Federal share match of expenditures (including that the funds were not Federal funds in origin, or are Federal funds authorized by Federal law to be used to match other Federal funds, and that the claimed expenditures were not used to meet matching requirements under other Federally funded programs).
5. Federal matching funds are being claimed on this report in accordance with the cost report instructions provided by the Department of Health and Human Services effective for the above reporting period.
6. The LEA is responsible for maintaining all the documentation supporting the expenditures reported. Failure to provide supporting documents during audits may lead to audit findings and payback of the federal matching funds received by the LEA and payment of any fines, penalties, or interest imposed by the pertinent federal and/or state agency.
7. I am the superintendent of the LEA or have been officially authorized by the superintendent to sign this form, and I have made a good faith effort to assure that all information reported is true and accurate.
8. I understand that this information will be used as a basis for claims for Federal funds, and possibly State funds, and that falsification and concealment of a material fact may be prosecuted under Federal or State civil or criminal law.

Administrative Activity Claim:

\$XX,XXX.XX	Certified Expenditure Claimed
\$XX,XXX.XX	Expected Federal Reimbursement
\$ X,XXX.XX	Expected Payment to LEA

Specialized Transportation Claim:

\$XX,XXX.XX	Certified Expenditure Claimed
\$XX,XXX.XX	Medicaid FFP Amount
\$ X,XXX.XX	Expansion FFP Amount
\$ X,XXX.XX	FAMIS FFP Amount

 Signature

 Title

 Typed/Printed Name

 Date

 National Provider ID

***The Quarterly Claim Certification Statement must be submitted on your LEA letterhead**

APPENDIX B: CERTIFICATION OF PUBLIC EXPENDITURE FOR AMENDED CLAIMS

Virginia Local Education Agency Amended Quarterly Medicaid Claim

Certification of Public Expenditure

I certify, that to the best of my knowledge, the statement of expenditures submitted for the LEA's Administrative Activity Claim and Specialized Transportation Costs for the quarter [Quarter Start Date – Quarter End Date] represents actual expenses accumulated under the [Local Education Agency Name] provider agreement with the Virginia Department of Medical Assistance Services.

I certify that:

1. I have examined this statement, the accompanying supporting exhibits, the allocation of expenses and services, and the attached worksheets for the reporting period specified above and that, to the best of my knowledge and belief, they are true and correct statements prepared from the financial ledgers and records of the LEA in accordance with the applicable instructions.
2. The expenditures included in this statement represent actual costs and are based on expenditures recorded in the LEA's financial ledgers.
3. The required amount of State and/or local funds were available and used to pay for total computable allowable expenditures included in this statement, and such State and/or local funds were in accordance with all applicable Federal requirements for the non-Federal share match of expenditures (including that the funds were not Federal funds in origin, or are Federal funds authorized by Federal law to be used to match other Federal funds, and that the claimed expenditures were not used to meet matching requirements under other Federally funded programs).
5. Federal matching funds are being claimed on this report in accordance with the cost report instructions provided by the Department of Health and Human Services effective for the above reporting period.
6. The LEA is responsible for maintaining all the documentation supporting the expenditures reported. Failure to provide supporting documents during audits may lead to audit findings and payback of the federal matching funds received by the LEA and payment of any fines, penalties, or interest imposed by the pertinent federal and/or state agency.
7. I am the superintendent of the LEA or have been officially authorized by the superintendent to sign this form, and I have made a good faith effort to assure that all information reported is true and accurate.
8. I understand that this information will be used as a basis for claims for Federal funds, and possibly State funds, and that falsification and concealment of a material fact may be prosecuted under Federal or State civil or criminal law.

Administrative Activity Claim:

Original Claim Amounts:	\$XX,XXX.XX	Certified Expenditure Claimed
	\$XX,XXX.XX	Expected Federal Reimbursement
	\$ X,XXX.XX	Expected Payment to LEA

Amended Claim Amounts:	\$XX,XXX.XX	Certified Expenditure Claimed
	\$XX,XXX.XX	Expected Federal Reimbursement
	\$ X,XXX.XX	Expected Payment to LEA

Difference:	\$XX,XXX.XX	Certified Expenditure Claimed
	\$XX,XXX.XX	Expected Federal Reimbursement
	\$ X,XXX.XX	Expected Payment to LEA

Specialized Transportation Claim:

Original Claim Amounts	\$XX,XXX.XX	Certified Expenditure Claimed
	\$XX,XXX.XX	Medicaid FFP Amount
	\$ X,XXX.XX	Expansion FFP Amount
	\$ X,XXX.XX	FAMIS FFP Amount

Amended Claim Amounts:	\$XX,XXX.XX	Certified Expenditure Claimed
	\$XX,XXX.XX	Expected Federal Reimbursement
	\$ X,XXX.XX	Expected Payment to LEA

Difference:	\$XX,XXX.XX	Certified Expenditure Claimed
	\$XX,XXX.XX	Expected Federal Reimbursement
	\$ X,XXX.XX	Expected Payment to LEA

Signature

Title

Typed/Printed Name

Date

National Provider ID

***The Quarterly Claim Certification Statement must be submitted on your LEA letterhead**

APPENDIX C: MEDICAID ADMINISTRATIVE ACTIVITIES DESCRIPTIONS

Both Direct Service staff and Administrative Only staff costs can be claimed as long as they are included in any pool in the RMTS (any of the Direct Service pools or the Administrative Only pool). The Administrative Only RMTS pool is designed to identify additional staff for whom the LEA is not claiming, or cannot claim, Direct Service reimbursement, but who perform reimbursable Medicaid administrative activities.

There are seven types of reimbursable administrative activities quantified by the RMTS. Medicaid-related administrative activities must fall into one or more of the categories in the following list.

1. *Medicaid Outreach*

These are activities that inform eligible or potentially eligible individuals and their families about Medicaid benefits and services and how to access them.

Examples include, but are not limited to

- providing a student’s family with literature about the benefits and availability of EPSDT (Early and Periodic Screening, Diagnostic, and Treatment) programs or other DMAS programs (including FAMIS); and
- informing students and families how to effectively access, use, and maintain participation in Medicaid and FAMIS programs.

2. *Facilitate/Assist in the Medicaid/FAMIS Application Process*

These are activities that assist students and/or their families in applying or renewing eligibility for Medicaid and FAMIS. Examples include, but are not limited to

- talking with a family about the Medicaid/FAMIS eligibility process, including helping them complete the appropriate application, or connecting the family with a certified application counselor, who can help them apply; and
- gathering information from the family related to the Medicaid/FAMIS application process.

3. *Provider Networking/Program Planning/Interagency Coordination—Medicaid/FAMIS Related*

These are activities to develop strategies and procedures to improve the coordination and delivery of covered services to students, and activities that coordinate with non-Medicaid

programs to ensure an effective child health program. These activities apply to all or some students, rather than a specific student.

Examples include, but are not limited to

- developing advisory or work groups of health professionals to provide consultation and advice regarding the delivery of health care services to school populations, such as developing school or district-wide procedures for uniform asthma screenings, including working with an outside entity advising the procedures;
- reviewing and updating standing orders for nurses;
- developing strategies to assess or increase the capacity of school-based medical/behavioral health programs;
- identifying gaps to improve the coordination and delivery of covered health services; and
- working with agencies to improve the coordination and collaboration of Medicaid services they provide, including opportunities to expand access to those services.

4. *Individual Care Planning, Monitoring, Coordination, and Referral—Medicaid Related*

These are activities in which staff are making referrals for, coordinating, or monitoring the delivery of Medicaid-covered services for specific students.

Examples include, but are not limited to

- collaborating with other health care providers to coordinate students' health services, such as routine visits with specialists or after a return from a hospitalization;
- making referrals for or coordinating medical examinations and necessary medical/behavioral health evaluations;
- responding to a student's health plan's inquiry to better coordinate in- and out-of-school services;
- arranging for covered medical, diagnostic, or treatment service as a result of a specifically identified medical condition;
- coordinating the completion of the prescribed services, termination of services, and the referral of the child to other covered service providers for continuity of care; and
- participating in a meeting/discussion to coordinate or review a student's needs for health-related services covered by Medicaid/FAMIS (other than an IEP or 504 meetings).

5. *Arrangement of Medicaid/FAMIS-covered Transportation*

These are activities in which staff help a student obtain covered transportation services. Note: The provision of transportation is claimed differently and not included here.

Examples include, but are not limited to

- scheduling a student's transportation to a covered service appointment outside school; and
- scheduling or coordinating transportation that is specially equipped or adapted to meet the needs of a student with a disability to attend school where covered services will be provided to the student.

6. *Translation and Interpretation Services Related to Medicaid/FAMIS Services*

These are activities in which staff arrange for, or provide translation or interpretation services related to, covered services. (Note: The arrangement or provision of translation or interpretation services at an IEP meeting or for any educational reason is not included.)

Examples include, but are not limited to

- arranging translation or interpretation services that help the student or family access and understand necessary health-related care or treatment.

7. *Medicaid/FAMIS-Related Training*

These are activities in which staff is involved in a training activity that improves the delivery of health-related services to students.

Examples include, but are not limited to

- providing or coordinating training that teaches or reinforces clinical best practices in patient care, such as training for school nurses on asthma-management plans; and
- attending a Medicaid/FAMIS -related training or webinar.

8. *Activities Performed in Response to Public Health Guidance*

These are activities in which staff is performing activities related to federal or state public health guidance.

Examples include, but are not limited to

- developing, planning, or coordinating activities and programs in response to public health guidance
- investigating, reporting, or monitoring communicable diseases in response to public health guidance

- monitoring or surveilling activities, including contact tracing efforts or screening of students and staff in response to public health guidance
- making referrals or coordinating medical examinations or services in response to public health guidance

Key activities that are NOT reimbursable under AAC include, but are not limited to

- IEP-related activities;
- IEP meetings (attending or chairing, scheduling, preparing for, etc.);
- writing/editing an IEP;
- obtaining parental consent of any kind;
- disciplinary or general student supervision services;
- monitoring student attendance; and
- activities that are an “integral component” of the delivery of a health service (such as planning and preparing to deliver a service or documenting service delivery notes).

Medicaid/FAMIS billing activities are captured with the direct health care services reimbursement portion of the DMAS School-Based Services program. These activities are not reimbursable under AAC. (Reference *Virginia Schools Direct Health Care Services Cost Report Instruction Guide*.)

APPENDIX D: INDIRECT COST GUIDANCE

It is the responsibility of all participating LEAs to ensure that there is no duplication of expenditures claimed directly and indirectly in Medicaid and School Administrative Activity Claims (AACs) and Direct Service Cost Reports. This requirement is consistent with the CMS Medicaid School-Based Administrative Claiming Guide published May 2003 (Section 6.E., page 45).

Exclusion of Expenditures from AAC Claims and Cost Reports

LEA costs that are reported on the Annual School Report Financial Section (ASRFIN) in the following account codes are included in the calculation of each LEA's Indirect Cost Rate by VDOE, and therefore the LEA must exclude them from direct claims in Administrative Activity Claims and Direct Service Cost Reports:

Function Code	Account Name	Account Description
62120	Administration: Executive Administration Services	Activities associated with the overall general administration of, or executive responsibility for, the LEA, including the Superintendent, Assistant Superintendent and other staff who report directly to the Superintendent.
62140	Administration: Personnel Services	Activities concerned with maintaining the school system's staff. This includes such activities as recruiting and placement, staff transfers, inservice training, health services, and staff accounting.
62150	Administration: Planning Services	Activities, other than general administration, that supports each of the other instructional and supporting service programs. These activities include planning, research, development, evaluation, and information.
62160	Administration: Fiscal Services	Activities concerned with the fiscal operations of the LEA. This function includes budgeting, receiving and disbursing, financial and property accounting, payroll, inventory control, internal auditing and managing funds.
62170	Administration: Purchasing Services	Activities concerned with purchasing supplies, furniture, equipment, and materials used in schools or school system operations.

62180	Administration: Reprographics	Activities such as printing and publishing administrative publications such as annual reports, school directories, and manuals. Activities also include centralized services for duplicating school materials and instruments such as school bulletins, newsletters, and notices.
62190	Administration: Data Processing	No longer in use
64100	Operation & Maintenance: Management and Direction	Activities involved in directing, managing, and supervising the operation and maintenance of school plant facilities.
64200	Operation & Maintenance: Building Services	Activities concerned with keeping the physical plant clean and ready for daily use. Include operating the heating, lighting, and ventilating systems, and repairing and replacing facilities and equipment. Also, include the costs of building rental and property insurance.
64300	Operation & Maintenance: Grounds Services	Activities involved in maintaining and improving the land (but not the buildings). Include snow removal, landscaping, grounds maintenance, etc.
64400	Operation & Maintenance: Equipment Services	Activities involved in maintaining equipment owned or used by the LEA. Include such activities as servicing and repairing furniture, machines, and movable equipment.
64500	Operation & Maintenance: Vehicle Services (other than pupil transportation)	Activities involved in maintaining general-purpose vehicles such as trucks, tractors, graders, and staff vehicles. Include such preventive maintenance activities as repairing vehicles, replacing vehicle parts, cleaning, painting, greasing, fueling, and inspecting vehicles for safety.
64600	Operation & Maintenance: Security Services	Activities concerned with maintaining order and safety in school buildings, on the grounds, and in the vicinity of schools at all times. Include police activities for school functions, traffic control on the grounds and in the vicinity of schools, building alarm systems, and hall monitoring services.

64700	Operation & Maintenance: Warehouse Services	Activities such as receiving, storing, and distributing supplies, furniture, equipment, materials, and mail.
68300	Technology: Administration	Include technology-related expenditures that directly support activities concerned with establishing and administering policy for operating the LEA.
68600	Technology: Operation and Maintenance	Include technology-related expenditures that directly support activities concerned with keeping the physical plant open, comfortable, and safe for use, and keeping the grounds, buildings, and equipment in effective working condition.
<i>Exclude all expenditures reported under the following Object Code, for ALL function codes:</i>		
Object Code	Account Name	Account Description
2800	Terminal Leave Costs	Include annual and sick leave payments for personnel who terminate employment. Only employer-paid benefits payments made on the behalf of retirees, including retiree health insurance and health care credits, should be reported under this object code. Also, report pension/retirement plans that are specific to your locality under this object code in the appropriate functions as well as the cost for contract buyouts.

APPENDIX E: GLOSSARY OF TERMS

ABA - Applied Behavior Analysis; a service type covered for students with an autism spectrum diagnosis

AAC - Administrative Activity Claiming

CHIP - Children's Health Insurance Program, known as FAMIS in Virginia

CMS - Centers for Medicaid and Medicare Services - the federal agency that gives DMAS the authority to operate and claim federal dollars

Cost Report - The annual submission of an LEA's actual incurred costs related to the provision of Medicaid Reimbursable Services, which determines the total Medicaid-allowable costs the LEA incurred that year

CPE - Certified Public Expenditure

DMAS - Virginia's Department of Medical Assistance Services, the Commonwealth's Medicaid Agency

DSC - Direct Service Claiming

FAMIS - Virginia's Children's Health Insurance Program

FERPA - The Family Educational Rights and Privacy Act

HIPAA - Health Insurance Portability and Accountability Act

IDEA - Individuals with Disabilities Education Act

IEP - Individualized Education Program

LEA - Local Education Agency

VAMMIS - Virginia's Medicaid Management Information System

Provider Portal - Online website for LEAs to conduct business with DMAS

Reimbursable Service - A covered service that has been provided and that meets the requirements for reimbursement, including medical necessity

RMTS - Random Moment Time Study

UMASS - University of Massachusetts Medical School; UMass administers the School-Based Medicaid Program on behalf of DMAS

VDOE - Virginia Department of Education