



**STATE OF HAWAII**  
DEPARTMENT OF EDUCATION  
P.O. BOX 2360  
HONOLULU, HAWAII 96804

OFFICE OF THE SUPERINTENDENT

November 15, 2018

TO: The Honorable Kenneth Uemura  
Chairperson, Finance and Infrastructure Committee

FROM: Dr. Christina M. Kishimoto  
Superintendent

A blue ink signature of Dr. Christina M. Kishimoto.

SUBJECT: **Update on Expansion of Medicaid Reimbursement System and Funding**

1. DESCRIPTION

At the September 20, 2018 Finance and Infrastructure Committee (FIC) meeting, the Honorable Brian De Lima, Vice Chairperson, requested an update on the Hawaii State Department of Education Medicaid reimbursements.

2. UPDATE

The Office of Student Support Services will present an update on the status of the expansion of the Medicaid reimbursement system and funding.

CMK:ha  
Attachment

c: Office of Student Support Services

# Update on Expansion of Medicaid Reimbursement System and Funding

HAWAII STATE BOARD OF EDUCATION  
FINANCE AND INFRASTRUCTURE COMMITTEE

November 15, 2018

Heidi Armstrong, Assistant Superintendent  
Office of Student Support Services



# For services to be eligible for school-based Medicaid reimbursement, four (4) criteria must be met:

1. The service must be documented in the Individualized Education Program;
2. The student must be Medicaid eligible;
3. A Parental Consent Form is on file; and
4. The Medicaid reimbursable service must be delivered by a licensed provider.



## Also Note:

- Parental consent is only required ONE-TIME; and
- The Hawaii State Department of Education (HIDOE) is legally required to provide notice annually to parent(s)/legal guardian(s) as outlined in the brochure entitled *“Hawaii State Department of Education’s School-Based Medicaid Claiming Program Overview and Annual Notification Form.”*



# Updates:

August 2018: Essential documents were revised/reviewed/approved. These included:

- Superintendent's Letter to Parent(s)/Guardian(s), dated August 7, 2018;
- Hawaii State Department of Education's School-Based Medicaid Claiming Program Overview and Annual Notification Form;
- School-Based Medicaid Claiming Authorization Form (Parental Consent Form – Updated July 2018); and
- Parent Frequently Asked Questions Sheet.



## Updates (continued):

- August 2018: Met with all District Educational Specialists (DESS) to:
  - Present the process of meeting with parent(s)/legal guardian(s) of all Special Education students;
  - Explain the Medicaid Claiming Program; and
  - Distribute all necessary forms.
- August 2018: A list of approximately 2,000 students was sent to all DESSs.



## Updates (continued):

October 2018: The entire field was given the “green light” to fully implement the parental consent process.

### October 2018:

- A delegation of 17 people from Hawaii attended the National Alliance for Medicaid in Education Conference (NAME) in Baltimore, Maryland;
- Representatives were from the HIDOE, Department of Human Services (DHS) Med-QUEST Division, Department of the Attorney General, Legislature, and He‘e (a non-profit organization); and
- Purpose of collective attendance was to learn how to maximize Medicaid reimbursement to the HIDOE.



# Historical Medicaid Reimbursement Data:

## Year Over Year Reimbursement, by Current Service Categories

Net Revenue by Service Type FY 2007-2017							
Fiscal Year (FY)	Behavioral Health Services	Occupational Therapy	Physical Therapy	Speech-Language Therapy	Fiscal Year Totals	Federal Reimbursement Percentage	Net Federal Reimbursement
2007	\$ 242	\$ 5,047	\$ 3,205	\$6,041	\$ 14,535	57.55%	\$8,365
2008	\$ 5,342	\$202,887	\$120,579	\$239,760	\$ 568,568	56.50%	\$321,241
2009	\$11,419	\$180,043	\$108,897	\$264,350	\$ 564,709	67.35%	\$311,211
2010	\$35,060	\$346,716	\$212,127	\$529,954	\$1,123,857	67.35%	\$609,580
2011	\$46,754	\$404,179	\$208,092	\$625,012	\$1,284,036	51.79%	\$665,002
2012	\$60,179	\$323,387	\$179,358	\$629,069	\$1,191,994	50.48%	\$601,719
2013*	\$68,113	\$328,381	\$154,031	\$677,016	\$1,227,540	51.86%	\$636,602
2014	\$44,296	\$274,837	\$135,484	\$582,009	\$1,036,627	51.85%	\$537,491
2015	\$91,132	\$166,035	\$ 90,582	\$698,332	\$1,046,081	52.23%	\$546,368
2016	\$34,400	\$152,900	\$ 83,081	\$569,437	\$ 839,818	53.98%	\$453,334
2017	\$36,989	\$ 86,592	\$ 51,670	\$415,209	\$ 590,460	54.93%	\$324,340

\* 2013 was the last year of passive parental consents (no response=consent), 2014 and beyond requires written parental consent.

\* On February 14, 2013, the United States Department of Education published in the Federal Register IDEA Part B final regulations that change the requirements in 34 CFR 300.154(d) related to parental consent to access public benefits or insurance (e.g., Medicaid). Previously, public agencies were required to obtain parental consent each time access to public benefits or insurance was sought. These final regulations, which took effect on March 18, 2013, makes it easier for the Department to access public benefits while still protecting family rights.





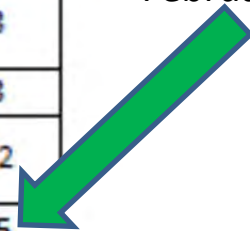
# Current Medicaid Reimbursement Data:

<b>Transmitted</b>	<b>July 2017</b>	<b>August 2017</b>	<b>September 2017</b>	<b>October 2017</b>	<b>November 2017</b>	<b>December 2017</b>	<b>January 2018</b>	<b>February 2018</b>
Number of visits	406	12809	2999	5748	3060	8341	2718	2807
Number of unique students	107	419	718	879	802	944	778	736
\$ Transmitted	\$8,520.57	\$232,837.89	\$54,694.73	\$107,167.81	\$57,348.82	\$140,275.30	\$50,178.49	\$51,843.63
<b>Remits</b>								
Number of visits adjudicated *	406	0	4,445	5,630	346	4683	6494	2826
Number of unique students	107	0	736	871	35	830	931	749
\$ Paid	<b>\$8,251.05</b>	<b>\$0.00</b>	<b>\$79,467.51</b>	<b>\$82,774.94</b>	<b>\$2,961.34</b>	<b>\$76,558.63</b>	<b>\$63,886.86</b>	<b>\$49,903.69</b>
\$ Paid / # of visits adjudicated	\$ 20.32	\$0.00**	\$17.88	\$14.70	\$8.56	\$16.35	\$9.84	\$17.66

\*\*the entire 8/17/2017 file never made it 'in the door' to be processed by Med-QUEST (that's why there's a \$0 amount in Aug above)

<b>Procedure Code Type</b>	<b>Adjudicated Visit Amount</b>	<b>Federal Reimbursement Percentage</b>	<b>Net Federal Reimbursement</b>
Behavioral Health	\$15,515.87	54.93%	\$8,522.87
Occupational Therapy	\$51,400.38	54.93%	\$28,234.23
Physical Therapy	\$27,646.70	54.93%	\$15,186.33
Speech-Language Therapy	\$269,241.07	54.93%	\$147,894.12
	<b>\$363,804.02</b>	<b>54.93%</b>	<b>\$199,837.55</b>

This amount  
**(\$199,837.55)** was  
 reimbursed to the DOE  
 between July 2017 and  
 February 2018:



## Next steps:

1. Work internally to create a document to provide updated parental consents to UMass.
2. Turn on “green light” to process Medicaid reimbursement claims once “approved” parental consents have been identified by UMass.
3. Continue to send parental consent forms to UMass on a bi-monthly basis.
4. Update student records with Medicaid identification numbers for the purpose of billing only.



## Next steps:

5. Work with DHS Med-QUEST to obtain National Provider Identifier numbers for covered health care providers.
6. Work with DHS Med-QUEST to update the State Plan.
7. Work with the DESs (and the field) to ensure that all parent(s)/legal guardian(s) of Special Education students have an opportunity to be given an overview of the Medicaid Claiming Program, including receiving all pertinent forms and obtaining a signed parental consent.
8. Restart the process of billing Medicaid for reimbursable services by the end of this year (2018).

