CMS Issues Guidance for Ohio Medicaid School Programs

- The Medicaid School Program (MSP) allows school entities to be reimbursed for Medicaid covered services they provide to Medicaid eligible children ages 3 to 21 years. Children receive these services through an Individualized Education Program (IEP). MSP allows Medicaid reimbursement of costs for specific direct service and administrative activities.

- The federal Centers for Medicare and Medicaid Services (CMS) recently clarified in a letter to the Ohio Department of Medicaid that an existing IEP team that does not have a licensed practitioner on the team cannot be a substitute for an ordering practitioner for certain services provided in a school environment, including physical therapy, occupational therapy, speech therapy, and audiology services. This means the IEP team must obtain an order or referral for therapy services from a physician, advanced practice registered nurse, physician assistant, or other practitioner (see 42 CFR 440.110) for Medicaid enrolled children to obtain Medicaid covered services in a school.

- Beginning with the 2016-2017 school year, MSP provider claims submitted to the Ohio Department of Medicaid for Medicaid-covered therapy services must contain the name and National Provider Identifier (NPI) of the practitioner who ordered the service. Additionally, the provider that ordered or referred the service must be enrolled as either a Medicaid billing provider or as an ordering, referring, and prescribing (ORP) provider (more information on ORP).

- The State of Ohio and its MSP providers must come into compliance with the federal requirements by August 1, 2016. Failure to comply will result in the federal government halting payment for services provided under the Medicaid School Program.