

## SCHOOL-BASED SERVICES

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Medicaid is a jointly funded federal-state health coverage program for individuals with low income and/or disabilities. Medicaid provides support for health care services delivered in schools and helps schools reduce health care-related costs.

Schools may bill North Dakota Medicaid for health-related services provided to students with Individualized Education Plans (IEPs) and students without IEPs. There are differences between billing for services provided under IEPs and those provided outside of IEPs. This policy explains those differences.

### DEFINITIONS

*School* - for purposes of this policy, means a public school district or special education unit.

*Third party liability* – Means there is a third party who is responsible for the health care expenses. This could be private health care coverage or a parent who is court-ordered to pay a child's medical expenses.

### SCHOOL MEDICAID REQUIREMENTS (IEP & NON-IEP)

- Students must be Medicaid-eligible on the date of service.
- Providers must be:
  - Enrolled with ND Medicaid on the date of service;
  - Employed by or contracted through the school; and
  - Qualified/licensed to provide services within the scope of their practice.
- Services must be:
  - Covered under the North Dakota Medicaid Plan (see [Medicaid provider manuals](#) for covered services);
  - Medically necessary;
  - Provided directly to the student;
  - Medical, not educational or instructional; and
  - Billed under separate National Provider Identifiers (NPI) for IEP, non-IEP, and 1915(i) services.

The Department of Health and Human Services (NDHHS), Medical Services Division (aka ND Medicaid), is responsible for paying the health service costs of Medicaid-eligible students in the student's IEP per the Individuals with Disabilities Education Act (IDEA). ND Medicaid will pay schools for services based on submitted claims. Payment is based on North Dakota Medicaid fee schedules.

### Verification of Member Eligibility

Providers must verify a student's Medicaid eligibility status before supplying services to the member.

This can be done in one of three ways:

- Log into ND Health Enterprise MMIS <https://mmis.nd.gov/portals/wps/portal/EnterpriseHome>. Click on the Member tab then select Check Eligibility.
- Use the Automated Voice Response System (AVRS), see «[Provider Information policy](#) for more information»
- Call the Provider Relations Call Center at (701) 328-7098 or (877) 328-7098

## INDIVIDUALIZED EDUCATION PROGRAM MEDICAID SERVICES BILLED BY SCHOOLS

### IEP REQUIREMENTS

Services must be:

- Authorized or prescribed and outlined in the student's IEP;
- Updated on the student's IEP as services start or stop;
- Billed by a public school or special education unit; and
- Medically necessary, meaning
  - Medical or remedial services or supplies required for treatment of illness, injury, diseased condition, or impairment;
  - Consistent with the recipient's diagnosis or symptoms;
  - Appropriate according to generally accepted standards of medical practice;
  - Not provided only as a convenience to the recipient (student) or provider;
  - Not investigational, experimental, or unproven; clinically appropriate in terms of scope, duration, intensity, and site; and
  - Provided at the most appropriate level of service that is safe and effective.

See [N.D. Admin. Code § 75-02-02-03.2\(10\)](#) «for Medically necessary definition.»

Other service requirements

- Nursing services require a written order documenting medical necessity;
- Other health-related services must be authorized by a licensed practitioner of the healing arts operating within their scope of practice;
- ND Medicaid will not directly pay private schools for IEP-related services.»

### COVERED IEP SERVICES

- Therapies
  - [Physical therapy](#)
  - [Occupational therapy](#) and

- [Speech-language pathology](#)
- Audiology;
- Behavioral Health Services including behavioral health rehabilitative services. The student must meet the eligibility requirements for behavioral health rehabilitative services and all other behavioral health rehabilitative services guidelines apply. See [Behavioral Health Rehabilitative Services policy](#) for more information;
- Nursing Services that support the student's needs to access free appropriate public education provided by Registered Nurses to children with complex medical needs.
  - T1000 - [Private duty / independent nursing service\(s\)](#) – licensed, up to 15 minutes.
  - Written order can be from a physician, nurse practitioner or physician assistant.
- [Transportation](#) from school to IEP services provided at an offsite location, and transportation back to school. Inclusion of the service in the student's IEP is mandatory; and
- Applied behavior analysis for students with Autism Spectrum Disorder (see Medicaid Applied Behavior Analysis policy for additional coverage and service authorization requirements at [www.hhs.nd.gov/sites/www/files/documents/DHS%20Legacy/autism-aba-service-policy-and-procedures.pdf](http://www.hhs.nd.gov/sites/www/files/documents/DHS%20Legacy/autism-aba-service-policy-and-procedures.pdf)). NOTE: Service authorization must be received and approved prior to services being rendered.
- North Dakota Medicaid does not currently enroll school psychologists as Medicaid providers.
- «Initial Evaluations, Reevaluations, and Assessments conducted for the sole purpose of identifying the health-related needs for implementation of a student's IEP or Individualized Family Service Plan (IFSP) for continuation of that plan.
  - Assessments must be conducted by licensed and Medicaid-enrolled professionals working within their scope of practice.
  - Assessments are covered even when
    - the service is not added to an IEP or IFSP, and
    - an IEP or IFSP is not implemented.»

### **NONCOVERED IEP SERVICES**

Noncovered IEP services include:

- Services provided that are not documented in the Medicaid-eligible student's IEP.
- Services not authorized by the appropriate authorization or written order.

- Services that are not provided directly to the student such as attendance at staff meetings, IEP meetings, staff supervision, member screening, development and use of instructional text and treatment materials.
- Communications between the provider and student that are not face-to-face.
- Transportation to and from home to school.
- Population screenings such as lice checks.
- Services considered experimental or investigational.
- Services considered educational or instructional in nature.
- Medication administration.

### **THIRD-PARTY LIABILITY (TPL)**

Medicaid is the primary payer to services provided by schools to Medicaid-eligible children in an Individualized Education Program (IEP) or Individualized Family Service Plan (IFSP) under the IDEA. Public agencies (schools) with general responsibilities to ensure health and welfare are not considered liable third parties.

## **NON-IEP MEDICAID SERVICES RENDERED IN SCHOOLS**

Non-IEP services include those provided pursuant to a 504 plan (services that are not already part of an IEP), student health plan, nursing plan, physician's order, etc. Services that are otherwise covered by ND Medicaid may be rendered in a school. Services are subject to the same service authorization requirements and limits as (non-IEP) services rendered outside of the school. See Service Authorization policy for more information.

### **NON-IEP-SPECIFIC REQUIREMENTS**

- Third Party Liability (TPL) requirements apply;
- Medicaid is not the primary payer for non-IEP services (excluding 1915(i) services and supports). If the student has another source of health coverage or there is another responsible party, schools must bill the other responsible party(ies) before billing ND Medicaid; and
- Practitioners not employed by the school who render services to Medicaid-eligible students in the school must have approval from the school before rendering services.

### **NON-COVERED NON-IEP SERVICES**

- Services rendered without the appropriate service authorization;
- Services that exceed Medicaid limitations;
- Services authorized or prescribed in the Medicaid eligible student's IEP;
- Communications between the provider and Medicaid member that do not maintain actual visual contact, unless allowed as a telehealth audio-only service;
- Transportation to and from home to school;
- Services considered experimental or investigational;
- Services considered educational or instructional in nature; and
- Administration of prescriptions and over-the-counter medications.

### **THIRD PARTY LIABILITY (TPL)**

Services rendered in schools for non-IEP services (excluding 1915(i) services and supports) are subject to Medicaid Third Party Liability requirements; therefore, providers must bill all non-IEP services rendered in schools to liable third parties. Medicaid is the payer of last resort.

Please see the Third Party [Liability policy](#) for more information.

### **1915(I) SERVICES AND SUPPORTS**

The 1915(i) program allows Medicaid to pay for home and community-based services to support members with behavioral health conditions including mental illness, substance use disorders, and/or brain injury.

1915(i) services and supports cannot be written into an IEP. They are considered non-IEP services. Medicaid is a primary payer for these services so third-party liability requirements do not apply.

Students can receive 1915(i) services separately from an IEP. Please see the [1915\(i\) Medicaid State Plan Amendment Home and Community-Based Behavioral Health Services policy](#) for more information.

## **DOCUMENTATION REQUIREMENTS**

What Does Documentation Include? (see p.95 CMS Publication: [Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming](#)).

Documentation includes:

- Student's Plan of Care (IEP, 504 Plan, other)
- Prior authorizations
- Student's medical record
- Prescriptions/referrals for IEP services
- Documentation of the service performed on the date of service, including clinic notes signed and dated by the provider Support for the time spent rendering a service for all time-based codes.
  - i.e. Start and stop time or total time spent with the member providing a service.
- Documentation regarding where the service was provided and who provided the service
- School attendance records for the date of service on the claim
- Transportation logs
- Payroll records associated with school personnel providing services
- Copies of contracts with medical providers
- National Provider Identification (NPI)
- «Health-related components of an IEP or IFSP assessment»

## **IEP DOCUMENTATION REQUIREMENTS**

- IEPs must include anticipated frequency, location, and duration of services and modifications. See 34 C.F.R. § 300.320(a)(7)
- Providers must know their responsibilities for implementation of the student's IEP and specific accommodations, modifications, and supports that must be provided for the student according to the IEP. See 34 C.F.R. § 300.323(d)(2)

## **CONCURRENT IEP AND NON-IEP SERVICES**

Medicaid will pay all eligible providers delivering medically necessary services to Medicaid recipients. A school district or special education unit may bill Medicaid for IEP-

related health services provided to a recipient who also receives non-IEP related rehabilitative services from a non-school district provider type, such as a rehab agency or outpatient hospital. IEP-related services and non-IEP related services provided on the same day may be billed «so long as they are not duplicative, meaning that both services are the same in scope and nature». Documentation by each provider must reflect medical necessity for concurrent care by both providers.

**TELEHEALTH**

Health Services billed by schools can be delivered via telehealth; however, no originating site fee is allowed. See Telehealth policy for additional information.

**BILLING GUIDELINES**

Services rendered in a school must be billed with place of service (POS) 03 (school); unless the provider agency or practitioner leases space in the school, in which case POS 11 (office) must be billed.

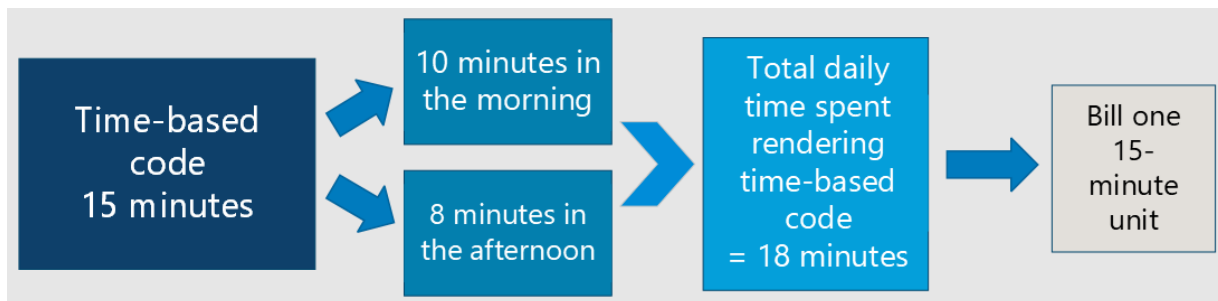
To ensure correct accounting of funding for services, if a school employs practitioners who render **both** IEP services and non-IEP services, the school must obtain a separate two separate National Provider Identifiers (NPIs) and two separate enrollment records for billing and reimbursement.

- one for IEP services
- one for non-IEP services

Schools enrolling as non-IEP providers should add “non-IEP” to the end of their non-IEP provider enrollment names

– e.g. Provider Name: Rancher Public School non-IEP. It is the school’s responsibility to bill non-IEP services using the NPI obtained for billing non-IEP services.

When billing for one code that is billed in units (i.e. 15 minutes) throughout a day, report the total amount of units on one claim line.



## REFERENCES

[2014 State Medicaid Director Letter](#)  
[Timely Claims Filing Policy](#)  
[Third Party Liability Policy](#)  
[Provider Enrollment](#)  
[Provider Information](#)  
 Health Tracks [Policy](#) and [Provider page](#)  
[Non-Emergency Medical Transportation](#)

## FAQs

- Q: What rules apply to a school's receipt of Medicaid funds for school-based services?
- A: [Section 300.154\(g\) of IDEA Part B](#) is one rule. There may be others. This section says that
- (1) Proceeds from public benefits or insurance or private insurance will not be treated as program income for purposes of 2 CFR 200.307.
  - (2) If a public agency spends reimbursements from Federal funds (e.g., Medicaid) for services under this part, those funds will not be considered "State or local" funds for purposes of maintenance of effort provisions in §§300.163 and 300.203.
- Q: How does the Medicaid Match work?
- A: The Medicaid Match only applies to IEP services. Medicaid funding is a combination of federal and state dollars. State school aid payments are reduced by the state's share of IEP service reimbursement. Schools keep the federal share of IEP service reimbursement. The match rate changes annually based on the Federal Matching Assistance Percentage (FMAP).
- There is no Medicaid Match for 1915(i) and non-IEP services. Schools keep 100% of reimbursement for those services.
- Q: How do I handle a situation where a student is supposed to get 10 minutes of therapy a day but the student is not able to get therapy on any given day/days (could be student or therapist absence or some other reason)? I make up those missed minutes on subsequent days or the next week.
- A: Make sure that your documentation reflects the total number of minutes from the IEP that the student is supposed to get the service. Clearly document why the service was missed and when it was made up in your service notes.
- Q: Will a student be able to receive both school-based IEP services and community-based Medicaid services?



A: Yes. IEP services necessary for the child to receive a free and appropriate public education (FAPE) should not limit services the student receives outside of school. Please notify ND Medicaid if you believe a student's receipt of IEP services is negatively impacting their receipt of community-based services.

Q: My school employs practitioners who practice under the supervision of another licensed practitioner, such as an occupational therapy assistant (supervised by an occupational therapist). Can services provided by a practitioner who practices under supervision be billed through their supervising provider.

A: Providers who are eligible to enroll with ND Medicaid must enroll and bill with their own NPI. This includes behavioral health providers who are eligible to enroll as a behavioral health rehabilitative services provider: Behavior Modification Specialists, Licensed Associate Professional Counselors, Licensed Master and Baccalaureate Social Workers, Mental Health Technicians, and Registered Nurses.

Other trainees and health care providers with limited licenses who practice under supervision, pursuant to the ND laws and regulations applicable to their profession, may be billed through the supervising provider's NPI so long as the supervisee is not required to enroll and bill under their own NPI.

Services provided by a trainee or health care provider with a limited license practicing under supervision must be documented in medical records. Supervising practitioners must be responsible for satisfying all applicable state law and regulatory supervision requirements, and patient care provided by a supervisee. For more information, see the Provider Information policy.

Q: How does the Medicaid consent requirement work?  
Any requirements for schools to obtain consent from parents relating to Medicaid are requirements of the Department of Education and not Medicaid/Center for Medicare and Medicaid (CMS). Schools can look to §300.154 of IDEA for requirements related to Medicaid consent. There are also requirements related to consent to disclose personally identifiable information to a State entity for Medicaid billing under either FERPA (34 CFR part 99) or IDEA (34 CFR 300.622).

Q: I have a student who is transported to receive therapy at a non-school location per the student's IEP. Is the transportation to that therapy service a separately billable service?

A: Yes. So long as the non-emergency medical transportation (NEMT) is in the student's IEP and is delivered by a qualified provider in accordance with service requirements, it is a separately billable service.

## **POLICY UPDATES**

1/12/24 – IEP and Non-IEP Service policies combined