



Minnesota Department of Education-Third Party Billing Beginners Training 2021

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- Behavioral Health legislation and workgroup:
 - Minnesota Laws 2021, First Special Session, Chapter 13, Article 5 (Special Education), Section 2, Report on Behavioral Health Services Reimbursement. Nov 1, 2021
 - Minnesota Laws 2021, First Special Session, Chapter 7, Article 17, Section 9, Continuity of Care for Students with Behavioral Health and Disability Support Needs. 490.2 Jan 15. 2022
- Children's Therapeutic Services and Supports (CTSS) mental health workgroup
- Time study proposal
- Pilot schools SBCS

MDE Updates-Continued

\$25.5 billion in Provider Relief Fund and American Rescue Plan rural federal funding available: Phase 4 and ARP Rural Provider Relief funding:

[Future Payments | Official web site of the U.S. Health Resources & Services Administration \(hrsa.gov\)](#)

MDE has provided guidance for online and blended options for distance learning for this coming year.

DHS will support how MDE defined distant learning for PCA services in the home.

For more information about how MDE defines distance learning and additional guidance see the following links:

[Safe Learning Models](#)

[Special Education recovery support links](#)

MDE Terminology and Data



Special Education Disability Categories

- Severely Multiply Impaired (SMI)
- Autism Spectrum Disorders (ASD)
- Blind-Visually Impaired (BVI)
- Deaf-Blind
- Deaf and Hard of Hearing (DHH)
- Developmental Cognitive Disabilities (DCD)
- Developmental Delay (DD)
- Emotional or Behavioral Disorders (EBD)
- Other Health Disabilities (OHD)
- Physically Impaired (PI)
- Specific Learning Disabilities (SLD)
- Speech or Language Impairments (SLP)
- Traumatic Brain Injury (TBI)

- With the current statutory language, children ages three through 21 receive services through an Individualized Education Program (IEP) that meets the requirements of IDEA Part B.
- Infants and toddlers under the age of three receive services through an Individualized Family Service Plan (IFSP) that meets the requirements of IDEA Part C.

Individuals with Disabilities Education Act (IDEA)

- [IDEA](#) is a federal law ensuring services to children with disabilities throughout the nation. IDEA governs how states and public agencies provide early intervention, special education and related services to eligible infants, toddlers, children and youth with disabilities.

Free Appropriate Public Education (FAPE):

- Special education and related services designed to meet the individual needs of students with disabilities. The services must be provided consistent with each student's individualized education program (IEP).
- Services must be provided at public expense and without charge by both charter and traditional public schools. FAPE is defined in the federal rules that govern special education. Code of Federal Regulations, title 34 , section 300.17.

Family Education Rights and Privacy Act (FERPA)

FERPA is a federal law administered by the Family Policy Compliance Office in the U.S. Department of Education. FERPA applies to all educational agencies and institutions that receive funding under any program administered by the department.

Health Information and Portability and Accountability Act of 1996 (HIPAA)

HIPAA allows covered health care providers to disclose protected health information about students to school nurses, physicians or other health care providers for the purpose of treatment.

[HIPAA and FERPA in the school](#)

Direct and Indirect Services

- When a health-related service professional is working within their scope of practice and is working face-to-face with the child, the service may be covered and reimbursed by Medical Assistance (MA). The professional may invite the parent, PCA or assistant to watch the professional while the professional provides the service.
- If the service is identified as indirect in the IEP, and a face-to-face encounter is provided by the professional, the activity log must identify need and details of the face-to-face encounter provided.
- MA does not pay for the indirect time spent by a professional who is supervising, training, demonstrating procedures or health-related tasks that are delegated by the qualified professional. This includes the time spent in discussions with teachers or support staff to recommend location or placement that will assist the child while in the classroom, other areas of the school building, or on the school bus

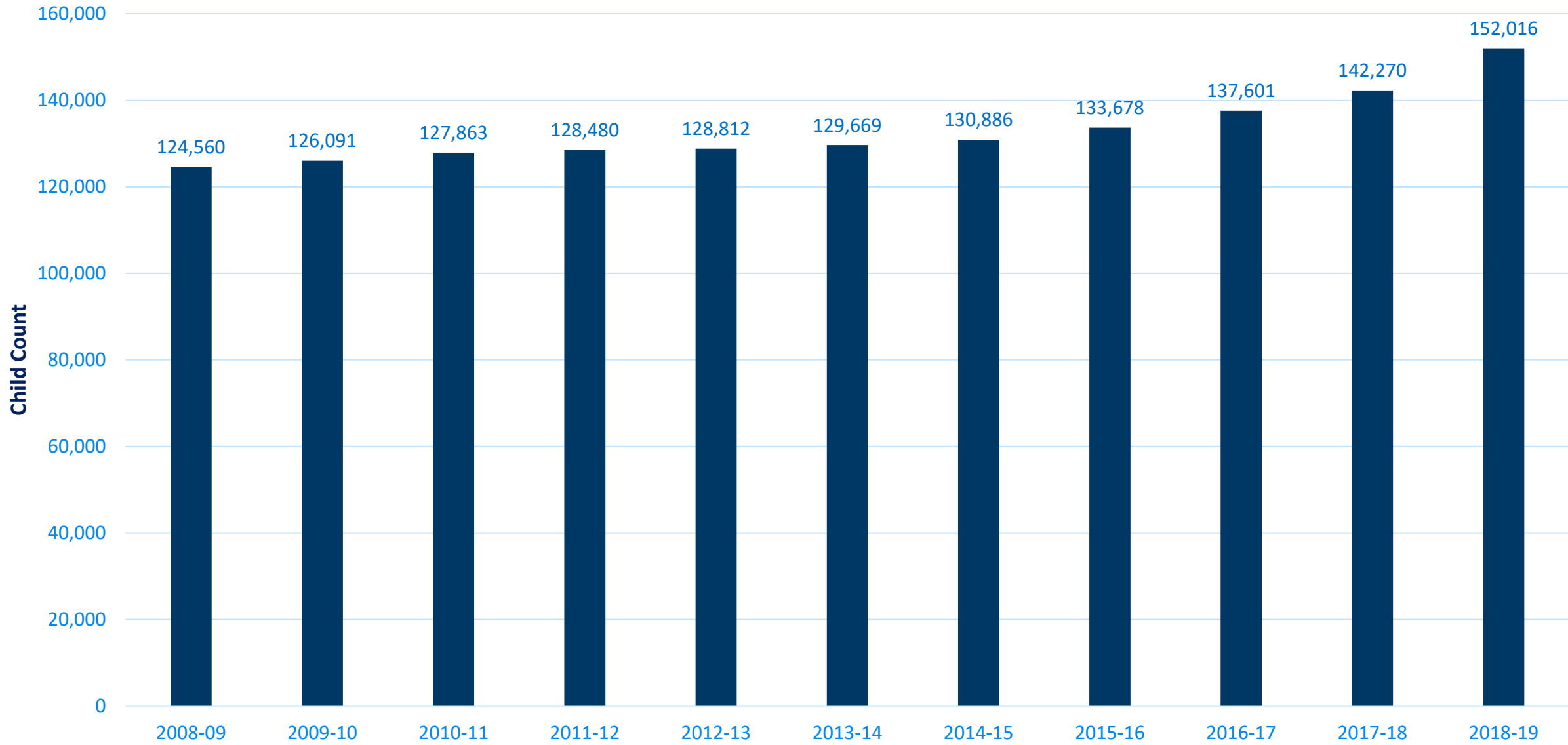
Exception: Part C birth through age 2 (IFSP) and then Part B Early Childhood Special Education and Intervention IEP, the professionals are training, modeling and coaching the child's parents vs. the child because of the child's age.

Note: Indirect cost is part of IEP Rate Calculation

Early Identification and Intervention

- Screening and Referral
 - The time spent performing a prescreening that results in moving forward with a special education evaluation may be added to the special education evaluation and assessment time.
- Child Study
- Early Intervention services
- Special Education Evaluation
- Individualized Educational Program (IEP) and Individual Family Service Plan (IFSP)

Minnesota Special Education Child Count - Ages 0-21



Third Party State Statutes and Federal Regulations

- Schools are obligated to provide specialized instruction and related services at no cost to families, but not prohibited from charging others (P.L. 94-142 / 1975)
- May use whatever state, local, federal and private sources are available (34 CFR §300.103(a))
- Financial responsibility of State Medicaid Agency precedes that of local education agency (34 CFR §300.154(a)(1))
- Beginning July 1, 2000, districts shall seek reimbursement from third parties (Minn. Stat. §125A.21, subd.2)
- If a public agency other than an educational agency fails to provide or pay for special education and related services, the LEA must provide or pay for these services to the child in a timely manner.

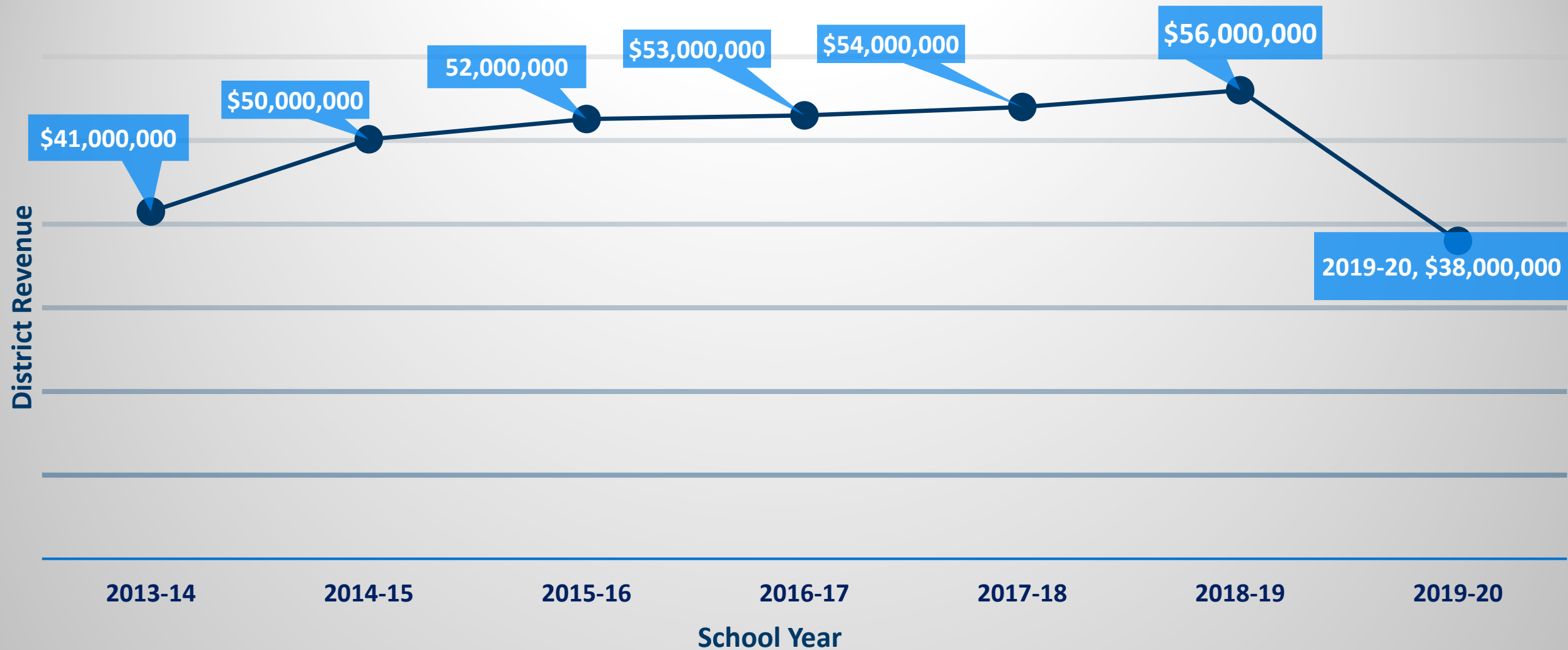
Student Data 2018-2019 School Year

MHCP student data:

- 529,935 children ages 0-19 were enrolled in MHCP
- 41,561 children enrolled in MHCP in fiscal year 16 received IEP services
- 56,000,000 MA revenue
- 47% of children with special health care needs are covered by Medicaid in MN

[Medicaid Fact Sheet](#)

MHCP Reimbursement for All MHCP-Enrolled Schools



Third Party Billing Funding Codes



Third Party Funding and Data

Must have time and effort reporting if different funding sources used.

Eligible expenditures must not be made from federal funds or funds used to match other federal funds.

Employees and contracted service providers cannot be paid with the following funds and then bill MA for IEP or IFSP services:

- Federal special education funds (Finance 419, 420 or 422)
- IEP MA Funds (Finance 372) or
- LCTS (Finance 799)

Third Party Funding and Data (Cont.)

- Special Education Data Reporting Application (SEDRA) Coding Examples
- Uniform Financial Accounting and Reporting System (UFARS) Coding Examples
- Minnesota Automated Reporting Student System (MARSS) (ED-FI)
- District student reporting systems

The [Special Education Funding and Data Reference Guide](#) will serve as an important resource for identifying fiscal and compliance criteria for most of the special education funds disbursed to local educational agencies (LEAs) through the Minnesota Department of Education (MDE).

Third Party Funding Codes

SEDRA Funding Source Codes

- SEDRA Funding Source code i: Third-Party Expenditures Extended School Year.
- SEDRA Funding Source code j: Third-Party Expenditures Regular School Year.
- SEDRA Funding Source Code m: Medical Assistance Unreimbursable Nonfederal Expenditures.

UFARS Funding Codes

- UFARS Program codes 401 – 420 (disability code)
- UFARS Finance Code 372: Report expenditures using third party revenue with this code

**SPECIAL EDUCATION:
THIRD PARTY REIMBURSEMENT (TPR)**
How to Use TPR Funds

School districts may use TPR revenue as follows:

OPTIONS	Notes
1) Administrative costs of Third Party Reimbursement:	x
<ul style="list-style-type: none"> - Paying contractor for billing services. The fee cannot be based on MA revenue received by the school. - Support staff to review documentation required for billing procedures - Staff time for invoicing - Necessary supplies and equipment needed to conduct the business of billing and documentation of billing - Fee charged by DHS to process invoices (2-4% of total revenue) 	<p>Do not report in SEDRA</p> <p>Use UFARS Finance Dimension 372, program 400.</p>
2) Training and technical assistance to improve services that may be billed to MA:	x
<ul style="list-style-type: none"> - Upgrading technology/equipment/software necessary for interacting with the DHS billing system - Professional development to increase the capacity of the district/staff to invoice DHS for IEP- MA services - Staff certification for those staff eligible to be invoicing DHS, ex. speech/language therapist to obtain 3C certification - Staff participation and training of the procedures and requirements for eligible expenditures to be invoicing DHS 	<p>Do not report in SEDRA.</p> <p>Use UFARS Finance Dimension 372, program 400.</p>
3) Benefits to Students:	
<p>EXPENDITURES that would NOT be eligible for state or federal special education aid:</p> <ul style="list-style-type: none"> - Construction/remodeling costs - Furnishing new special education spaces (level 4 program space) with desks, fixtures and other non-instructional capital equipment and supplies. - Paying for the unreimbursed costs of placing students in other schools programs. <u>i.e.</u> the invoice from a serving school that is billing their unreimbursed ACTE-<u>SpEd</u> or similar costs. These are program costs where the unreimbursed cost is NOT billed through the Tuition Billing process. 	<p>Do not report in SEDRA.</p> <p>Use UFARS Finance Dimension 372, program 400.</p>
<p>EXPENDITURES typically eligible for <u>STATE</u> Special Education Aid (Fund Source Code A), providing direct services to children with disabilities:</p> <ul style="list-style-type: none"> - Payroll personnel (salaries only) - Contracted personnel/agency services for students - Repair and maintenance - Individual Instructional supplies and testing materials - Equipment for direct instruction - Purchase of services (Salaried personnel from other districts) <p>See code sheet called Medical Assistance SEDRA State Expenditures Code Sheet for all eligible costs.</p>	<p>Enter in SERDA as Funding Source Code (small case) "i" or "j":</p> <p>TPR funds used in this way are included in the state aid on the comprehensive aid report. The unreimbursed cost is NOT tuition billed back to the resident district.</p> <p>Use UFARS Finance Dimension 372, program 401-420</p>
<p>EXPENDITURES typically eligible for <u>FEDERAL</u> Special Education Aid (Fund Source Code B):</p> <ul style="list-style-type: none"> - Fringe benefits - Personnel development related to Special Education - Staff travel - Office supplies, materials and printing - Dissemination examples: Postage, recruitment, advertising, media resources - Rent or lease/insurance - Electronic communication services - Equipment for office/supervision/management <p>See code sheet called Medical Assistance Un-reimbursable Federal Expenditures Code Sheet for all eligible costs.</p>	<p>Enter in SERDA as Funding Source Code (small case) "m"</p> <p>TPR funds used in this way are included in the state aid on the comprehensive aid report. The unreimbursed cost is NOT tuition billed back to the resident district.</p> <p>Use UFARS Finance Dimension 372, program 401-420</p>

This lists the four categories for which third party revenue may be used: billing costs, training and technical assistance to meet the criteria for billing, and, to address the needs of special education students.

Notes on the correct finance and student reporting codes are also listed. MDE Special Education, TPR MDE School Finance, Special Education 8-2018



Questions ?

Can you tell
me...

What If...



Parental Consent

Parental consent must be obtained to share information with the Minnesota Department of Human Services (DHS), the agency that administers Medicaid, for billing purposes and before disclosing your child's personally identifiable information.

Informed (part B and part C) consent is only required one time.

Informed consent means:

- The parent has been fully informed of all information relevant to the activity for which consent is sought, in his or her native language, or other mode of communication.
34 CFR §300.9(a)
- The parent understands and agrees in writing to the carrying out of the activity for which his or her consent is sought, and the consent describes that activity and lists the records (if any) that will be released and to whom.
34 CFR §300.9(b)
- The parent understands that the granting of consent is voluntary on the part of the parent and may be revoked at anytime.
- If the parent revokes consent, that revocation is not retroactive.
34 CFR §300.9(c)

For part B school districts may obtain parent consent in two ways:

- 1) with school district consent forms (for example, the MDE recommended form); or
- 2) the Minnesota Health Care Programs (MHCP) enrollment application.

Federal regulations require school districts to provide specific information to parents **before** obtaining their consent to bill Medical Assistance.

Informed Consent – Part C

Federal regulations require school districts to provide specific information to parents ***before*** obtaining their consent to share information with Medical Assistance and submitting bills, and annually thereafter in the district's ***Procedural Safeguard*** documents and the [Written Annual Notice Related to Third Party Billing for IFSP Health-Related Services](#) for part C students.

Note: You cannot use the MHCP application as informed consent for part C.

Obtaining Consent

Part B school districts may obtain informed parent consent in two ways:

1. With school district consent forms (e.g. the MDE recommended form)

OR

2. The Minnesota Health Care Programs (MHCP) application.

*The two options for obtaining consent impose different timelines for billing. With school district consent making immediate billing possible and the MHCP application option requiring a waiting period up to one year during which parents at some point have re-enrolled in MA and have provided their consent at that time.

Part C school districts must obtain informed parent consent:

1. With a signed consent form

and

2. Receive a ***Written Annual Notice Related to Third Party Billing for IFSP Health-Related Services.***

*MCHP application can not be used as a signed informed consent under Part C.

Obtaining Consent through the MHCP Enrollment Application

Consent for Sharing of Medical Information is in the application for Minnesota Health Care Program coverage. Members give their written consent to the following agencies and people to share medical information about members only for the limited purposes of billing and as indicated in the next slide.

[MHCP Application](#)

MHCP Application - Consent to Share

By completing the MHCP application, members give their consent to share their health information with the following:

- Health providers, including health plans
- Insurance agencies
- MA or MinnesotaCare
- County advocates
- School districts
- Your county or state case workers, and their contractors and subcontractors

The Purpose of the MHCP Application

- We ask members to complete an MHCP enrollment application to:
 - determine who should pay for members' health care.
 - provide, manage and coordinate health care services.
- All other agencies or people listed on this Notice of Privacy Practices and Notice of Rights and Responsibilities, for this purpose:
 - To administer Minnesota Health Care Programs and pay for services.
 - To conduct research and investigations.



Billing Limitations

Limitations of Billing – Effect on Other Benefits

For children with disabilities covered by public benefits or private insurance

May not use a child's benefits under a public benefits or insurance program if that use would:

- Decrease available lifetime coverage or any other insured benefit
- Result in the family paying for services that would otherwise be covered by the public benefits or insurance program and that are required for the child outside of the time the child is in school
- Increase premiums or lead to the discontinuation of benefits or insurance
- [Risk](#) loss of eligibility for home and community-based waivers, based on aggregate health-related expenditures

Limitations of Billing – Parent Information

Schools may not:

- Require parents to enroll in public benefits or insurance programs in order for their child to receive Free Appropriate Public Education (FAPE).
- Require parents to pay out-of-pocket expenses, such as a deductible or co-pay. But may pay the cost that the parents otherwise would be required to pay.

CFR §300.154(d)(2)

[MHCP Individualized Education Program \(IEP\) Services or Individualized Family Service Plan \(IFSP\) \(DHS -3456\)](#)



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Private Insurance

Reimbursement from Private Insurers

- 1) Student has IEP with health-related services
- 2) Family has health insurance from **both**
private insurer **and** Medical Assistance

First, review the MDE SharePoint site. (MDE makes the request on behalf of local school districts and charter schools) to determine if private insurance pays for IEP health related services.

If you need access to SharePoint contact Julie Neururer (MDE)
julie.neururer@state.mn.us

Second, you may contact the MDE-contracted representative to pursue the denial. If you cannot determine, refer to the DHS IEP provider manual section for billing requirements.

Minnesota Statute, section 125A.21

34 CFR §300.154 (The Individuals with Disabilities Education Act)

MDE contracted representative contact information:


mde.insurance.denial@tritekgroup.com

Reminder: Private insurance does not pay for PCA or Special Transportation services, no denial is needed.

MDE SharePoint Site

Here's the site that Neururer, Julie (MDE) shared with you.

Go to [Third Party Reimbursement](#)

 Get the **SharePoint** mobile app!



Shared Documents



Special Education

Search this site



Announcements

Documents

Shared Documents

TPR SPRING FORUM -
April 22, 2015
MATERIALS

ICD-10-CM Resources

TPR SPRING FORUM -
April 20, 2016
MATERIALS

[Special Education](#) > Third Party Reimbursement

Information and updates on seeking payments from third parties for costs of IEP health related services.

Announcements

[Private insurance](#)

2/5/2020 7:13 AM

by  [Neururer, Julie \(MDE\)](#)

Private insurance denials should be updated shortly...I'm very sorry for the delay.
Julie

[PRIVATE INSURANCE DENIALS](#)

2/3/2020 10:01 AM

by  [Neururer, Julie \(MDE\)](#)






https://mn365.sharepoint.com/sites/MDE/SpecialEd/3rdparty/_layouts/listform.aspx?PageType=4&ListId={2E321AB4...

Third Party Reimbursement

 Share  Next steps


Search + New ↑ Upload ✎ Quick edit ↻ Sync ... ≡ All Documents ⌵ ⌵ ⓘ ↗


Shared Documents


	 Name ⌵	Modified ⌵	Modified By ⌵	Reports by Year ⌵	+ Add co
	PCA Panel Forum 20	April 5, 2019	wanda.lane@isd181.org		
	Private Insurers - Statewide Responses	November 12, 2013	Luehr, RuthEllen (MDE)		
	Third Party Reimbursement training session...	November 7, 2018	Gray, Doug (MDE)		


Third Party Reimbursement


 Share  Next steps


 Search

 New


 Upload


 Quick edit


 Share







All Documents







Shared Documents > Private Insurers - Statewide Responses

		Name	Modified	Modified By	Reports by Year	+ Add column
		2018-2019 School Year	February 4, 2019	Tri M Tran		
		2019-2020 School Year	October 2, 2019	Tri M Tran		



Denial Letters and Private Insurance Log



Third Party Reimbursement



Share



Next steps



Search



New



Upload



Quick edit



Share



All Documents



Shared Documents > Private Insurers - Statewide Responses > 2019-2020 School Year



Name

Modified

Modified By

Reports by Year

+ Add cc



Denial Letters



October 2, 2019

Tri M Tran



Private Insurance_Log.xlsx

4 days ago

ksandstrom@bentonstear

10/25/2021

MDE SharePoint Site Categories

The MDE SharePoint site includes:

- Private Insurance Denials
- MDE & DHS Updates
- Training Q&A
- School-Based Community Services (SBCS)
- Presentations
- Frequently asked PCA case studies
- Shared School District Forms and Documents



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