

## DEPARTMENT DAHO EALTH & WE

LESLIE M. CLEMENT - Administrator DIVISION OF MEDICAID Post Office Box 83720 Boise, Idaho 83720-0009 PHONE: (208) 334-5747 FAX: (208) 364-1811

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## **MEDICAID INFORMATION RELEASE MA10-23**

To:

School-Based Service Providers

From:

Leslie M. Clement, Administrator

Division of Medicaid

Subject:

House Bill 701 Budget Reductions - School-Based Services

Effective January 1, 2011, the Department has initiated temporary rules which will reflect changes in School-Based Services and are intended to align with legislative direction to maintain a viable, but reduced Medicaid program.

These changes in services and benefits are being implemented to comply with House Bill 701, Section 14 A and B that reflects legislative priorities for cost reductions. Medicaid was instructed to first review pricing to ensure that it did not pay any services higher than Medicare and did not overpay. The Department was also instructed to work with all providers to review and reduce current pricing through negotiations. The Department had previously worked with providers to adopt a reimbursement methodology that has been approved by the Centers for Medicare and Medicaid. No additional changes were made in pricing methodology this year and separate rules will be promulgated to reflect the existing rate methodology. The Department initiated statewide stakeholder participation regarding cost reduction ideas using teleconferencing, face to face meetings, and web surveys. The temporary rule changes identified below are intended to reflect the cost reduction suggestions received through these various channels and include eliminating non-effective, non-outcome based services; reducing and simplifying administrative requirements; and making other minor benefit changes. Other longer term efforts are in various stages of development to address legislative direction regarding selective contracting, waivers, and standardized statewide assessments. The temporary rule changes are:

## Collateral contact will not be available (procedure code 90887)

Beginning with the claim date of service January 1, 2011, collateral contact will no longer be an allowed benefit in the state plan, and therefore, will no longer be reimbursed for school-based service providers, developmental disability agency providers, or mental health providers.

Functional assessments will no longer be available (procedure code H0031)

Information Release MA10-23 December 1, 2010 Page 2 of 2

Beginning with the claim date of service January 1, 2011, functional assessments will no longer be available as a Medicaid state plan benefit. This assessment code will no longer be reimbursed for school-based service providers, or mental health providers.

If you have additional questions about the changes to school-based service benefits, please contact the policy subject matter expert for school-based services at (208) 364-1877.

LMC/rs