



# Oregon

Theodore R. Kulongoski, Governor

## Department of Human Services

Finance & Policy Analysis

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TO: All SBHS Providers

FROM: Lasa Baxter, Financial Analyst SBHS  
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DATE: November 18, 2005

SUBJECT: **SBHS Medicaid Cost Calculation Process and Deadline**

Education agencies are required to use their previous fiscal year's actual audited costs when setting SBHS rates for billing, however, are not required to submit annual audit reports to the Department of Education until December 31<sup>st</sup>. Thus, DHS is transitioning SBHS **billing** from a *fiscal year to a calendar year* beginning January 2006.

Beginning January 1, 2006 the **annual deadline** for SBHS Providers to submit costs for the purpose of setting rates is **January 1**. January 31 DHS will suspend provider numbers for those providers that do not have their audited costs timely submitted. Costs submitted on January 1, 2006 must be used for billing services provided during the period of January 1 – December 31, 2006 DHS will provide an e-mail confirming timely receipt of cost calculations submitted. Providers may **not** bill using 2006 rates until a second e-mail confirmation has been received containing notice of review and acceptance of their costs by DHS. This e-mail confirmation will be sent to SBHS providers when the 2006 rate implementation is complete and the fee schedule has been set.

As part of the transition process identified above SBHS Providers must use 2004-2005 costs accepted by DHS when billing services provided during the period of July 1 – December 31, 2005.

No changes have been made to the cost calculation methodology used during 2004-2005. Current cost calculation worksheets and instructions are provided as attachments in the corresponding e-mail.

Please submit 2006 SBHS Medicaid Cost Calculations to the attention of Lasa

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Baxter at [lbaxter@ubesd.k12.or.us](mailto:lbaxter@ubesd.k12.or.us). When submitting cost calculations the subject line of your e-mail must contain a subject line of **2006 SBHS Costs**.

If you have any questions, please contact one of the following Financial Analysts:

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