School-Based Health Services – Individuals with Disabilities Education Act
Medicaid Leveraging Process for Public Education Entities

Claims Process

Health-Related Service has been performed and documented.

School Medical Provider submits a claim (or adjusts an existing paid claim) for the health-related service.

Claim submission types:

- Electronic Data Interchange (e.g. ORMED or DSCtop)
- Provider Web Portal

A claim is posted into the MMIS.

The claim processes and is assigned a unique internal control number (ICN).

Claim is "Paid" or Denied.

A weekly financial process in MMIS:

- Calculates public match funds (local/state share) required for each claim.
- Looks for local/state-share funds in the provider's local match account.
- Generates a remittance advice (RA).

MMIS Process

Local Match Process (Independent process)

*School Medical Provider submits Local Match Payment Form (OHP 3049) with local match funds.

DHS/OHA Financial Services processes payments into the account assigned to the Oregon Medicaid Provider Number

***Must be public, non-federal funds (42 CFR § 433.51).**

MMIS (Medicaid Management Information System)

Claims have already processed in MMIS.

For each "paid" claim, MMIS simultaneously:

- Calculates public match funds (local/state share) required.
- Looks for local/state-share funds in the Oregon Medicaid Provider's account.

Are public match funds available?

YES

Federal funds and public match funds are combined and paid to the School Medical Provider.

(Claim Specific Refunds From Providers)

NO

*Claimed amount is pended, awaiting local/state match funds.

(See Remittance Advice: Leverage Claims Payable - Not Paid for local/state funds due.)

*MMIS generates a Remittance Advice (RA) every week in which there is claim activity or financial activity. (RA is available in the school's MMIS Provider Web Portal account.)

Claim activity for the week is listed in sections by claim outcome (Paid; Denied).

Financial activity is listed, as follows.

- Financial Transactions section lists Claim Specific Refunds From Providers (public funds pulled from the provider account).
- Leverage Claims Payable – Not Paid section lists claims that are pended, awaiting public match funds.
- Summary section lists current and year-to-date claims and earnings data.

* Boxes with an asterisk link to a website associated with the content in the box.

Medicaid Leveraging

Medicaid leveraging is when a Medicaid provider submits claims to a state Medicaid agency (Oregon Health Authority) to collect federal medical assistance dollars for services provided. This is referred to as Federal Financial Participation (FFP). The federal dollars are a percentage of the Medicaid payment referred to as the Federal Medical Assistance Percentages (FMAP). There are two FMAP rates: Medicaid; and Children's Health Insurance Program (CHIP).

The education agency is a public entity and unit of government that is authorized to participate in FFP by providing the non-federal share of public funds for Medicaid reimbursement. The state/local share (local match) is a percentage of the total amount payable for claims submitted; it is determined by the FMAP and must be paid by the Medicaid-enrolled school medical provider before the Oregon Health Authority (OHA) will process the full payment (FMAP + local match = 100%). For school providers, the local match submitted must be public, non-federal funds (42 CFR § 433.51).

The most recent FMAP rates are posted on the Oregon Health Authority website: Oregon Medicaid Local Match Rates. FMAP changes annually in October and may also change when special allowances present themselves at the federal level, at which point the state Medicaid agency is notified and updates systems and processes accordingly.

Claims Processing

Providers submit claims for services provided. All claims enter the Medicaid Management Information System (MMIS), and the MMIS:

- Decides whether the claim is payable and assigns a status: Paid or Denied.
- Calculates the FMAP and the amount of local match required to process each paid claim; based upon Medicaid-eligible individual's benefit package, this may be either Medicaid or CHIP funding;
- Checks the provider's account balance to see if there is enough money to cover the local match. The balance is used to process claims until funds are exhausted. Claims where local match is:
    - Available process through the financial cycle, and 100% payment is sent to the provider.
    - Not available are pended in the financial cycle awaiting local match (Assigned "paid" status in MMIS but listed on a remittance advice as "Leverage Claims – Payable Not Paid").
- Pays the provider via check of electronic funds transfer (EFT).
- Generates a weekly remittance advice (RA). If the provider is not signed up for EFT, the paper check is sent with the RA. The RA lists:
    - All claims that were submitted by category: paid or denied.
    - Leverage Claims – Payable Not Paid, which lists the local match due by claim and client.
    - Financial Transactions, including a balance for the provider's leveraging account.

Local Match Funds Process

School providers may submit local match funds before (prepayment) or after (invoice) claims are submitted. Submit funds using the MMIS Local Match Leveraging Form (OHP 3049). Funds submitted by 5:00 pm on Wednesday are available for that weekend's claim processing cycle.

Prepayment	Submit anticipated funds by 5:00 pm Wednesday so funds are available for that weekend's financial cycle.
Invoice	Submit claims and wait for the RA to review the Leverage Claims – Payable Not Paid section, which calculates the local match due.