

School Based Health Services: Annual Medicaid Cost Report and Cost Settlement Training

October 17, 2024

Public Consulting Group LLC



Solutions that Matter

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Program Overview

Program Role and Responsibilities

State Medicaid Agency

- Oversees PCG in the administration of the WV Medicaid School Based Health Services Program
- Monitors PCG performance and compliance with applicable state and federal laws and regulations
- Responsible for reviewing and monitoring administrative claims submitted by Counties participating in the Medicaid program

PCG

- Implements the RMTS process
- Prepares and submits quarterly claims
- Provides a toll-free telephone hotline and email address to provide technical assistance to counties
- Coordinates annual cost report, desk review, and cost settlement through the PCG Claiming System.
- Performs other administrative functions related to the **SBHS Program** as directed by **BMS, WVDE**

Counties

- Enters into agreements with **BMS, WVDE** to become **SBHS** provider with Medicaid
- Appoints a SBHS coordinator to coordinate with PCG in fulfilling the county's responsibilities for the program
- Manages/updates county data on a quarterly basis within the PCG Claiming System
- Completes the annual Medicaid Cost Report in the PCG Claiming System

Program Overview

The school-based Medicaid program is a joint federal and state program that funds allowable medical and transportation services for eligible students

- Counties incur costs for providing services to Medicaid-enrolled students
- Medicaid reimburses a portion of district costs based on what is allowable as outlined in the Centers for Medicare & Medicaid Services (CMS) approved State Plan Amendment (SPA)



MAC & Cost Settlement Program Overview



Cost Settlement

Delivery of Direct Medical Services

- Reimbursement for performing IEP prescribed direct medical services to Medicaid-eligible students
- Direct Medical Services:
 - Physical Therapy
 - Occupational Therapy
 - Speech Language Therapy
 - Nursing Services
 - Personal Care & targeted Case Management
 - Psychological Services
 - Audiology Services



Medicaid Administrative Claiming MAC

Activities that support the delivery of medical services

- Reimbursement for Medicaid allowable administrative activities
- Examples of Medicaid allowable administrative activities:
 - Attending medical/Medicaid-related training
 - Medicaid outreach
 - Facilitating eligibility determinations
 - Care coordination

Cost Settlement Overview

What is Cost Settlement?



School Based Health Services Overview

The School Based Health Services (SBHS) program allows for a recovery of a portion of the costs associated with providing health-related services to Medicaid eligible special education students.

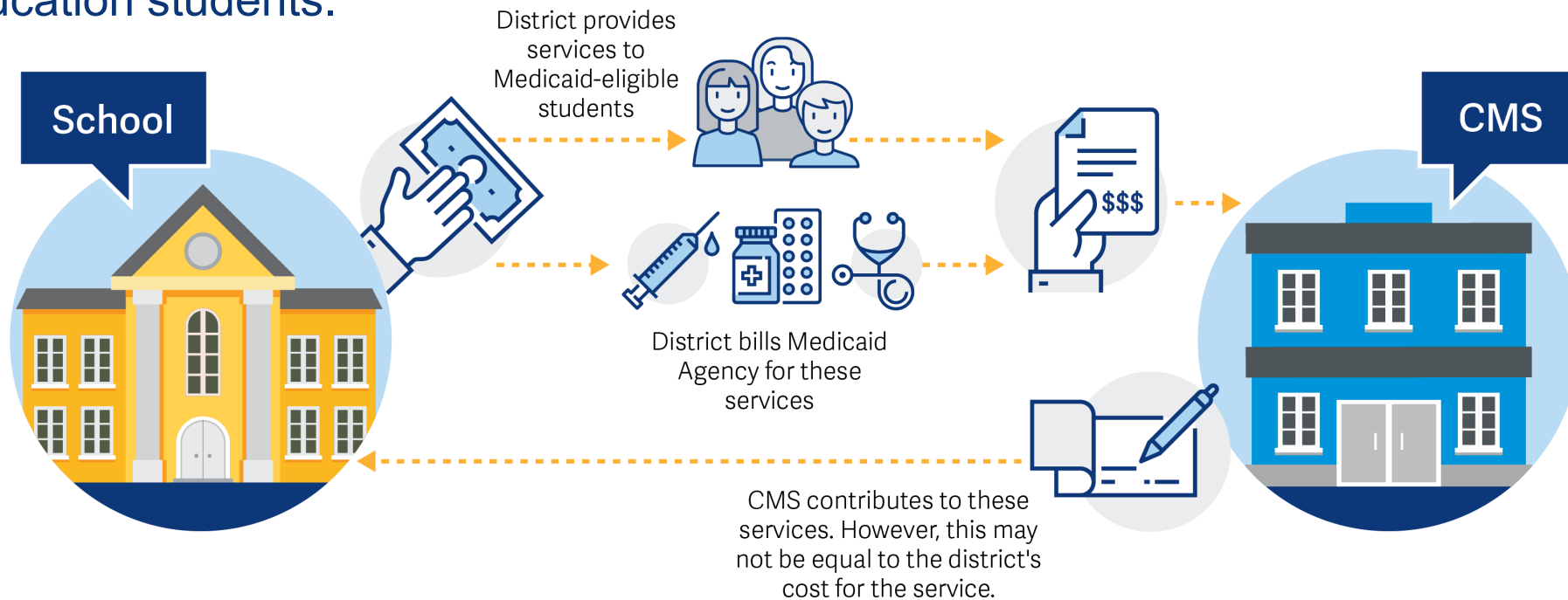
Medicaid will reimburse a portion of the costs counties incur based on what is allowable and outlined in the Centers for Medicare and Medicaid Services (CMS) approved state plan amendment.

The SBHS program reimbursement is based on the county's actual cost of providing eligible direct medical services (DS), and specialized transportation services to students who are Medicaid-eligible and have an Individualized Education Program (IEP).



Why is there a Cost Settlement Process?

Cost settlement ensures that counties are reimbursed appropriately with a cost-based reimbursement methodology to determine the actual cost of delivering SBHS related services to special education students.



Cost Settlement compares **ACTUAL COSTS** to **MEDICAID INTERIM PAYMENTS** (received through regular Fee-for-Service billing).

Cost Differences Across the State

Cost settlement helps ensure counties receive the right amount of reimbursement because county costs can vary across the state.



County A

Costs

Employs 2 Occupational Therapists for \$50,000 each
(\$100,000 total)

Utilization

Each Occupational Therapist has a case load of 1:10
(20 students total)

Cost Per Student

\$5,000

Costs

Employs 2 Occupational Therapists for \$60,000 each
(\$120,000 total)

Utilization

Each Occupational Therapist has a case load of 1:10
(20 students total)

Cost Per Student

\$6,000



County B

Cost Settlement Scenarios

The Annual Cost Report is a requirement for counties to report their **actual costs** for providing SBHS services to reconcile with the interim revenue received.

If the county's Medicaid Allowable Costs are less than the interim payments received, the county will **pay back the difference**, refunding the amount due.

Medicaid Allowable Costs	Interim Payments Received	Settlement Due
\$100,000	\$110,000	(\$10,000)
County owes back \$10,000		

If the county's Medicaid Allowable Costs exceed the interim payments received, the county will **receive a payment** for the amount due.

Medicaid Allowable Costs	Interim Payments Received	Settlement Due
\$120,000	\$110,000	\$10,000
County is owed \$10,000		



Cost Settlement Components

What are the different components of the Cost Settlement process?

Program Components



What is the Staff Pool List and RMTS?



Staff Pool List (SPL)

The SPL is the foundation of both the MAC and Annual Cost Settlement process and is certified four times per year.

The SPL indicates who at your county provides services on behalf of the MAC/SBHS program. ALL employees who perform Medicaid eligible services should be included in the appropriate cost pool, UNLESS:

- 100% Federally Funded
- Direct Service Contracted Employee

July – September SPL is not an active quarter to receive moments. Only direct replacements can be made. No new positions can be added or deleted.



Random Moment Time Studies (RMTS)

The RMTS process is a federally approved technique of producing a statistically valid sampling of randomly selected moments (one moment = one minute) that are assigned to randomly selected participants.

Each county's SPL or "list" of staff employees is eligible to RMTS moments and respond to the survey.

This study determines the portion of time individuals spend doing reimbursable activities.

Upcoming changes to the RMTS?



Random Moment Time Studies (RMTS)

Potential reduction of total working moments required per cost pool, per quarter

Transition from 'Quarter' approach to full school year

Change from three (3) quarters of moments (Oct-Dec, Jan-Mar, and Apr-Jun) to all school days.

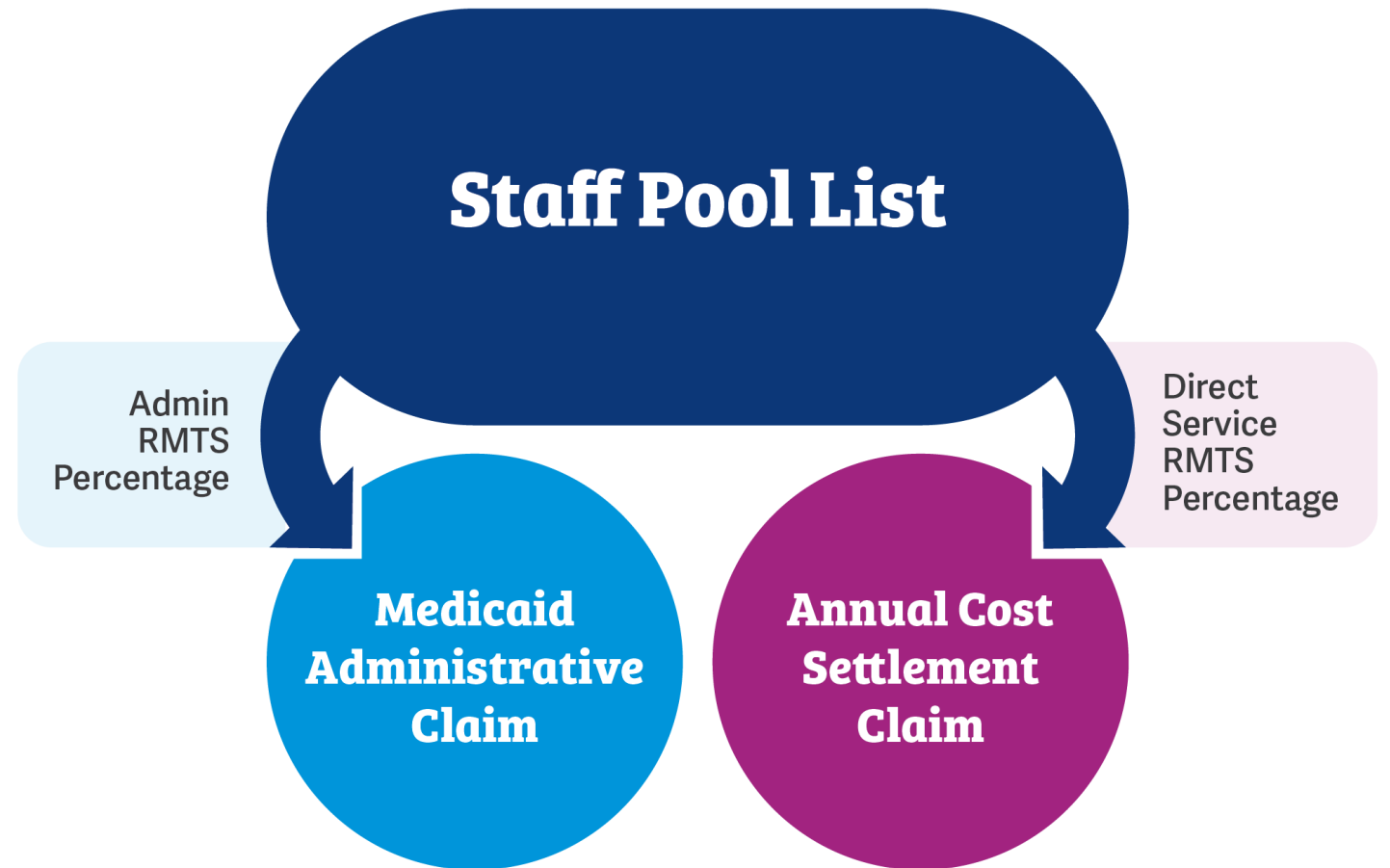
First day of school – last day of school will be moment eligible

Specific direction will be provided to counties once the State Plan Amendment is Approved

Why is it important?

The SPL is the foundation of the Cost Settlement and MAC programs because it determines:

- Who will be part of the RMTS - a major part of the MAC and cost settlement calculations
- Who you can report costs for on quarterly financials
- Who you can report costs for during annual cost reporting



RMTS Best Practices

- ❑ Each moment has value. Moment percentages directly tie into the total reimbursement to each county, which could provide for extra staff positions, needed supplies, or new programs in the district.

- ❑ If the statewide compliance (response) rate for a quarter does not reach at least 85%, the Bureau for Medical Services (BMS) will send out a non-compliance warning letter to each county that didn't achieve 85% compliance. Please remember to monitor your compliance percentage for each of your cost pools.
 - Counties that are issued a warning letter will need to submit a corrective action plan to DHHR/BMS within 30 days of receiving the letter. If the county has a non-response rate greater than 15% for two consecutive time study periods, the state may implement consequential action such as fiscal penalties to the district.

- ❑ Each staff pool must answer at least 2,401 valid working moments.



Quarterly Reports and Annual Financials

Cash versus Accrual Accounting Methodology

Costs are reported on the **annual cost report** utilizing **accrual accounting** methodology

- Based on date(s) of service
- Costs are reported for services provided from July 1 – June 30
- Documentation required must reflect the dates worked or purchase date, not pay date

Costs are reported on the **MAC quarterly cost report** utilizing **cash-based accounting** methodology

- Based on the date services are paid
- Example: Invoices paid between April 1 – June 30 are included in the AJ quarterly report



Differences Between The Two Reports



Quarterly Reports

Costs associated with **Medicaid Administrative Claiming (MAC)**

Report costs for direct service staff (except for direct service contractors), support staff, and administrative staff

Cash Accounting (date of PAYMENT driven reporting)

Cost report provides an **additional revenue stream** in addition to funding for provision of direct medical services



Annual Reports

Costs associated with **Direct Service (DS) and Specialized Transportation**

Report costs for direct service and specialized transportation staff (including direct service contractors)

Accrual Accounting (date of SERVICE driven reporting)

Cost report tied directly to the **interim revenue** that a county receives through Medicaid billing for SBHS services

Nursing services performed

Payment for Nursing Services

Cash Basis VS. Accrual Basis

PT Services Performed

Payment for PT Services

FY23 Q4

Q1

Q2

Q3

Q4

FY25 Q1

July 2023

October 2023

January 2024

April 2024

OT Services Performed

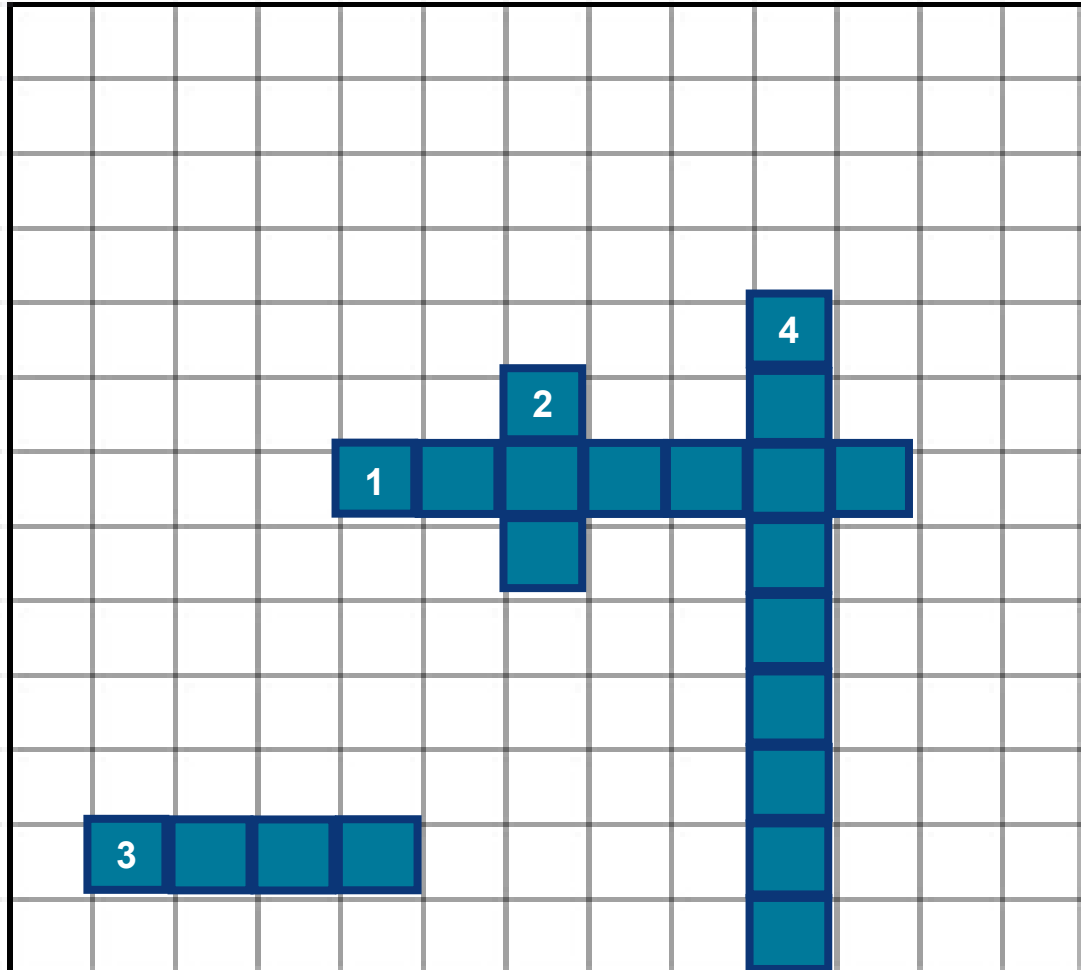
Payment for OT Services

Service Type	Claim on Quarterly FY24?	Claim on Annual FY24?
Nursing Services	YES , these costs would be claimed in Q1 when they were paid	NO , the payment is for services rendered outside of the fiscal year and cannot be claimed in the FY23 annual report
OT Services	YES , because the services were paid for in Q3 of FY24	YES , because the services were rendered during FY24
PT Services	NO , these costs would be claimed in Q1 of FY23 because that is when they were paid	YES , even though these services were paid in a different fiscal year, the services were performed during FY24



Crossword Puzzle

Complete the puzzle using program key terms.



Across

1. On the Annual Cost Report, costs are reported using an _____ basis accounting methodology.
3. The reporting period for the Annual Cost Report runs from July 1st through _____ 30th.

Down

2. Office supplies can be reported on the Quarterly _____ Financials under the Other Costs Category.
4. In order to report costs for contractors and salaried staff, these individuals must be added to the _____ List.

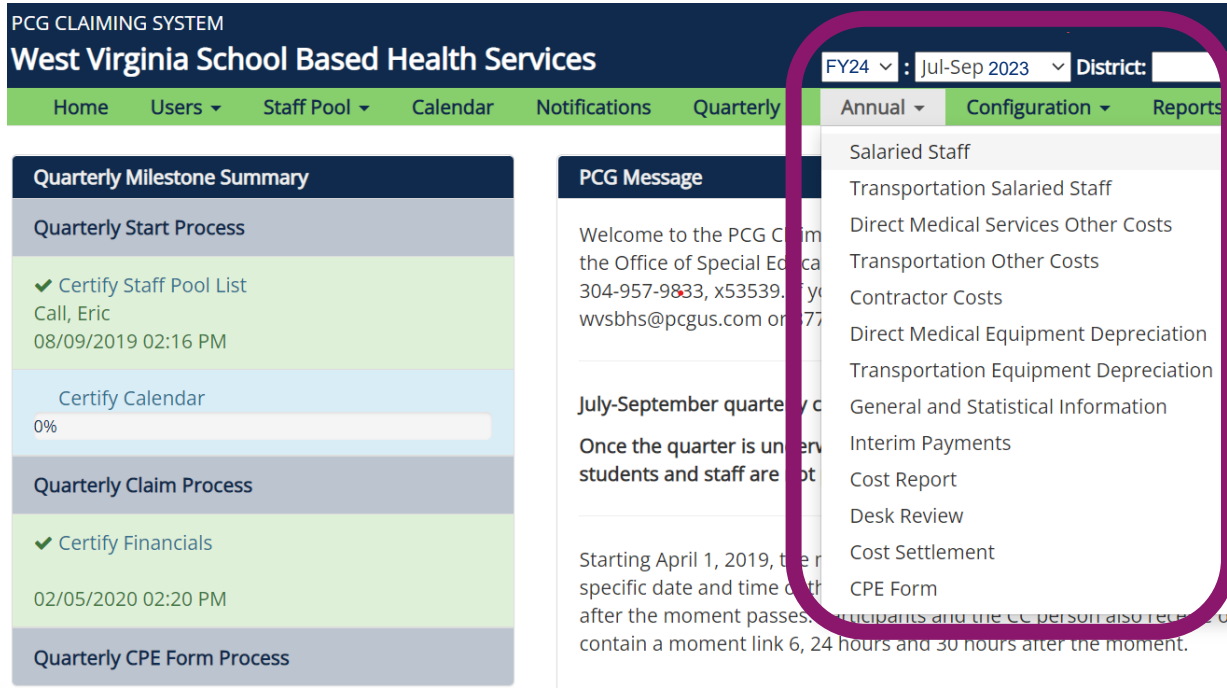


Claiming System

Navigating the Claiming System

1

Log into the claiming system at:
<https://claimingsystem.pcgus.com/wv>



2

Choose the appropriate Fiscal Year (FY24)
NOTE: For the Annual Cost Report – the Quarter does not matter

3

Navigate to the “Annual’ section and work through the report

Annual Cost Report Components

Annual Cost Report

Interim Payments

- Counties bill Medicaid for the provision of direct services
- Counties receive Interim Payments throughout the school year

Eligible Costs

- Counties submit eligible costs for the fiscal year via the PCG Claiming System
- The cost report is due **12/20/2024**

Cost Settlement

- To reach final Cost Settlement results eligible costs are compared to interim payments



Cost Reporting Elements

The cost reimbursement methodology includes the following main cost elements:




Direct Medical Services Costs

Costs related to the provision of direct medical services



Specialized Transportation Costs

Costs related to the provision of specialized transportation services

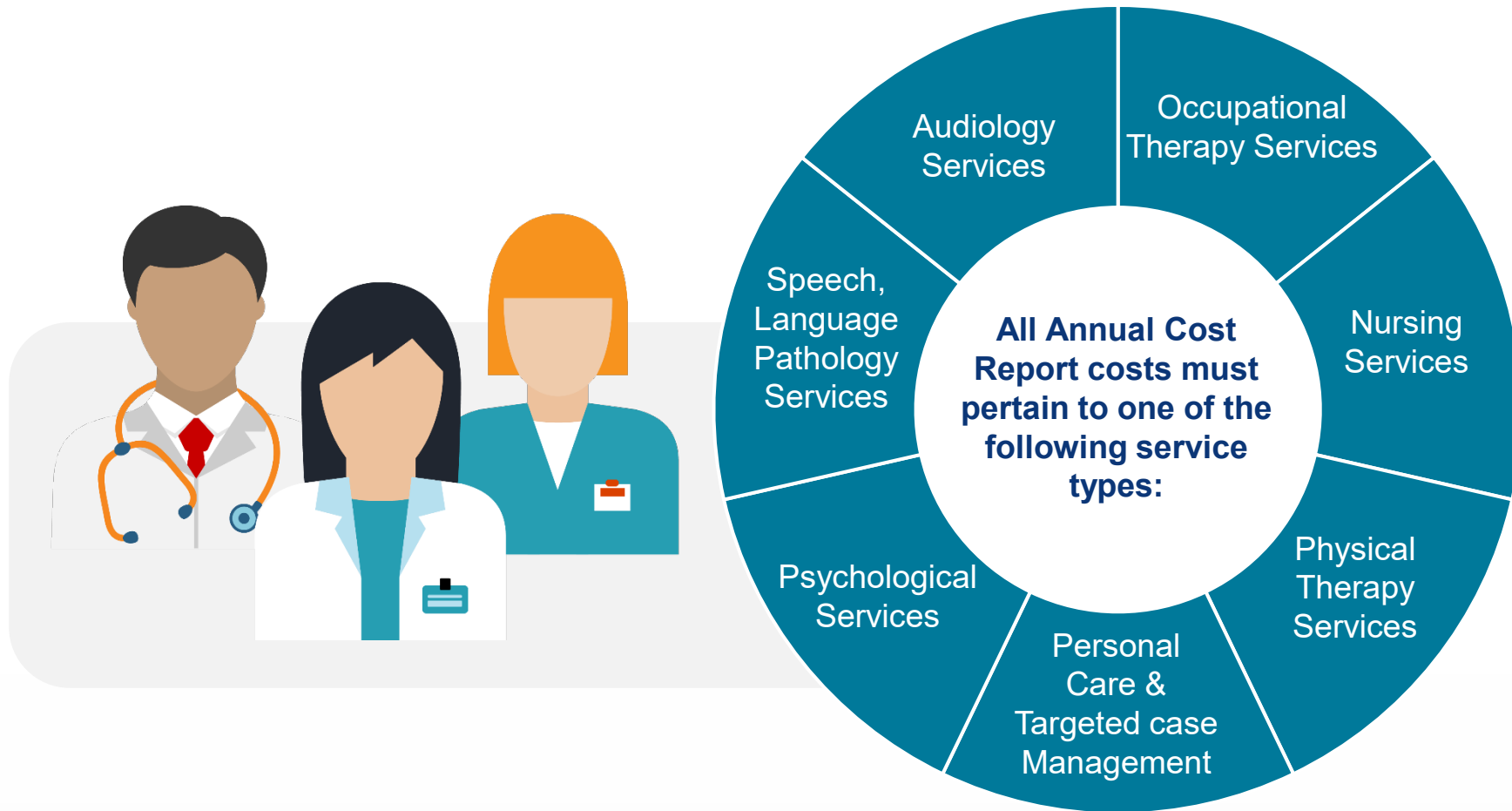


Indirect Costs

Costs related to indirect overhead costs

Cost Report Component 1: *Direct Medical Costs*

Direct Medical Services Providers



Direct Medical Services Costs



Salary, Benefits, and Contractor

- Direct Service providers on the Staff Pool List and Direct Service Contractors are the only individuals included on the Annual Cost Report.
- Note that Administrative Personnel are not included on this report.

Materials and Supplies

- Materials and supplies on the CMS List of Allowable Materials and Supplies

Salary and Benefits

Personnel Costs: Eligible Salary Costs

GROSS SALARY

Report gross salary earned for services delivered while actively listed on the Staff Pool List.

This includes:

- Regular Wages
- Extra Pay / Overtime
- Paid Time Off (PTO)
- Sick Pay
- Bonuses
- Longevity

Be mindful of the **Job Span Toolbar** for each staff member. Although this is an annual cost report, you may only report costs relevant to each staff member's length of time on the staff pool list



Any amounts paid to retiring staff must be reported on the cost report for the school year the staff member retired.

For example, if John Smith retired on June 30, 2024 – all PTO/Sick Time payout should be reported on the FY24 annual cost report, even if it was paid in FY25.

Do not reduce the salary cost for any pre- and post- tax employee deductions



Personnel Costs: Eligible Benefit Costs

Make sure to include all **county or state-paid** retirement and social security costs



Benefits should be prorated for the accrual months based on both Staff Pool List participation and months worked.
For example, if John Smith is on the staff pool list for 7 out of the 10 months that he worked, then 70% of benefits should be reported

Do not include any employee deductions as benefit costs. Only report the county or state incurred portion of benefit costs.



BENEFITS

Eligible benefits include county or state paid benefits on behalf of staff members listed on the Staff Pool List.

This includes:

- Health, Life, Disability, Dental Insurance
- Workers' Compensation
- FICA (Social Security & Medicare)
- Retirement Contrib.

Personnel Costs: Job Span Bar

The job span bar indicates when that individual was listed on the SPL as a direct service provider for the year. Only costs during the time shown on the job span bar may be included on the annual report.

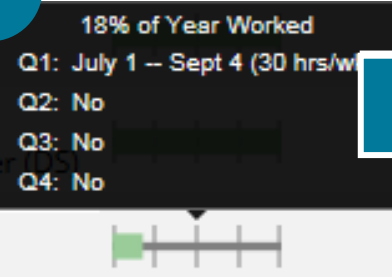
Note: Although the individual may have worked the entire school year, they may not have been listed on the Staff Pool List for the entire school year. The job span tool bar measures the exact time that an individual is listed on the SPL, therefore the amount of time for which the position's costs are eligible to be recorded on the Annual report.

Job Cat	Cost Pool	Title	Job Span
Audiologist	Direct Service	Audiologist	
Personal Care	Personal Care	Aide	
Personal Care	Personal Care	Personal Care Aide	
Case Manager	Targeted Case Management	Special Education Teacher	
Case Manager	Targeted Case Management	Special Education Manager	

Job Span Toolbar Examples

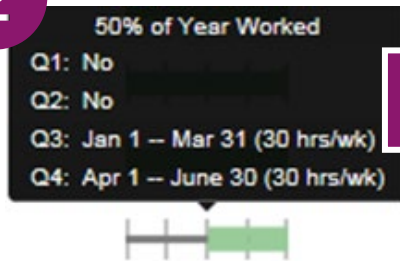
Always refer to the Job Span Toolbar to determine allowable costs

1



Costs can be recorded for services provided from July 1st to September 4th

2



Costs can only be recorded for eligible services provided when included on the SPL for the third and fourth quarter, from January 1st to June 30th.

3



Full annual costs can be recorded.

Common Reporting Scenarios

1

New Position

Psychologist (DS)



Assuming this Psychologist is a 10-month employee - Even though this staff member is on the staff pool list for 75% of the fiscal year, the costs that should be claimed should be calculated for accrued costs based on the time period they were on the staff pool list.

2

Retired Position

Speech Language Specialist



Assuming this Speech Language Specialist retired at the end of the last reporting school year, you should **NOT** report any salary or benefit costs regardless if they were paid during the current reporting year. Whenever applicable, counties can make direct replacements for any position on the staff pool list.

3

Leave Of Absence

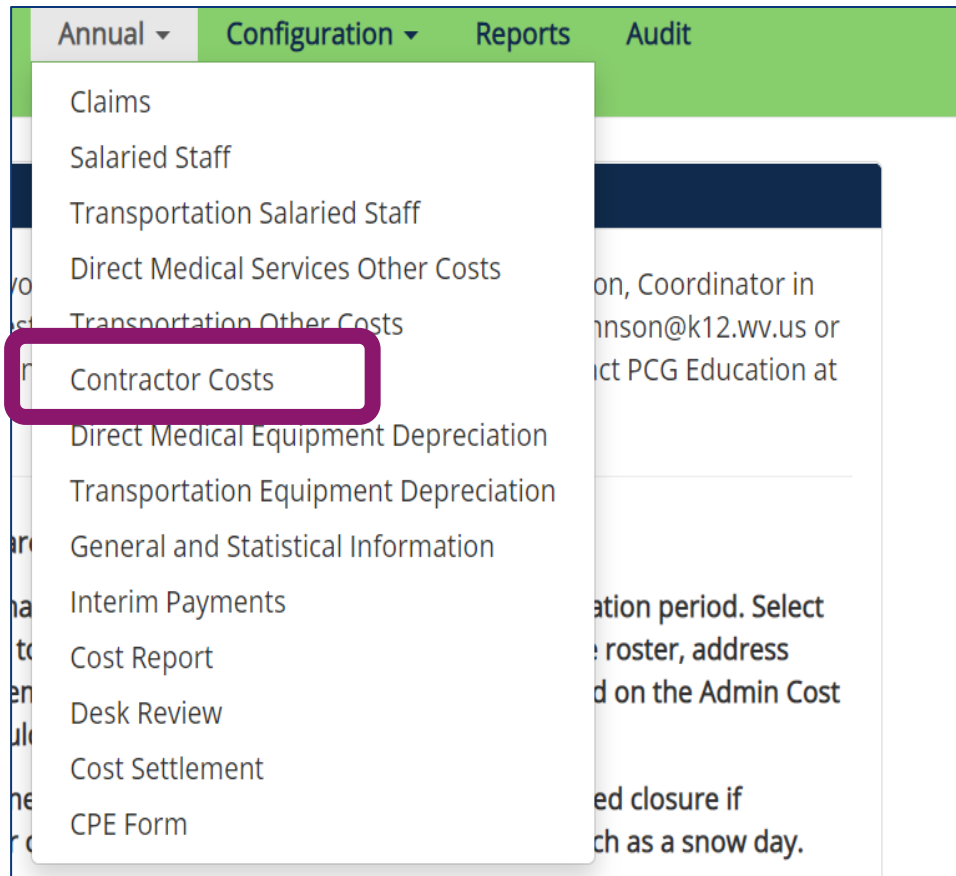
Speech Therapist



Assuming this Speech Therapist was on leave during the time period of January-April, even though the county may have incurred salary or benefit cost during this time, you should only report the accrued costs based on the time period they were on the staff pool list. Counties can make a direct replacement if this position was temporarily replaced.

Contractor Costs

Contractor Costs



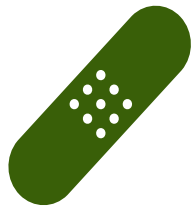
- Direct Medical Service Contractors are **NOT** listed on the Staff Pool List and are **NOT** included in the Random Moment Time Study
- For the Annual Cost Report, counties may include costs for these contractors in the “Contractors” section of the cost report.
- Please note that Direct Medical Service Contractors should only be reported on the Annual Cost Report and not the Quarterly Cost Reports

Materials and Supplies

Direct Medical Material and Supply Costs and Equipment Depreciation



Items purchased for the provision of a direct medical service for an eligible provider are allowable direct medical services other costs
If an item is greater than \$5,000 in costs, it should be reported under direct medical equipment depreciation



Examples

- Direct medical materials & supply examples: disposable gloves, scales, testing protocols
- Direct medical equipment depreciation examples: wheelchairs, standers, audiometer



Resources

- The CMS approved list of direct medical materials and supplies can be used as a guide to help determine if an item is allowable



Only materials, supplies, and equipment depreciation costs used in the provision of direct medical services can be reported on the annual cost report

Materials and Supplies

Materials and supplies must fit the following criteria:

Included on the CMS List of Allowable Materials and Supplies (Refer to the “Resources” section of the Claiming System Homepage).



Pertain to special education students.



Tie back to direct medical needs identified in the student’s IEP.



Do **NOT** include any materials and supplies that:

Are applicable to **ONLY** general education students.



Are federally funded costs



Are individual items costing more than \$5,000. These should be depreciated in the depreciation section



Materials and Supplies Examples

iPad used as an e-book for special education students



Not allowable because it is not on the CMS approved list of materials and supplies and not for a direct service

Audiology testing materials used by special education students



Allowable because it is on the CMS approved list of materials and supplies and is used for special education students

Wheelchair used by special education student



Allowable because it is on the CMS approved list of materials and supplies but must be depreciated if over \$5,000

Ratios

Direct Medical Percentage



%

The purpose of this percentage is to identify the percentage of time providers spend, on average, performing eligible direct medical services



Calculated from the results of the quarterly Random Moment Time Study (RMTS) - the average results of the three quarterly time study periods (Oct – Dec, Jan – Mar, and Apr – Jun) that occurred during the fiscal year



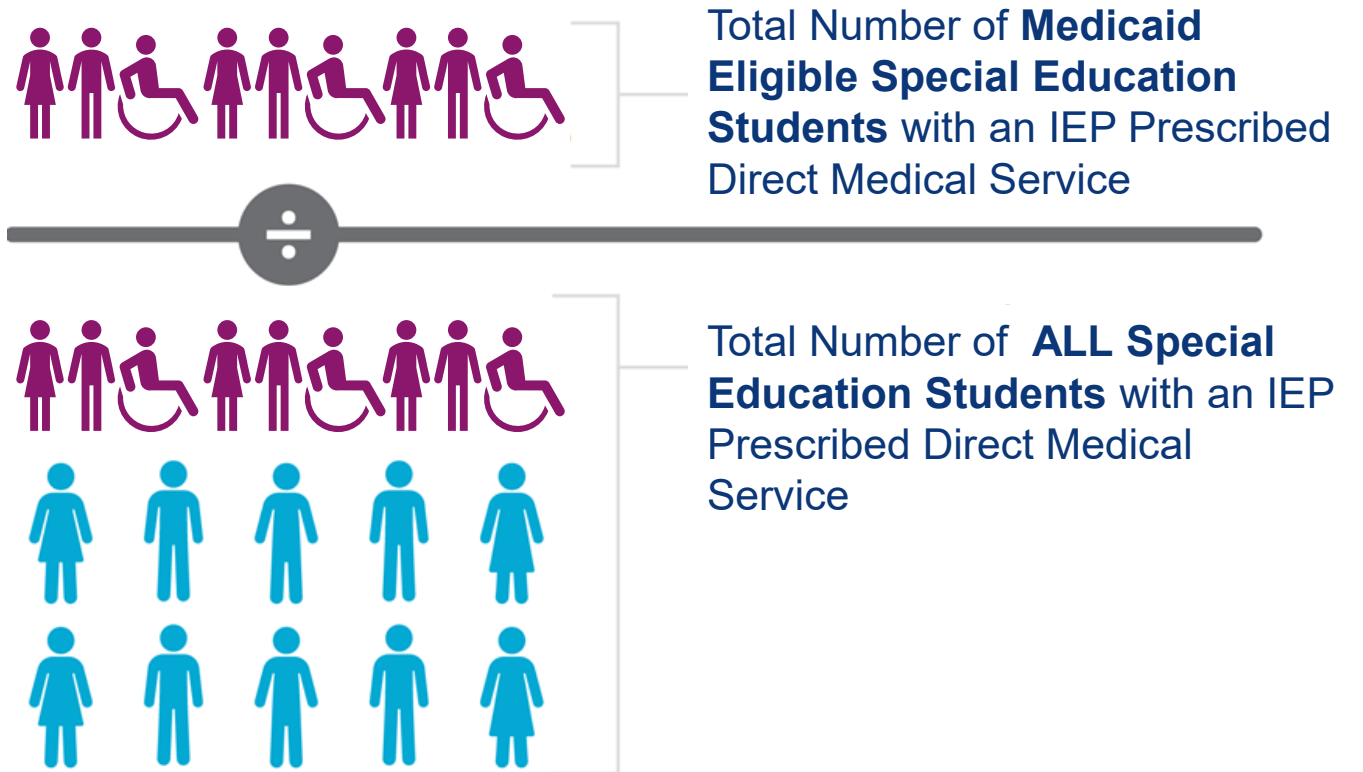
It is a state-wide percentage and is not county specific



This percentage is applied to the Direct Medical Service Costs and directly affects the cost settlement for every county

Individualized Education Program (IEP) Ratio

The *Individualized Education Program Ratio* identifies the portion of costs that pertain to the delivery of direct medical services specifically to Medicaid-eligible special education students





Cost Report Component 2: *Specialized Transportation*

Transportation Reimbursement

Specialized Transportation services include:

- Travel to and from a Medicaid covered direct IEP service to be rendered on school premises or another location
- Use of a specially adapted vehicle (such as a specially adapted bus or van)
- Specialized transportation included on the IEP as a separate service

County is reimbursed for Specialized Transportation if:

- Vehicle has modified specialized equipment
- Transport occurs on the same day student receives a direct medical service
- Written in IEP (retain copies)
- Keep bus logs of one-way trips
- Bill Medicaid & log service

Specialized Transportation Costs



DHHR has indicated that only a bus with a lift meets the criteria to provide specialized transportation



Only buses with a lift and their associated drivers would be considered specialized transportation



This vehicle must be used to transport a student who has specialized transportation listed in their IEP



An IEP alone is not enough to qualify transportation as specialized – Medicaid will not cover transportation costs for (as an example) a student with Speech Therapy in their IEP who is able to ride a regular school bus.

Types of Transportation Costs



Counties may report salary and benefit costs for **drivers, bus aides, and mechanics** who provide specialized transportation



Counties may report costs for **Renting or Contracting** specialized transportation services



Counties may report **insurance** for all vehicles which provide specialized transportation



Counties may **depreciate** costs for all **vehicles** which provide specialized transportation



Counties may report **fuel and oil** for all vehicles which provide specialized transportation



Counties may report **repairs and maintenance** for all vehicles which provide specialized transportation

Transportation Costs

Counties may report salary and benefit costs for **drivers**, **bus aides**, and **mechanics** who provide specialized transportation



Counties may report costs for **Renting** or **Contracting** specialized transportation services



Counties may report costs for **Renting** or **Contracting** specialized transportation services



Counties may **depreciate** costs for all **vehicles** which provide specialized transportation



Counties may report **fuel** and **oil** for all vehicles which provide specialized transportation



Counties may report **repairs** and **maintenance** for all vehicles which provide specialized transportation



Transportation Costs Categorization

Scenario 1: Bus driver drives 100% of the year as a SPED driver that exclusively transports students with specialized transportation prescribed in their IEP on a physically modified vehicle. The driver's job description on their payroll journal states they are a "SPED driver," for salary and benefits.

Scenario 2: Bus driver drives nine months of the school year as a general education driver, but during the summer months, drives only students with specialized transportation prescribed in their IEP to school on a bus with a lift for extended school year. Their payroll journal does not separate out the two duties.

Scenario 3: Vehicle is listed on an invoice for repairs. This specific vehicle has a wheelchair lift and exclusively transports students with specialized transportation prescribed in their IEP. The invoice matches a system-generated pay history with allowable fund and function codes.

Which scenario matches with each category?

Specialized Transportation

1

Not Only Specialized
Transportation

2

General
Transportation

3



Specialized vs. 'Not Only' Specialized

School districts categorize allowable transportation costs as either 'only' specialized or 'not only' specialized transportation

Specialized

- The costs **exclusively** pertain to a physically modified vehicle that transports students with specialized transportation in their IEP; AND
- Costs can be discretely associated to specialized transportation with supporting documentation

Not Only Specialized

- The costs **cannot** be discretely identified as specialized transportation;
- Are costs shared between general and special education transport; OR
- Costs are unidentifiable between general education and special education student services
 - Purchased in bulk
 - Associated with a 'shared' vehicle that is physically modified to meet the needs of the students requiring specialized transportation

Reporting Specialized vs. Not Only Specialized Cost

Vehicles	Bus Driver	Contract Transportation Services	Mechanic	Maintenance and Repairs, Fuel and Oil, Lease/Rental
<div style="display: flex; justify-content: space-between; align-items: center;"> ← Only Specialized → </div>				
<p>Vehicle is physically modified and only transports special education students with specialized transportation prescribed in their IEP</p>	<p>Bus drivers and substitute bus drivers only transports special education students</p>	<p>Contract is only for transportation of special education students</p>	<p>Mechanic only works on specialized vehicles that exclusively transport special education students</p>	<p>Costs are only for specialized vehicles that exclusively transport special education students</p>
<div style="display: flex; justify-content: space-between; align-items: center;"> ← Not Only Specialized → </div>				
<p>Vehicle drives at least one route exclusively for students that have specialized transportation prescribed in their IEP</p>	<p>Bus driver has multiple routes but drives a physically modified vehicle that transports specialized transportation students for at least one route</p>	<p>Contract has at least one route that exclusively transports students with specialized transportation prescribed in their IEP</p>	<p>Mechanic works on both specialized and general education vehicles</p>	<p>Costs cannot be separated, items are purchased in bulk, or invoices do not identify exact vehicle that can be identified as exclusively specialized</p>



Transportation Service Type: Only and Not Only

	Only Specialized Transportation	Not Only Specialized Transportation	General Transportation Costs
Report When:	Costs that pertain only to providing specialized transportation services should be reported as 'Specialized Only'. These are costs that can be isolated from your general transportation costs.	If a county is unable to isolate special transportation costs from general transportation costs.	Any costs pertaining to transportation costs for only general education students should not be included.
Example:	Salaries and benefits coded to 227XX (Special Education Transportation) and buses with a wheelchair lift which transport only special education students.	A bus is adapted to transport special education students per their IEP, but also transports general students. Fuel costs may be listed as 'Not Only Specialized' if the total fuel cost includes fuel for both specialized vehicles and general transport vehicles.	Unallowable costs that include buses that only transport general education students (including related bus driver salaries) or fuel, maintenance, and insurance costs for these vehicles if separately available in the accounting system.
Ratio(s) Applied:	One-Way Trip Ratio ONLY	Specialized Transportation Ratio <u>AND</u> One-Way Trip Ratio	N/A



Specialized Transportation Ratio

The Specialized Transportation ratio allocates costs reported in the “not only” specialized transportation category to the portion of transportation costs associated with special education transportation

- ✓ Numerator and denominator are both reported by school district
- ✓ If your school is unable to isolate costs by system-generated reports to the portion that is *EXCLUSIVE* to the transport of special education students, you are required to report this ratio
- ✓ If your school district solely reports ‘only’ specialized transportation costs, this ratio is not applicable
- ✓ The count of students that can be taken on a snapshot date or a rolling total throughout the year



Numerator:

Total number of students that have specialized transportation per their IEP



Transportation Services IEP Students Ratio



Denominator:

Total number of ALL students receiving transportation

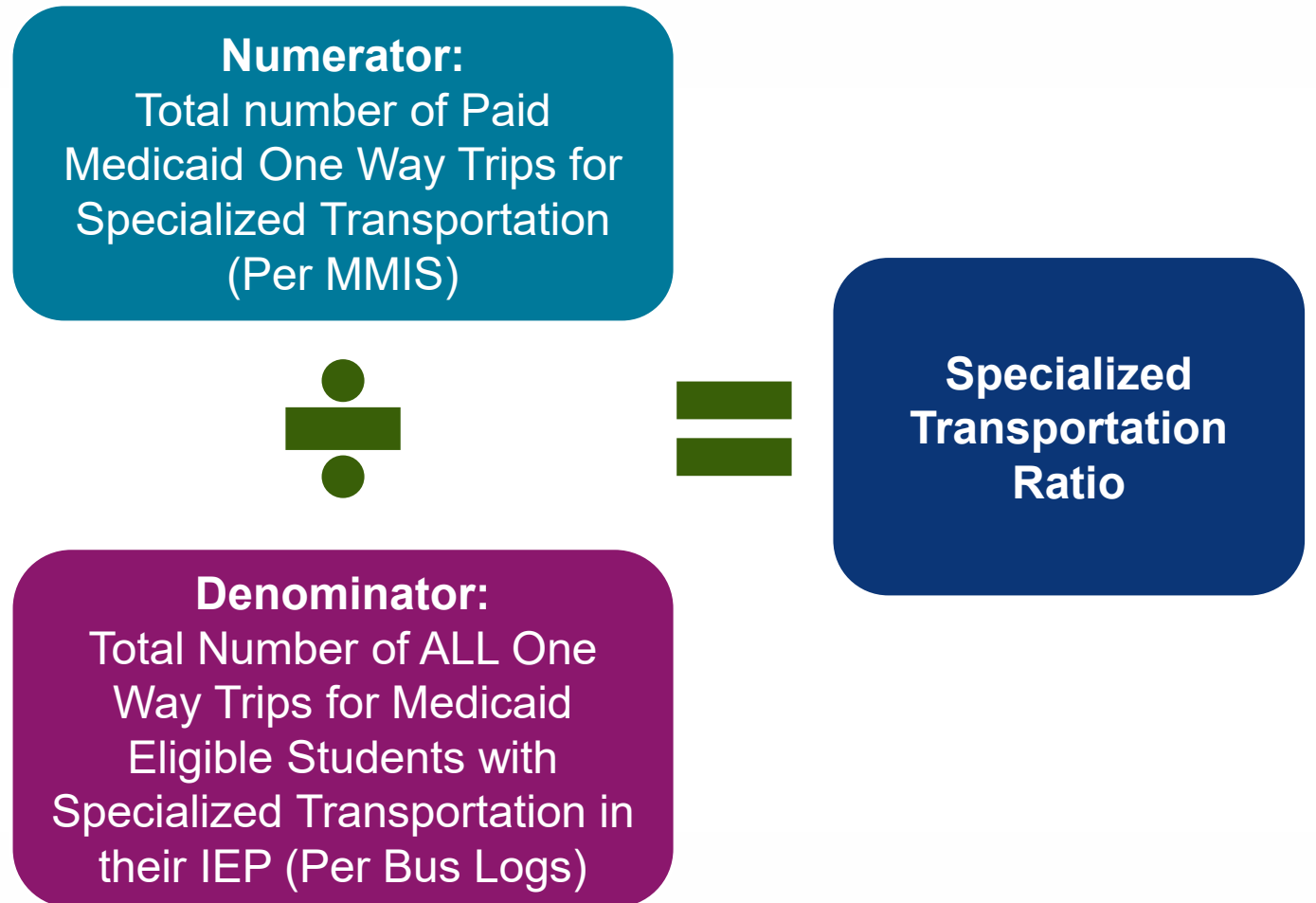
One Way Trip Ratio

Trip ratio apportions costs to the *population of students eligible for reimbursement*

- ✓ Numerator is populated by MMIS data
- ✓ Denominator is populated by the county with bus logs
- ✓ Bus logs must be kept to support the trip ratio
- ✓ Trip ratio is applied to ALL transportation costs

Documentation is **KEY**

- ✓ Bus logs and a tracking mechanism (i.e., spreadsheet) must be kept to support the denominator



Specialized Transportation Apportioning Ratios

SPECIALIZED TRANSPORTATION RATIO

The **Specialized Transportation Ratio** is used when reporting Not Only Specialized Transportation costs:



Total Number of **Medicaid Eligible Students Receiving Specialized Transportation Services** per their IEP



Total Number of **ALL Students Receiving Transportation Services** (Specialized & Non-Specialized)



ONE WAY TRIP RATIO

The **One Way Trip Ratio** is used when reporting all types of Specialized Transportation costs.



Total Number of **Paid Medicaid One Way Trips for Specialized Transportation** (Per MMIS)



Total Number of **ALL One Way Trips for Medicaid Eligible Students with Specialized Transportation** in their IEP (Per Bus Logs)



Cost Report Component 3: *Indirect Costs*

Unrestricted Indirect Cost Rate (UICR)

The **Unrestricted Indirect Cost Rate** is used to include additional costs of doing business that cannot be easily identified within a particular grant, contract, or program, but are necessary for the general operation of the organization.

- Example: overhead costs, such as heating or electricity
- The UICR will be prepopulated in the system by PCG based upon county data provided by WVDE

Example Calculation:

Net Direct Service Costs (less federal funds)	\$800,000
Indirect Cost Rate (10%)	.10
Indirect Costs	\$80,000
Net Direct Service Costs + Indirect Costs	\$880,000

Cost Reporting Best Practices

Non-Allowable Costs: Federal Funds

Costs paid for by the county using federal funds (i.e. **IDEA**, **ESSER**, etc.) should not be represented in the cost settlement calculation.

To assure federal funds are properly removed, the county must report costs as a gross amount (State, Local & Federal Dollars) and then identify the federal funds amount (Federal Dollars).

- The system will subtract out the federal funds and find the net.



Staff members or costs that are 100% federally funded should not be reported and should not be included on the Staff Pool List.

Tips and Hints for Reporting Costs

1

Use the export and import functionality!

Annual: Salaried Staff

Export Import

Available Filters

Status	Agency	Emp	Name ^	Job Cat	Cost Pool	Title			
K	L	M	N	O	P	Q	R	S	T
Job Category	Cost Pool	Job Title	Percent of Hours Paid	Salary/Co	Health Ins	Life Insur	Retiremer	Social Sec	Other
Register-Direct Ser	School Hv	50.4100	0	0	0	0	0	0	0
Speech-Lz Direct Ser	Speech Te	100.0000	0	0	0	0	0	0	0
Psycholog Direct Ser	School Ps	24.9900	0	0	0	0	0	0	0
Social Wo Direct Ser	Social Wo	100.0000	0	0	0	0	0	0	0
Psycholog Direct Ser	Director o	45.5900	0	0	0	0	0	0	0
Speech-Lz Direct Ser	Speech Te	100.0000	0	0	0	0	0	0	0
Psycholog Direct Ser	School Ps	50.4100	0	0	0	0	0	0	0
Social Wo Direct Ser	Social Wo	74.7900	0	0	0	0	0	0	0
SLP Assist Direct Ser	SLP Assit	100.0000	0	0	0	0	0	0	0
Social Wo Direct Ser	Social Wo	100.0000	0	0	0	0	0	0	0

2

Refer to the guides and trainings on the Claiming System homepage

Resources

Available Filters

- WV FY25 SBS Program Calendar
- WV FY24 SBS Program Calendar
- LEA Admin User Guide
- August 2022 WV RMTS Refresher Training
- LEA Admin Refresher Training
- RMTS At a Glance
- Click2Learn Library
- Guide to Certifying Financials
- Annual Cost Report and Cost Settlement Training Fall 2023
- Annual Cost Report Approved List of Materials and Supplies



Cost Report Next Steps

Financial Reporting Process



Annual Cost Report			
	<ul style="list-style-type: none">• Input Salaries, Benefits, Contractor Costs, Materials and Supplies, Staff Travel and Training, Professional Dues and Fees, and Specialized Transportation Costs,• Certify Financials in Claiming System on an annual basis.	<ul style="list-style-type: none">• Reviews all report data for accuracy & completeness.• Follows-up with county with data concerns and insufficient explanations.• Desk reviews help protect counties from federal audits	<ul style="list-style-type: none">• PCG calculates counties' net settlement amounts and notifies counties CPE forms are ready for signature.• Authorized Officer of the county (CEO, CFO, Superintendent) electronically signs CPE form in the Claiming System.



Upcoming Dates and Timeline

Type	Description	Start	Deadline
MAC	Jul – Sept 2024 Quarterly Financials	October 1, 2024	November 8, 2024
ACR	FY24 Annual Cost Report	October 21, 2024	December 20, 2024
MAC	Jan-Mar 2025 SPL/Calendar Certification	October 28, 2024	November 27, 2024

MAC = Medicaid Administrative Claiming

ACR = Annual Cost Report



Cost Report Certification and Desk Reviews

Annual Cost Report Certification

Each year, every County will need to log into the PCG Claiming System to certify their cost report. This certification tells the State and PCG that your reported costs are complete and have been reviewed for accuracy.

What do I need to do to certify my cost report?

- ✓ Review reported costs for accuracy
- ✓ Make sure all questions are answered and explanations for warnings are entered if necessary
- ✓ Go to FY24 in the PCG Claiming System
- ✓ Click on Annual → Cost Report
- ✓ Click the green Certify button

What comes next?

- ✓ Desk Reviews for each County

Make sure your county enters all eligible costs for each section of the Cost Report before certifying and submitting!

Desk Reviews

PCG conducts desk reviews in the PCG Claiming System; Communication with counties will take place in the system, eliminating back and forth email correspondence.

The screenshot displays the PCG Claiming System interface. The top navigation bar includes links for Home, Users, Staff Pool, Calendar, Moments, Notifications, Quarterly, Annual, Configuration, Reports, and Audit. A dropdown menu is open under the 'Annual' tab, listing various menu items. The 'Desk Review' option is highlighted with a red rectangular box. The main content area is divided into two columns. The left column, titled 'Quarterly Milestone Summary', lists tasks such as 'Open Quarter', 'Certify Staff Pool List', and 'Approve Staff Pool List'. The right column, titled 'PCG Message', contains a welcome message and a notice about 'October-December 2020 Staff Pool Lists'.

Desk Reviews

- In order to help ensure accuracy and completeness of each cost report, at the direction of the State, PCG conducts desk reviews after all cost reports have been certified.
- During this time, PCG will review all County responses to triggered warnings and thresholds.
- **Desk reviews help protect counties from federal audits and potential pay-back situations.**

Edit: High Benefit to Salary Ratio Threshold

Threshold: 24.00%

Value: Name:
Job Category: Psychologist (DS)
Job Title: Psychologist (DS)
Employee ID: (None Entered)
Salary: 95403.50
Benefits: 24042.75
25.20% in benefit-to-salary ratio.

Edit Details: The amount reported for benefits is outside the expected thresholds when compared to the amount reported for salary. We have reviewed your explanation and we require additional details. If this employee is listed on the staff pool list for less than 100% of the year, please specifically confirm that benefit costs are reported accurately based on the amount accrued for the time listed on the staff pool list.

District Explanation: That is her correct salary for period

Desk Reviews



PCG conducts the desk review after the county has certified their cost report



Desk reviews help protect counties from federal audits and potential pay-back situations by verifying accuracy of reported data outside expectations



When preparing your cost report, keep clear & organized documentation for ease of reference during the review



Confident and detailed responses are necessary! Avoid phrases like “I believe...” or “I think this is correct...”

Desk Review Helpful Hints

Do

- ✓ Reference the job span bar to verify reasonability of reported costs
- ✓ Thoroughly respond to warnings/flags
- ✓ Review all data reported on each page of the cost report to confirm accuracy

Don't

- ⊘ Report costs for each person listed on the salaried/contracted staff pages without reaching out to your Human Resources (HR)/business office
- ⊘ Report transportation other costs without reviewing the list of expenses from your transportation department
- ⊘ Wait until the end of October to start on your cost report

Common Errors & Potential Audit Risks

- 1 Reported Salary and Benefit costs are inconsistent with the staff member's Job Span Bar, which is their allowable claimable time listed on the Staff Pool List
- 2 Salary and Benefit documentation does not align with what is reported in the PCG Claiming System
- 3 Counties who do not report Direct Medical Service Other costs could be leaving funding on the table
- 4 Transportation costs are not correctly categorized as either "Only Specialized Transportation" or "Not Only Specialized Transportation". What does your documentation support?
- 5 Costs paid with federal funds have been included on the Cost Report without reporting federal funds in the appropriate fields

If you have any questions about documentation and allowable costs, **don't ever hesitate to reach out to PCG!**

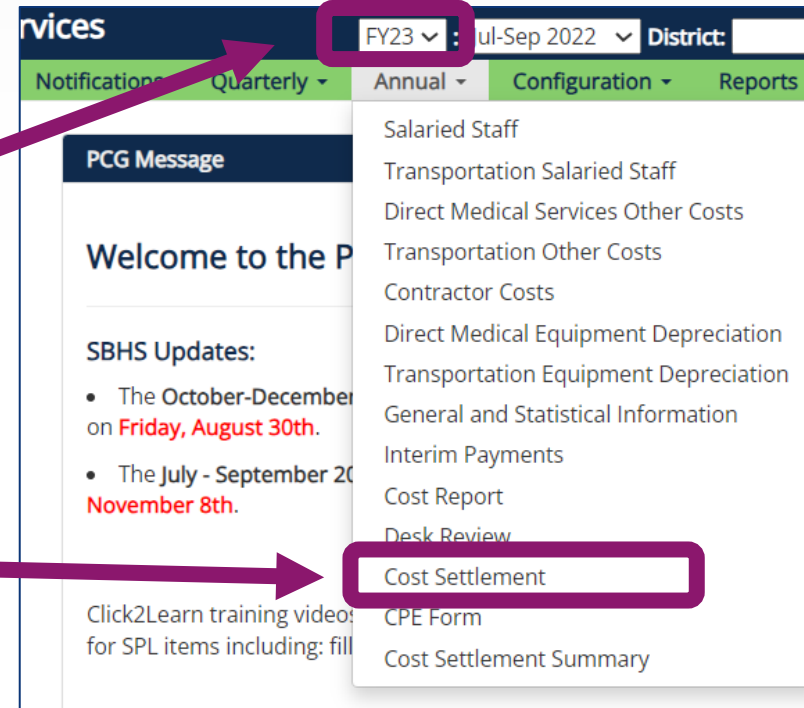
PCG should always be your first point of contact!

Cost Settlement Calculation and CPE Form

Cost Settlement Calculation

Find this by:

- Going into the PCG Claiming System
- Choose a previous fiscal year
- Click “Annual”
- Select Cost Settlement form the drop-down menu



Cost Settlement Summary	
1. Total Computable Medicaid Allowable Costs	\$4,676,061.28
Direct Service	\$1,955,370.62
Personal Case	\$517,375.06
Targeted Case Management	\$307,515.88
Specialized Transportation	\$1,895,799.72
2. July-September FMAP (#1 * 25% * 71.8%)	\$839,353.00
3. October-June FMAP (#1 * 75% * 73.24%)	\$2,568,560.46
4. Gross Cost Settlement Amount (#2 + #3)	\$3,407,913.46
5. Total Medicaid Paid Claims	\$614,145.60
Direct Service	\$70,913.89
Personal Care	\$69,450.83
Targeted Case Management	\$138,773.85
Specialized Transportation	\$335,007.03
6. Net Cost Settlement Amount (#4 - #5)	\$2,793,767.86

Cost Settlement Summary Page

Cost Settlement Summary

📄 ✓ ✓ ✓ ✓ ✓ ✓ (Signed)

Year-to-Year Change in Costs and Ratios

Direct Medical Summary	FY22	FY23	% Δ
Total Net Reported Costs	\$7,482,367.02	\$7,795,410.03	4.18%
Unrestricted Indirect Cost Rate (UICR)	13.69%	12.89%	-5.84%
Individualized Education Plan (DirectServiceIEP) Ratio	63.23%	65.09%	2.94%
Individualized Education Plan (TargetedCaseMgtIEP) Ratio	64.56%	66.01%	2.25%
Individualized Education Plan (PersonalCareIEP) Ratio	84.76%	83.02%	-2.05%
Random Moment Time Study (RMTS) Direct Medical Percentage (DirectMedicalPct)	36.30%	33.86%	-6.72%

Transportation Summary	FY22	FY23	% Δ
Total Net Reported Costs	\$3,314,168.37	\$3,406,970.09	2.80%
Unrestricted Indirect Cost Rate (UICR)	13.69%	12.89%	-5.84%
Transportation Services IEP Ratio	2.45%	1.89%	-22.86%
Trip Ratio	7.92%	0.00%	-100.00%



Certification of Public Expenditure (CPE) Form

- Signing off on your Certification of Public Expenditures Form confirms for the federal government that all costs and ratios are reported accurately and supported by documentation.
- Signing off on your Certification of Public Expenditures Form will be done in the PCG Claiming System using electronic signature.
- This page will not be available to view until the cost settlement amount has been finalized, and your county has approved the settlement amount.

“I am the officer authorized by the referenced government agency to submit this form and I have made a good faith effort to assure that all information reported is true and accurate.”



Deadline and Contact Information

Annual Medicaid Cost Report – FY24 Deadline

This is due in the PCG Claiming System site by **Friday, December 20th**.



Make sure your county enters all eligible costs for each section of the Cost Report before certifying and submitting!

Contact Information

If you have any questions about the Annual Medicaid Cost Report, or the Cost Settlement process, please reach out to us!



Public Consulting Group

WVSBHS@pcgus.com

1-877-908-1745, Ext 3

Thank you for joining us today!

Questions/comments after today's session?

Please contact us at WVSBHS@pcgus.com



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