

EDMS Massachusetts AAC Claims Checklist

- I. Filing Deadline and Certification Deadlines Met?¹ Y___N___
- II. CPE signed by officer of the LEA? Y___N___
- III. Expenditures are actual expenditures in the quarter in which the expenditure occurred? Y___N___
- IV. Provided unrestricted indirect cost rate calculated by the Department of Elementary and Secondary Education (DESE)? Y___N___
- V. Cost Pool 1- Direct Service Providers/Medicaid Billing Personnel:
 - a. Meet the provider qualifications requirements?² Y___N___
 - b. Perform IEP-ordered, Medicaid covered direct services as prescribed in the students' IEPs?³ Y___N___
 - c. Document those IEP-ordered, Medicaid covered direct services pursuant to the Provider Enrollment Contract requirements?⁴ Y___N___
 - d. Ensure that the staff person was a participant in the quarterly RMTS and salary costs are not duplicative of those costs reimbursed through the application of the Indirect Cost Rate?⁵ Y___N___
- VI. Cost Pool 2 Administrative Only staff:
 - a. Ensure that salary costs are not duplicative of those costs reimbursed through the application of the Indirect Cost Rate?⁶ Y___N___
 - b. If the District has personnel that perform and document direct services related to the categories listed in Cost Pool 1 but do not meet the provider qualifications are they included in Cost Pool 2?⁷ Y___N___
- VII. Cost Pool 3 - Direct ABA Service Providers:
 - a. Meet Provider qualifications?⁸ Y___N___
 - b. Perform IEP-ordered, Medicaid covered direct services as prescribed in the students' IEPs?⁹ Y___N___
 - c. Document those IEP-ordered, Medicaid covered direct services pursuant to the Provider Enrollment Contract requirements?¹⁰ Y___N___
 - d. Ensure that participants in the quarterly RMTS and salary costs are not duplicative of those costs reimbursed through the application of the Indirect Cost Rate?¹¹ Y___N___
- VIII. Financial responsibility of district in regards to calculation of Medicaid eligibility ratio properly determined?¹² Y___N___
- IX. Calculating Medicaid eligibility percentage:
 - a. Gathered the quarterly school district enrollment for those students for whom the LEA is financially responsible who are between the ages of 3 and 22 years' information as of the fifth day of the quarter?
Y___N___

¹ AAC instruction guide, Revised February 2016, p. 2

² If "no," cannot be included in Cost Pool 1

³ Id.

⁴ If "no," cannot be included in Cost Pool 1. School-Based Medicaid program Provider Contract, 1.11, p. 12

⁵ If not duplicative, can be included in Cost Pool 1

⁶ If not duplicative, can be included in Cost Pool 2

⁷ If Direct Services and Administrative Activities are not documented properly, the personnel cannot be included in Cost Pool 2. Perhaps it can be argued that the response to the random moment is the documentation of the Administrative Activity absent guidance on an additional documentation format as required by Bulletin or other guidance.

⁸ If "no," cannot be included in Cost Pool 3

⁹ Id.

¹⁰ Id.

¹¹ Id.

¹² A school district can only seek reimbursement for costs for which it is financially responsible. Only the district in which a student resides may file a Medicaid claim or include that student on its enrollment roster for the purpose of determining the Medicaid Eligibility Percentage. Exception- If a student is attending a regional vocational/technical or agricultural school district or charter school, only the regional vocational/technical or agricultural school district or charter school is eligible to file a Medicaid claim on behalf of the student. The sending school district may not submit claims for such student or include that student on the enrollment roster for purposes of determining the Medicaid Eligibility Percentage.

- b. Accessed the MassHealth School based Medicaid web based matching system to determine eligible students? Y___N___
- c. Using the result of the data match, calculated the quarterly ratio of Medicaid-eligible students to the total number of students for whom the LEA is eligible to include in their statistics as to school district enrollment? Y___N___
- d. Medicaid eligibility percentage reported on claim calculation:
 - i. Total students in district on 5th day of quarter? Y___N___
 - ii. Total Medicaid Students? Y___N___
 - iii. Total CHIP-Stand Alone Students? Y___N___
 - iv. Total CHIP-MA Expansion Students? Y___N___
 - v. Entered the General Administrative Factor to allocate the amount of time spent performing general administrative activities to the amount of time spent performing Medicaid administrative activities for each cost pool? Y___N___

X. Quarterly Specialized Transportation Calculation

- a. Specialized Transportation definition met?¹³ Y___N___
 - i. Allowable costs:
 - 1. Expenditures paid to (a) transportation provider(s)/company(ies) for specialized transportation only?¹⁴ Y___N___
 - 2. The rent/lease of a specialized vehicle claimed in the quarter in which the expenditure was made?¹⁵ Y___N___
 - 3. Expenditure is not duplicative of those already reimbursed through the application of the Indirect Cost Rate?¹⁶ Y___N___
 - 4. Expenditures include salaries of drivers of specialized transportation vehicles owned/rented/leased and operated by the school district? Y___N___
 - 5. Includes maintenance and repair costs for specialized transportation vehicles owned/rented/leased and operated by the school district? Y___N___
 - 6. Expenditure is not duplicative of those already reimbursed through the application of the Indirect Cost Rate?¹⁷ Y___N___
 - 7. Expenditure is not for regular school transportation? Y___N___
 - 8. The cost of bus monitors are for monitors tending to the medical needs of a child?¹⁸ Y___N___
- b. Calculating the specialized transportation percentage:
 - i. Gathered the quarterly school district Special Education enrollment information, for whom the LEA is financially responsible, as of the fifth day of the quarter? Y___N___
 - ii. From the quarterly Special Education enrollment information, identified the number of students who receive specialized transportation services? Y___N___
 - iii. From the list of Special Education students who receive specialized transportation, identified the number of students who have specialized transportation in their IEP for a medical reason?¹⁹ Y___N___

¹³ If "no," transportation costs cannot be included. Definition: Transportation in a vehicle that is specially equipped or staffed to accommodate students with specialized medical needs to transport them to school or to receive medical services from a provider outside of school.

¹⁴ Id.

¹⁵ Id.

¹⁶ If expenditure for rent /lease is not duplicative of the Indirect Cost Rate, it can be included in the cost report if otherwise allowed.

¹⁷ If expenditure for maintenance and repair costs is not duplicative of the Indirect Cost Rate, it can be included in the cost report if otherwise allowed.

¹⁸ If 'no,' the costs of a bus monitor not attending to the medical need of the child are not reimbursable and cannot be included on a claim.

¹⁹ Students who do not have specialized transportation in their IEPs for medical reasons cannot be included

- iv. Using the total from the previous two steps, calculated the quarterly ratio of Special Education students with transportation in their IEP for a medical reason to the total number of Special Education students receiving specialized transportation services?²⁰ Y___N___
- c. Special Education Medicaid Eligibility Percentage Calculation:
 - i. Gathered quarterly school district Special Education enrollment information as of the 5th day of the quarter including only those Special Education students for whom the LEA is financially responsible between the ages of 3 and 22 years? Y___N___
 - ii. Accessed the School based Medicaid web based matching system? Y___N___
 - iii. Used the result of the data match and calculated the quarterly ratio of Special Education Medical eligible students in the school district to the total number of Special Education students for whom the school district is fiscally responsible to yield the Special Education Medicaid Eligibility Percentage? Y___N___
 - iv. Applied the statewide average of time spent receiving Medicaid covered services from RMTS? Y___N___
 - v. Calculated the gross claim amount for specialized transportation by multiplying the columns as listed in the guide? Y___N___
- XI. Determined Annual Capital Calculation once per fiscal year and applied to the calculation of all quarterly claims within the fiscal year? Y___N___
 - a. Acquisition cost of buildings and fixed assets:
 - i. Is building in active use and occupied by the LEA during the claims period? Y___N___
 - ii. Has the LEA reported the actual acquisition cost of capital asset not insured values or replacement values?²¹ Y___N___
 - 1. Include costs related to:
 - a. Acquisition of the building? Y___N___
 - b. Acquisition of fixed assets? Y___N___
 - c. Land improvements, such as paved parking areas, fences and sidewalks? Y___N___
 - d. Buildings' components, such as plumbing system, heating system and air-conditioning system? Y___N___
 - e. Allowable Major Moveable Valuation Costs- The acquisition costs of the school district's equipment that is not included in the value of building and fixed assets? Y___N___
 - 2. Has the LEA not included excluded costs? Y___N___
 - a. Equipment merely attached or fastened to the building, but not permanently fixed to it which is used as furnishing, decoration or for specialized purposes? Y___N___
 - b. Cost of land? Y___N___
 - c. Any portion of the cost of buildings and equipment borne or donated by the federal government, regardless of where title was originally vested or where it presently resides? Y___N___
 - d. Excluded Major Moveable Valuation:
 - i. The cost of land? Y___N___

²⁰ The resulting percentage is the Specialized Transportation Percentage.

²¹ Where actual cost records have not been maintained, a reasonable estimate of the original acquisition cost may be used.

- ii. Any portion of the cost of buildings and equipment borne or donated by the federal government, regardless of where title was originally vested or where it presently resides? Y___N___
 - iii. Any portion of the cost of buildings and equipment contributed by or for the government unit or a related donor or organization in satisfaction of a federal matching requirement? Y___N___
 - 3. Net Interest Expense:
 - a. Is the District's budgeted interest expense for the fiscal year associated with land, equipment and school building acquisition, construction, fabrication, reconstruction and remodeling minus earned interest? Y___N___
 - b. Has Federal Guidance been followed?²² Y___N___
 - c. Has the District included no other interest expenses on the claim?²³ Y___N___
 - 4. Has the District included the sum of the total annual budgeted school-districtwide salaries and total annual budgeted districtwide fringe benefits? Y___N___
 - 5. Has the District included the Capital percentage rate? Y___N___
- b. Quarterly Detailed Expenditure Report: Completed for Cost Pools 1, 2 & 3:
 - i. Has the District Included personnel information and salary costs for:
 - 1. Individuals eligible to participate in the RMTS for that quarter and were included on the participant list submitted for that quarter? Y___N___
 - 2. Has the District confirmed that salary costs are not duplicative of those costs reimbursed through the application of the Indirect Cost rate?²⁴ Y___N___

²² i. The interest is associated with financing provided (other than tax or user fee sources) by a bona fide third party external to the municipality or school district

ii. The assets are used in support of the Medicaid program

iii. Earnings of debt-service reserve funds or interest earned on borrowed funds pending payment of the construction or acquisition costs are used to offset the current period's cost or the capitalized interest, as appropriate.

iv. Earnings subject to being reported to the IRS under arbitrage requirements should be excluded from the annual capital calculation.

v. For debt arrangements over \$1 million, unless the municipality or school district makes an initial equity contribution to the asset purchase of 25% or more, the municipality or school district shall reduce claims for interest costs by an amount equal to imputed interest earning on excess cash flow, to be calculated as follows:

1. Annually, non-federal entities shall prepare a cumulative (from the inception of the project) report of monthly cash flows that included inflows and outflows, regardless of the funding source
 - a. Inflows are
 - i. Depreciation expense
 - ii. Amortization of capitalized construction interest
 - iii. Annual interest cost
 - iv. For cash flow calculations, the annual inflow figures shall be divided by the number of months in a year (i.e., usually 12) that the building is in service
 - b. Outflows are
 - i. Initial equity contributions
 - ii. Debt principal payments (less the pro rata share attributable to the unallowable costs of land)
 - iii. Interest payments
2. Where cumulative inflows exceed cumulative outflows:
 - a. interest shall be calculated on the excess inflows for that period and be treated as a reduction to allowable interest cost
 - b. The rate of interest to compute earnings on excess cash flows shall be the three-month US Treasury bill-closing rate as of the last business day of that month

vi. Interest attributable to fully depreciated assets is unallowable.

²³ No other interest expenses are allowable

²⁴ 1. Indirect costs are calculated on the Chart of Accounts and included in the calculation of each LEA's Indirect Cost Rate by DESE and must be exclude from direct claims in Administrative Activity Claims and Direct Service Cost Reports:

- a. Administration- 1000 Series- Specifically includes:
 - i. 1210
 - ii. 1220
 - iii. 1230
 - iv. 1410
 - v. 1420
 - vi. 1430

3. Were the following conditions met:
 - a. If an individual started working for the LEA after the date the participant list was due, her costs were included in the claim only if she was included on the RMTS participant list for the following quarter? Y___N___
 - b. If a person employed by the LEA changes from a job that is not included in RMTS to a job that is included after the date the RMTS list was due, that person was included in the claim with the salary and fringe benefits on and after the effective date of the new position, only if she was included on the RMTS participant list for the following quarter? Y___N___
 - c. If a person is hired by the LEA as a substitute and subsequently becomes a full-time employee after the list was due, that person was included in the claim with the salary and fringe benefits on and after the effective date of the new full time position, only if she was included on the RMTS participant list for the following quarter? Y___N___
 - d. If an employee's salary was 100% federally funded and that person was not included in the RMTS, but the 100% federal funding ends after the RMTS list was due, that person was included in the claim with the salary and fringe benefits after the end of the date of the 100% federal funding only if she is included on the RMTS participant list for the following quarter? Y___N___
 - e. If an employee was included in the RMTS and then was on a long-term leave of absence and not included on the RMTS list for one or more quarters, for the quarter of the employee's return to work the leave of absence ended after the RMTS list was due, that person's salary and fringe benefits was included in the quarter after the leave of absence ends only if she is included on the RMTS participant list for the following quarter? Y___N___
 - f. If the claim is for the quarter 7/1 to 9/30, the District included all participants for whom the LEA has costs and who were included on the participant list for any of the prior three quarter's RMTS? Y___N___
 - g. If an individual started working for the LEA after the last RMTS, her costs were included in the claim only if she is included on the RMTS list for the following quarter? Y___N___
 4. Were the personnel submitted in both cost pools in the claim exactly as they were submitted for the RMTS participant list?²⁵ Y___N___
 5. Were only actual fringe benefit costs included?²⁶ Y___N___
- ii. Other related costs:
1. Materials:

vii. 1450

- b. School Security (3600)
- c. Maintenance- 4000 series- All
- d. Employee Insurance (5200)- Only exclude costs when related to salaries in the excluded 1000 series codes
- e. Retired Employee Insurance (5250)
- f. Other Insurance (5260)
- g. Rental Lease (5300)
- h. Other Fixed Charges (5500)

²⁵ No changes to any staff member's job description, Medical Yes/No designation or cost pool are allowed in the claim

²⁶ The use of an allocated fringe benefit percentage is not allowed.

- a. District included actual quarterly material and supply expenditures, attributed to each cost pool?²⁷ Y___N___
 - b. District included only material and supply costs funded by state/local revenue that are used to assist in the performance of reimbursable Medicaid administrative activities? Y___N___
 - c. The cost of materials and supplies used in the delivery of health related services not included?²⁸ Y___N___
 2. Out of District Tuition costs included, subject to calculation parameters below? Y___N___
 3. Purchased services for Cost Pool 2 only:
 - a. District entered actual quarterly purchased services expenditures attributed to Cost Pool 2 that are related to the delivery of Medicaid administrative activities? Y___N___
 - b. The cost of purchased services used in the delivery of health related services excluded? Y___N___
- c. Quarterly Out of district Tuition:
 - i. Conditions for the allowance of out of district tuition expenditures:
 1. Is the placement prescribed in the student's IEP and appropriately authorized? Y___N___
 2. Is student receiving medically necessary Medicaid covered medical services which are included in the cost of the tuition while attending the out of district program as prescribed in the student's IEP?²⁹ Y___N___
 3. Was the out of district expenditure paid to another public school district?³⁰ Y___N___
 4. Was the out of district expenditure funded by federal grants or a required state or local match on federal grants? Y___N___³¹
 5. Was the out of district expenditure paid to the Judge Rotenberg Center?³² Y___N___
 - ii. Excluded costs:
 1. Did the District exclude tuition expenditures for out of district placements that are for educational purposes or for programs that do not provide Medicaid covered services? Y___N___
 2. Did the District exclude tuition expenditures for students who do not have Medicaid covered medical services in their IEPs? Y___N___
 - iii. Expenditure reporting - Did the District report Out of district tuition expenditures by:
 1. Organization? Y___N___
 2. Program Type? Y___N___
 3. Program Name? Y___N___
 4. Elementary and Secondary Education Program Code? Y___N___
 - iv. For tuition expenditures for students who are also clients of DCF, DMH or DYS, were Cost Shares broken out in the correct Cost Share Tuition program by reporting the appropriate Cost Share program in the Organization field? Y___N___

²⁷ AAC instruction guide, Revised February 2016, p. 18

²⁸ These costs are not includable.

²⁹ If the answer is no, the tuition is not a reimbursable expense

³⁰ If the answer is yes, the tuition is not a reimbursable expense

³¹ If the answer is yes, the tuition is not a reimbursable expense

³² If the answer is yes, the tuition is not a reimbursable expense

- v. For pre-paid tuition for the entire year, was the amount divided by four and one quarter of the tuition reported in each quarter the child attends school? Y___N___