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TO: Interested Parties

FROM: Mary C. Mayhew, Commissioner, Department of Health and Human Services

DATE: March 3, 2011

SUBJECT: Early Intervention Services, School Based Services, and MaineCare Reimbursement

This memo provides history on the recent changes that have impacted Early Intervention Services, School Based Services, and MaineCare reimbursable services.

Early Intervention services and several other school based services provided in preschool and school settings have recently seen significant changes. A majority of these changes were required to make sure the MaineCare program meets federal guidelines. Such changes were made largely to prepare MaineCare for HIPAA compliance in the new MIHMS claims system, and included "unbundling" services to assess which services can be funded by MaineCare and which services must be funded by the Department of Education. These changes were the subject of several legislative hearings conducted by the Education and Cultural Affairs Committee during last session. MaineCare also conducted several public hearings for routine technical rulemakings where Interested Parties testified. Summaries of testimony and responses are available at: <http://www.maine.gov/dhhs/oms/rules/adopted.shtml#id92879>. Additionally, there were some recent rate cuts to some of these MaineCare services to address the budget shortfall, approved by the 124th Maine State Legislature. These cuts generally ranged from 3% to 10%.

In order to retain maximum funding for all MaineCare coverable services, the Department unbundled and separated funding for services primarily medical in nature (which may be coverable by MaineCare) and those which are primarily educational in nature (which may be coverable by the Department of Education and Child Development Services). The Departments of Health and Human Services and Education worked closely on this initiative for several years, and continue to work together in this regard.

Pertinent History: With the conversion to MIHMS, the Department was required to identify HIPAA compliant codes for all services for payment purposes. Almost every MaineCare service required new billing codes, crosswalks of services to other sections of MaineCare policy, and rate setting initiatives. The Department repealed several sections of MaineCare policy that were determined to be primarily educational in nature, including Early Intervention Services (MaineCare Benefits Manual (MBM) Section 27), Day Treatment (MBM Section 41), and School Based Rehabilitative Services (MBM Section 104). Former Commissioners Harvey and Gendron and their staff testified on several occasions for hearings and work sessions regarding this initiative. The Departments committed to conducting statewide training and to develop a

training manual for school based services, including those preschool services formerly delivered under Section 27, Early Intervention Services. Several trainings were conducted statewide in the summer of 2010. Training continues currently. Below are some specific details about the changes:

- **Section 27, Early Intervention Services-** The Department analyzed services delivered under Early Intervention Services, and found these services to be primarily educational in nature, which are not reimbursable under the federal Medicaid program. Early Intervention Services continue to be funded through the Department of Education through Child Development Services (CDS).

Some services that are primarily medically necessary and provided within CDS sites are still reimbursable through MaineCare if providers are qualified to deliver those services and if children receiving the services meet specific medical eligibility for those services. MaineCare staff conducted numerous trainings statewide and provider forums to train and reenroll providers under other sections of MaineCare, which include the following MaineCare Services Sections:

- 28: Rehabilitative and Com. Support Services for Children with Cog. Impairments and Functional Limitations
- 65: Behavioral Health Services
- 68: Physical Therapy
- 85: Occupational Therapy
- 109: Speech Therapy

Some CDS sites are now employing staff qualified to deliver services under these sections of MaineCare policy, such as Behavioral Health Professionals, Physical Therapists, Occupational Therapists, and Speech Language Pathologists. Generally, in order to be reimbursable under MaineCare, the staff must complete a specialized training that only such a clinician can be reimbursed for. It is important to note that only when providers use these qualified professional staff are these clinical services fundable by the federal Medicaid program. Staff who provide services primarily educational (Education Technicians) or custodial (daycare staff) in nature cannot be reimbursed under MaineCare. When delivering MaineCare services, providers must document the units of service delivered, maintain records and care plans for services delivered, and bill for those services, just as any clinician delivering medical services under MaineCare must do. When these MaineCare services are delivered, they may be delivered in addition to the educational and custodial services still reimbursable under CDS funding. Rates for these services are the same as rates paid to qualified community based clinicians. Fee schedules for these various sections of MaineCare policy are provided in the Chapter III sections of the above named rule sections. See: http://www.maine.gov/dhhs/oms/rules/provider_rules_policies.html.

I have asked my staff at MaineCare Services to assure that providers of these services have sufficient support to reenroll into MIHMS for any MaineCare services that they are qualified to deliver. I will also ask that my staff provide sufficient ongoing training around billing and eligibility to assure that all school based and preschool based providers can bill accordingly for any eligible children receiving billable services. I also want to assure you that the Department understands the importance of these crucial developmental services, which is why staff at DHHS and DOE will continue to work closely together to achieve the federally required changes with minimal impact on those children and families needing the services while leveraging maximum appropriate federal funds.