



CSCT Accounting Guidance Document 2021-2022 School Year

Background

The Montana Legislature (HB 671) has transferred the management of the Comprehensive School and Community Treatment (CSCT) program from the Department of Public Health and Human Services (DPHHS) to the Office of Public Instruction (OPI), effective July 1, 2021. The OPI is responsible for providing districts with the official guidance. The below accounting and process guidance provides school districts with OPI's determined process and requirements of related to Intergovernmental Transfer (IGT). *Districts should anticipate updated guidance as factors change.*

Interim Match Funding

Until the IGT process was implemented the 2021 Legislature provided \$2.2 million in bridge funding to pay the local state match for Medicaid claims effective July 1, 2021. As of December 2021, the bridge funding has been fully exhausted. Starting February 1, 2022, schools who choose to participate in the Comprehensive School and Community Treatment Program will be required to submit the state share of submitted CSCT program claims via the Intergovernmental Transfer process.

IGT

IGT is an intergovernmental transfer of funds from one government entity to another. In this case, it is a transfer from the school district to the OPI and from the OPI to DPHHS.

Schools are required to provide to OPI a non-federal funds match for CSCT services eligible for Medicaid Reimbursement. Schools must have an authorized representative certify match funds remitted are from a non-federal source which are then transferred to DPHHS for claims processing for the Medicaid reimbursement.

Per Diem Rate

DPHHS proposed in their State Plan Amendment a per diem rate for services. CMS approved a per diem rate of \$96.00 and a Frontier Rate of \$110.40 (115% of per diem rate) for eligible CSCT services. These rates were implemented by DPHHS effective October 1, 2021. The per diem rate is for a minimum of 30 minutes of services to an identified student-client.

Negotiated Rates with Providers

The negotiated rate is the agreed-upon amount districts will pay to 3rd-party providers for Medicaid eligible services to CSCT students with a serious emotional disability diagnosis (SED). The negotiated rate for all districts, at a minimum, should be set at the current FMAP percent by which CMS will reimburse claims. This federal reimbursement rate + district funds that make up the State match is what equals 100% of costs for the services.

Reimbursement

Funds reimbursed, Medicaid and Match, must be deposited into the Miscellaneous Programs Fund (15) using Medicaid CSCT reimbursement (Revenue Code 3356).

A unique project reporter code is recommended.

If actual provider costs are less than the approved per diem rate negotiated by DPHHS and the Center for Medicaid Services (CMS), provider may only bill and be reimbursed for actual costs. Receipt of reimbursement funds over actual service costs is classified as program income and is prohibited. The school district is required to return any program income to DPHHS.

Local State Matching Funds

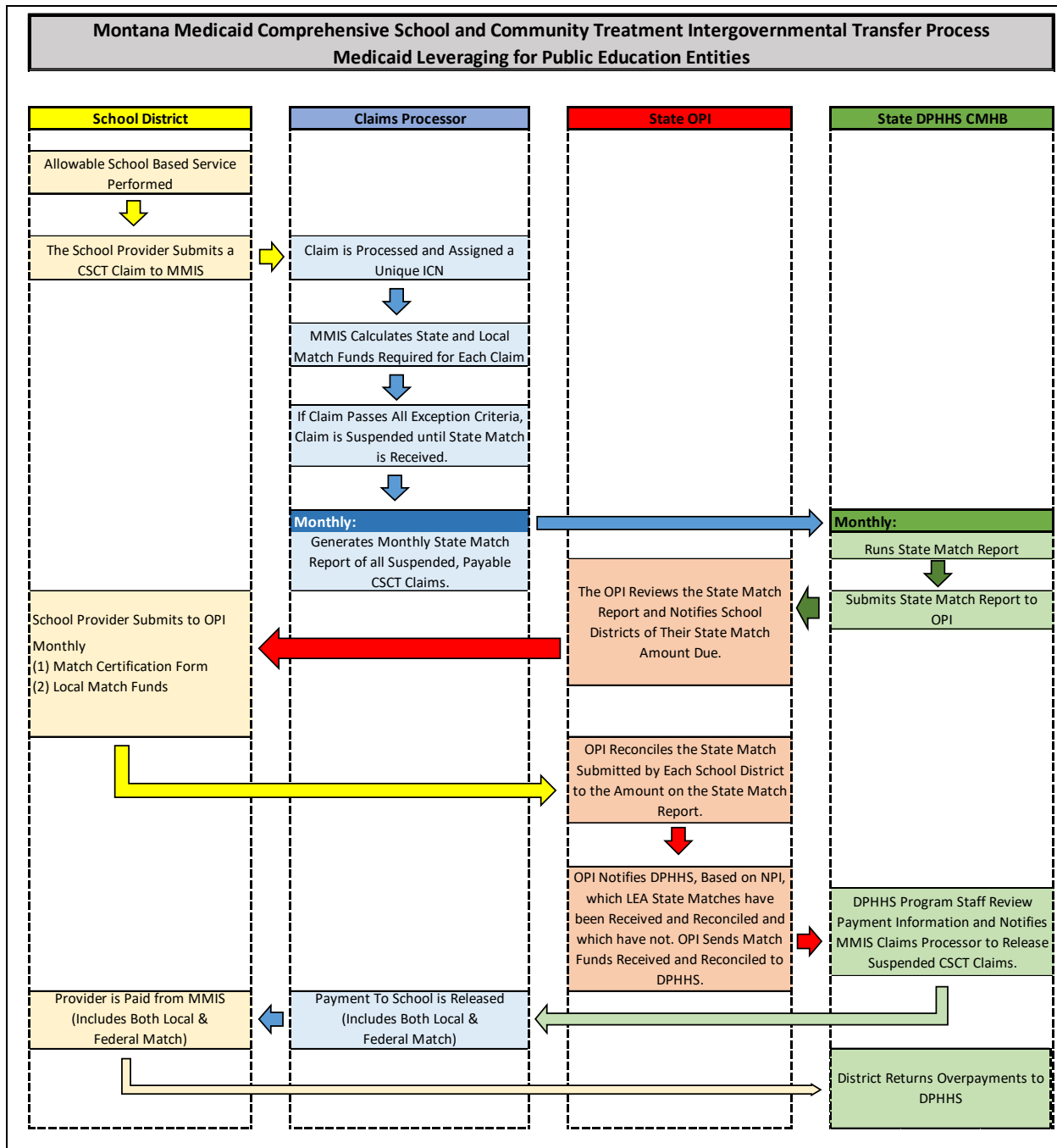
Local state match is estimated at 35% but can fluctuate depending on the current approved CMS FMAP rate. The local state match must be paid from non-federal funds. The OPI recommends that districts track CSCT matching funds with unique project reporter codes.

District Options for Match Funding

The purpose of this guidance section is to provide districts with viable options that may be used to meet the match requirement for CSCT programs services that are planned for billing to Medicaid for reimbursement. There are two suggested options for the use of ESSER funds. In addition, there are three options identified in current flexibilities afforded to school district trustees in Montana Code Annotated.

Use of ESSER Funds to pay 100% of the cost of CSCT Services. Use of these funds is not an allowable Match.	Social-Emotional and Student-Wellbeing are appropriate uses of ESSER funds.	
Multi-District Agreements are funds from the district's general fund, budgeted funds that could be used as an allowable Medicaid match.	This section intends to increase the flexibility and efficiency of school districts without an increase in local taxes. Agreements may need to be amended to include uses for CSCT.	MCA 20-3-363
Use of ESSER Funds to supplant where general/non-federal funds are budgeted for the match.	The use of ESSER funds for current non-federal expenses, e.g., staffing, HVAC systems, IT updates, summer enrichment, etc., as it meets the need to prepare, prevent, respond to COVID.	
Gifts, legacies, devises, and administration of endowment funds: Unspecified donations may be placed to any fund/use at the Trustees' discretion. These funds would be considered non-federal funds.	Unless otherwise specified by the donor, devisor, or testator, when a district receives a gift, legacy, or devise, the trustees may deposit the gift, legacy, or the proceeds in any budgeted or non-budgeted fund at the discretion of the trustees and may thereafter transfer any portion of the gift, legacy, devise, or proceeds to any other fund at the discretion of the trustees. Note: For most districts, this is very limited funding.	MCA 20-9-604
Transfer of Funds – Improvement of School Safety & Security – may be a viable option for the match and funds transferred would be non-federal funds.	Programs to support the school and student safety and security, including but not limited to active shooter training, threat assessments, and restorative justice;	MCA 20-9-236 (b)
Use of Tuition Funds – Permissive Levy	For students with an IEP that requires SED services, tuition funds could be used for the match	
Tax credit scholarship program and the innovative educational program identifies that any program, service, instructional methodology, or adaptive equipment used to expand opportunity for a child with a disability as defined in MCA 20-7-401 is allowable.	School districts that have identified CSCT services for children with disabilities may seek tax credit scholarships to pay for the match for Medicaid-eligible students.	HB 279- 2021 Legislative Session

CSCT Claim & IGT Flow Chart



Flow Chart Definitions

MMIS – The Montana Medicaid Management Information System

NPI Number - A National Provider Identifier (NPI) is a unique 10-digit identification number issued to a health care provider in the United States by the Centers for Medicare and Medicaid Services (CMS).

School District IGT Accounting Activity Example

The below example provides accounting journals completed by the school for the submission and receipt of funds in the IGT process. Each school will need to determine the appropriate accounting journals based on their individual program circumstances. Note, the provided example references the use of code "280" which can have an impact on a school's maintenance of effort calculation.

School District Match (Per DPHHS Remittance Advice)

Debit XXX-XXX-XXXX-XXX-PRC - CSCT Match Expenditure
Credit XXX-101-PRC - Cash

School District Receives Medicaid Payment (Claim+Match)

Debit X15-101-PRC - Cash
Credit X15-3356-PRC - Medicaid Reimbursement - CSCT

Note: Per CSCT MOU, CSCT match funds can't be recycled to meet future match requirements.

School District Pays 3rd Party Provider

Debit X15-280-2140-330-PRC - CSCT Services
Credit X15-101-PRC - Cash

School District Pays CSCT Direct Costs

Debit X15-280-XXXX-XXX-PRC - CSCT Direct Costs and Non-Direct Costs
Credit X15-101-PRC - Cash

Note: Initial expenditures coded to the GF; when match is reimbursed, school may elect to then recode expenditures from GF or other funds

Outstanding Provider Bills Medicaid Fiscal Year End

DR X15-280-2140-330-PRC - CSCT Services
CR X15-621 - Accounts Payable
DR X15-180 - Due from Other Governments
CR X15-3356-PRC - Medicaid Reimbursement - CSCT

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