SCHOOL DISTRICT SERVICES

ELIGIBLE PROVIDERS

In order to receive payment, all eligible servicing and billing providers' National Provider Identifiers (NPI) must be enrolled with South Dakota Medicaid. Servicing providers acting as a locum tenens provider must enroll in South Dakota Medicaid and be listed on the claim form. Please refer to the provider enrollment chart for additional details on enrollment eligibility and supporting documentation requirements.

South Dakota Medicaid has a streamlined enrollment process for eligible ordering, referring, and attending providers that may require no action on the part of the provider as submission of claims constitutes agreement to the South Dakota Medicaid Provider Agreement.

A school district is a Medicaid enrolled educational agency which operates a special education program for students with disabilities, birth through 21 years of age, a cooperative special education unit created by two or more school districts, or a tribally controlled school.

A school district may be a South Dakota Medicaid provider if all the following conditions are met:

- The school district is an educational unit which meets the requirements established in SDCL 13-5-1;
- The school district provides any of the services covered, as outlined in the CPT table list below;
- The covered services are provided by an employee of the school district, or by an individual who is under contract with the school district, and who meets the applicable licensing or certification requirements; and
- The school district has a signed provider agreement with South Dakota Medicaid.

An agency which operates a special education program for students with disabilities, birth through 21 years of age and meets the requirements of ARSD Article 24:05 or a cooperative special education unit created by two or more school districts under SDCL 13-5-32.1 is able to enroll with South Dakota Medicaid if they meet the applicable requirements above and the school district(s) they are providing services for are not enrolled with South Dakota Medicaid. If the agency provides South Dakota Medicaid covered services that are not an eligible school district service, such as Applied Behavioral Analysis (ABA) therapy, the agency may enroll as a group of professionals and bill only for the services not eligible to be provided by the school district.

Servicing Providers
Individual professionals employed by or under contract with a school district who provide medically necessary covered services must meet the appropriate licensure or certification requirements and be associated with the school district on the school district's provider enrollment record.

Services may only be provided by the following provider types:

- A mental health provider listed in ARSD 67:16:41:03 or a school psychological examiner certified under ARSD 24:05:23:02.
- A licensed physical therapist (PT) or a certified graduate physical therapy assistant (PTA) under SDCL Ch. 36-10.
- A licensed occupational therapist (OT) or a licensed occupational therapy assistant (OTA) under SDCL Ch. 36-31 and ARSD Article 20:64:02.
- A speech-language pathologist (SLP) licensed under SDCL Ch. 36-37, or a speech-language pathology assistant (SLPA) licensed under SDCL Ch. 36-37.
    - If speech therapy services are provided by a speech-language pathology assistant, the supervising speech-language pathologist must meet the requirements for a supervising speech-language pathologist contained in ARSD Ch. 20:79:04. Additionally, the supervising speech-language pathologist must either be employed by, or have a formal contractual agreement with, the school district to supervise the speech therapy services provided by a speech-language pathology assistant. Supervisory requirements must be documented in the contractual agreement or included in the employee's job description.
- An audiologist licensed under SDCL 36-24.
    - Nursing services listed in ARSD 67:16:37:11 must be provided by a professional nurse who is licensed under SDCL 36-9.

ELIGIBLE RECIPIENTS

Providers are responsible for checking a recipient's Medicaid ID card and verifying eligibility before providing services. Eligibility can be verified using South Dakota Medicaid's online portal.

The following recipients are eligible for medically necessary services covered in accordance with the limitations described in this chapter:

Coverage Type	Coverage Limitations
Medicaid/CHIP Full Coverage	Medically necessary services covered in accordance with the limitations described in this chapter.

Refer to the Recipient Eligibility manual for additional information regarding eligibility including information regarding limited coverage aid categories.

COVERED SERVICES AND LIMITS

General Coverage Principles
Providers should refer to the General Coverage Principles manual for basic coverage requirements all services must meet. These coverage requirements include:

- The provider must be properly enrolled;
- Services must be medically necessary; and

- The recipient must be eligible.

The manual also includes non-discrimination requirements providers must abide by.

School District Coverage
South Dakota Medicaid covers medically necessary psychological, physical therapy, occupational therapy, speech therapy, audiology, and nursing services provided by school districts once parental consent has been obtained.

All services provided by the school district must meet the following conditions:

- Services must be medically necessary and documented in recipient's record;
- Services must be outlined in the recipient's care plan;
- Services must be within the professional's scope of practice;
- Services must be provided through direct, face-to-face, contact-care with the recipient;
- Services must be documented with a start and end time;
- Services may only be provided to recipients under 21 years of age;
- Services must be provided by the school district in which the recipient is enrolled;
- School District psychology, physical therapy, occupational therapy, speech language pathology, and audiology services listed in the recipient's Individualized Education Program (IEP) or Individual Family Service Plan (IFSP) can be referred by a child's Care Management provider, another physician, physician assistant, or nurse practitioner, or a provider eligible to provide the service. For example, an enrolled physical therapist can order the child's physical therapy services otherwise authorized through the child's IEP.
- School District nursing services, or other services ordered by a care plan other than an IEP or IFSP, must be ordered by the child's Care Management provider or another enrolled physician, physician assistant, or nurse practitioner.

Services listed in the recipient's Individualized Education Program (IEP) must be provided by the school district or a contracted provider of the school district per ARSD 67:16:35:03. In the rare event a school district or contracted provider of the school district is unable to provide a service listed in the IEP, the school district must document the circumstances resulting in them not being able to provide a needed service to the recipient so that they may receive the service from another provider.

School districts are required to bill South Dakota Medicaid using the CPT codes listed below. No other codes are accepted.

CPT Code	School District CPT Descriptions
90899	Psychological Services (1) Integrated screening, assessment, and evaluation; (2) Individual therapy: (3) Group therapy; (4) Parent or guardian group therapy; and (5) Family education, support, and therapy

97799	Physical Therapy Services
97139	Occupational Therapy Services
92507	Speech Therapy Services
92700	Audiology Services
T1002	Nursing Services 1. Nursing evaluation or assessment, which includes observation of recipients with chronic medical illnesses in order to assure that medical needs are being appropriately identified, addressed, and monitored; 2. Nursing treatment, which includes administration of medication, management and care of specialized feeding program, management and care of specialized medical equipment such as colostomy bags, nasogastric tubes, tracheostomy tubes; and 3. Extended nursing care for a technology-dependent recipient who relies on life sustaining medical technology to compensate for the loss of a vital body function and requires ongoing complex hospital-level nursing care to avert death or further disability. Extended nursing care is limited to services provided in the school during normal school hours or during transportation to and from school when the transportation is owned, operated, or contracted through the school district. Extended nursing services are only covered for time the nurse is in person with the recipient. Nursing services are limited to services provided to treat a chronic medical illness and identified on the recipient's IEP/Care plan.
Q3014	Telehealth Originating Site Fee - For OT, PT, SLP, and psychology telehealth services only.

Evaluations

School districts may bill South Dakota Medicaid for initial evaluations to determine health-related needs for the purpose of an IEP or Individual Family Service Plan (IFSP) if the assessment results in the need for services and it is conducted by a qualified (School Psychologist, PT, OT, Audiologist, or SLP) enrolled Medicaid provider. Only the face-to-face portion of the evaluation process is billable to South Dakota Medicaid. Additional evaluations are covered when medically necessary to determine the continuation of services.

Prolonged Assistance

Services become the responsibility of the School District in which the recipient is enrolled when:

1. The services are part of an IEP with a school district for a recipient age 3 to 21 that has been determined to need prolonged assistance; or

2. The recipient, age 0 through 2, has been determined to need prolonged assistance by the South Dakota Department of Education and services are part of the IFSP.

Telemedicine
Refer to the Telemedicine manual regarding speech language pathology, occupational therapy, physical therapy, and psychology services that may be provided via telemedicine.

NON-COVERED SERVICES

General Non-Covered Services
Providers should refer to ARSD 67:16:01:08 or the General Coverage Principles manual for a general list of services that are not covered by South Dakota Medicaid.

School District Non-Covered Services
Routine nursing services which are provided to all students by a school nurse, such as treatment of minor abrasions, cuts, and contusions, recording of temperature or blood pressure, and evaluation or assessment of acute illness, are not covered services.

DOCUMENTATION REQUIREMENTS

General Requirements
Providers must keep legible medical and financial records that fully justify and disclose the extent of services provided and billed to South Dakota Medicaid. These records must be retained for at least 6 years after the last date a claim was paid or denied. Please refer to the Documentation and Record Keeping manual for additional requirements.

Parental Consent (Medicaid Consent Form)
School districts are required to obtain a signed parental consent form prior to accessing Medicaid. Once the initial parental consent form as been signed, the school must provide annual written notification to the student's parents or guardian. The consent forms and written notification must be kept on file with the school district.
The Medicaid Consent Form and Written Notification are available through the South Dakota Department of Education under the Special Education Programs section of their website.

Care Plan Requirements
The school district must have a care plan for each individual receiving covered services billed to Medicaid. A care plan is a written plan for a particular individual outlining medically necessary health services and the duration of those services. Each care plan must meet all the following requirements:

- A qualifying care plan must contain the individual's diagnosis, the scope and duration of the service to be provided, and evidence establishing medical necessity of the service according to ARSD 67:16:01:06.02. An IEP, IFSP, or other qualifying plan (504 plan), prepared by school officials may be used as the care plan.
- A care plan may not be effective for more than one school year.
- The care plan must be amended as warranted by changes in the individual's medical condition.

South Dakota Medicaid accepts the services as medically necessary if the recipient is qualified under an IFSP for therapy services based on the results of a developmental test (BDI, Peabody, etc.). If all the information from a formal therapy evaluation is on the IFSP then South Dakota Medicaid would accept the IFSP as a replacement.

Therapy Documentation
Therapists must document the recipient's progress towards meeting therapy goals. The therapist must also document the ordering provider's order. Treatment notes must be updated in the recipient's file after every visit. The treatment must indicate what took place at the appointment, how much time was spent performing the services, and any observations the therapist made while working with the recipient.

Therapists must complete a progress report note at minimum after every 90 days for restorative therapy. The note must include:

- An evaluation of progress toward current goals;
- A professional judgment about continued goals;
- Any modification of goals and/or treatment, if necessary; and
- Termination of services if necessary.

REIMBURSEMENT AND CLAIM INSTRUCTIONS

Timely Filing
South Dakota Medicaid must receive a provider's completed claim form within 6 months following the month the service was provided. Requests for reconsiderations will only be considered if they are received within the timely filing period or within 3 months of the date a claim was denied. The time limit may be waived or extended by South Dakota Medicaid in certain circumstances. Providers should refer to the General Claim Guidance manual for additional information.

Reimbursement

Payment is limited to the federal share of a school district's established rate. The school district is responsible for the state share of the service.

Rate Setting
South Dakota Medicaid contacts enrolled school districts annually to establish rates. Rates are established for the period of July 1 to June 30. If a school district needs to set a new rate or revise a rate mid-year, they must contact South Dakota Medicaid. A school district's rate is based on the projected cost of the service or a contracted rate.

Cost Settlement
School district services are subject to cost settlement based on the school district's actual costs. The cost settlement will result in overpayments being returned to the state and school districts being reimbursed fully if the services cost more than the set rate.

Billing Requirements

Claims submitted by a school district must be at the provider's usual and customary charge for the service. Claims must be billed on a CMS 1500 claim form or electronically using an 837P. Detailed claim instructions are available on the South Dakota Medicaid website. Only claims for services listed in the individual's care plan or IEP/IFSP and covered in the CPT table listed above may be submitted under this manual. South Dakota Medicaid accepts developmental delay ICD-10 diagnosis codes.

Time Units

Psychology, physical therapy, occupational therapy, speech therapy, and audiology school districts services are billable in 15-minute unit increments for services provided on a single date of service. Time is the face-to-face time with a recipient. A unit of time is attained when the mid-point is passed. For example, 15 minutes is attained when 8 minutes have elapsed. A second 15-minute unit is attained when a total of 23 minutes has elapsed.

Nursing services (T1002) must be billed in accordance with the requirements above with the exception that 1 unit can be billed per day per recipient for nursing services rendered to a recipient even if the service was less than 8 minutes. A second unit is billable at 23 minutes on a single date of service.

The telehealth originating site fee (Q3014) is not a time-based code. Providers should refer to the Telemedicine manual for additional billing guidance.

Modifier

Modifier TM must be included on claims for services provided as part of a 504 plan or other non-IEP or non-IFSP plan of care. Claims for services provided as part of an IEP or an IFSP plan must be submitted without the TM modifier.

Claim Instructions

Refer to the CMS 1500 Claim Instructions manual and the Medicaid Portal CMS 1500 Submission Guide for claim field descriptions and submission instructions.

Modifier

Modifier TM must be included on claims for services provided as part of a 504 plan or other non-IEP or non-IFSP plan of care. Claims for services provided as part of an IEP or an IFSP plan must be submitted without the TM modifier.

Referral Information

The referral information must be included on each claim line submitted to South Dakota Medicaid in box 17b of the claim. All school district service claims require a referral. If the psychological, physical therapy, occupational therapy, or audiology service was ordered through an IEP or IFSP, the referring NPI on the claim can be that of the child's Care Management provider, a physician, physician assistant, or nurse practitioner, or a provider eligible to provide the service. If the service provided is a nursing service or is ordered through a plan of care other than an IEP or IFSP, the referring NPI needs to be that of either the child's Care Management provider, or a physician, physician assistant, or nurse practitioner.

Medicaid Administrative Claiming (MAC)
The MAC program, administered by South Dakota Medicaid, allows school districts to be reimbursed for some of their costs associated with school-based health and outreach activities which are not claimable under the Medicaid fee-for-service reimbursement.

The school-based health and outreach activities funded under MAC include referrals of students/families for Medicaid eligibility determinations, providing healthcare information, coordination and monitoring of health services for students, and interagency coordination of services.

School districts participating in the South Dakota MAC program must meet a specific set of requirements. The districts must have:

- A signed Intergovernmental Agreement with the Department of Social Services (DSS);
- Time studies completed at prescribed time intervals, which become part of the statewide statistically valid time study;
- Cost determinations and allocations performed; and
- Quarterly Medicaid administrative claims prepared and submitted to DSS.

All participating school districts will be included in the statewide sample for the administrative claiming program. Personnel and cost data will be compiled from each individual school district. Medicaid eligibility data will also be applied to each individual school district. Activity percentages derived from the statewide sample will be applied to each school district to determine the reimbursement amount.

DSS and the school districts share common interests in ensuring more effective and timely access to care as well as the most appropriate utilization of Medicaid-covered services. Promoting activities and behaviors that reduce the risk of poor health and poor health outcomes for the state's most vulnerable populations is also a major consideration. The school setting provides opportunities to reach recipients and their families to encourage and assist them in enrolling into the Medicaid program. This setting also affords an opportunity for the school districts to deliver direct medical services to Medicaid-eligible members. School districts can create a framework within their own unique environments that allows a seamless health care delivery system for recipients and helps eliminate many of the barriers to access.

The monitoring of administrative claiming records is required by DSS and the Centers for Medicare and Medicaid Services (CMS). MAC payments are the Federal share of funds paid for administrative services provided on behalf of Medicaid-eligible school recipients and their families. School district personnel deliver these services, and the school districts are responsible for payment for services rendered. The school districts payments to providers are inclusive of the state and Federal shares. The MAC claim identifies the Federal and state shares of the payment thus allowing the Federal share funds to be returned to the schools through the claiming process.

REFERENCES

- Administrative Rule of South Dakota (ARSD)
- South Dakota Medicaid State Plan
- Code of Federal Regulations

QUICK ANSWERS

1. **Does South Dakota Medicaid accept developmental delay ICD-10 codes as a primary diagnosis?**

   Yes, South Dakota Medicaid covers development delay codes. For example, R62.50 can be listed as the primary diagnosis.

2. **Can a school district use diagnosis code F81.9 (developmental disorder of scholastic skills, unspecified) as a primary diagnosis?**

   No, F81.9 can only be used as a secondary diagnosis. South Dakota Medicaid does not allow scholastic and/or educational diagnosis codes as a primary diagnosis.

3. **If the parents decline to sign the Medicaid Consent form can the school district still bill Medicaid?**

   No, per federal law, if a parent declines to consent the school district may not bill Medicaid.

4. **How often do parent authorization forms need to be signed?**

   Districts must obtain a one-time written consent from the parent before accessing Medicaid for the first time. The school district must send the parent written notification annually thereafter that the district will bill South Dakota Medicaid.

5. **Why are we receiving a letter from a student's primary insurance regarding therapy the student is receiving in our school?**

   School districts are exempt from billing a student's primary insurance prior to billing Medicaid; however, South Dakota Medicaid will bill a student's primary insurance after the claim is submitted to Medicaid. Some major medical insurance will cover therapy or nursing services received in a school setting. An insurance company may reach out to the school or the parents after they have received the claim from South Dakota Medicaid. The primary insurance may have questions regarding the service being provided before they will reimburse South Dakota Medicaid.

6. **Why did our reimbursement change mid-year?**

   South Dakota Medicaid remits the federal share of the claim to the school district. The state share is the responsibility of the school district. The amount paid by the federal government changes each year effective October 1. The federal share is based on the paid date of the claim.

   In addition, the federal share paid for Medicaid and CHIP recipients is a different percentage. If a student switches between these two programs, the federal share will change.

7. **Can we bill for delegated nursing services?**

   No, services must be provided by a professional nurse licensed under SDCL 36-9.

8. **Will parents be billed if their insurance company denies any reimbursement back to South Dakota Medicaid?**

   No, parents will not be billed by South Dakota Medicaid for direct services received in the school district.