

CHAPTER 700

SCHOOL-BASED CLAIMING PROGRAM/DIRECT SERVICE CLAIMING

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|------------|-----------------------------------------------------------------|---------------------|
| 700 | <u>CHAPTER OVERVIEW</u> | <u>700-1</u> |
| | GENERAL REQUIREMENTS | 700-1 |
| | REFERENCES | 700-3 |
| 710 | <u>MEDICAL AND FINANCIAL RECORDS</u> | <u>710-1</u> |
| 720 | <u>COVERED SERVICES</u> | <u>720-1</u> |
| | A. AUDIOLOGY | 720-1 |
| | B. BEHAVIORAL HEALTH SERVICES | 720-2 |
| | BEHAVIORAL HEALTH PROVIDERS | 720-3 |
| | C. NURSING SERVICES..... | 720-3 |
| | SCHOOL-BASED REGISTERED NURSE AND LICENSED PRACTICAL NURSE..... | 720-3 |
| | SCHOOL-BASED HEALTH AIDES | 720-4 |
| | D. THERAPIES | 720-5 |
| | PHYSICAL THERAPY AND OCCUPATIONAL THERAPY | 720-5 |
| | SPEECH THERAPY | 720-6 |
| | E. TRANSPORTATION..... | 720-7 |
| | TRANSPORTATION PROVIDER REGISTRATION AND DOCUMENTATION | 720-8 |



700 CHAPTER OVERVIEW

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This chapter provides information about the health care services available through the School-Based Claiming Program, specifically, the Direct Service Claiming (DSC) Program. Through this Program, AHCCCS provides Medicaid coverage of certain services to be rendered by providers who are employed by, or contracted with, the member's Local Education Agency (LEA). LEAs include public school districts, charter schools not sponsored by a school district and the State School for the Deaf and Blind.

GENERAL REQUIREMENTS

All the following general requirements must be met to be considered a DSC covered service.

1. DSC providers must be registered with AHCCCS prior to providing services to AHCCCS members enrolled in the DSC Program, and must carry liability insurance as required by the provider agreement.
2. Services are covered only for AHCCCS Title XIX members who are from three through 21 years of age, and who have been determined by the LEA to be eligible for special education and related services under the Individuals with Disabilities Education Act (IDEA), Part B.

Those members age three through ages 20 are eligible for services covered under EPSDT. Those members age 21 to age 22 who are eligible for Medicaid services provided under IDEA are covered within the same service limitations that apply to all eligible AHCCCS acute care members age 21 and older.

Emergency Services Program recipients and KidsCare members are not eligible for services through the DSC Program.

3. Assessment, diagnostic and evaluation services are covered under the Program only when one or more DSC covered services are included in the member's Individual Education Plan (IEP) as a result of the assessment, diagnostic or evaluation service, and claims or other documentation that demonstrate the service(s) have been provided.



If an assessment, diagnostic or evaluation service is provided as part of the eligibility determination process for the DSC Program, it will be covered if the member is indeed determined to be eligible for the Program and receives a DSC covered service. If the member is not determined to be eligible for the DSC Program, or the evaluation results in a service that is not covered under the DSC Program, the assessment, diagnostic or evaluation service will not be covered.

4. All covered services under the DSC Program must be determined by an AHCCCS registered provider to be medically necessary and included in the member's IEP. The appropriate qualified provider for each particular service identified in the IEP must determine and include in the IEP the scope, frequency and duration of the service to be provided and must sign and date the IEP.
5. Services must be provided in accordance with the IEP for the purpose of developing, improving or maintaining skills required for the member to begin and/or continue to receive education through the public school system.
6. The services must be provided during a regular school day within a public school unless the member's IEP specifies an approved alternative setting due to the member's medical condition. Approved alternative settings include a clinic, medical professional office or other medical facility, another school, or the member's residence. These settings are included in this Policy as a "public school setting."
7. Prior authorization is not required for a DSC assessment, evaluation, diagnostic or treatment service if it is provided as part of the DSC eligibility determination process, or when the service is included in the eligible member's IEP and provided in a public school setting. However, claims for reimbursement for eligible services are subject to a pre-payment review.
8. As described in the CMS "Free Care" rule, AHCCCS does not cover any DSC service or related administrative cost provided to Medicaid students if the same service is normally provided to all students whether they are eligible for special education or not. In addition, AHCCCS does not cover educational services customarily provided by instructional aides or attendants.
9. If approved by the LEA, members who reside near the borders of Arizona and California, Nevada, Utah, Colorado or New Mexico may receive services from a provider licensed in one of these States if the provider is in closer proximity to the member and is a registered AHCCCS provider.



For complete information regarding billing for services, and available training or technical assistance related to the DSC Program, contact the AHCCCS contracted Third Party Administrator.

REFERENCES

1. Individuals with Disabilities Education Act (IDEA, Part B)
2. Medicaid and School Health: A Technical Assistance Guide 1997
3. Arizona Medicaid State Plan
 - a. Attachment 3.1, A Limitation
 - b. Attachment 4.19B
4. Arizona State Plan Amendment (SPA) No. 11-007
5. 4 A.A.C 19, Article
6. 4 A.A.C. 24, Article 3
7. 4 A.A.C. 43, Article 4
8. [A.A.C.] R9-16-501 et seq
9. Arizona Revised Statute (A.R.S.) Title 32
10. A.R.S. Title 32, Chapter 19.1
11. A.R.S. § 36-1940.04
12. 42 C.F.R. 440.110
13. 42 C.F.R. 74.23



710 MEDICAL AND FINANCIAL RECORDS

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1. A medical record must be kept at the school for each AHCCCS member who receives services through the DSC Program. The record must be maintained by the service provider(s) who render services to the member. It must provide accurate documentation of the member's health care needs that will be addressed through the Program, changes in the member's health status, and medically necessary services that have been provided.
2. Medical records should be well organized and comprehensive, with sufficient detail to promote effective member care and quality review. Each medical record must be kept up-to-date and include all of the following:
 - a. A copy of the member's current, valid Individual Education Plan (IEP) that includes DSC covered services with outcome oriented goals. An IEP is considered current and valid when the date of service falls within the date-span reflected on the IEP, and the IEP has been signed and dated by the appropriate qualified medical providers for each claimable service. The IEP must contain a "prescription" or recommendation for each medical service including details regarding the scope, frequency and duration. The appropriate qualified provider for each particular service identified in the IEP must determine and include in the IEP the scope, frequency and duration for the medical service under his/her direction. The IEP must be signed and dated by the appropriate qualified medical provider(s).
 - b. Periodic summary reports of the member's progress toward treatment goals which must be completed by the appropriate qualified medical provider for each eligible service and signed and dated by each provider with the date (delivery) of service.
 - c. A clinical note giving a description of service modalities provided, the date and the time spent providing the service. The note must be signed and dated by the provider at the time the service is provided with the date (delivery) of the service.



3. The member's medical record should include documentation that diagnostic, treatment and disposition information related to the member is transmitted correctly to his/her primary care provider, and other health care providers as appropriate, to promote continuity of care and quality management of the member's health care.
4. Medical records may be documented on paper or in an approved electronic format.
 - a. Records documented on paper must be written legibly in blue or black ink, signed and dated.
 - b. If records are physically altered, the stricken information must be identified as an error and initialed by the person altering the record; whiteout is not allowed.
 - c. If kept in an electronic file, the provider must establish a method of indicating the initiator of information and follow up documentation regarding an electronic signature. The provider must have processes in place to ensure that information is not altered inadvertently. This would include the use of any electronic format for records provided as documentation to support a claim, such as electronic IEP systems or electronic service logs.
 - d. A system must be in place to track when, and by whom, revisions to information are made. The appropriate qualified service provider must be easily identifiable as the person making alteration to the record.
 - e. Any transmission of, or accessibility to, information included in an AHCCCS member's medical record must conform to current AHCCCS policies, and Health Insurance Portability and Accountability Act requirements when notified by AHCCCS of the effective implementation date.
5. The LEA must submit to the Third Party Administrator (TPA), in an AHCCCS approved format, quarterly and annual cost report. Each quarterly and annual report must be certified by the LEA's AHCCCS approved LEA administrator.
6. Each participating LEA must maintain appropriate financial documentation that verifies State/local funds were expended for each type of service provided to students enrolled in the DSC Program. In addition, LEAs are responsible for meeting all of the requirements outlined in the School Based Claiming Participation Agreement entered into with the TPA. State requirements related



to public welfare and human services awards are addressed in Title 45 of the Code of Federal Regulations (45 C.F.R.) 74.23.

7. Medical records must be accessible and available to the AHCCCS Administration, the Centers for Medicare and Medicaid Services, the AHCCCS contracted Third Party Administrator and health care providers serving the member. On a periodic and ongoing basis as appropriate, a review of medical records will be conducted to assess the medical necessity of services, the appropriateness of services provided and the completeness of the medical records for AHCCCS members receiving services through the DSC Program. Records reviewed may include IEP, attendance records, evaluations and/or assessments, clinical notes, progress notes, services logs, provider qualification documentation and any additional documentation needed to support the claim.



720 COVERED SERVICES

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A. AUDIOLOGY

Description of Benefit

Audiology is a Direct Service Claiming (DSC) covered service, within certain limitations, to evaluate hearing loss and rehabilitate persons with hearing loss through other than medical/surgical means. This service was approved by the Centers for Medicare and Medicaid Services to be covered within the DSC program on 01/01/2005.

Audiology services that may be provided under the DSC program include:

1. Medically necessary services regarding the diagnosis or treatment of eligible students, and
2. Individual and group instruction/treatment, which may include auditory training, speech, reading and audiometry.

Conditions, Limitations and Exclusions

In addition to general requirements identified in the Overview of this Chapter and medical record requirements specified in Policy 710 of this Chapter, the following conditions, limitations and exclusions apply to audiology services:

1. Audiologists

The audiologist must have a master's or doctoral degree in audiology and meet one of the following conditions:

- a. Have a Certificate of Clinical Competence (CCC) in audiology granted by the American Speech-Language-Hearing Association, or
- b. Have successfully completed a minimum of 350 clock-hours of supervised clinical practicum (or be in the process of accumulating such supervised



clinical experience under the supervision of a qualified master or doctoral-level audiologist), performed not less than nine months of supervised full-time audiology, or a related field, and successfully completed a national examination in audiology approved by the Secretary of the U.S. Department of Health and Human Services.

AHCCCS will require all audiologists registered with AHCCCS to provide documentation of State licensure and either a or b as noted above.

2. Exclusions

- a. Exams or evaluations for hearing aids
- b. Exams or evaluations for cochlear implants
- c. Evaluations for prescription of speech-generating and non-speech-generating augmentative and alternative communicating devices
- d. Therapeutic service(s) for the use of speech-generating and non-speech-generating devices, including programming and modification, and devices such as hearing aids, cochlear implants, and speech-generating and non-speech-generating devices.

NOTE: The above excluded services are covered and available for eligible Medicaid members through AHCCCS acute care and ALTCS Contractors, or the AHCCCS Administration for FFS members.

B. BEHAVIORAL HEALTH SERVICES

Description of Benefit

AHCCCS covers behavioral health services provided to eligible members when rendered by a registered AHCCCS provider within their scope of practice.

Behavioral health services that may be provided under the DSC Program include:

1. Assessments
2. Individual, group and family therapy and counseling
3. Psychological and developmental testing
4. Neurobehavioral status examinations and neuropsychological testing, and



5. Cognitive skills training.

Conditions, Limitations and Exclusions

In addition to general requirements identified in the Overview of this Chapter and medical record requirements specified in Policy 710 of this Chapter, the following conditions, limitations and exclusions apply to behavioral health services.

1. Behavioral Health Providers

Providers of behavioral health services must be registered with AHCCCS and be licensed or certified as follows:

- a. Psychiatrists must be licensed per requirements in Arizona Revised Statute (A.R.S.) Title 32, or the regulatory body of the State where the psychiatrist resides.
- b. Psychologists must be licensed per requirements in A.R.S. Title 32, Chapter 19.1, or the regulatory body of the State where the psychologist resides.
- c. Licensed Clinical Social Workers (LCSW), Licensed Professional Counselors (LPC) and Licensed Marriage and Family Therapists (LMFT) must have current licensure by the Arizona Board of Behavioral Health Examiners as a LCSW, LPC or LMFT, or if outside Arizona, be licensed or certified to practice independently by the local regulatory authority.

C. NURSING SERVICES

Description of Benefit

AHCCCS covers nursing services provided to eligible members when rendered by registered AHCCCS providers within their scope of practice.

School-Based Registered Nurse and Licensed Practical Nurse

1. School-based registered nurses and licensed practical nurses must follow the Individual Education Plan (IEP) and provide care to students within the scope of their practice (Arizona Administrative Code Title 4, Chapter 19, Article 4).
2. RNs/LPNs provide direct nursing and may also provide training and oversight of School-Based Health Aides.



School-Based Health Aides

School-Based Health Aides are specially trained and approved by the schools in general care. School-Based Health Aides must follow the IEP for each student. They are supervised by a nurse or other appropriate licensed personnel employed by, or contracted with, the LEA.

Training received by the Health Aide(s) related to the specific needs of the student should be documented by the LEA.

School-Based Health Aides must have current certification in first aid and Cardiopulmonary Resuscitation (CPR). Certification in first aid and CPR must meet the following standards:

1. Training in first aid and CPR must be provided or sponsored by a nationally recognized organization (e.g., American Heart Association, American Red Cross, etc.), using an established training curriculum.
2. Training sessions must be in person, in order for the participant to demonstrate learned skills such as mouth-to-mouth resuscitation and chest compressions. Web-based training without the benefit of on-site return demonstration of skills is not acceptable.
3. Certificates of completion of first aid and CPR training must be provided to the LEA and to AHCCCS upon requesting provider registration as an AHCCCS provider.

Conditions, Limitations and Exclusions

In addition to general requirements identified in the Overview of this Chapter and medical record requirements specified in Policy 710 of this Chapter, the following conditions, limitations and exclusions apply to nursing services:

Providers of nursing services must be registered with AHCCCS and be licensed as follows:

1. School-Based Registered Nurses must be licensed by the regulatory body of the State where the nurse resides
2. School-Based Licensed Practical Nurses must be licensed by the regulatory body of the State where the nurse resides, and



3. School-Based Health Aides must possess current certification in first aid and CPR, and receive training as specified by the LEA.

D. THERAPIES

Description of Benefit

Occupational, physical and speech therapy services are covered under the DSC Program when provided to DSC enrolled AHCCCS members by a registered AHCCCS provider within their scope of practice.

Therapy services that may be provided under the DSC Program include:

Physical Therapy and Occupational Therapy

1. Therapy evaluations and re-evaluations
2. Therapeutic procedures, exercises and activities to develop strength, endurance, range of motion and/or flexibility, and to improve functional performance. Services may be provided on an individual or group basis.
3. Neuromuscular re-education to develop, improve or maintain movement, balance, coordination, kinesthetic sense, posture, and proprioception
4. Gait training and stair climbing
5. Massage necessary to effect change or improve function (e.g., effleurage, petrissage or tapotement)
6. Manual therapy techniques (e.g., mobilization/manipulation)
7. Orthotics fitting and training for upper or lower extremities
8. Prosthetic training, for upper or lower extremities
9. Wheelchair management/propulsion training
10. Physical performance test or measurement (e.g., musculoskeletal, functional capacity) along with a written report
11. Therapeutic activities for development of cognitive skills including compensatory training and/or sensory integrative activities to improve attention, memory, problem solving, and



12. Application of a modality such as manual electrical stimulation.

Speech Therapy

1. Evaluation of speech, language, voice, communication, auditory processing, and/or aural rehabilitation status
2. Treatment of speech, language, voice, communication, and/or auditory processing disorders, including aural rehabilitation. Services may be provided on an individual or group basis.
3. Laryngeal function studies
4. Evaluations or treatment of swallowing or swallowing dysfunction, and oral function for feeding, and
5. Aural rehabilitation following cochlear implant, including evaluation of aural rehabilitation status and hearing, therapeutic services, with or without speech processor programming.

Conditions, Limitations and Exclusions

In addition to general requirements identified in the Overview of this Chapter and medical record requirements specified in Policy 710 of this Chapter, the following conditions, limitations and exclusions apply to therapy services.

1. Providers of therapy services must be registered with AHCCCS and be licensed as follows:
 - a. Occupational Therapists must be licensed by the Arizona Board of Occupational Therapy Examiners, or the governing Board of the State where the therapist practices or a certified OT Assistant (under the supervision of the occupational therapist according to 4 A.A.C. 43, Article 4) licensed by the Arizona Board of Occupational Therapy Examiners.
 - b. Physical Therapists must be licensed by the Arizona Board of Physical Therapy or the governing Board of the State where the therapist practices or a Physical Therapy Assistant (under the supervision of the PT, according to 4 A.A.C. 24, Article 3) certified by the Arizona Physical Therapy Board of Examiners, and



- c. Speech therapy qualified providers must meet the Federal requirements of 42 C.F.R. 440.110, and services may be provided by the following professionals within their scope of practice:
 - i. A qualified Speech-Language Pathologist (SLP) licensed by the Arizona Department of Health Services (ADHS), or
 - ii. A Speech-Language Pathologist who has a temporary license from ADHS and is completing a clinical fellowship year. He/she must be under the direct supervision of an ASHA certified speech-language pathologist. AHCCCS registration will be terminated at the end of two years if the fellowship is not completed at that time.
 - iii. A qualified SLP Assistant (under the supervision of the speech-language pathologist and according to A.R.S. §36-1940.04 and R9-16-501 et seq) licensed by the Arizona Department of Health Services. The SLPA must be identified as the treating provider and bill for services under his or her individual NPI number (a group ID number may be utilized to direct payment). SLPAs may only perform services under the supervision of a SLP and within their scope of service as defined by regulations.
2. Medically necessary outpatient occupational and speech therapies are not covered for acute care AHCCCS members over age 21. All outpatient therapy services are covered for ALTCS members, regardless of age.
3. For the purposes of the DSC program, Occupational Therapists and Physical Therapists operate as both ordering and rendering provider. Claims submitted for services provided by an Occupational Therapist or a Physical Therapist will only utilize the NPI in the rendering provider field when submitting claims.

E. TRANSPORTATION

Description of Benefit

AHCCCS covers school-based transportation services provided to eligible members when clearly identified in the IEP and rendered by a registered AHCCCS transportation provider for medically necessary transportation to and from school when one of the criteria from number 1 and one of the criteria from number 2 below are met.

1. The member requires transportation in an adapted vehicle (i.e., special needs school bus that is designed to transport disabled passengers and is constructed with a special-service entrance) or



2. The member could otherwise be transported in a regular school bus, but due to behavioral problems must be transported separately from other non-Individuals with Disabilities Education Act (IDEA) eligible children
3. The member receives a DSC reimbursable service at school that same day, or
4. The member receives a reimbursable service (as identified in the Individual Education Plan) that is provided at an approved alternative setting that same day.

Conditions, Limitations and Exclusions

In addition to general requirements identified in the Overview of this Chapter, the following conditions, limitations and exclusions apply to transportation services.

Transportation Provider Registration and Documentation

The LEAs must register as transportation providers with AHCCCS, and in doing so, must:

1. Submit proof of insurance
2. Maintain on file:
 - a. Copies of the driver's license for each transportation provider and the LEA's proof of insurance
 - b. A trip log, which contains:
 - i. The student's name
 - ii. Date the student was transported
 - iii. Mileage transported from point of origin to destination, not to include additional mileage related to multiple pickups; and
 - iv. Driver's initials verifying that student was provided transportation.
3. The member's transportation services are reimbursed at an all-inclusive rate. The rate includes reimbursement for any School-Based Health Attendant(s) required to be present during the transportation.
4. Transportation services will not be covered when:
 - a. The member is transported on a regular school bus with non-IDEA eligible students who are attending the school



CHAPTER 700
SCHOOL-BASED CLAIMING PROGRAM/DIRECT SERVICE CLAIMING

POLICY 720
MEDICAL AND FINANCIAL RECORDS

- b. The member does not receive a DSC reimbursable service during the school day
- c. The member is transported from the school and back for a medical service that is not paid for by the school under IDEA
- d. Transportation services are for educational purposes only
- e. Transportation is provided in an adapted vehicle with specialized equipment or supervision, but the child's medical condition does not require the specialized services, or
- f. Transportation is provided by a parent, relative or friend.