Maryland
DEPARTMENT OF HEALTH

2022 Joint Chairmen's Report (p. 103-104) - Report on School-Based Health Centers Medicaid Claiming

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Introduction

House Bill 1148/Senate Bill 830 - *School–Based Health Centers – Guidelines and Administration of Grants* (Chapter 606 of the Acts of 2021) required that the Governor transfer the administration of school-based health center (SBHC) grants and any related functions from the Maryland State Department of Education (MSDE) to the Bureau of Maternal and Child Health (the Bureau) within the Maryland Department of Health (MDH) on or before July 1, 2022. Since the passage of the bill, MDH, MSDE and many stakeholders have planned and successfully completed the transition of the Maryland School-Based Health Center Program.

Pursuant to the 2022 Joint Chairmen's Report (JCR) (p. 103-104), the budget committees requested MDH report on (1) an analysis of current Medicaid claims for SBHC services, including efforts to expand Medicaid's claims from SBHCs, (2) an update on the progress of federal guidance and agency progress to implement an administrative claiming program for school health related services, (3) the number and locations of Maryland SBHCs operating as of July 1, 2022, and (4) MDH's anticipated use of grant funding for SBHCs in fiscal year 2023. These items are addressed below.

Analysis of Medicaid claims for SBHC services

The JCR requests an analysis of current Medicaid claims for SBHC services, including the number of SBHCs that bill through Medicaid, efforts by MDH to expand Medicaid claiming for SBHC services, SBHC services that are not eligible for Medicaid claiming or are not reimbursed due to administrative issues, and the reasons for services not being eligible or reimbursed.

Between calendar year (CY) 2017-2019, 32 SBHCs billed Medicaid for visits.[1] During that time, there were an average of 8,313 Medicaid-reimbursed visits per year. Approximately 75% of these visits were provided by three SBHCs: Choptank Community Health, Baltimore Medical Systems, and University of Maryland Health Center. Three Managed Care Organizations (MCO) covered 90% of these visits (AmeriGroup, Maryland Physicians Care, and Priority Partners). The vast majority (91%) of Medicaid visits for SBHCs had CPT codes for office visits (and 65% were specifically for a 20-30 minute visit for existing clients - CPT 99213).[2] The primary reason for the visit for 62% of all SBHC visits were somatic/physical conditions, and 26% were mental health conditions. Table 1 below details SBHC visits by each MCO.

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[1] 'Visits' are deduplicated services and are defined as one per-person per-provider per day.

[2] The Current Procedural Terminology (CPT) codes provide health care professionals a uniform language for coding medical services and procedures.

Table 1. SBHC Encounters by MCO, CY 2017-CY2020

MCO	CY 2017	CY 2018	CY 2019	CY 2020*
Aetna	*	*	94	60
AmeriGroup	1,882	1,844	1,608	462
CareFirst Community Partners	182	179	241	94
JAI Medical Systems	67	58	156	70
Kaiser	*	*	52	31
Maryland Physicians Care	984	600	999	478
MedStar Family Choice	*	*	245	140
Priority Partners	4,954	4,785	4,959	1,685
United Healthcare	202	399	436	208
Total	**8,273**	**7,876**	**8,790**	**3,228**

*Cell sizes of 10 or less have been suppressed. The COVID-19 pandemic impacted utilization of services for CY 2020.

During CY 17-19, the average of 8,313 annual visits covered by Medicaid represents only 19% of all annual SBHC visits. MDH recognizes there are challenges that have led to eligible services not being reimbursed by Medicaid. Although not an exhaustive list, the following examples highlight structural barriers within billing at a SBHC:

- At the time of visit, insurance information is not always available (i.e., it is unknown to a patient or has changed since enrollment) and parent(s) may not be available to provide the information.
- Billing infrastructure, which could include technological components like electronic health record (EHR) systems and medical billing software, dedicated billing staff, and defined billing processes and protocols, varies greatly among SBHCs, leading to irregularities in reimbursement from site to site.
- Concerns regarding confidentiality that disincentivize billing. For example, MCOs are required to submit denial of service letters or explanations of benefits to an individual's mailing address, which could be problematic for sensitive services.

MDH continues to work on several initiatives aimed to address these challenges and expand Medicaid claiming for SBHC services. In accordance with House Bill 409, Chapter 198 of the Acts of 2020, MDH expanded the definition of SBHC Sponsoring Organizations in 2020. Sponsoring Organizations are entities that provide, or contract with other entities to provide medical oversight, staffing, funding, liability insurance, billing support, operations oversight and/or administrative oversight. These Sponsoring Organizations can support SBHCs with infrastructure needed for Medicaid reimbursement. In turn, MDH plans to work with a vendor to develop and implement a strategy for efficient, accurate, and consistent billing of health insurers

with each SBHC and Sponsoring Organization. This is part of the Maryland SBHC Program's focus on the fiscal sustainability of SBHCs.

Additionally, MDH is pursuing CRISP integration into each SBHC. This integration will allow providers with access to CRISP to upload patient panels to access certain health information about individuals seen by their practice, as well as Medicaid eligibility and enrollment data.

Update on Administrative Claiming Program

As discussed in reports submitted to the General Assembly in response to the 2019, 2020, and 2021 JCRs, Maryland Medicaid does not currently employ an administrative claiming program for school-based services. Such a program would be a major programmatic change from the current fee-for-service model, requiring the steps outlined in MSDE and MDH response to the 2019 JCR.

Consistent with prior JCRs, MDH and MSDE note that in December 2018, the U.S. Department of Health and Human Services Office of Inspector General (OIG) issued a broad audit report with respect to Medicaid school-based administrative claiming.[3] The audit pointed to vulnerabilities in school-based administrative claiming methodologies and deficiencies in time-study methodologies at both the state and federal levels, causing a significant volume of improper payments. The OIG report recommended that the Centers for Medicare and Medicaid (CMS) issue new guidance to states on school-based administrative claiming. CMS concurred with the audit's findings and is now undertaking corrective action, to include an updated version of the claiming guide. The guide was last updated in 2003 and therefore predates the major changes in federal and state Medicaid policy over the last decade.

As of this report, CMS still has not issued updated guidance on school-based administrative claiming. State Medicaid programs, including Maryland, and stakeholders continue to await this guidance.[4] Until the State is in receipt of updated, compliant federal guidance, it is not possible to assess feasibility, cost/savings, or timeline for the steps outlined in the 2019 JCR response on school-based administrative claiming implementation. Any analysis or planning based on the standing federal guidance would be noncompliant according to the federal OIG and would expose the State to major audit risk. Once CMS issues updated school-based administrative claiming guidance, MSDE and MDH will be in a better position to assess opportunities related to school-based administrative claiming.

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3 "Vulnerabilities Exist in State Agencies' Use of Random Moment Sampling to Allocate Costs for Medicaid School-Based Administrative and Health Services Expenditures" https://oig.hhs.gov/oas/reports/region7/71804107.pdf

4 See e.g., Letter to CMS on Updating School Based Medicaid Guidance, from stakeholders dated 2/16/2021 requesting CMS issue updated guidance by June 1, 2021.

Number and Distribution of SBHCs as of July 1, 2022

There are currently 95 SBHCs in 17 jurisdictions. To complete its statewide needs assessment, develop the operational and fiscal foundation of existing SBHCs, and build the programmatic support necessary for the Maryland SBHC Program, MDH will neither review nor approve new applications from SBHCs or their Sponsoring Organizations during the first year of the transition, from July 1, 2022 through June 30, 2023. Hence, at the time of this report, there are no new SBHCs beyond the 95 already documented and approved.

Table 2. Number and distribution of SBHCs by jurisdiction

Jurisdiction	Number of SBHCs
Baltimore City	17
Baltimore County	13
Caroline County	9
Dorchester County	4
Frederick County	1
Harford County	5
Howard County	11
Kent County	1
Montgomery County	14
Prince George's County	5
Queen Anne's County	1
St. Mary's County	2
Somerset County	1
Talbot County	5
Washington County	2
Wicomico County	3
Worcester County	1
Total SBHC Programs (FY22)	**95**

Anticipated use of grant funding for Fiscal Year 2023

Overall, the additional funds for SBHC grants in FY23 will go towards approved SBHCs for their operations. In addition, funds will provide one-time infrastructure grants to approved SBHCs, support SBHC staff, and provide other foundational support to the Maryland SBHC Program (e.g., technical assistance, data and evaluation). Please see further information below.

Table 3. Use of additional funds for SBHC grants by item and amount

Item	Amount
Operational grants to approved SBHCs	$6,200,000
One-time infrastructure grants to approved SBHCS	$1,100,000
Technical Assistance and learning collaboratives to SBHCs	$150,000
Statewide Needs Assessment	$100,000
Support Maryland's SBHCs in billing insurers for services delivered	$100,000
Staff salary and fringe	$600,000
Data and evaluation needs	$400,000
Additional planning	$100,000

- **Operational grants to existing SBHCs:** Funds have been obligated to existing SBHC Sponsoring Organizations to support the operation of their SBHCs. All SBHCs in Maryland were eligible for and received these awards.
- **One-time infrastructure grants to existing SBHCs:** Funds have been obligated to existing SBHC Sponsoring Organizations to support one-time infrastructure investments in their SBHCs. Proposed uses for this funding have included electronic health record enhancements, purchase of new equipment such as vaccine refrigerators, and renovations of the clinic space.
- **Technical assistance (TA) and learning collaboratives for Maryland's SBHCs:** The Maryland SBHC Program has a standard grant agreement with the Maryland Assembly on School-Based Health Care to provide technical assistance to Maryland SBHCs, to conduct surveys of SBHCs on behalf of MDH, and to lead learning collaboratives among the SBHCs in partnership with MDH.
- **Statewide Needs Assessment:** The Maryland SBHC Program has an interagency agreement with University of Maryland, Baltimore County to conduct a statewide needs assessment that will provide data and recommendations to inform the future strategy of

the Maryland SBHC Program. The needs assessment began in early May 2022, and a final report is due in Fall 2022.

- **Support Maryland's SBHCs in billing insurers for services delivered:** The Maryland SBHC Program plans to work with a vendor to develop and implement a strategy for efficient, accurate, and consistent billing of health insurers with each SBHC and Sponsoring Organization. This is part of the Maryland SBHC Program's focus on the fiscal sustainability of SBHCs.
- **Salary for Maryland SBHC Program staff:** The funds will go towards salaries for Maryland SBHC Program staff including: SBHC Program Manager (Program Administrator III - Health Services), SBHC Program Administrator (Program Administrator I - Health Services), and SBHC Program Nurse Consultant (Nursing Program Consultant/Administrator II; Full-Time Contractual). The funds will also support a Clinical and Policy Physician Advisor, as well as the Maternal and Child Health Bureau's Medical Director who support the Maryland SBHC Program.
- **Data and Evaluation:** The Maryland SBHC Program plans to work with Maryland Total Human-services Integrated Network (MDTHINK) to develop a centralized database for collection and analysis of diverse, meaningful data from multiple data sources. The Maryland SBHC Program is working with the MDTHINK team to determine which services will be needed and what their cost will be. In addition, the Maryland SBHC Program plans to conduct an evaluation to understand the program's effect on the health and educational outcomes of Marylanders.
- **Additional Planning:** The Maryland SBHC Program will work with a vendor to help plan and support SBHCs, including understanding start-up costs, and will develop a process to onboard new SBHCs that would make the onboarding process more efficient and meaningful and would increase the quality of services delivered by SBHCs.
- Any additional funds will be used to provide supplements to the approved SBHCs.