



February 12, 2016

John B. McCarthy, Director
Ohio Department of Medicaid
50 West Town Street
Suite 400
Columbus, Ohio 43215

Dear Director McCarthy,

We are writing to address concerns about the recently announced change in Ohio's Medicaid Schools Program (MSP). We have received numerous contacts from members in reaction to the stated new requirement that every medical service necessary for following students' individual education plans (IEPs) must be ordered by a physician, advance practice nurse or physician's assistant, in order to qualify for Medicaid reimbursements. You have no doubt received similar contacts from school districts.

By way of response, our organizations joined together to host a meeting of stakeholders to discuss the concerns about this new requirement and to develop possible alternatives. The meeting took place on Feb. 8, 2016 with representatives from six MSP participating school districts and one Educational Service Center attending. We had a very productive discussion with the group, which led to a decision to reach out to you with our findings and a request that you revisit this change to the program.

While any change can create a certain amount of anxiety among those affected, we believe this change comes at a real cost. Therefore, we are hopeful that an alternative solution for Ohio's MSP can be found.

The following are the more significant points raised by members about the stated change:

- The additional cost for compliance with the new requirement will be significant. The services of a physician, advance practice (AP) nurse, or physician's assistant (PA) will come at a price — one that is not currently embedded in districts' costs.
 - Districts do not typically employ these individuals. Even if this is the practice in some other states, we think the added cost to Ohio school districts is unjustified and unnecessary.
 - Other states whose State Plan Amendment (SPA) require a physician's participation do not receive the same level of reimbursement for some of the services which typically make up the majority of Medicaid claims by Ohio

districts. In other words, Ohio districts may see reduced claims because of the new restrictions.

- It is our understanding that Ohio's MSP program was specifically re-designed in 2009 to allow for "licensed practitioners of the healing arts" to include the school based therapists who work independently of physicians. Since they have independent practice authority and do not require prescriptions or referrals in accordance with their Ohio licensure and practice acts, the process is a better fit for the school delivery model.
- The stated new requirement places a significant responsibility on school districts to find appropriate practitioners ~ with no perceived value-added to the program.
 - We submit that the state's own Administrative Code defines practitioners more broadly than the new requirement allows, which would indicate other options than those described in recent communications from your agency. The OAC definition would include practitioners that are regularly employed by school districts.
- If the goal in implementing this new layer of bureaucracy is to limit opportunities for fraud, waste and abuse, we disagree that it is needed. Currently, no individual within a school district benefits when orders are written for medical services to fulfill a student's IEP. Unlike with the traditional medical model for Medicaid, opportunities for fraud, abuse, and waste do not currently exist in the school delivery model.
- Small, low wealth school districts, those which need the Medicaid reimbursement the most, will find it difficult to comply with the new requirement, forcing them to drop from the program.
- It is the position of the schools that it will be virtually impossible to fulfill the need for Ordering/Referring/Prescribing (ORP) authorization for approximately 61,000 students in the short term and difficult at best in the long term. (Some school districts will have tens of thousands of ORPs to obtain.)
- The October 23, 2015 letter from the federal Center for Medicare and Medicaid Services (CMS) regarding the ORP issue indicates that Ohio's own action in removing certain language from its SPA was a complicating factor in the CMS conclusion that Ohio was not in compliance with ORP requirements.
- While districts have been concerned about the requirement that every IEP service provider register with the Ohio Department of Medicaid (ODM) as an ORP provider, this apparent alternative has negative effects that are far worse in comparison.

Districts must provide the services necessary to comply with a student's IEP regardless of whether or not there is a partial reimbursement through the MSP. Adding the additional "hoops" districts must jump through for only those students who are Medicaid eligible is unreasonable, particularly when the district is unaware of which students may be eligible (or become eligible) at various points in time.

Therefore, we request information about why the specific language relevant to this issue was removed from the state's SPA in 2014 as the CMS letter indicates. We are also interested in understanding the ODM's interpretation of the October CMS letter related to the state's ability to determine which licensed practitioners of the healing arts qualify for the ORP process. It appears to us that Ohio has the authority to make the determination of which practitioners are qualified and that the Ohio Administrative Code definition includes a broader range of professionals than just physicians, AP nurses, and PA's. Occupational Therapists (OT), Physical Therapists (PT), Speech Therapists and Psychologists would also be included.

Based on our understanding of the issues, we urge you to revisit the determination that physicians, AP nurses and PA's are the only professionals qualified to order, refer or prescribe eligible services in the MSB.

Because of the strong outcry from school districts on this issue, a meeting of a larger group of stakeholders has been scheduled for February 25th at 1 p.m. at the Worthington City School District, 200 E. Wilson Bridge Rd. Local legislators have been invited to listen in on the discussion. We would be pleased if you were to agree to attend the meeting as well. We have copied representatives from the Ohio Department of Education on this letter, and we urge attendance at the February 25 meeting by both agencies.

It is our intention to work toward a positive solution to the issues raised here. We would like to ensure that **more** federal dollars come to Ohio school districts through the MSP. We fear this latest change will mean fewer dollars for Ohio schools and consequently higher costs.

Sincerely,



Barbara Shaner
Ohio Association of School Business Officials



Tom Ash
Buckeye Association of School Administrators



Jay Smith
Ohio School Boards Association



Craig Burford
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C: Sue Zake, Ohio Department of Education
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