

Ohio Medicaid School Program Bulletin

HBS 2026-4

Medicaid School Program (MSP) “Purchased Services”

“Purchased Services” is an accounting term used by school districts and refers to expenditures for professional services provided by personnel who are not on the school district’s payroll. A common purchased service in a school district is contracted therapy services. Just like “employed therapists”, not all activities that “contracted therapists” do are Medicaid reimbursable, so in most cases your contracted therapists will need to be included in the Random Moment Time Study (RMTS) process.

The RMTS computes the percentage of time that therapists spend performing [Direct Service Medicaid Reimbursable](#), [Non-Medicaid Reimbursable](#), [MAC Medicaid Reimbursable](#), and [Allocable General Administrative](#) activities, such as:

- [Direct Therapy Services – IEP](#)
- [Direct Therapy Services – School Services Plan of Care \(SSPOC\)](#)
- [Direct Therapy Services – That do not require a POC](#)
- [Direct Therapy Services – Non-IEP/SSPOC](#)
- [ETR and SSPOC Evaluations and Testing](#)
- [Academic Testing](#)
- [Educational and Social Services](#)
- [ETR/IEP Meetings](#)
- [Paid Leave \(illness, snow days, paid holiday, etc.\)](#)
- [General Administration](#)
- [Medicaid Administration Claiming \(MAC\) Services](#)

Unless a contracted therapist performs only the above services listed in blue, they must be included on RMTS.

An example of a contracted therapist that would not need to be included on RMTS would be a therapist that was contracted to only do IEP Direct Therapy Services and performs none of the other services listed. IEP services and SSPOC services are paid at two different MER rates and will need to be separated out for Cost Reporting purposes, which is what RMTS does.

The term “Purchased Services” used as an accounting term is not exactly the same as the term “Purchased Services” used in the Ohio Medicaid School Program as it relates to the Random Moment Time Study.

If you have any questions or need further information on any of our Ohio MSP Bulletins, please contact our office at (740) 639-4218, or email at Info@teamhbs.com.