

NC Department of Health and Human Services
Division of Medical Assistance

2008 Local Education Agencies Cost Report
Questions and Answers

General

- 1) Q. When is LEA cost reporting process effective?
A. The cost reporting process is effective as of 7/18/07.
- 2) Q. What months are covered in the first LEA cost report?
A. The first LEA cost report period is 7/01/07-6/30/08.
- 3) Q. When is the first LEA cost report due?
A. The first LEA cost report is due 3/1/09.
- 4) Q. What documents should be included with the LEA cost report?
A. No documents should be included with the LEA cost report, only completed exhibits.
- 5) Q. Is the cost report submission required in hard copy only?
A. The cost report submission is only required in hard copy.
- 6) Q. If a district only participates in MAC, are they required to complete a FFS cost report, if so which exhibits should be completed?
A. If a district only participates in MAC program, the district will not have any FFS cost and will not be required to complete a LEA cost report.

Exhibit 1

- 7) Q. Who would complete a CPE?
A. The CPE is completed by an authorized official at the LEA.
- 8) Q. What is an “approved MAC Plan”?
A. An “approved MAC Plan” is a CMS approved Medicaid Administrative Claiming program administered through the NC DHHS Division of Medical Assistance.
- 9) Q. Is Exhibit 1A completed and submitted quarterly or annually?
A. Cost reports, including Exhibit 1A must be completed and submitted annually to DMA Finance Management Department. LEAs should continue to submit quarterly CPE forms for the FFS (Certification of Non-Federal Match Form) and MAC (Medicaid Administrative Claiming Form) to DMA Budget Management Department.

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Questions and Answers

Exhibit 1

- 10) Q. What should be reported for “total computable expenditures”?
A. Total computable expenditures are total actual, incurred Medicaid allowable costs/expenditures, including the federal and nonfederal share.

Exhibit 2

- 11) Q. Is the indirect cost rate unrestricted or restricted?
A. The indirect cost rate is unrestricted for school districts. North Carolina public school districts use predetermined fixed rates for indirect costs. The Department of Public Instructions (DPI) is the cognizant agency for the school districts, and approves unrestricted indirect cost rates.

Exhibit 3

- 12) Q. How does the LEA determine “Total Medicaid Students”?
A. LEA’s should determine the “Total Medicaid Students” by averaging the Four quarterly “Total Number of Medicaid Enrolled Students in the County” provided by DMA for the MAC program and divides the “Total Count provided by DPI.
- 14) Q. What date LEAs should use to report “Total District Students”?
A. LEAs should use the “Total District Students” from the “Best 1 of 2 Average Daily Membership (ADM)Report”, on the Department of Public Instruction’s website at <http://www.ncpublicschools.org/fbs/accounting/data>
- 15) Q. What is the “Total Medicaid IEP students”?
A. Total Medicaid IEP students are the total number of students with a Medicaid Individualized Education Program receiving LEA services during the cost-reporting period.
- Q. What is the “Total IEP Students”?
A. Total IEP students are the total number of students with an Individualized Education Program receiving LEA services during the cost-reporting period.

Exhibit 5

- 16) Q. Is Exhibit 5 completed for each quarter or annually?
A. Exhibit 5 must be completed and submitted annually to DMA’s Finance Management Department.

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Exhibit 5

- 17) Q. How should LEAs report the time study percentage for the first quarter?
A. For the cost reporting period July 2007 – June 2008, an average of the time study results from the three quarters (Oct-Dec07), (Jan-Mar08) and (April-June08) should be used for the quarter (July-Sep07). For the cost reporting period July 2008 – June 2009, a simple average of the time study percentages for (July-Sept08), (Oct-Dec08), (Jan-Mar09) and (Apr-Jun09) should be calculated to arrive at an annual percentage of time study results

Exhibits 6-8

- 18) Q. What is the Accrual Trial Balance and reductions to the Trial Balances?
A. Accruals are posted to the LEAs general ledger and reductions to the Trial Balances are reductions to reported salary cost such as, Federal grant funds received by the LEA in applicable reporting period.
- 19) Q. What is meant by “Enter all required information”?
A. Enter all required information that is applicable to your program.
- 20) Q. If a LEA does not have anyone federally funded within a particular category, then do they only need to report the cost for the entire category instead of by individual name?
A. If no portion of an employee’s salary is federally funded there would be no reductions to the trial balance and total cost by discipline should be reported instead of by individual name.
- 21) Q. What costs should be reported on Exhibit 7?
A. Examples of what costs should be reported on Exhibit 7 is attached.
- 22) Q. What costs should be reported on Exhibit 8?
A. Costs that should be reported on Exhibit 8 are allowable MAC Materials and supplies not captured by the Time Study.

Exhibit 9

- 23) Q. Is the “Admin Claims paid” what we receive from MAC?
A. Yes, the “Admin Claims paid is the MAC payments received for the reporting period of July 2007 – June 2008.
- 24) Q. Is the reimbursement for services listed on line 18 for services provided during the SFY07-08 or reimbursement received during SFY07-08?
A. Total Medical Claims paid listed on line 18 is for services provided during the SFY07-08.

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Exhibit 9

- 25) Q. Where does this information come from on lines 35 and 36?
A. The Federal Financial Participation percentage is 50% for administration for MAC. The Federal Financial Participation percentage for medical services can be obtained from your LEA Fiscal Budget or Finance Officer and DMA Budget and Management Department.

**Exhibit 7- Examples of
Supplies and Materials**

Vision testing machine, such as Titmus
Audiometer (calibrated annually), tympanometer
Current standardized tests and protocols;
Positioning equipment (e.g., wedges, bolsters, standers, adapted seating, Exercise mats)
Self-help devices (e.g., spoons, zipper pulls, reachers)
Mobility equipment (e.g., walkers, wheelchairs, scooters)
Supplies for adapting materials and equipment (e.g., strapping, Velcro, foam, splinting supplies)
Adaptive classroom tools (e.g., pencil grips, slant boards, self-opening scissors)
Evaluation tools (e.g., goniometers, dynamometers, cameras)
Sound-treated test booth
Clinical audiometer with sound field capabilities
Portable acoustic immittance meter
Portable audiometer
Electroacoustic hearing aid analyzer
Otoscope
Sound-level meter
Visual reinforcement audiometry equipment and other instruments necessary for assessing young or difficult-to-test children
Ear mold impression materials
Test materials for screening speech and language, evaluating speechreading and evaluating auditory skills
Test materials for central auditory processing assessment
Loaner or demonstration hearing aids
FM amplification systems or other assistive listening devices
Battery testers, hearing aid stethoscopes, and ear mold cleaning materials
Auditory, speechreading, speech-language, and communication instructional materials
Sharps container for disposal of hazardous medical waste.
Otoscope/ophthalmoscope with battery

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**Exhibit 7- Examples of
Supplies and Materials**

Physician's scale that has a height rod and is balanced
Portable crisis kit
Portable first-aid kit
Reflex hammer
Sphygmomanometer (calibrated annually) and appropriate cuff sizes
Stethoscope
Scoliometer
Blood Glucose Meter
Peak Flow Meters
Nebulizers
Scales
BMI Calculator
IPECAC
Eye Wash Bottle
Disposable Suction Unit
Electronic Suction Unit
Tape measure
Vision testing machine, such as Titmus
Wall-mounted height measuring tool
Wheelchair
Bandages, including adhesive (e.g., Band-Aids) and elastic, of various
types and materials
Basins (emesis, wash)
Cold packs
Cotton-tip applicators (swabs)
Cotton balls
CPR masks
Dental floss
Disinfectant
Eye irrigating bottle
Eye pads
Eye wash solution
Finger nail clippers
Latex gloves
Magnifying glass
Masks
Record forms (e.g., emergency cards, logs, medical sheets, accident
reports, state forms)
Ring cutter

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**Exhibit 7- Examples of
Supplies and Materials**

Automatic electronic defibrillator
Biohazard waste bags
Bite stick
Blanket (disposable preferable)
Blood pressure cuff in pediatric and adult sizes
Blunt scissors
Catheterization and irrigation equipment
C-spine stabilizer
Cots (one per 200 students)
Disposable masks, gowns and gloves
Emergency Childbirth kit
Eye wash
First aid kit:
 Gauze (dressings of various sizes)
 Gloves (non-latex)
 Skin cleanser (gel or wipe)
 Skin tape
 Variety of bandages (i.e. Band-aids)
Glucose monitoring device)
Hand sanitizer
Ice (real ice preferred over chemical ice)
Inhaler or nebulizer device and mouth pieces
Medications: (in accordance with state law and pharmacy and nurse practice acts
 (depend on local policy) acetaminophen, Albuterol, Epinephrine pen for adult
 and child, albuterol, ASA, Glucagon, ibuprophen, oxygen & meter)
Normal saline
Non mercury thermometer
One way resuscitation mask
Oral airway
Otoscope
Peak flow meter
Penlight
Pulse oximeter
Refrigerator or cooler
Resealable plastic bags
Resuscitation bag (Ambu in two sizes, 500 ml and 1 L, with appropriate sized masks)
Sanitizer (for equipment, cots, counters)
Sharps container
Sling or Triangular bandage

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Splints

**Exhibit 7- Examples of
Supplies and Materials**

Stethoscope

Suction equipment (i.e., turkey baster, or electronic)

Sugar source (oral glucose, i.e., frosting)

Vision screening equipment (acuity measures, stereopsis cards, etc.)

Also included under EPSDT are any supplies and materials that are medically necessary "to correct or ameliorate a defect, physical or mental illness, or a condition identified by screening".