



The Who, What & Why of the New CMS Guide

**Presented by:
Fairbanks LLC**

2025 DPI Summer Conference

Introductions

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10+ years at Fairbanks LLC

Manages RMTS administration, program audits, and compliance for state Medicaid agencies and LEAs

Expertise in data quality assurance, program monitoring, audit design, and compliance

Implementation lead for School-Based Medicaid Programs at Fairbanks

Supports system design and implementation for all Fairbanks clients

Introductions

Morgan Henrichs **Sr. Business Analyst, Fairbanks LLC**

4 years at Fairbanks LLC

Manages day-to-day operations for school-based claiming in multiple states, including North Carolina

Develops and facilitates training for programs across the country

Focus on quality assurance and program management

Agenda

School-Based Claiming
Basics

Why a new CMS Guide?

Next Steps



Who are the Federal
Partners?

What's it all Mean?

The background of the slide features a radial pattern of yellow arrows. All arrows point towards a central red circle, which is positioned slightly to the right of the center. The arrows vary in length and are arranged in a circular, sunburst-like pattern. The text "School-Based Medicaid Claiming Basics" is centered horizontally and positioned below the central red circle.

School-Based Medicaid Claiming Basics

School-Based Medicaid Claiming



**Critical role
in funding
school-
based
health-care
funding**



**MAC and
Direct
Services
claiming via
RMTS**

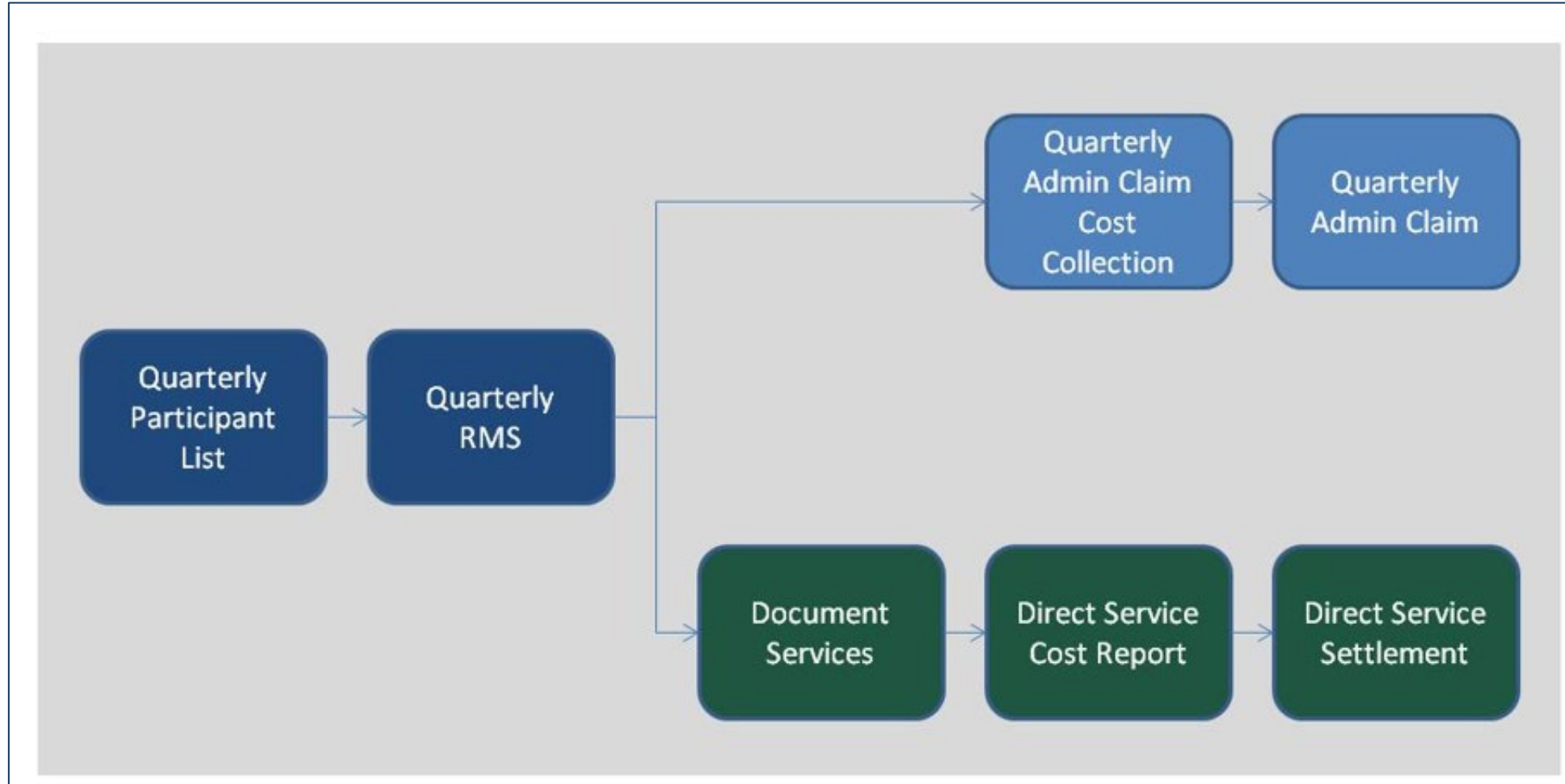


**Requires
federal
approval
submitted
by State
Medicaid**



**New CMS
guidance
released in
2023 with
changes to
RMTS**

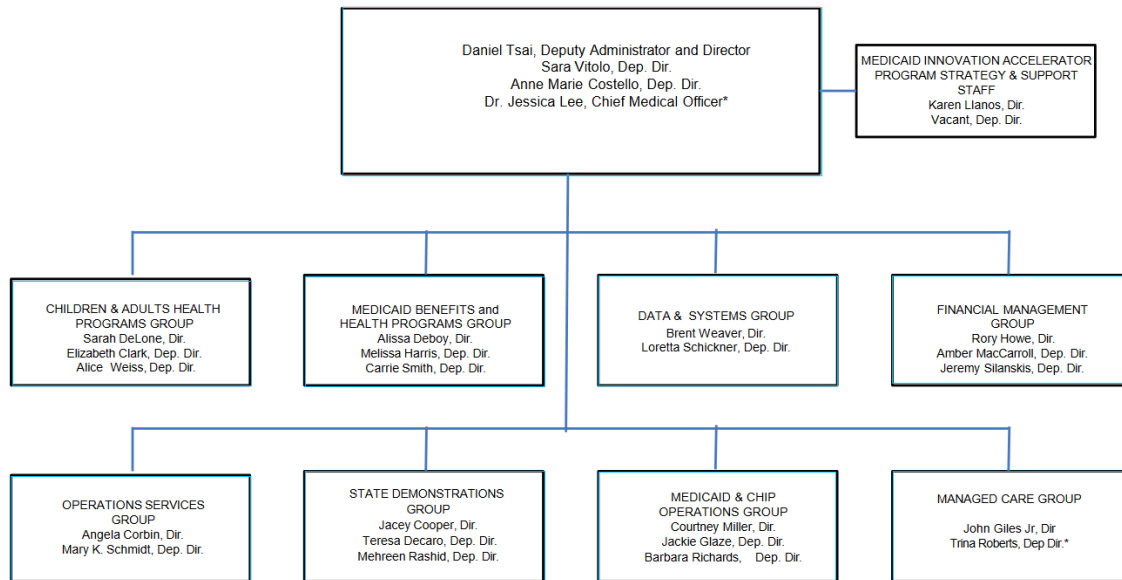
The RMTS Connection



Who is CMS?

The Centers for Medicare and Medicaid Services (CMS) is:

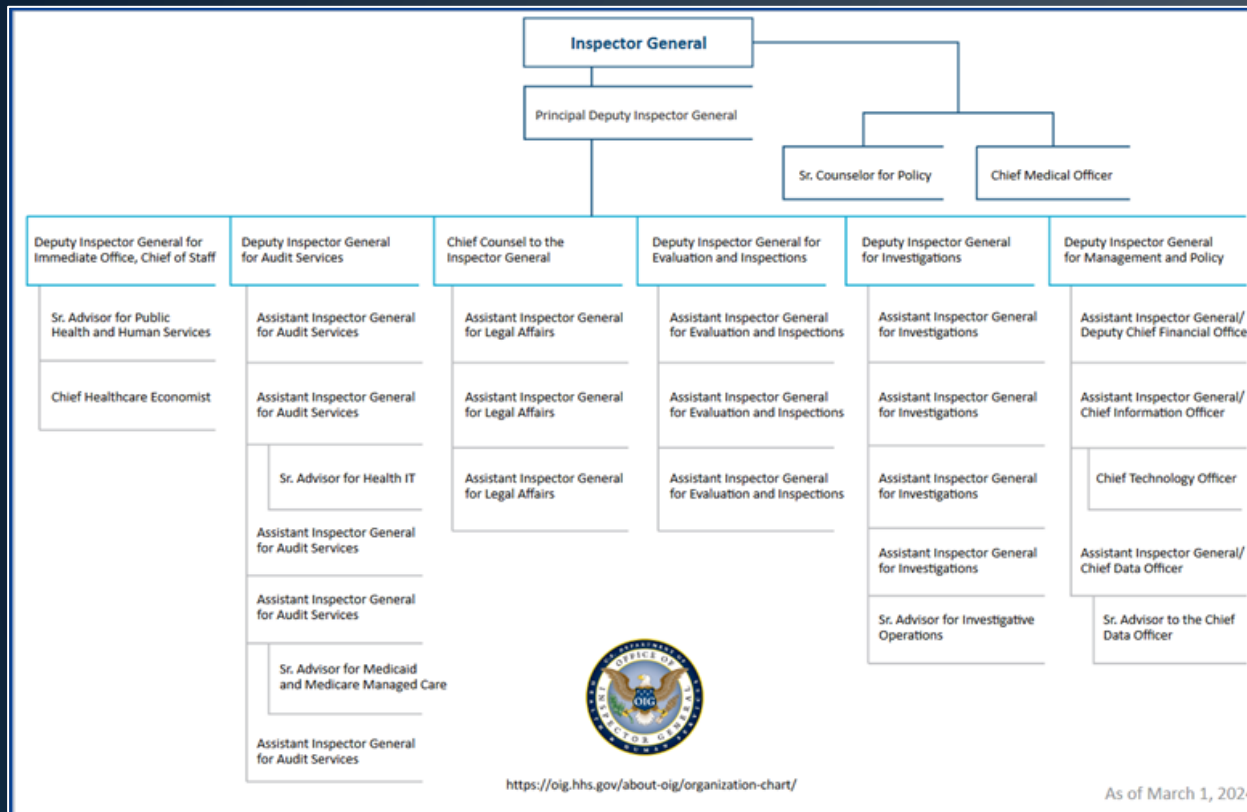
DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES
CENTER FOR MEDICAID AND CHIP SERVICES



- A division within the U.S. Dept. of Health and Human Services (HHS)
- An agency geared toward providing access to quality health coverage
- Involved in both regulatory and reimbursement functions
- Comprised of several different “Offices” including the Office of Financial Management

Who is OIG?

The Office of Inspector General (OIG) is:



- An oversight division for U.S. Dept. of Health and Human Services (HHS)

- Responsible for identifying fraud or abuse

- The Office of Audit Services at OIG:

- Conducts audits of the HHS programs including their abilities to carry out their responsibilities
- Provide independent assessments of HHS program operations
- Identify risk and provide recommendations



CMS & OIG Responsibilities

CMS

**Creates the
school-
based
claiming
policy**

CMS

**Approves
the school-
based
claiming
programs
for each
state**

CMS & OIG

**Both play
key roles in
driving
policy
initiatives
for the
program**

CMS & OIG

**Both
conduct
audits on
state
programs**

It's About Time for a Change

- No new guidance issued since **2003**
- OIG conducted several audits for school-based programs across the country
 - Summary report of findings issued in 2018
 - OIG recommended CMS release new guidance, with a focus on RMTS

RMTS Focus Areas

Participant List



Schedules



Calendars

Time Study Survey



Summer Time Study



Source documentation for
RMTS reimbursable moments

New CMS Guide Timeline

1

Date released:
5/18/2023

2

NC Division of
Health Benefits
to submit
changes for
CMS approval:
In process

3

School district
trainings:
~ April 2026

4

Compliance
required by:
7/1/2026

RMTS Impact: Start and End Times

Current CMS-Approved Policy

- *"The total pool of 'moments' within the time study is represented by calculating the number of working days in the sample period times the number of work hours of each day times the number of minutes per hour and times the number of participants within the time study."*

New 2023 CMS Guidance

- *"Time Study Start and End Dates - District calendars will be updated on a quarterly basis and the sample period start and end dates will be determined and documented for each quarter."*

Solution

- Collect individual calendars from each school district and review on a quarterly basis to ensure accuracy.



RMTS Impact: Summer Time Study

Current CMS-Approved Policy

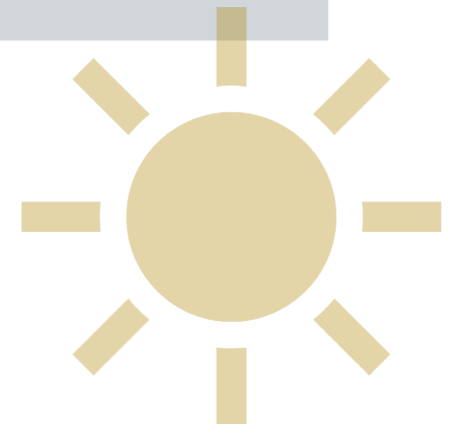
- Currently, a summer time study is not conducted, and the summer claim is calculated based on an average of time study results from the prior three quarters.

New 2023 CMS Guidance

- *"However, if there are any Medicaid-covered services or allowable activities that occur during the summer months, a time study for the summer months must be conducted..."*

Solution

- Conduct a shortened time study, based on the collection of school district calendars, from the start of the school year through the end of the quarter.



RMTS Impact: Schedules

Current CMS-Approved Policy

- The North Carolina CMS-approved MAC Plan **does not** require the collection of schedules.

New 2023 CMS Guidance

- *"The entity should use each employee's individual schedule rather than a standardized workday."*

Solution

- Collect participant schedules at the same time as the quarterly Participant List.



RMTS Impact: 2-day Notification

Current CMS-Approved Policy

- The NC MAC Plan allows for a 3-day notification and 5-day response window.

New 2023 CMS Guidance

- Allow States to submit time study implementation plans that include a 2-day notification window and a 2-day response period.

Solution

- Reduce notification and response timeframes to align with CMS guidelines.



RMTS Impact: Valid vs. Invalid Moments

Current CMS-Approved Policy

- *“Invalid moments are moments not returned by the LEA or moments that were not accurately coded by the coders.”*

NEW 2023 CMS GUIDANCE

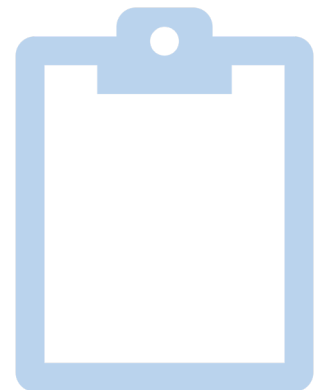
- *"Responses for moments that occurred when an employee is on unpaid time off or has left their position are considered invalid responses."*

SOLUTION

- Collection of both calendars and schedules will reduce invalid responses.
- Consult with DHB to review oversample to account for invalid moments.

References

- 2018 OIG Audit Report
 - [Vulnerabilities Exist in State Agencies' Use of Random Moment Sampling To Allocate Costs for Medicaid School-Based Administrative and Health Services Expenditures | Office of Inspector General | Government Oversight | U.S. Department of Health and Human Services](#)
- New 2023 CMS Guide
 - [Delivering Services in School-Based Settings: A Comprehensive Guide to Medicaid Services and Administrative Claiming](#)



Training Takeaways



Notify your EC Department of anticipated upcoming changes

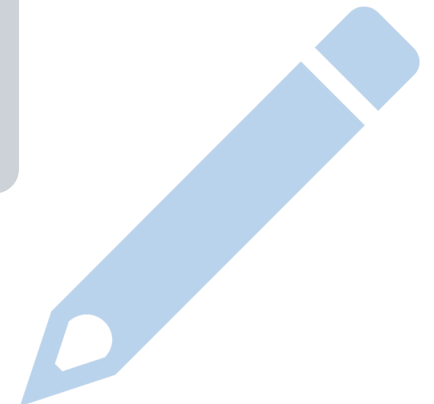


Keep an eye out for future communications

Division of Health Benefits
Department of Public Instruction
RMTS Vendor



Changes to the program are not final until CMS approval is received





Q U E S T I O N S ?

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