



STATE OF WASHINGTON

Washington State  
Health Care Authority

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March 12, 2012

**TO:** Educational Service District Superintendents  
School District Superintendents  
Assistant Superintendents for Business and/or Business Managers  
Medicaid Administrative Match (MAM) Coordinators

**FROM:** Martin T. Mueller, Assistant Superintendent  
Student Support  
Office of Superintendent of Public Instruction (OSPI)  
  
Preston W. Cody, Assistant Director  
Health Care Authority (HCA)

**SUBJECT: MEDICAID ADMINISTRATIVE MATCH PROGRAM SIMPLIFICATION**

Our agencies have made significant progress the last several months on the move to a simplified time study and claiming process for the School Based Medicaid Administrative Match (MAM) program. In October 2011, a workgroup including statewide school district representation began the work for a January 1, 2013, implementation of the new time study and claiming process. As we outlined in our May 2011 memo, benefits of the new process include:

- A time study in which participants only respond to randomly assigned moments.
- Simple questions that participants answer about their activity, rather than learning complex activity codes.
- An easy to use, centralized online system.
- A significant reduction in the overall administrative burden to participating districts and staff.

We would like to clear up some inaccurate information recently disseminated by third parties concerning the new time study. Following are some assertions that we are aware of, and our responses or clarification:

**1. "There is an approved claiming model in place."**

This is correct. In the spring of 2005, we submitted a claiming model that was subsequently approved by the federal Centers for Medicare and Medicaid Services. However:

- The current model used by HCA no longer meets state security standards and would require significant updates.
- HCA, like other agencies, has fallen under severe budget reductions and does not have the resources to complete updates to the current system and maintain security.

- In the interest of ensuring the program continues with limited resources, HCA made the decision to seek an outside vendor to provide a single time study and claiming system that could be used by all MAM program contractors.
- After HCA completed an extensive search, the University of Massachusetts Medical School was selected to provide the time study and claiming system that all MAM contractors will use.

**2. "HCA has not engaged in a collaborative process."**

While HCA did not seek MAM contractor input for the selection of a vendor, HCA has kept contractors informed of its intent to seek a new system. A workgroup that includes statewide school district representation was formed and has been working with HCA since October 2011. HCA has engaged districts in school-specific aspects of the system development, and is delaying implementation to January 2013 to allow continued opportunities for district feedback.

**3. "The proposed model limits reimbursable activities."**

There is no change under the new system in reimbursable activities for which districts can currently claim.

**4. "The model does not allow current participants to continue to claim."**

All participants currently claiming for MAM can continue to claim. Each district decides which staff will participate in the time study.

**5. "Substantial loss of revenue."**

The new time study model is as statistically valid as the current model. We do not anticipate any, or a significant loss in revenue.

**6. "Statewide sampling/claims will be pooled."**

The workgroup continues to determine how best to structure the sampling process. While time sampling may be grouped, claiming will be by individual districts, not pooled.

**7. "Lack of internal district control or audit."**

While the administrative process is significantly reduced, districts are required and responsible to ensure claiming is accurate.

**8. "The system costs \$871,000."**

Annual costs for the contract with the University of Massachusetts Medical School are \$750,000. The federal Centers for Medicare and Medicaid Services will match fifty percent (\$375,000) of the contracted amount. HCA and all MAM program contractors including participating school districts, local health jurisdictions, and others will cover the remaining costs of the contract. We estimate approximately \$175,000 (47 percent of the annual cost) will be charged to participating school districts. Districts should expect to see this charge in their July–December 2011 Administrative and Development Cost Invoice. This will reflect an increase from the previous billing of 1.8% to 2.84%.

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### **Moving Forward**

The statewide workgroup is making significant progress in fine tuning the new system for the projected January 1, 2013, implementation date.

Our agencies remain in a committed partnership to ensure the MAM program is successful. We want to assure you it is not the intent of the HCA to reduce appropriate claiming in the MAM program. It is also important to remember that the purpose of the MAM program is to ensure children enrolled in Washington's public schools have access to appropriate health care. We invite you to contact Alan Himsl at (360) 725-1647 or by email at [alan.himsl@hca.wa.gov](mailto:alan.himsl@hca.wa.gov), if you have any additional questions about the new time study and claiming system or general MAM program questions.

cc: Todd Slettvet, Community Services Section Manager, DHS, HCA  
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