



IDAHO DEPARTMENT OF
HEALTH & WELFARE

C.L. "BUTCH" OTTER – Governor
RICHARD M. ARMSTRONG – Director

PAUL J. LEARY - Administrator
DIVISION OF MEDICAID
Post Office Box 83720
Boise, Idaho 83720-0009
PHONE: (208) 334-5747
FAX: (208) 364-1811

February 17, 2012

MEDICAID INFORMATION RELEASE 2012-03

To: School Districts
From: Paul J. Leary, Administrator
Subject: Notice of Match Payment Instructions

With the problems encountered during the implementation of the new MMIS in July 2010, the Department of Health and Welfare (DHW) suspended the enforcement of the intergovernmental transfer procedures set forth by the Centers for Medicare and Medicaid Services (CMS), which require DHW to collect the certified state match requirement from the schools in advance of payment.

Beginning March 5, 2012, DHW will lift the suspension and return to the previously established process.

Federal funds cannot be used as the state's portion of match for Medicaid service reimbursement. School districts must, for their own internal record keeping, calculate and document the non-federal funds (maintenance of effort assurance) that have been designated as their certified match. This documentation needs to include the source of all funds that have been submitted to the state and the original source of those dollars. The appropriate matching funds will be handled in the following manner:

- Schools will estimate the amount needed to meet match requirements based on their anticipated monthly billings.
- School districts will send DHW the matching funds, either by check or ACH electronic funds transfers.
- Matching funds will be held in an interest bearing trust account. The average daily balance during a month must exceed \$100 in order to receive interest for that month.
- The payments to the districts will include both the federal and non-federal share (matching funds).
- Checks should be sent to DHW at following address:

Department of Health and Welfare
Bureau of Financial Services Business Office
P.O. Box 83720
Boise, ID 83720-0036

- Contact DHW at the above address if the school district wants to make electronic fund transfer payments for the matching funds.
- Matching fund payments must be received and posted before the weekly Medicaid payment cycle.
- If sufficient matching funds are not received before the payment cycle, all Medicaid payments to the school district will be suspended and the school district will be notified of the shortage. Once sufficient matching funds are received, suspended payments will be processed and reimbursement will be made during the next payment cycle.
- The DHW will provide the school districts with a monthly statement that will show the matching amounts received, the interest earned, the total claims paid, the matching funds used for the paid claims, and the balance of their funds in the trust account.
- The school districts will estimate the amount of their next billing and the amount of matching funds needed to pay DHW.
- The estimated match requirement may be adjusted up or down based on the remaining balance held in the trust account.
- Recoupment and recovery of any overpayments to the school district will be required to be at the full amount, including the federal and state share. The state share will then be credited to the school district's trust account.

Attached is your statement of activity through January 31, 2012. If you have any questions concerning your statement or the information contained in this release, please contact Laura Smith, Senior Financial Specialist, Bureau of Financial Services, Department of Health and Welfare at (208) 334-6586.

Thank you for participating in the Idaho Medicaid Program.

PJL/rs