

Kenton County School District | It's about ALL kids.

Issue Paper

DATE:

06/12/26

AGENDA (ACTION ITEM):

Consider/Approve the agreement between the Department of Education and the Kenton County School District for Medicaid claiming and reimbursement for the 2026-27 school year.

APPLICABLE BOARD POLICY:

01.11 General Powers and Duties of the Board

HISTORY/BACKGROUND:

Each year, the Kenton County School District enrolls as a Medicaid Health service provider for children eligible under the Medicaid program and the Individuals with Disabilities Education Act (IDEA). The Medicaid program is designed specifically to allow school districts to act as health care providers and be reimbursed. School districts may be reimbursed approximately 70 percent of the state and local funds they spend on some related services in the individualized education programs (IEP) of children with disabilities who are eligible under both IDEA and Medicaid.

FISCAL/BUDGETARY IMPACT:

No Fiscal Impact

RECOMMENDATION:


Approval to: the agreement between the Department of Education and the Kenton County School District for Medicaid claiming and reimbursement for the 2026-27 school year.

CONTACT PERSON:

Danielle Rice


Principal/Administrator


District Administrator


Superintendent

Use this form to submit your request to the Superintendent for items to be added to the Board Meeting Agenda. Principal –complete, print, sign and send to your Director. Director –if approved, sign and put in the Superintendent’s mailbox.

2026-2028 AGREEMENT BETWEEN THE DEPARTMENT OF EDUCATION

AND

THE Kenton County SCHOOL DISTRICT
(District Name)

FOR THE PROVISION AND REIMBURSEMENT OF ADMINISTRATIVE CLAIMING ACTIVITIES

The Kentucky Department of Education (KDE) and the above named school district hereby agree to the principles, terms and effective dates in this agreement. This agreement defines each party's responsibilities for the provision of and reimbursement for Medicaid administrative activities necessary for the efficient and effective implementation of the Title XIX (Medicaid) State Plan. Legal authority for this program is found in HB269 (IX) (15) enacted by the 2003 Kentucky General Assembly. The Department for Medicaid Services (DMS) is the single state agency under Title XIX that has authority for the Medicaid program. DMS has entered into an agreement with the KDE to administer the School-Based Administrative Claiming program.

I. General Principles

This agreement is based on the following general principles:

- A. The aforementioned parties have a common and concurrent interest in providing Medicaid administrative activities and being reimbursed for the associated costs of providing these activities within parameters established by the Centers for Medicare & Medicaid Services (CMS) and the Kentucky Department for Medicaid Services (DMS), and under a plan approved by CMS.
- B. This agreement is in no way intended to modify the responsibilities or authority previously delegated to the parties.
- C. This agreement is not intended to override or obsolete any other agreements or memorandums of understanding that may already exist between these parties.
- D. Any contractor of the school district involved with administrative claiming activities is bound by the terms of this agreement.
- E. This agreement provides a mechanism for payment of federal funds from CMS and, in no way, creates a requirement for DMS or KDE to reimburse the school district from DMS or KDE state funds.

II. Terms

A. KDE agrees to the following terms:

1. KDE will designate an employee to act as a liaison for the Medicaid School-based Administrative Claiming program (SBAC).
2. KDE, in coordination with DMS, will develop a list and description of Medicaid reimbursable school-based administrative activities that may be performed by school district employees or contractors. These activities are found in School Based Medicaid Technical Assistance Guide on Page 31. A full description of activity codes that must be used for administrative claiming activity is included in the "Medicaid School-Based Administrative Claiming Guide." Modifications to the administrative claiming activities will be made through revision of the "Medicaid School-Based Administrative Claiming Guide."
3. KDE, in coordination with DMS, will notify the school district of any program change that will affect reimbursement.
4. KDE will provide training materials and initial and ongoing training for school districts in the use of CMS approved sampling methodology and financial reporting.
5. KDE will calculate a claim for the school district on a quarterly basis in accordance with CMS approved methodology. KDE will submit the claim to DMS and, upon approval and receipt of funds, will reimburse the school district a minimum of 60 percent of the federal share. This percentage of reimbursement may increase as a result of increased district participation. Any increase in percentage of reimbursement will be reflected by an annual amendment on July 1.
6. KDE will periodically monitor school district records pertaining to the Medicaid School-based Administrative Claiming program.
7. KDE will develop procedures for repayment of funds in the event of an audit exception or disallowance.

B. The school district agrees to the following terms:

1. The school district will designate a coordinator to serve as single point of contact for all communications relating to the SBAC program. The coordinator will attend a SBAC "Coordinators' Training" and "Train-the-Trainer" session presented by KDE and ongoing training as necessary.
2. The school district or its contractor will comply with the federal cost principles and other administrative requirements found in the Office of Management and Budget's (OMB) Circular A-87 and the Code of Federal Regulations (CFR), Title 45, Parts 74 and 95.
3. The school district will follow the policies and procedures contained in the "Medicaid School-Based Administrative Claiming Guide."

4. The school district will submit to KDE a roster of district employees and contractors who have been identified to be routinely providing Medicaid school-based administrative activities and who meet the criteria detailed in the "Medicaid School-Based Administrative Claiming Guide." These employees will participate in quarterly time studies as outlined in the "Medicaid School-Based Administrative Claiming Guide." The school district will verify that time study participants have completed the required training prior to their participation.
5. The school district will submit to KDE quarterly cost data and certify that it has made expenditures for school-based administrative activities being claimed.
6. The school district shall maintain and make available upon request by CMS, KDE or DMS all documentation related to the school-based administrative claiming program. Documentation will include personnel rosters, training materials, training schedules, time study participant training sign-in sheets, time study forms and summary and financial information used to determine the district's expenditures such as payroll and indirect cost information and other documentation as requested.
7. Any repayment of funds due to an audit exception, deferral or denial is the responsibility of the school district, even after withdrawal from the program.

III. Confidentiality

The school district agrees to abide by the statutes and regulations regarding confidentiality of personal medical records as mandated by the Health Insurance Portability and Accountability Act (42 ISC 1320d) and set forth in federal regulations at 45 CFR Parts 160 and 164. Any subcontract entered into by the school district as a result of this agreement shall mandate that the subcontractor is required to abide by the same statutes and regulations regarding confidentiality of personal medical records as the school district.

Effective Date, Changes, Life of this Agreement

- A. The effective date of this agreement will be the first day of the first quarter during which valid time studies are conducted in the school district and are subject to CMS approval.
- B. Changes may be made to the agreement in the form of amendments and must be signed by all parties.
- C. Changes in the CMS matching percentage or administrative activities eligible for match will not be made via this agreement but will be through revision of the "Medicaid School-based Administrative Claiming Guide" and effective the date specified by CMS.
- D. This agreement will continue in effect for five years, to be renewed automatically on an annual basis or until terminated by KDE or the school district. Either party may terminate this agreement within thirty days of written notification to the other party.

SIGNATURES:

_____ Signature (Superintendent or Authorized Representative)	_____ Title
_____ Printed Name	_____ Date
_____ Signature	_____ Director, Div. of Budgets & Financial Management Title
_____ Karen Wirth Printed Name	_____ Date

Return to:

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