



Region 10  
2201 Sixth Avenue, MS/RX 43  
Seattle, Washington 98121

**NOV 15 2010**

Bruce Goldberg, MD, Director  
Department of Human Services  
Human Services Building  
500 Summer Street Northeast, E-15  
Salem, Oregon 97301-1097

**RE: Oregon State Plan Amendment (SPA) Transmittal Number 10-018**

Dear Dr. Goldberg:

The Centers for Medicare & Medicaid Services (CMS) has completed its review of the Oregon State Plan Amendment (SPA) Transmittal Number 10-018.

This SPA was submitted to make technical corrections to delete the reference to "preschool" in the target group, as children eligible to receive Early Intervention (EI) or Early Childhood Special Education (ECSE) services (Children birth to age two) are not considered "preschool," and to provide clarifying information on provider qualifications.

This SPA is approved effective July 1, 2010, as requested by the State.

If you have any questions concerning this SPA, please contact me, or have your staff contact Wendy Hill Petras of my staff at (206) 615-3814 or [wendy.hillpetras@cms.hhs.gov](mailto:wendy.hillpetras@cms.hhs.gov).

Sincerely,

Barbara K. Richards  
Associate Regional Administrator  
Division of Medicaid and Children's Health  
Operations

cc:  
Judy Mohr-Peterson, Administrator  
Sandy Hansen, State Plan Coordinator

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>	1. TRANSMITTAL NUMBER: <b>10-18</b>	2. STATE <b>Oregon</b>
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) Medical Assistance	
FOR: HEALTH CARE FINANCING ADMINISTRATION	4. PROPOSED EFFECTIVE DATE <b>7/1/10</b>	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		

5. TYPE OF PLAN MATERIAL (Check One):

NEW STATE PLAN       AMENDMENT TO BE CONSIDERED AS NEW PLAN       AMENDMENT

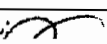
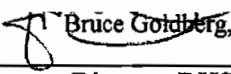
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)


6. FEDERAL STATUTE/REGULATION CITATION: <b>42 CFR 440.169 and Part 441</b>	7. FEDERAL BUDGET IMPACT: a. 2011 \$ -0- b. 2012 \$ -0-
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  <b>Supplement 1 to Attachment 3.1-A, pages 10-13b and Attachment 4.19-B, pages 4d &amp; 4e</b>	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  <b>Supplement 1 to Attachment 3.1-A, pages 10-13a and Attachment 4.19-B, pages 4d &amp; 4e</b>

10. SUBJECT OF AMENDMENT: This transmittal is being submitted in order to make some technical corrections to a prior approved SPA under Transmittal 08-11. Revised provider qualifications, delete the use of "preschool" and changes ESD to ODE.

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT       OTHER, AS SPECIFIED:  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: Division of Medical Assistance Programs Department of Human Services 500 Summer Street NE E-35 Salem, OR 97301  ATTN: Jesse Anderson, State Plan Manager
13. TYPED NAME <b>Judy Mohr Peterson</b> 	
14. TITLE: <b>Administrator, DMAP</b> <b>Director, DHS</b>	
15. DATE SUBMITTED: <b>8-24-10</b>	

<b>FOR REGIONAL OFFICE USE ONLY</b>	
17. DATE RECEIVED: <b>AUGUST 24 2010</b>	18. DATE APPROVED: <b>NOV 15 2010</b>
<b>PLAN APPROVED - ONE COPY ATTACHED</b>	
19. EFFECTIVE DATE OF APPROVED MATERIAL: <b>JUL 11 2010</b>	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: <b>Barbara K. Richards</b>	22. TITLE: <b>Associate Regional Administrator Division of Medicaid &amp; Children's Health</b>

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT  
Medical Assistance Program

State/Territory: OREGON

AMOUNT, DURATION, AND SCOPE OF MEDICAL AND REMEDIAL  
CARE AND SERVICES PROVIDED TO THE CATEGORICALLY NEEDY

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Targeted Case Management- Early Intervention/Early Childhood Special Education (EI/ECSE) under  
The Individuals with Disabilities Education Act (IDEA)

Target Group:

The state plan recognizes the target group as children with disabilities (birth until eligible for kindergarten ) eligible under the IDEA attending Oregon's programs for EI (birth to 3yrs.) or ECSE (age 3 until eligible for kindergarten), and eligible for Medicaid under the state plan.

For case management services provided to individuals in medical institutions:

Target group comprised of individuals transitioning to a community setting and case management services will be made available for up to 180 consecutive days of the covered stay in the medical institution.

Areas of state in which services will be provided:

Entire State

Only in the following geographic areas (authority of section 1915(g) (1) of the Act is invoked to provide services less than Statewide)

Comparability of services:

Services are provided in accordance with section 1902(a) (10) (B) of the Act.

Services are not comparable in amount duration and scope.

1915(g)(1) of the Act is invoked to provide services without regard to the requirements of section 1902(a)(10)(B) of the Act.

Definition of services:

Case management services are services furnished to assist children with disabilities eligible for EI/ECSE services in the target group, eligible under the State Plan, in gaining access to needed medical,

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Targeted Case Management-EI/ECSE-(continued)

Definition of services, Cont:

social, educational, developmental and other appropriate services in coordination with the child's Individualized Family Service Plan (IFSP) developed and implemented pursuant to IDEA. Case Management includes the following:

*Comprehensive assessment and periodic reassessment of eligible child's needs:* Assessment activities are conducted as needed, but at a minimum at least once annually to review and revise a child's service coordination/ case management services.

These assessment activities include:

- Taking an eligible child's history;
- Assessment of the extent and nature of eligible child's needs (medical, social, educational, and other services);
- Gathering information from other sources such as family members, medical providers, social workers, and educators (if necessary), for the child's case management needs; and
- Completing related documentation.

*Development (and periodic revision) of a specific care plan in coordination with the child's IFSP that is based on the information collected through the assessment process that includes the following;*

- Specifies the goals and actions to address the medical, social, educational, and other services needed by the eligible child;
- Includes activities such as ensuring the active participation of the eligible child's family (or authorized health care decision maker) and others to determine and develop goals; and
- Identifies an appropriate course of action with the family, authorized health care decision maker, community resources, and other IFSP team members to respond to the identified needs of the eligible child.

*Referral and related activities:* These activities assist an eligible child to obtain needed services, including activities that:

- Link an individual with medical, social, educational providers; or

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Targeted Case Management-EI/ECSE-(continued)

Referral and related activities, Cont:

- Other programs and services that are capable of providing needed services to address identified needs and achieve goals specified in the care plan such as making referrals to providers for needed services;
- Assist in scheduling appointments for the eligible child as needed;
- Inform and encourage the eligible child's family to access available services;
- Completing related documentation.

Monitoring and follow-up activities:

Activities, and contact, necessary to ensure the care plan is implemented and adequately addressing the eligible child's needs. The activities, and contact, may be with the eligible child, his or her family members, IFSP team members, providers, other entities or individuals. These monitoring and follow up activities in coordination with the eligible child's IFSP are conducted as needed; including at least once annually to review and revise a child's service coordination/case management services but may be conducted as frequently as necessary to help determine whether the following conditions are met:

- Services are being furnished in accordance with the eligible child's care plan in coordination with the child's IFSP;
- services provided in support of the child's care plan are adequate; and
- The service coordinator/targeted case manager in consultation with the family and other IFSP team members, make adjustments as needed in the care plan for new or additional arrangements to adequately meet the eligible child's needs.

Case management may include:

Contact with non-eligible individuals, which are directly related to identifying the needs and supports for helping the eligible child to access services; identifying needs and supports to assist the eligible child in obtaining services; providing case managers with useful feedback, and alerting case managers to changes in the eligible child's needs as identified in (42 CFR 440.169(e)).

Qualifications of providers (42 CFR 441.18(a) (8) (v) and 42 CFR 441.18(b)):

EL/ECSE TCM Supervisors of service coordination/targeted case management services must:

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Targeted Case Management-EI/ECSE-(continued)

Qualifications of providers, Cont:

- Possess a minimum of a master's degree; and
- Hold a Teacher Standard and Practices Commission (TSPC) administrative endorsement; or
- Authorization as an Early Childhood Supervisor.

EI/ECSE Specialists/Related Services Personnel/Service Coordinators/Targeted Case Managers must:

- Possess a minimum of a baccalaureate degree; and
- Hold a Teacher Standard and Practices Commission (TSPC) licensure; or
- State licensure or TSPC licensure in an area of related services and a professional development plan based on the content of EI/ECSE competencies; or
- Endorsement in EI/ECSE or related field; or
- Authorization as an Early Childhood Specialist.

In addition to the above, all must be employees of the Oregon Department of Education (ODE), its contractors or subcontractors; and have demonstrated knowledge and understanding about:

- Service coordination to assist clients in gaining access to needed medical, social, educational, or other services;
- The Oregon EI/ECSE programs;
- The Individuals with Disabilities Education Act (IDEA);
- The nature and scope of services available under the Oregon EI/ECSE programs.

Freedom of Choice (42 CFR 441.18(a) (1) :

The State assures that the provision of case management services will not restrict an individual's free choice of providers in violation of section 1902(a)(23) of the Act.

- Eligible recipients will have free choice of the providers of case management services within the specified geographic area identified in this plan.
- Eligible recipients will have free choice of the providers of other medical care under the plan.

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Targeted Case Management-EI/ECSE-(continued)

Freedom of Choice Exception (§1915(g) (1) and 42 CFR 441.18(b)):

- Target group consists of eligible individuals with developmental disabilities or with chronic mental illness. Providers are limited to providers of case management services capable of ensuring that individuals with developmental disabilities or with chronic mental illness receive needed services.

Access to Services (42 CFR 441.18(a) (2), 42 CFR 441.18(a) (3), 42 CFR 441.18(a) (6) :

The State assures that:

- Targeted case management services will not be used to restrict an individual's access to other services under the plan; [section 1902(a)(19)]
- Individuals will not be compelled to receive target case management services, condition receipt of case management services on the receipt of other Medicaid services, or condition receipt of other Medicaid services on receipt of case management services; [section 1902(a)(19)]
- Providers of case management services do not exercise the agency's authority to authorize or deny the provision of other services under the plan.[42 CFR 431.10(e)]

Payment (42 CFR 441.18(a)(4)):

Payment for case management or targeted case management services under the plan does not duplicate payments made to public agencies or private entities under other program authorities for this same purpose.

Case Records (42 CFR 441.18(a)(7)):

Providers maintain case records that document for all individuals receiving case management as follows:

- (i) The name of the individual;
- (ii) The dates of the case management services;
- (iii) The name of the provider agency (if relevant) and the person providing the case management service;
- (iv) The nature, content, units of the case management services received and whether goals specified in the care plan have been achieved;
- (v) Whether the individual has declined services in the care plan;
- (vi) The need for, and occurrences of, coordination with other case managers;
- (vii) A timeline for obtaining needed services;
- (viii) A timeline for reevaluation of the plan.

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Targeted Case Management-EI/ECSE-(continued)

Limitations:

- Case management does not include, and Federal Financial Participation (FFP) is not available in expenditures for, services defined in §441.169 when the case management activities are an integral and inseparable component of another covered Medicaid service (State Medicaid Manual (SMM) 4302.F).
- Case management does not include, and Federal Financial Participation (FFP) is not available in expenditures for, services defined in §441.169 when the case management activities constitute the direct delivery of underlying medical, educational, social, or other services to which an eligible individual has been referred, including for foster care programs, services such as, but not limited to, the following: research gathering and completion of documentation required by the foster care program; assessing adoption placements; recruiting or interviewing potential foster care parents; serving legal papers; home investigations; providing transportation; administering foster care subsidies; making placement arrangements. (42 CFR 441.18(c))
- FFP only is available for case management services or targeted case management services if there are no other third parties liable to pay for such services, including as reimbursement under a medical, social, educational, or other program except for case management that is included in an individualized education program or individualized family service plan consistent with §1903(c) of the Act. (§§1902(a)(25) and 1905(c))



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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

Targeted Case Management-EI/ECSE

The cost based rate developed for EI/ECSE Targeted Case management is based on the Oregon Department of Education (ODE) EI/ECSE contractor's or subcontractor's prior year audited costs reported to ODE annually and reviewed and accepted by the Division of Medical Assistance Program for activities related exclusively to the provision of EI/ECSE Targeted Case Management services. Such services are provided by Service Coordinators/Targeted Case Managers furnished to children with disabilities in the target group, eligible under the State Plan, to assist and enable the eligible child to gain access to needed medical, social, educational, developmental and other appropriate services in conjunction with the child's Individualized Family Service Plan (IFSP). An ODE EI/ECSE contractor or subcontractor shall not bill for more hourly units than that of which was used to establish the costs which have previously been reviewed and accepted by the Division. The ODE EI/ECSE contractor or subcontractor's established hourly cost based rate is divided by 60 and yields a per minute cost amount. The per minute cost amount multiplied by actual number of minutes for services provided results in the ODE EI/ECSE contractor subcontractor's billing Medicaid no more than their cost to provide these services. If applicable, a finalized indirect rate established for the current year and approved by the cognizant federal agency delegate, Oregon Department of Education, may be applied, provided the costs included in the indirect cost calculation are not also included elsewhere in the calculation of the hourly cost based rate. As the above methodology utilizes cost based rates which are based on prior year costs, there will not be any need for reconciliation nor annual cost settlement required for payment made for TCM services provided by each ODE EI/ECSE contractor or subcontractor.

If the ODE EI/ECSE contractor or subcontractor does not have a full prior year cost to establish a TCM cost based rate, an estimate can be established based on the lesser of budgeted costs for the current year or an estimate of actual costs expended during the current year which prorates cost to the end of that year, however the Division will not require that a cost reconciliation be completed at the end of the year for ODE EI/ECSE contractor or subcontractor cost based rates.

TN 10-18  
Supersedes TN 08-11

Approval Date:

Effective Date: 7/1/10

**NOV 15 2010**

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METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES

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Targeted Case Management-EI/ECSE

The ODE EI/ECSE contractor or subcontractor targeted case management cost based rate will be derived by considering the following expenditures directly attributable to Targeted Case Management Staff:

- Targeted case management staff salaries and other personnel expenses
- Supervisory salaries and other personnel expenses
- Administrative support salaries and other personnel expenses: Services and supply expenses
- Various Overhead expenditures, if not already considered in the Oregon Department of Education's indirect rate

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