

## LEGISLATIVE REPORT

- SUBJECT:** Federal maximization program for IDEA/Medicaid eligible school-aged children.
- REFERENCE:** SB 1394, SD 2, HD 2, CD 1
- ACTION REQUESTED:** Report on federal reimbursements received as of FY 2004-05, amount of additional funding secured, amount of claims pending, amount of additional federal funding projected to be secured over the next five (5) years and plans for reinvestment of additional federal funds to expand needed services to the state's children.
- DOE REPORT:**  
Introduction
- The intent of the legislation is to establish and implement a federal revenue maximization program for all Medicaid eligible health services provided to Hawaii's school-aged children.
- FINDINGS:**
- In accordance with the requirements of Act 141, SB 1394, the Department of Education (DOE) has established a multi-agency task force comprised of representatives from the Department of Human Services (DHS) and the Department of Health (DOH) to address issues related to the implementation of a Medicaid school-based claiming (SBC) program. Pursuant to the recommendations of the SBC Task Force, a Request for Information (RFI) process to obtain information regarding the procurement of a third party administrator for developing, implementing and maintaining a claiming process for Medicaid school-based health-related services was conducted in July, 2005. As a result of the RFI process, the DOE is currently in negotiations with a third party administrator to procure and contract for the development, implementation and maintenance of a federal maximization program that includes claiming for direct services and administrative costs. Consistent with the efforts

**to procure the services of a third party administrator and meet the requirements of the statute, a Memorandum of Agreement (MOA) between the DOE and DHS is presently being executed that reflects the interagency terms and conditions for operationalizing the SBC program. Given the preceding, the required deadline of January 01, 2006 for claiming reimbursement for Medicaid allowable services provided to IDEA/ Medicaid eligible school-aged children will be met. Upon operationalization of the SBC program, the DOE will submit to the legislature quarterly information on the five (5) required reporting items as identified in the statute.**

**RECOMMENDATIONS:**

**N/A**