



Guide for School Health Services Program Specialized Transportation Reimbursement

School districts participating in the School Health Services (SHS) program can receive federal reimbursement for Specialized Transportation services provided to eligible Medicaid students that have an Individualized Education Plan (IEP) or an Individual Services Family Plan (IFSP).

What is Specialized Transportation?

1. Specialized Transportation services shall be required on the student's IEP or IFSP.
2. Specialized Transportation services shall be provided on the same date of a Medicaid allowable service, required by the student's IEP or IFSP, is received and billable to Medicaid.
3. Specialized Transportation shall be on a specially adapted school bus to and from a student's place of residence and the school or the site of a Medicaid allowable service, if it is not provided in the school setting.
4. Specialized Transportation services shall not be covered on a regular school bus unless an aide for the transported student(s) is present and is required by the student's IEP or IFSP.
5. All Specialized Transportation services provided shall be documented in a transportation log.
6. Specialized Transportation services shall include services provided by direct service personnel, such as bus drivers and aides, employed or contracted by the school district.

All districts must submit Specialized Transportation Medicaid claims through the Medicaid billing system and maintain documentation of services provided, including transportation logs.

Districts receive monthly interim payments for all SHS claims, including those for Specialized Transportation. At the end of the school year, interim payments are reconciled against the total Medicaid allowable cost, including those allowable Specialized Transportation costs - a number calculated through the annual cost report.

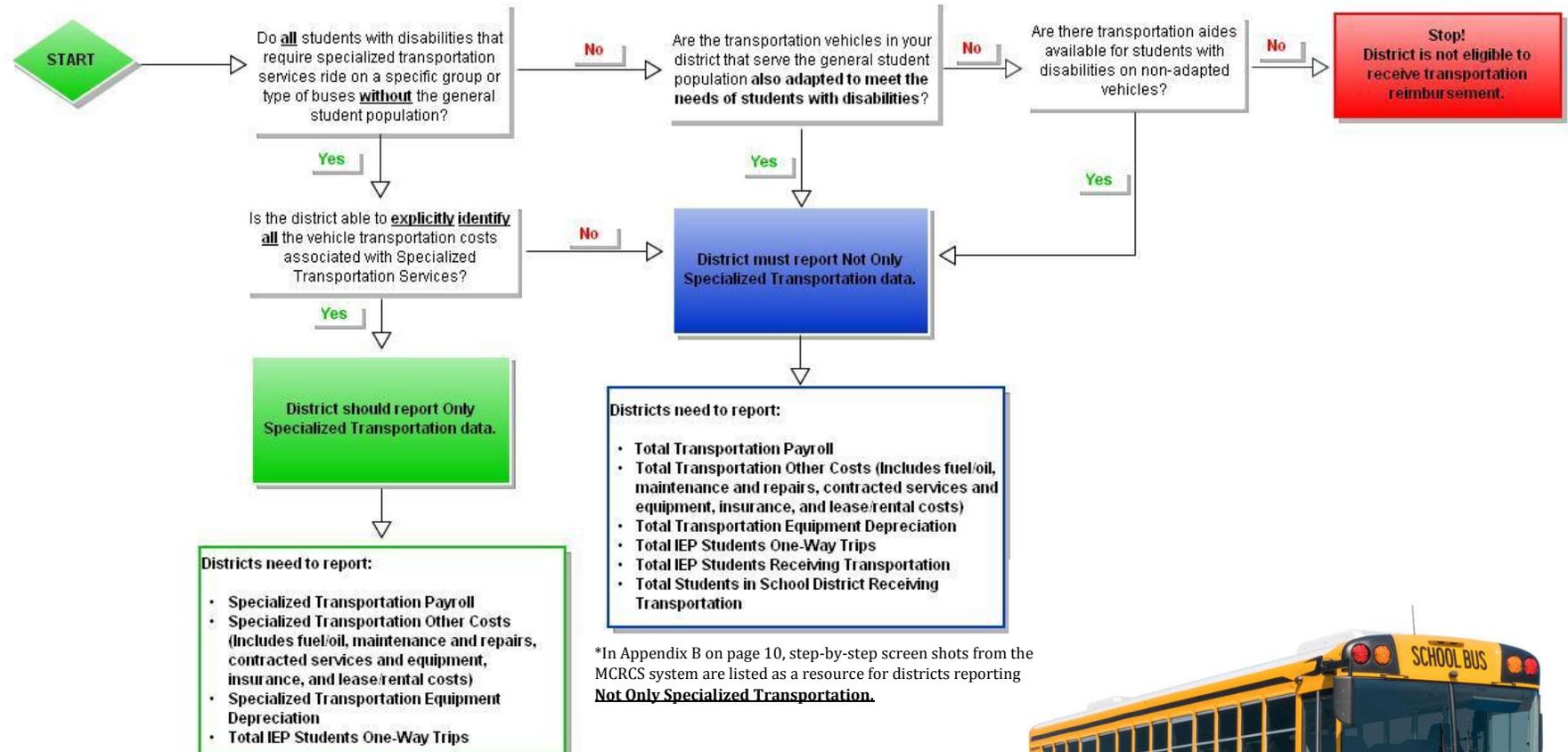
How are Medicaid allowable Specialized Transportation costs calculated?

Specialized Transportation costs are reported annually through the Medicaid Cost Report. The two main components of this process are (1) reporting eligible transportation costs and (2) completing relevant transportation ratios. There are two ways to report Specialized Transportation: only specialized or not-only specialized transportation. Both methods require diligent documentation of expenditures.

When deciding how to report transportation costs, school districts must determine the level of financial detail available for transportation. Useful documentation include: general ledger entries, price order forms, receipts, payroll sheets, and depreciation schedules.

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How do I decide what transportation costs to report?



*In Appendix A on page 6, step-by-step screen shots from the MCRCS system are listed as a resource for districts reporting **Only Specialized Transportation**.

*In Appendix B on page 10, step-by-step screen shots from the MCRCS system are listed as a resource for districts reporting **Not Only Specialized Transportation**.



Helpful Definitions

Transportation Payroll	Salary and benefit information for bus drivers, bus aides (not listed on RMTS), and mechanics.
Transportation Other Costs	Fuel/oil, maintenance and repairs, contracted services and equipment, insurance, and lease/rental costs.
Transportation Equipment Depreciation	Transportation vehicles or equipment depreciation, based on your district's depreciation schedule.
Total Medicaid Allowable One-Way Trips	Count of allowable one-way trips billed to Medicaid through the Medicaid Management Information Systems (MMIS) throughout the school year. District must have bus logs to support these MMIS claims.
Total IEP Students One-Way Trips	Count of one-way trips that Medicaid and non-Medicaid IEP students (who require transportation as listed in their IEP) took throughout the school year. This includes specialized and non-specialized trips. The source of this information is bus logs. The district may also use the maximum possible trips taken if calculated according to the following formula: total number of IEP Students with transportation in the IEP, multiplied by the total number of school days, multiplied by two trips.
Total IEP Students Receiving Transportation	Count of Medicaid and non-Medicaid students who receive transportation as a requirement listed on their IEP as of December 1 <i>or</i> as eligible throughout the school year according to supporting documentation. The method in which your district pulls this count must be the same for both the numerator and denominator (i.e., according to December 1 <i>or</i> as a running tally throughout the school year).
Total Students in School District Receiving Transportation	Count of all students in the school district that receive transportation as of December 1 <i>or</i> as eligible throughout the school year according to supporting documentation. The method in which your district pulls this count must be the same for both the numerator and denominator (i.e., according to December 1 <i>or</i> as a running tally throughout the school year).



What are the “Dos and Don’ts” of Reporting Specialized Transportation Costs?

Reporting Specialized Transportation costs requires a detailed review of how transportation costs are tracked, reported, and expensed. In order to report Only Specialized Transportation, you must identify all costs (payroll, maintenance, insurance, fuel, etc) tied solely to specially adapted vehicles. You may **not** report a percentage or use any district approved allocation method to identify the portion of total district transportation costs associated with district specialized transportation costs. Review the following scenarios.

SCENARIO	DO	DON'T
<p>District does not record mileage and fuel for individual buses. The amount of money spent on fuel and oil is kept at a general, district wide level.</p>	<p>Report total district wide transportation costs because district cannot discretely identify fuel costs for Only Specialized Transportation buses.</p>	<p>Do not attempt to report Only Specialized Transportation costs. For example, let’s say your district spends \$200,000 in fuel costs for all 100 buses that it owns. Only 20 of those buses transport students with specialized transportation required in an IEP. You cannot report 20% of the fuel costs as Only Specialized Transportation. Districts may not allocate a percentage of the total district transportation costs to Only Specialized Transportation. All vehicles do not travel the same amount of distance nor do they consume the same amount of fuel per mile.</p>

SCENARIO	DO	DON'T
<p>District can track insurance and payroll information associated with Only Specialized Transportation. However, district cannot identify the vehicle maintenance costs associated with Only Specialized Transportation. District keeps this information at the aggregate level, reporting maintenance costs at the district rather than vehicle level.</p> <p>District must choose between reporting only insurance and payroll costs or reporting district wide transportation costs to include maintenance and repair costs.</p>	<p>Report insurance and payroll information as Only Specialized Transportation and do not include the maintenance and repair costs.</p> <p style="text-align: center;">OR</p> <p>Report transportation costs for the entire district (Not-Only Specialized Transportation) to include the maintenance and repair costs.</p>	<p>Report all insurance, payroll, and a portion of maintenance costs as Only Specialized Transportation.</p>

If you have any questions, please feel free to contact us!

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Appendix A

Reporting Only Specialized Transportation

Districts that are able to explicitly identify special education transportation costs from general education transportation costs will report Only Specialized Transportation in the Medicaid Cost Reporting and Claiming Services (MCRCS) system.

When reporting Only Specialized Transportation, districts will need to report (in no particular order) costs in the following sections:

- *Transportation Payroll Information;*
- *Transportation Other Costs;* and
- *Transportation Equipment Depreciation.*

Districts should only report costs for the sections for which they have sufficient documentation and detail. If a district cannot isolate costs relevant to a particular section, it should not complete that section. After completing the relevant sections, the MCRCS allows districts to complete the ratio for “Specialized Transportation for IEP Students.” This ratio is located in the *General and Statistical Information* section.

When finished making updates to each section, simply click on the “Medicaid Cost Report” tab in the dashboard of MCRCS and select the next section on the main page. Your information will be saved in the system.

Medicaid Cost Report

- Annual Payroll Information
- Annual Other Costs
- General and Statistical Information
- Transportation Payroll Information
- Transportation Other Costs
- Transportation Equipment Depreciation
- Annual Edits
- Claims Verification and Submission
- Signature Page
- Medicaid Paid Claims Summary



Below, are the steps to complete Only-Specialized Transportation in the MCRCS.

The MCRCS system prevents districts from reporting both Only Specialized and Not Only Specialized Transportation services cost. A message pops up to remind districts that it is incorrect to report costs for both Not Only Specialized and Only Specialized services.



Transportation Payroll Information

Districts may report only specialized costs for bus aides, drivers, and mechanics. Districts can either report all of the employer benefits together or break out the PERA and Medicare Tax costs. Both options are correct and it is up to district to choose the preferred option.

Transportation Payroll Information

	Last Name	First Name	Job Category	Staff Employment Status	District Job Title	District Employee ID	Paid Hours	Salaries	Employer Benefits	Employer PERA*	Employer Medicare Tax*	Contracted Staff Costs	Compensation Federal Revenues
Edit	Delete	man	spider	Bus Aide (only specialized trans)	Part Time		1.00	\$100.00	\$0.00	\$0.00	\$0.00	\$1.00	\$50.00
Insert			<Please Select>	<Please Select>			0.00	0.00	0.00	0.00	0.00	0.00	0.00

Records 1 to 2 of 2 records

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- <Please Select>
- Bus Aide (not only specialized trans)
- Bus Aide (only specialized trans)
- Driver (not only specialized trans)
- Driver (only specialized trans)
- Mechanic (not only specialized trans)
- Mechanic (only specialized trans)

Transportation Other Costs

Districts may report only specialized other costs, such as lease/rental, insurance, maintenance and repairs, fuel and oil, contract – transportation services, and contract – transportation equipment costs. As previously mentioned, the MCRCS system will not allow districts to report Not Only Specialized costs.

	Description	Service Type	Gross Costs	Total Amount of Federal Funding
Edit	Lease / Rental	Transportation Services (only specialized trans)	\$10.00	\$0.00
Edit	Insurance	Transportation Services (only specialized trans)	\$10.00	\$0.00
Edit	Maintenance and Repairs	Transportation Services (only specialized trans)	\$700.00	\$0.00
Edit	Fuel and Oil	Transportation Services (only specialized trans)	\$0.00	\$0.00
Edit	Contract - Transportation Services	Transportation Services (only specialized trans)	\$0.00	\$0.00
Edit	Contract - Transportation Equipment	Transportation Services (only specialized trans)	\$0.00	\$0.00
	Total	Transportation Services (only specialized trans)	\$720.00	\$0.00

Transportation Equipment Depreciation

Districts may report Only Specialized Transportation Equipment Depreciation costs for buses, cars and minivans, harnesses/seatbelts/child protective seating, light trucks and vans, vehicle air conditioning, wheelchair lifts, and any other applicable asset type if a description is provided in the “Notes” column.

Transportation Equipment Depreciation

		Asset Type T	Service Type T	Description Of Asset	Month Year Placed In Service	Years Of Useful Life	Cost	Federal Revenue	Prior Period Accumulated Depreciation	Depreciation For Reporting Period	Notes
Edit	Delete	Buses	Transportation Services (only specialized trans)	T146	12/2001	8	\$120,735.00	\$0.00	\$120,735.00	\$0.00	
Edit	Delete	Other - please describe	Transportation Services (only specialized trans)	T229	06/1996	8	\$27,519.00	\$0.00	\$27,519.00	\$0.00	suburban
Edit	Delete	Buses	Transportation Services (only specialized trans)	care seats	10/2009	1	\$10,000.00	\$0.00	\$0.00	\$10,000.00	item
Insert		<Please Select>	<Please Select>			0	0.00	0.00	0.00	0.00	

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- Buses
- Cars and Minivans
- Harnesses/Seatbelts/child protective seating
- Light Trucks and Vans
- Other - please describe
- Vehicle Air Conditioning
- Wheelchair Lift

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General Statistical Information

Districts must complete the “Specialized Transportation for IEP Students – One-Way Trips” ratio. Districts are required to report the “Total IEP Students One-Way Trips” (ratio denominator). The “Total Medicaid IEP Students Allowable One-Way Trips for Specialized Transportation” (ratio numerator) is a pre-populated number that comes from the MMIS system.

Specialized Transportation for IEP Students - One-Way Trips	
Total Medicaid IEP Students Allowable One-Way Trips for Specialized Transportation (carve out managed care with SHS coverage)	101
Total IEP Students One-Way Trips (Specialized and Non-Specialized)	<input type="text" value="2351"/>
Update Cancel	Ratio: 4.30%

Appendix B

Reporting Not Only Specialized Transportation

Districts that are not able to explicitly identify special education transportation costs from the general education transportation costs will report Not-Only Specialized Transportation in the Medicaid Cost Reporting and Claiming Services (MCRCS) system.

When reporting Not Only Specialized Transportation, districts will need to report (in no particular order) costs in the following sections:

- *Transportation Payroll Information;*
- *Transportation Other Costs;* and
- *Transportation Equipment Depreciation.*

Districts should only report costs for the sections for which they have sufficient documentation and detail. If a district cannot isolate costs relevant to a particular section, it should not complete that section. After completing the relevant sections, the MCRCS system allows districts to complete the ratio for “Specialized Transportation for IEP Students” and “Transportation Services IEP Student Ratio.” This ratio is located in the *General and Statistical Information* section.

When finished making updates to each section, simply click on the “Medicaid Cost Report” tab in the dashboard of MCRCS and select the next section on the main page. Your information will be saved in the system.

Medicaid Cost Report

- Annual Payroll Information
- Annual Other Costs
- General and Statistical Information
- Transportation Payroll Information
- Transportation Other Costs
- Transportation Equipment Depreciation
- Annual Edits
- Claims Verification and Submission
- Signature Page
- Medicaid Paid Claims Summary



Below, are the steps to complete Not-Only Specialized Transportation in the MCRCS.

The MCRCS system prevents districts from reporting both Only Specialized and Not Only Specialized Transportation services cost. A message pops up to remind districts that it is not correct to report costs for Only Specialized Services if a district is reporting costs for Not Only Specialized services.



Transportation Payroll Information

Districts may report Not Only Specialized costs for bus aides, drivers, and mechanics. Districts can either report all of the employer benefits together or break out the PERA and Medicare Tax costs. Both options are correct and it is up to district to choose the preferred option.

Transportation Payroll Information

		Last Name	First Name	Job Category	Staff Employment Status	District Job Title	District Employee ID	Paid Hours	Salaries	Employer Benefits	Employer PERA*	Employer Medicare Tax*	Contracted Staff Costs	Compensation Federal Revenues
Edit	Delete	man	bat	Driver (not only specialized trans)	Part Time			1.00	\$100.00	\$0.00	\$0.00	\$0.00	\$0.00	\$50.00
Edit	Delete	man	spider	Bus Aide (not only specialized trans)	Part Time			1.00	\$100.00	\$0.00	\$0.00	\$0.00	\$0.00	\$50.00
	Insert			<Please Select>	<Please Select>			0.00	0.00	0.00	0.00	0.00	0.00	0.00

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- <Please Select>
- Bus Aide (not only specialized trans)
- Bus Aide (only specialized trans)
- Driver (not only specialized trans)
- Driver (only specialized trans)
- Mechanic (not only specialized trans)
- Mechanic (only specialized trans)

Transportation Other Costs

Districts may report Not Only Specialized Other Costs, such as lease/rental, insurance, maintenance and repairs, fuel and oil, contract – transportation services, and contract – transportation equipment costs. As previously mentioned, the MCRCS system will not allow districts to report Only Specialized costs.

	Description	Service Type	Gross Costs	Total Amount of Federal Funding
Update Cancel	Lease / Rental	Transportation Services (not only specialized trans)	<input type="text" value="50.00"/>	<input type="text" value="10.00"/>
Edit	Insurance	Transportation Services (not only specialized trans)	\$232.00	\$23.00
Edit	Maintenance and Repairs	Transportation Services (not only specialized trans)	\$0.00	\$0.00
Edit	Fuel and Oil	Transportation Services (not only specialized trans)	\$0.00	\$0.00
Edit	Contract - Transportation Services	Transportation Services (not only specialized trans)	\$0.00	\$0.00
Edit	Contract - Transportation Equipment	Transportation Services (not only specialized trans)	\$0.00	\$0.00
	Total	Transportation Services (not only specialized trans)	\$282.00	\$33.00

Transportation Equipment Depreciation

Districts may report Not Only Specialized Transportation Equipment Depreciation costs for buses, cars and minivans, harnesses/seatbelts/child protective seating, light trucks and vans, vehicle air conditioning, wheelchair lifts, and any other applicable asset type if a description is provided in the “Notes” column.

Transportation Equipment Depreciation

		Asset Type T	Service Type T	Description Of Asset	Month Year Placed In Service	Years Of Useful Life	Cost	Federal Revenue	Prior Period Accumulated Depreciation	Depreciation For Reporting Period	Notes
Edit	Delete	Buses	Transportation Services (not only specialized trans)	T146	12/2001	8	\$120,735.00	\$0.00	\$120,735.00	\$0.00	
Edit	Delete	Other - please describe	Transportation Services (not only specialized trans)	T229	06/1996	8	\$27,519.00	\$0.00	\$27,519.00	\$0.00	suburban
Edit	Delete	Buses	Transportation Services (not only specialized trans)	care seats	10/2009	1	\$10,000.00	\$0.00	\$0.00	\$10,000.00	item
Insert		<Please Select>	<Please Select>			0	0.00	0.00	0.00	0.00	

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- <Please Select>
- Buses
- Cars and Minivans
- Harnesses/Seatbelts/child protective seating
- Light Trucks and Vans
- Other - please describe
- Vehicle Air Conditioning
- Wheelchair Lift

General Statistical Information

Districts are required to complete both transportation ratios.

For the “Specialized Transportation for IEP Students – One-Way Trips” ratio, the district must report the total Medicaid IEP students’ allowable one-way trip count. For the “Transportation Services IEP Students Ratio”, districts must report the total count of IEP students receiving transportation as required in the IEP and the total count of students in the school district receiving transportation.

Specialized Transportation for IEP Students - One-Way Trips	
Total Medicaid IEP Students Allowable One-Way Trips for Specialized Transportation (carve out managed care with SHS coverage)	101
Total IEP Students One-Way Trips (Specialized and Non-Specialized)	<input type="text" value="2351"/>
Update Cancel	Ratio: 4.30%

Transportation Services IEP Students Ratio	
IEP Students Receiving Transportation as required in IEP (Specialized and Non-Specialized)	<input type="text" value="1"/>
Total Students in School District Receiving Transportation	<input type="text" value="10"/>
Update Cancel	Ratio: 10.00%



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