

Medicaid Administrative Claiming (MAC)

Title XIX of the Social Security Act (the Act) authorizes federal grants to states for a proportion of expenditures for medical assistance under an approved Medicaid state plan, and for expenditures necessary for administration of the state plan.

WHAT IS MEDICAID ADMINISTRATIVE CLAIMING?

The purpose of the Medicaid Administrative Claiming (MAC) program is to provide State affiliated public agencies such as Local Health Departments (LHDs) in Texas the opportunity to submit reimbursement claims for administrative activities that support the Medicaid program. In order for the cost to be allowable and reimbursable under Medicaid, the activities must be found to be necessary for the proper and efficient administration under the Texas Medicaid State Plan, and must adhere to applicable requirements as defined in State and Federal Law.

LHDs can be reimbursed for certain medical and health-related activities such as outreach services delivered to clients within the community, regardless of whether the client is Medicaid eligible or not, and without any impact on other similar services the patient may receive elsewhere. Outreach services may be provided to a client and/or the client's family and may include activities such as coordinating, referring, or assisting the client/family in accessing needed medical/health or mental care services.

Revenue generated from MAC claims is dedicated to the provision of health services and may be used to enhance, improve and/or expand the level and quality of health/medical services provided to clients within the community.

WHAT TYPE OF ACTIVITY IS CONSIDERED REIMBURSABLE?

A variety of staff in LHDs currently provide health-related administrative activities that benefit their clients. These include services such as Medicaid eligibility determination, outreach and informing including referral, coordination and monitoring of Medicaid services. For example, front desk personnel may provide detailed information on the Medicaid eligibility process and assistance in filling out the Medicaid application. Social Workers and/or Outreach workers may coordinate and participate in Outreach campaigns directed to the entire population to encourage potential Medicaid eligible individuals to apply for Medicaid. Administrators often coordinate and/or become involved in community groups or councils and work to identify gaps or improve the delivery of health-related services to their community. Front line staff often perform a range of case management and case coordination functions to ensure that clients with health-related needs access care in a timely and appropriate manner. LHD staff often provide families with health related information to facilitate health care in the community. Staff members identify health concerns and provide outreach and information to clients and their families to ensure access to care and to provide referrals to other federal and state programs to help promote healthy lifestyles and outcomes. Referrals are made to Medicaid when it is suspected that a family may be eligible for services. Other staff within the agency may facilitate

Supplemental Security Income (SSI) applications for clients and families as needed. Staff members may also provide information to clients and their families about the risk of drug and alcohol usage and the signs of abuse or dependency. Social Workers, clerical staff and front office receptionists serving in various divisions of the LHD are often the first to identify a client or a family's need for medical assistance and the need to refer them for diagnosis, treatment, or follow-up health, mental health, or substance abuse services. Psychologists or counselors commonly provide crisis intervention and perform case management activities with families to ensure access to mental health or substance abuse treatment services.

HOW IS THE REIMBURSEMENT DETERMINED?

Section 1903(a) of the Social Security Act directs payment of Federal Financial Participation (FFP), at different matching rates, for amounts "found necessary by the Secretary for the proper and efficient administration of the State plan." Claims held under this authority must be directly related to the administration of the Medicaid program. In addition, payment may only be made for the percentage of time spent which is actually attributable to Medicaid eligible individuals.

Local Health Agencies identify staff that performs Medicaid allowable administrative activities. These staff are eligible to participate in the RMTS and the results are used in the calculation of the MAC Claim.

A claim will be constructed based on the following formula:

- The percent of allowable time based on the RMTS results
- The percent of clients in the district who are Medicaid eligible
- The number of RMTS participating staff
- The quarterly cost of staff who participate in the RMTS.

Funds will be distributed between Health & Human Services and Behavioral Health Services based on the percentage of staff participating in the RMTS, which determines the revenue claimed.

HOW MAY THE REVENUE BE USED?

Revenue generated from MAC claims is dedicated to the provision of health services and may be used to enhance, improve and/or expand the level and quality of health/medical services provided to clients within the community.

Health & Human Services Executive and Leadership Teams and Behavioral Health Services Leadership Team will be responsible for allocating funds to appropriate usage under federal and state guidance.

FEDERAL AUDIT

All MAC expenditures subject to reimbursement are Title XIX funds. The MAC reimbursements payments received from Medicaid Administrative Claims CFDA #93.778 are subject to the Single

Audit Act. Therefore, the funds should be included on the SEFA (Statement of Expenditures of Federal Awards) on each entity's audited financial statements. If the MAC award is identified as a major federal program, the entity's external auditor should perform work deemed necessary to reduce risk and report the funds appropriately in accordance with the Annual Single Audit. The auditor should research all other requirements to ensure that MAC funds are appropriately audited and reported.