

## State of Minnesota

### Assisting a State Agency in the review and evaluation of third-party billing of IEP-related services

#### Overview:

Fairbanks was awarded a contract by the Minnesota Department of Education in 2010 to evaluate and improve the state's program for third-party billing of IEP-related services in the school setting.

The Minnesota Department of Education (MDE) and the Minnesota Department of Human Services (DHS) jointly administer and oversee the TPB program that annually provides over \$25 million Medicaid reimbursement to over 300 school districts across the state. MDE was in need of the following services from Fairbanks:

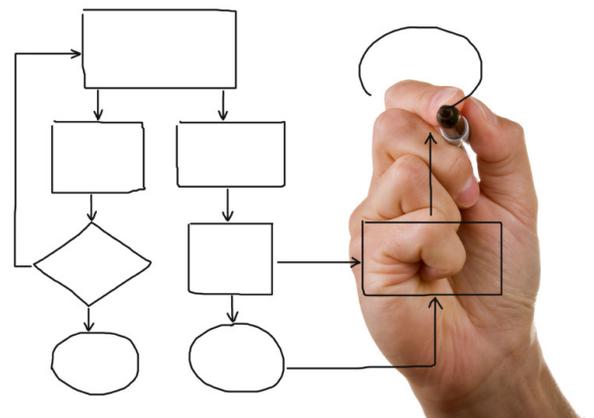
- Develop an evaluation process to measure the degree to which Minnesota's IEP billing program adhered to the intent of the enabling legislation
- Determine whether the provider rate setting methodology was accurate and acceptable with respect to CMS guidelines
- Determine whether the program was capturing all allowable cost components
- Determine which districts were participating in the program and which ones were not
- Model the billing and claiming procedures utilized by both the districts and the State Agencies involved and suggest areas for improvement
- Design and distribute a survey to TPB program participants at the School and State level to capture data on perceptions of the program and barriers to participation

This project was undertaken to make sure that the program was being administered in a reasonable and efficient manner given federal and state Medicaid and Special Education requirements.

#### Fairbanks Approach:

Working with MDE, Fairbanks developed a phased approach to this project that enabled the analysis to proceed with the maximum amount of input from program participants and with the minimum amount of potential disruption to program operations. Our approach consisted of four distinct phases work each with its own set of deliverables and timelines. These phases were:

Project Planning – Consisted of the project initiation and planning meetings where MDE validated and approved the overall information gathering strategy and analytical methodologies



Data Gathering – Fairbanks and MDE collaborated in this phase to identify and gather together all the relevant data that existed regarding: participating school districts, direct billing rates, direct billing covered services, payment histories, state legislation and regulations regarding TPB, survey results from schools and State Agency personnel

Data Analysis – Using the information that was collected in the Data Gathering Phase, Fairbanks was able to conduct an analysis in four areas: adherence to legislative intent, rate and cost component benchmarking, program participation barriers and process benchmarking

Recommendations Development – In this phase we used the data and analyses from the previous phases to develop meaningful and actionable recommendations for program improvement

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### **Results:**

Fairbanks and MDE identified several areas where the Minnesota Third Party Billing Program could materially improve school district participation in the program as well as areas where Minnesota is engaged in “leading-edge” administrative techniques that other states could use as best-practices