

S-13, BA-13 Public School Health Services Adjustment
Appendix A: Assumptions and Calculations

Table 1.1 Summary by Line Item FY 2024-25								
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds ⁽¹⁾	Reappropriated Funds	Federal Funds	Source
A	(6) Other Medical Services; Public School Health Services	\$17,641,168	0.0	\$0	\$8,832,830	\$0	\$8,808,338	Table 2.1 Row F
B	Total	\$17,641,168	0.0	\$0	\$8,832,830	\$0	\$8,808,338	

⁽¹⁾ Cash funds represent funds certified as public expenditures incurred by school districts or boards of cooperative educational services that are eligible for federal financial participation under Medicaid

Table 1.2 Summary by Line Item FY 2025-26								
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds ⁽¹⁾	Reappropriated Funds	Federal Funds	Source
A	(6) Other Medical Services; Public School Health Services	(\$3,547,254)	0.0	\$0	(\$1,145,282)	\$0	(\$2,401,972)	Table 2.2 Row G
B	Total	(\$3,547,254)	0.0	\$0	(\$1,145,282)	\$0	(\$2,401,972)	

⁽¹⁾ Cash funds represent funds certified as public expenditures incurred by school districts or boards of cooperative educational services that are eligible for federal financial participation under Medicaid

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Table 2.1 FY 2024-25 Incremental Request								
Row	Description	Total Funds	General Fund	Cash Funds (CPE)	Reappropriated Funds	Federal Funds	FMAP	Source
<i>Public School Health Services - Provider Payments</i>								
A	Initial Appropriation	\$202,111,227	\$0	\$100,427,269	\$0	\$101,683,958	50.31%	FY 2024-25 Long Bill (HB 24-1430)
B	Medicaid Administrative Claiming (MAC)	\$17,006,856	\$0	\$8,503,428	\$0	\$8,503,428	50.00%	Table 3.1, Row A [FY 2024-25 projected]
C	Cost Settlement	\$61,609,827	\$0	\$30,188,815	\$0	\$31,421,012	51.00%	Table 3.1, Row B [FY 2024-25 projected]
D	Interim Payment	\$141,135,712	\$0	\$70,567,856	\$0	\$70,567,856	50.00%	Table 3.1, Row C [FY 2024-25 projected]
E	Estimated Expenditures	\$219,752,395	\$0	\$109,260,099	\$0	\$110,492,296	50.28%	Row B + Row C + Row D
F	Incremental Request	\$17,641,168	\$0	\$8,832,830	\$0	\$8,808,338	NA	Row E - Row A

Table 2.2 FY 2025-26 Incremental Request								
Row	Description	Total Funds	General Fund	Cash Funds (CPE)	Reappropriated Funds	Federal Funds	FMAP	Source
<i>Public School Health Services - Provider Payments</i>								
A	Initial Appropriation	\$202,111,227	\$0	\$100,427,269	\$0	\$101,683,958	50.00%	FY 2024-25 Long Bill (HB 24-1430)
B	FY 2024-25 Base Request	\$202,111,227	\$0	\$100,427,269	\$0	\$101,683,958	50.00%	Row A
C	Medicaid Administrative Claiming (MAC)	\$17,517,061	\$0	\$8,758,531	\$0	\$8,758,530	50.00%	Table 3.1, Row A [FY 2025-26 projected]
D	Cost Settlement	\$35,677,129	\$0	\$17,838,564	\$0	\$17,838,565	50.00%	Table 3.1, Row B [FY 2025-26 projected]
E	Interim Payment	\$145,369,783	\$0	\$72,684,892	\$0	\$72,684,891	50.00%	Table 3.1, Row C [FY 2025-26 projected]
F	Estimated Expenditures	\$198,563,973	\$0	\$99,281,987	\$0	\$99,281,986	50.00%	Row C + Row D + Row E
G	Incremental Request	(\$3,547,254)	\$0	(\$1,145,282)	\$0	(\$2,401,972)	NA	Row B - Row F

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Row	Reimbursement Component	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25 projected	FY 2025-26 projected
A	Medicaid Administrative Claiming (MAC)	\$12,209,685	\$12,421,215	\$17,644,334	\$13,681,559	16,065,994	17,006,856	17,517,061
B	Cost Settlement	\$32,064,937	\$32,156,293	\$26,544,867	\$40,036,266	66,731,943	61,609,827	35,677,129
C	Interim Payment	\$81,203,580	\$81,245,080	\$89,260,797	\$98,733,664	109,631,103	141,135,712	145,369,783
D	Total Aggregate CPE	\$125,478,202	\$125,822,588	\$133,449,998	\$152,451,489	192,429,040	219,752,395	198,563,973

Row	Cost Report Year	Reimbursement Component	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25 projected	FY 2025-26 projected	Total
A	CRY 2018-19	MAC	\$5,539,193	-	-	-	-	-	-	\$114,207,017
		Interim Payment	-	-	-	-	-	-	-	
		Cost Settlement	\$32,064,937	-	-	-	-	-	-	
B	CRY 2019-20	MAC	\$6,670,492	\$6,193,825	-	-	-	-	-	\$126,224,190
		Interim Payment	\$81,203,580	-	-	-	-	-	-	
		Cost Settlement	-	\$32,156,293	-	-	-	-	-	
C	CRY 2020-21	MAC	-	\$6,227,390	\$9,511,776	-	-	-	-	\$123,529,113
		Interim Payment	-	\$81,245,080	-	-	-	-	-	
		Cost Settlement	-	-	\$26,544,867	-	-	-	-	
D	CRY 2021-22	MAC	-	-	\$8,132,558	\$5,303,797	-	-	-	\$142,733,418
		Interim Payment	-	-	\$89,260,797	-	-	-	-	
		Cost Settlement	-	-	-	\$40,036,266	-	-	-	
E	CRY 2022-23	MAC	-	-	-	\$8,377,762	\$7,688,232	-	-	\$181,531,601
		Interim Payment	-	-	-	\$98,733,664	-	-	-	
		Cost Settlement	-	-	-	-	\$66,731,943	-	-	
F	CRY 2023-24	MAC	-	-	-	-	\$8,377,762	\$8,377,762	-	\$187,996,454
		Interim Payment	-	-	-	-	\$109,631,103	-	-	
		Cost Settlement	-	-	-	-	-	\$61,609,827	-	
G	CRY 2024-25 projected	MAC	-	-	-	-	-	\$8,629,094	\$8,629,094	\$194,071,029
		Interim Payment	-	-	-	-	-	\$141,135,712	-	
		Cost Settlement	-	-	-	-	-	-	\$35,677,129	
H	CRY 2025-26 projected	MAC	-	-	-	-	-	-	\$8,887,967	\$199,893,160
		Interim Payment	-	-	-	-	-	-	\$145,369,783	
		Cost Settlement	-	-	-	-	-	-	-	
I	Total Aggregate CPE		\$125,478,202	\$125,822,588	\$133,449,998	\$152,451,489	\$192,429,040	\$219,752,395	\$198,563,973	\$537,202,277

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Table 4.1 - Historical Amounts of Interim Payments and Cost Settlement Payments by Cost Report Year							
Row	Item	Cost Report Year 2019-20	Cost Report Year 2020-21	Cost Report Year 2021-22	Cost Report Year 2022-23	Cost Report Year 2023-24 ⁽¹⁾	Source
A	Interim Payments for Direct Services & Specialized Transportation	\$81,203,580	\$81,245,080	\$89,260,797	\$98,733,664	\$109,631,103	Annual Cost Settlement Report
B	Cost Settlement for Direct Services & Specialized Transportation	\$32,156,293	\$26,544,867	\$40,036,266	\$66,731,943	\$61,609,827	
C	Total Allowable Reimbursement for Direct Services & Specialized Transportation	\$113,359,873	\$107,789,947	\$129,297,063	\$165,465,607	\$171,240,930	Row A + Row B

⁽¹⁾Preliminary data for Cost Report Year 2023-24 provided to Department by contracted vendor in November 2023. Final cost report data will be available in March 2025.

Table 4.2 - Projected Amounts of Interim Payments and Cost Settlement Payments by Cost Report Year					
Row	Item	Cost Report Year 2024-25	Cost Report Year 2025-26	Cost Report Year 2026-27	Source
A	Total Allowable Reimbursement for Direct Services & Specialized Transportation	\$176,812,841	\$182,117,226	\$187,580,744	Table 5.2, Row M
B	Interim Payment Allocation Percentage ⁽¹⁾	79.82%	79.82%	79.82%	Provided by Department's contracted vendor on 11/01/2024
C	Interim Payments for Direct Services & Specialized Transportation	\$141,135,712	\$145,369,783	\$149,730,878	Row A * Row B
D	Cost Settlement for Direct Services & Specialized Transportation	\$35,677,129	\$36,747,443	\$37,849,866	Row A - Row C

⁽¹⁾Allocation percentage for Cost Report Year 2025-26 & Cost Report Year 2026-27 assumed to equal the percentage from pre-pandemic Cost Report Year 2019-20

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Table 4.3 - Schedule of Interim Payments FY 2024-25						
Row	Description	Total Funds	Cash Funds (CPE)	Federal Funds	FMAP	Source
A	July 2024	\$11,761,309	\$5,880,655	\$5,880,655	50.00%	Payment Schedule provided by Department's School Health Services Program staff
B	August 2024	\$11,761,309	\$5,880,655	\$5,880,655	50.00%	
C	September 2024	\$11,761,309	\$5,880,655	\$5,880,655	50.00%	
D	October 2024	\$11,761,309	\$5,880,655	\$5,880,655	50.00%	
E	November 2024	\$11,761,309	\$5,880,655	\$5,880,655	50.00%	
F	December 2024	\$11,761,309	\$5,880,655	\$5,880,655	50.00%	
G	January 2025	\$11,761,309	\$5,880,655	\$5,880,655	50.00%	
H	February 2025	\$11,761,309	\$5,880,655	\$5,880,655	50.00%	
I	March 2025	\$11,761,309	\$5,880,655	\$5,880,655	50.00%	
J	April 2025	\$11,761,309	\$5,880,655	\$5,880,655	50.00%	
K	May 2025	\$11,761,309	\$5,880,655	\$5,880,655	50.00%	
L	June 2025	\$11,761,309	\$5,880,655	\$5,880,655	50.00%	
M	Totals	\$141,135,712	\$70,567,856	\$70,567,856	50.00%	

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Table 5.1 - Historical Calculations of Direct Services (DS) & Specialized Transportation Costs by Cost Report Year							
Row	Item	Cost Report Year 2019-20	Cost Report Year 2020-21	Cost Report Year 2021-22	Cost Report Year 2022-23	Cost Report Year 2023-24	Source
A	Salaries, Benefits & Contracted Staff Costs	\$443,043,593	\$450,545,145	\$468,251,679	\$566,675,696	\$681,046,368	Annual Program Expenditures Report
B	Indirect Costs %	14.49%	17.48%	18.92%	16.73%	17.46%	
C	Subtotal	\$507,248,170	\$529,313,141	\$556,863,794	\$661,506,523	\$799,968,626	Row A * (1 + Row B)
D	RMTS ⁽¹⁾ %	43.41%	35.33%	37.49%	38.74%	36.87%	Annual Program Expenditures Report
E	Subtotal	\$220,196,431	\$187,006,333	\$208,768,236	\$256,267,627	\$294,948,432	Row C * Row D
F	Supplies & Materials Costs	\$2,463,174	\$3,266,372	\$1,540,488	\$2,704,021	\$1,446,249	Annual Program Expenditures Report
G	Subtotal	\$222,659,605	\$190,272,705	\$210,308,724	\$258,971,648	\$296,394,681	Row E + Row F
H	IEP ⁽²⁾ %	46.33%	46.63%	54.69%	56.56%	50.37%	Annual Program Expenditures Report
I	Total Allowable Reimbursement - Direct Services	\$103,151,131	\$88,729,313	\$115,021,511	\$146,461,674	\$149,300,382	Row G * Row H
J	Specialized Transportation	\$10,208,742	\$10,339,061	\$3,376,195	\$6,145,694	\$7,022,897	Annual Program Expenditures Report
K	Total Allowable Reimbursement - Direct Services & Specialized Transportation	\$113,359,873	\$99,068,374	\$118,397,706	\$152,607,368	\$156,323,279	Row I + Row J
L	Total Allowable Reimbursement - Free Care Services		\$8,721,573	\$10,899,357	\$12,858,239	\$14,917,651	Table 5.3, Row I
M	Grand Total		\$107,789,947	\$129,297,063	\$165,465,607	\$171,240,930	Row K + Row L

⁽¹⁾ Random Moment Time Study weighted percentage based on annual average statewide allowable DS

⁽²⁾ Individualized Education Program (IEP) student utilization ratio applied on a district-specific basis

Table 5.2 - Projected Calculations of Direct Services (DS), Specialized Transportation & Free Care Services by Cost Report Year						
Row	Item	Cost Report Year 2024-25	Cost Report Year 2025-26	Cost Report Year 2026-27	Source	
A	Salaries, Benefits & Contracted Staff Costs	\$701,477,759	\$722,522,091	\$744,197,754	Growth rate of 3%	
B	Indirect Costs %	17.46%	17.46%	17.46%	Remains constant from 2023-24	
C	Subtotal	\$823,967,685	\$848,686,715	\$874,147,317	Row A * (1 + Row B)	
D	RMTS ⁽¹⁾ %	36.87%	36.87%	36.87%	Remains constant from 2023-24	
E	Subtotal	\$303,796,885	\$312,910,792	\$322,298,116	Row C * Row D	
F	Supplies & Materials Costs	\$2,352,583	\$2,423,160	\$2,495,855	Growth rate of 3% of 5-year average	
G	Subtotal	\$306,149,468	\$315,333,952	\$324,793,971	Row E + Row F	
H	IEP ⁽²⁾ %	50.37%	50.37%	50.37%	Remains constant from 2023-24	
I	Total Allowable Reimbursement - Direct Services	\$154,214,078	\$158,840,500	\$163,605,715	Row G * Row H	
J	Specialized Transportation	\$7,233,583	\$7,450,591	\$7,674,109	Growth rate of 3%	
K	Total Allowable Reimbursement - Direct Services & Specialized Transportation	\$161,447,661	\$166,291,091	\$171,279,824	Row I + Row J	
L	Total Allowable Reimbursement - Free Care Services	\$15,365,180	\$15,826,135	\$16,300,920	Table 5.3, Row I	
M	Grand Total	\$176,812,841	\$182,117,226	\$187,580,744	Row K + Row L	

⁽¹⁾ Random Moment Time Study percentage based on annual average statewide allowable DS

⁽²⁾ Individualized Education Program student utilization ratio which applied on a district-specific basis

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Row	Item	Cost Report Year 2019-20	Cost Report Year 2020-21	Cost Report Year 2021-22	Cost Report Year 2022-23	Cost Report Year 2023-24	Source
A	Salaries, Benefits & Contracted Staff Costs	This space left blank intentionally	\$450,545,145	\$468,251,679	\$566,675,696	\$681,046,368	Annual Program Expenditures Report
B	Indirect Costs %		17.57%	18.96%	16.73%	17.46%	
C	Subtotal		\$529,696,959	\$557,044,091	\$661,506,523	\$799,968,626	Row A * (1 + Row B)
D	RMST ⁽¹⁾ %		3.93%	5.03%	4.76%	4.96%	Annual Program Expenditures Report
E	Subtotal		\$20,817,090	\$28,019,318	\$31,487,710	\$39,678,444	Row C * Row D
F	Supplies & Materials Costs		\$3,266,372	\$1,540,488	\$2,704,021	\$1,446,249	Annual Program Expenditures Report
G	Subtotal		\$24,083,462	\$29,559,806	\$34,191,731	\$41,124,693	Row E + Row F
H	IEP ⁽²⁾ % - MAC figure		36.21%	36.87%	37.61%	36.27%	Annual Program Expenditures Report
I	Total Direct Services CPE Amounts		\$8,721,573	\$10,899,357	\$12,858,239	\$14,917,651	Row G * Row H

⁽¹⁾ Random Moment Time Study weighted percentage based on annual average statewide allowable DS

⁽²⁾ Individualized Education Program (IEP) student utilization ratio applied on a district-specific basis

Row	Item	Cost Report Year 2024-25	Cost Report Year 2025-26	Cost Report Year 2026-27	Source
A	Salaries, Benefits & Contracted Staff Costs	\$701,477,759	\$722,522,091	\$744,197,754	Table 5.2, Row A
B	Indirect Costs %	17.46%	17.46%	17.46%	Table 5.2, Row B
C	Subtotal	\$823,967,685	\$848,686,715	\$874,147,317	Row A * (1 + Row B)
D	RMST ⁽¹⁾ %	4.96%	4.96%	4.96%	Table 5.2, Row D
E	Subtotal	\$40,868,797	\$42,094,861	\$43,357,707	Row C * Row D
F	Supplies & Materials Costs	\$1,489,636	\$1,534,325	\$1,580,355	Table 5.2, Row F
G	Subtotal	\$42,358,433	\$43,629,186	\$44,938,062	Row E + Row F
H	IEP ⁽²⁾ % - MAC figure	36.27%	36.27%	36.27%	Table 6.2, Row H
I	Total Allowable Reimbursement - Free Care Services	\$15,365,180	\$15,826,135	\$16,300,920	Row G * Row H

⁽¹⁾ Random Moment Time Study percentage based on annual average statewide allowable DS

⁽²⁾ Individualized Education Program student utilization ratio which applied on a district-specific basis

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Table 6.1 - Historical Calculations of Medicaid Administrative Claiming (MAC) by Cost Report Year							
Row	Item	Cost Report Year 2019-20	Cost Report Year 2020-21	Cost Report Year 2021-22	Cost Report Year 2022-23	Cost Report Year 2023-24	Source
A	Salaries, Benefits & Contracted Staff Costs - Direct Services (DS)	\$443,043,593	\$442,511,378	\$465,912,468	\$555,380,441	\$672,889,490	Medicaid Administrative Claims Report
B	RMTS% for MAC - Direct Services (DS)	2.65%	2.78%	2.11%	2.45%	2.67%	RMTS Calculation Report
C	Subtotal	\$11,740,655	\$12,301,816	\$9,830,753	\$13,606,821	\$17,966,149	Row A * Row B
D	Salaries, Benefits & Contracted Staff Costs - MAC	\$113,880,458	\$120,357,905	\$134,776,980	\$118,737,059	\$119,000,520	Medicaid Administrative Claims Report
E	RMTS% - MAC Administrative	17.66%	20.34%	14.23%	16.44%	14.17%	RMTS Calculation Report
F	Subtotal	\$20,111,289	\$24,480,798	\$19,178,764	\$19,520,373	\$16,862,374	Row D * Row E
G	Total	\$31,851,944	\$36,782,614	\$29,009,517	\$33,127,194	\$34,828,523	Row C + Row F
H	Medicaid Eligibility Rate	32.45%	32.45%	39.12%	40.61%	37.40%	Medicaid Administrative Claims Report
I	Adjusted Total	\$10,335,956	\$11,935,958	\$11,348,824	\$13,454,302	\$13,025,868	Row G * Row H
J	Indirect Cost Rate	24.46%	31.86%	18.39%	19.41%	25.02%	Medicaid Administrative Claims Report
K	Total Allowable Reimbursement - MAC	\$12,864,317	\$15,739,166	\$13,436,355	\$16,065,994	\$16,284,954	Row I * (1 + Row J)

⁽¹⁾ Random Moment Time Study weighted percentage based on annual average statewide allowable DS & TCM

Table 6.2 - Projected Calculations of Medicaid Administrative Claiming (MAC) by Cost Report Year					
Row	Item	Cost Report Year 2024-25	Cost Report Year 2025-26	Cost Report Year 2026-27	Source
A	Salaries, Benefits & Contracted Staff Costs - Direct Services (DS)	\$693,076,175	\$713,868,460	\$735,284,514	Growth rate of 3%
B	RMTS% for MAC - Direct Services (DS) ⁽¹⁾	2.67%	2.67%	2.67%	Remains constant from 2023-24
C	Subtotal	\$18,505,134	\$19,060,288	\$19,632,097	Row A * Row B
D	Salaries, Benefits & Contracted Staff Costs - MAC	\$122,299,171	\$125,968,146	\$129,747,191	Growth rate of 3%
E	RMTS% - MAC Administrative	14.17%	14.17%	14.17%	Remains constant from 2023-24
F	Subtotal	\$17,329,793	\$17,849,686	\$18,385,177	Row D * Row E
G	Total	\$35,834,927	\$36,909,974	\$38,017,274	Row C + Row F
H	Medicaid Eligibility Rate	37.40%	37.40%	37.40%	Remains constant from 2023-24
I	Adjusted Total	\$13,402,263	\$13,804,330	\$14,218,460	Row G * Row H
J	Indirect Cost Rate	25.02%	25.02%	25.02%	Remains constant from 2023-24
K	Total Allowable Reimbursement - MAC	\$16,755,523	\$17,258,188	\$17,775,934	Row I * (1 + Row J)

⁽¹⁾ Random Moment Time Study weighted percentage based on annual average statewide allowable DS & TCM