

Accounting Bulletin #2008-01

SUBJECT: LEA Accounting for Medical Assistance (MA) Payments

Effective Immediately

Date: February 5, 2008

Partial Text Revised September 7, 2023

The guidance provided in this Bulletin applies to Medical Assistance (MA) payments received by Local Educational Agencies (LEAs). The three types of MA payments received by LEAs are:

- 1) School Based ACCESS (SBAP) Medicaid Reimbursement Program
- 2) Medical Assistance Reimbursement ACCESS (SBAP) Early Intervention
- 3) Administrative Claiming (Quarterly) Program, which includes annual reimbursement for SBAP service fees paid.

SBAP is a MA program that reimburses school entities for direct, eligible health-related services including transportation. These services are provided to MA enrolled, special needs students, and reimbursement claims are processed through the Commonwealth's vendor. Payments for SBAP costs come from the Department of Education (PDE) through the completion of the PDE-352 ACCESS Funds Request Form. These revenues should be recorded to revenue code 8810 for School Based Access Medicaid Reimbursement or revenue code 8830 for Medical Assistance Reimbursements (ACCESS) Early Intervention.

The SBAP revenues and all associated expenditures should be reported as federal revenues and federally funded expenditures on the Annual Financial Report (AFR).

LEAs should **not** report direct SBAP funds on their Schedule of Expenditures of Federal Awards (SEFA). These reimbursements are classified as fee-for-service and are not considered federal financial assistance for completion of the SEFA. These funds are considered a reconciling item when comparing the federal revenue received with the SEFA.

The third type of MA payment is the Administrative Claiming (Quarterly) Program, which reimburses LEAs for the costs associated with administrative Medicaid-related activities. These funds also include the partial reimbursement that schools receive on behalf of the service fees paid to the Commonwealth's vendor for the processing of their SBAP claims. Payments for SBAP Administrative Claiming are received from the Department of Human Services (DHS).

These DHS reimbursements, which fall under Title XIX, should be recorded to revenue code 8820 – Medical Assistance Reimbursement for Administrative Claiming (Quarterly) Program. These payments are considered federal financial assistance and are required to be reported on the LEA’s SEFA under CFDA 93.778. For AFR reporting purposes, these revenues and all associated expenditures should be reported as federal revenues and federally funded expenditures.

A summary of the MA payment types and how they should be recorded is as follows:

<u>Type of payment</u>	<u>Received from</u>	<u>Revenue Code</u>	<u>Record on SEFA</u>
SBAP Medicaid Reimbursement.....	PDE.....	8810	No
SBAP Early Intervention	PDE.....	8830	No
Administrative Claiming Program	DHS	8820	Yes
Reimbursement for the Commonwealth’s vendor fees.....	DHS	8820	Yes

Note: For AFR reporting, all payments listed above are reported as federal revenue and all associated expenditures are reported as federally funded expenditures.

Additional information on the PA School-Based Access Program can be found on the DHS website:

<https://www.dhs.pa.gov/providers/Providers/Pages/School-Based-ACCESS-Program.aspx>

Questions regarding the SEFA should be directed to the Subrecipient Single Audit Desk Review staff within the Office of Comptroller Operations at

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Questions regarding the accounting guidance in this bulletin may be directed to the School Finance staff within the Office of Comptroller Operations at

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