

WI School-Based Services CMS Guidance Updates

Training
April 2026

Agenda

Introduction

RMTS Updates

Financials Updates

Specialized Transportation Updates

Optimizing Transportation Training



CMS Guidance

As required by the Safer Communities and School Act, CMS issued updated program guidance for the School-Based Medicaid Programs in May 2023

Guidance included mandatory changes that states **are required to** make to the School-Based Medicaid Programs as well as provided some flexibilities that state **could choose** to implement if they wished

CMS recognized that states and LEA's may need time to update their CMS approved documents that govern the program (State Plan Amendment (SPA), Random Moment Time Study Implementation Plan(TSIP)), and make changes to their processes

CMS mandated that the changes must be implemented by states no later than **July 1, 2026**



Random Moment Time Study (RMTS)

State Policy Updates

RMTS Updates – Semesters

RMTS Time Period Adjustment	
Current School-Based Medicaid Program Policy (through June 30, 2026)	Policy Update, effective the 2026-2027 School Year (July 1, 2026)
<ul style="list-style-type: none">The Random Moment Time Study Periods for Wisconsin were:<ul style="list-style-type: none">October-December (OD)January-March (JM)April-June (AJ)	<p>Two Semesters</p> <p>Semester 1: The first regular school year staff workday of any participating and will go to December 31st</p> <p>Semester 2: January 1 to June (last day of school in the regular school year)</p> <ul style="list-style-type: none">Moments can be sent to your starting on the first regular staff workday of the school year



First Day of School Feature

The first day of school feature has been added to the calendar creation process

This feature will function similarly to the 'last day of school feature

- **Select the first day of school that your LEA employees report to work for the new school year***
- **This will mark all days prior to that first day as non-working days**

* Not first day for students

Calendar Options: Show Certified Calendar? Show Number of Moments
Moment Counts: Moments Overdue Moments Moment Notices Overdue Follow-ups

Early Release Day Teacher in-service Holiday/Non-Work Day First Working Day for Staff for the Regular School Year

April 2026

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

May 2026

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

June 2026

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

July 2026

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

August 2026

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

September 2026

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			



RMTS Time Periods

- The RMTS will operate on a **semester-based** schedule
- The first day of school used in the time study will be **the earliest date of any LEA/District in the state**
- **No additions to the SPL can be made once the SPL is closed**
- **Utilizing Vacancies and Direct Replacements** features will be essential to ensure all eligible providers costs can be accurately reported on the MAC and Annual cost reports

FY 27 Time Periods

1

1st day of school – December 31st

SPL Opens: April 27th

SPL Due: **May 22nd**

First Moment: First working day for school staff

2

January 1st – June 30th

SPL Opens: October 26th

SPL Due: November 13th

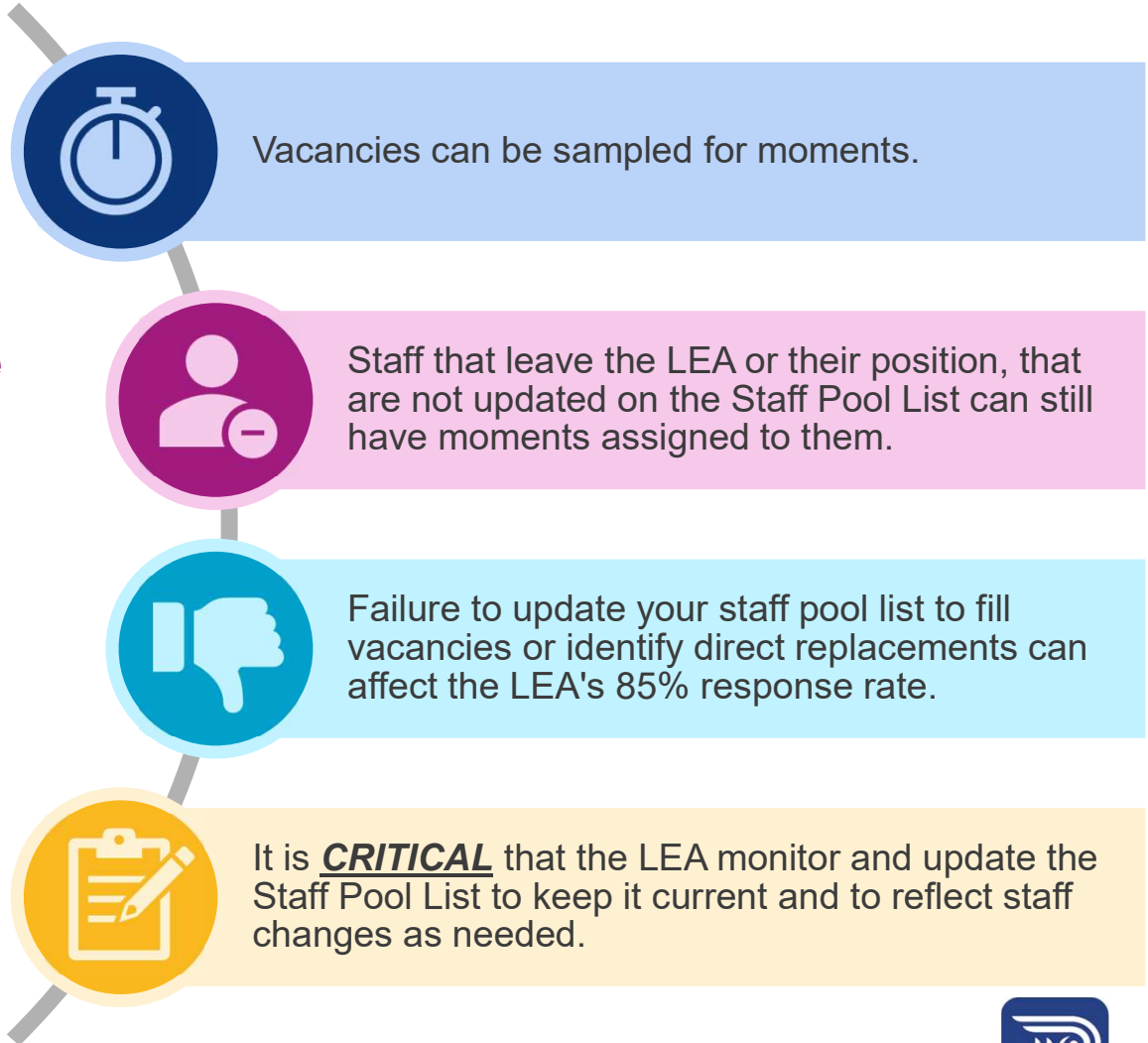
First Moment: January 2nd



Vacant Positions on your Staff Pool List

LEA can add vacant positions to the SPL to be filled during the quarter!





- Keep in mind: while vacant moments will not affect your Response Rate Compliance (RRC%), vacant positions **do** affect the likelihood that assigned moments will go to staff who are working or performing a Medicaid allowable activity and therefore **will affect the state-wide study results** if they are not thoughtfully added and carefully monitored.



Vacancy Status Feature

Vacancy status displays how long a specific vacancy has remained unfilled.

- ✓ Use this feature to monitor the status of open positions throughout the year.
- ✓ When a vacancy's age is 7 months or older, it must be removed prior to certifying the SPL.

Vacancy Status	Email	Emp Id	Name ^
			(Vacancy) (Er
			(Vacancy) (Er
			(Vacancy) Be
			(Vacancy) (Er



State Policy Updates

RMTS Updates – Moment Notification and Response Window

RMTS Moment Notification and Response Window

Current School-Based Medicaid Program Policy (through June 30, 2026)

- Participants were notified 5 days prior to their sample moment
- Moments must be responded to within 5 days
- Moments cannot be completed after 5 days have passed and are considered non-responses

Policy Update, effective the 2026-2027 School Year (July 1, 2026)

- Participants will be **notified two days prior** to their sampled moment
- Moments must be responded to their assigned moment **within two school days**
- Moments cannot be responded to **after two school days** have passed and are considered **non-responses**
- **School days include all days staff are paid to be at work**, excluding ESY days (i.e. staff in-service days, professional development)



TSIP Updates

RMTS Updates – Moment Reduction

RMTS Sample Reduction and Compliance

Current School-Based Medicaid Program Policy (through June 30, 2026)

- The Random Moment Time Study sample size for each cost pool were:
 - SBS Group 1: 3,500
 - SBS Group 2: 3,200
 - MAC Cost Pool: 3,200
- Districts must achieve a minimum of an 85% response rate each sample period or participation in the program could be suspended
 - While 85% is the minimum LEAs should strive for all moments to be completed

Effective the 2026-2027 School Year (July 1, 2026)

- All cost pools will have **1,500 moments** a semester.
- Meeting 85% **statistical validity** will be of upmost importance
- **Failure to meet an 85% response rate at the state level will reduce reimbursement for all LEAs.**
- LEAs must continue to meet a minimum of an 85% response rate each sample period or participation in the program could be suspended
 - While 85% is the minimum LEAs should strive for all moments to be completed



RMTS Moment Reduction and Statistical Validity

- It is best practice to set the goal of having a response to every moment assigned during the reporting period
- The RMTS must achieve an 85% response rate to maintain statistical validity and ensure the results remain accurate and federally compliant

[RMTS Participant Training Video](#) 



Follow up with sampled participant the day they receive notice of their pending sampled moment **and** the day of their moment.



Share RMTS resources and trainings with participants.



Communicate the importance of the RMTS and its role in your LEA's/District's Medicaid reimbursement.



Financial Updates

State Policy Updates

Financial Collection Periods

Financial Period Adjustment

Current School-Based Medicaid Program Policy (through June 30, 2026)

- The Financial Collection Periods were:
 - July – September (JS)
 - October-December (OD)
 - January-March (JM)
 - April-June (AJ)

Policy Update, effective the 2026-2027 School Year (July 1, 2026)

- The Financial Collection Periods will be:
 - **July 1st – day before first day staff return to school** in the State (not your LEA's specific start date)
 - **First day staff return in the state – December 31st**
 - **January 1st - June 30th**
- PCG will notify LEAs of the dates for the periods based on the First Day Survey
- **Every LEA will utilize the same reporting periods for financial data, even if your LEA starts later in the school year.**
- **The financial periods align with the state time study dates statewide**



State Policy Updates

Random Moment Time Study (RMTS) – ESY Cost Exclusion

Excluding ESY/Summer Costs

Current School-Based Medicaid Program Policy (through June 30, 2025)

- All service dates (regular school year and ESY) were eligible for FFS interim Medicaid claiming
- LEAs were permitted to report costs in the Annual Cost Report for services delivered in the summer period

Policy Update, effective the 2026-2027 School Year (July 1, 2026)

- Since Wisconsin is not conducting a time study during the summer vacation period, the following rules apply:
 1. **LEAs cannot any claim ESY costs on the MAC period financials and Annual Cost Report**
 - **This includes stipends paid to staff who work during the ESY period**, as these costs are not eligible for reimbursement
 - We would recommend not submitting Fee-for-Service claims for the ESY period as well since there will be no offsetting costs for those claims on the cost report



Specialized Transportation Updates

Reimbursement is Based on One-Way Trips

Medicaid Enrolled Students who:
Have **specialized transportation** in their IEP,
Also have **another Direct Service** in the IEP,



Are transported in a **physically Modified Vehicle**
that runs a **specialized route**,



On a day when the student receives an additional IEP
prescribed **direct medical service**,



AND the LEA maintains documentation of one-way
trips, direct service delivery, and student IEP.



Required Documentation



Financial Ledger

Clearly identifies the **fund** used for payment, particularly federal and non-federal funds.



Bus Logs

Includes the date range for the log, the bus identification, **one-way trips**, and the student's first and last name.



Attendance Records

Correlate to and support the bus logs.



IEP Documentation

Includes **Specialized Transportation with the physical accommodation / modification as medically necessary**



Direct Service Documentation

Includes the student's name and the date and time of the service provided.

State Policy Updates

Specialized Transportation – Bus Aides

Transportation Vehicle Modification Requirement

Current School-Based Medicaid Program Policy (through June 30, 2025)

- The presence of a bus aide could be the sole qualifier of a vehicle as specialized transportation

Policy Update, effective the 2026-2027 School Year (July 1, 2026)

- **A bus aide no longer acts as a qualifier** of a specialized transportation trip
- **A vehicle must have a physical modification** (wheelchair lift, ramp, special harness, etc.) for the transportation to be considered specialized
- **The student must require a physical modification of the vehicle as prescribed in their Individualized Education Program (IEP)** for the trip to be counted and the student must utilize that modification on the vehicle
- **A student riding on a specially equipped vehicle without the need for that modification is not claimable**



What Makes A Vehicle “Modified”?

These are examples of modifications CMS has outlined as allowable “**physical modifications**” for Specialized Transportation. However, it is not an all-inclusive list. If you are unsure about a modification, please reach out to PCG.

Please note:

- Seatbelts are not considered an allowable modification by CMS.
- Bus aides do not qualify a vehicle to be considered Specialized.

Ramps

Specialized harness

Wheelchair lifts

Specialized environmental controls

Specialized suspension systems



IEP Documentation

Specialized Transportation is prescribed in the student's IEP and outlines the physical modification that is required for transportation

Any and all other Direct Services are prescribed in the IEP to include **scope, frequency, and duration.**

Student: Jane Doe
DOB: 2/14/2021

Service: Specialized Transportation: requires a wheelchair lift.

Service: Physical Therapy 3X per week for duration of plan of care
Plan of care active: 8/19/2026 to 8/18/2027

Authorizing Practitioner: Dr. Samuel Jones
NPI: 2920786

Samuel Jones, MD



Reporting Transportation Costs

Only Specialized

LEAs can show that costs were paid for **exclusively non-federal funding**

LEAs can show that the costs are related **exclusively to transporting students who have specialized transportation in their IEP**

Costs **exclusively** relate to a **physically modified bus that runs a specialized route** to accommodate **students with specialized transportation in their IEP**

Not Only Specialized

LEAs can show that costs were paid for **non-federal funding**

LEA can show that the costs are related to a **physically modified bus that has at least one specialized route AND** runs additional non-specialized routes **and/or** transports a **mix** of students **with and without** specialized transportation in their IEP



In **both reporting methods** cost will involve a physically modified bus with at least one specialized route.

State Policy Updates

Specialized Transportation – Transportation Ratios

Specialized Transportation Ratios

Current School-Based Medicaid Program Policy (through June 30, 2025)

- **Vehicle Ratio:**
- **Applied to Not Only Specialized costs**
 - Numerator: Total number of vehicles used for specialized transportation.
 - Denominator: Total number of student transport vehicles.
- **One-Way Trip Ratio:**
Applied to Only Specialized AND Not Only Specialized costs
 - Numerator: Allowable Specialized Transportation One-Way Trips for Medicaid Enrolled Students with Specialized Transportation in their IEP
 - Denominator: All Specialized Transportation One-Way Trips for All Students with Specialized Transportation in their IEP

Policy Update, effective the 2026-2027 School Year (July 1, 2026)

- **Specialized Transportation Student Ratio:**
- **Applied to Not Only Specialized costs**
 - Numerator: ALL Students with Specialized Transportation in their IEP
 - Denominator: ALL Students receiving Transportation Services in the LEA
- **One-Way Trip Ratio:**
Applied to Only Specialized AND Not Only Specialized costs
 - Numerator: Allowable Specialized Transportation One-Way Trips for Medicaid Enrolled Students with Specialized Transportation in their IEP.
 - Denominator: All Specialized Transportation One-Way Trips for All Students with Specialized Transportation in their IEP



Transportation Costs Allocation: The Trip Ratio

The Trip Ratio is applied to
ALL Transportation Costs.

Numerator

Total number of **one-way trips** for
Medicaid eligible students
requiring **specialized**
transportation and who received
a **reimbursable service** on that
day per their IEP

Denominator

Total number of one-way trips for
ALL students receiving
specialized transportation
services per their IEP



Transportation Costs Allocation: Not Only Specialized

The Trip Ratio is applied to
ALL Transportation Costs.

Numerator

Total number of **one-way trips** for **Medicaid eligible students** requiring **specialized transportation** and who received a **reimbursable service** on that day per their IEP

Denominator

Total number of one-way trips for **ALL students receiving specialized transportation** services per their IEP

The Specialized Transportation Student Ratio
is applied to Not Only Specialized
Transportation Costs

Numerator

Total number of students that have Specialized Transportation per their IEP

Denominator

Total number of ALL students receiving transportation*

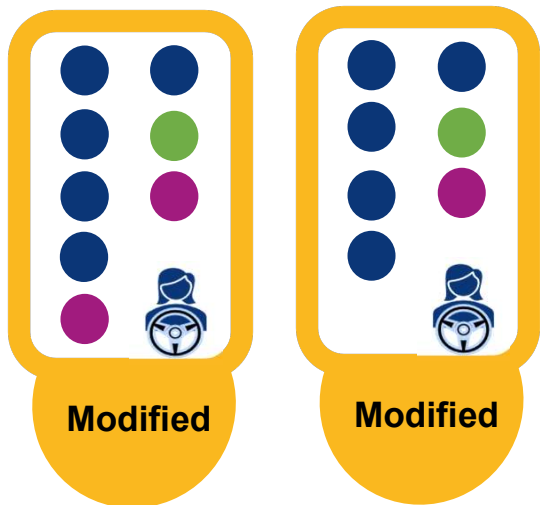
AND

*All students associated with vehicles and or transportation costs reported



Optimizing Transportation Claiming

Calculating Not Only Specialized Costs



The allowable costs for modified vehicles costs in the district is \$60,000.
How will the district calculate costs?

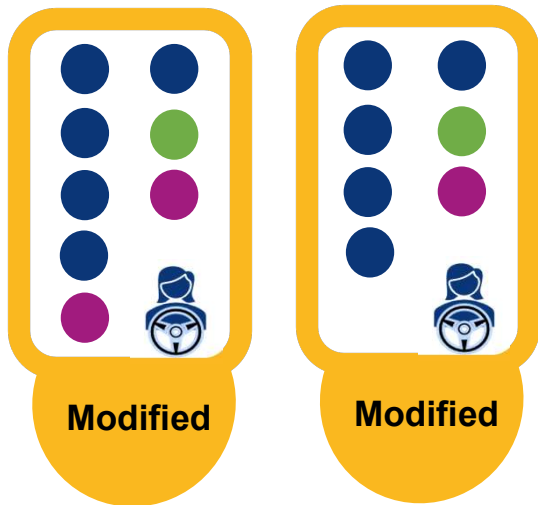
NOT ONLY SPECIALIZED

$$\begin{matrix} \$ \\ \$60,000 \end{matrix} \times \begin{matrix} \text{Specialized} \\ \text{Transportation} \\ \text{Student Ratio} \end{matrix} \times \begin{matrix} \text{Trip Ratio} \end{matrix}$$

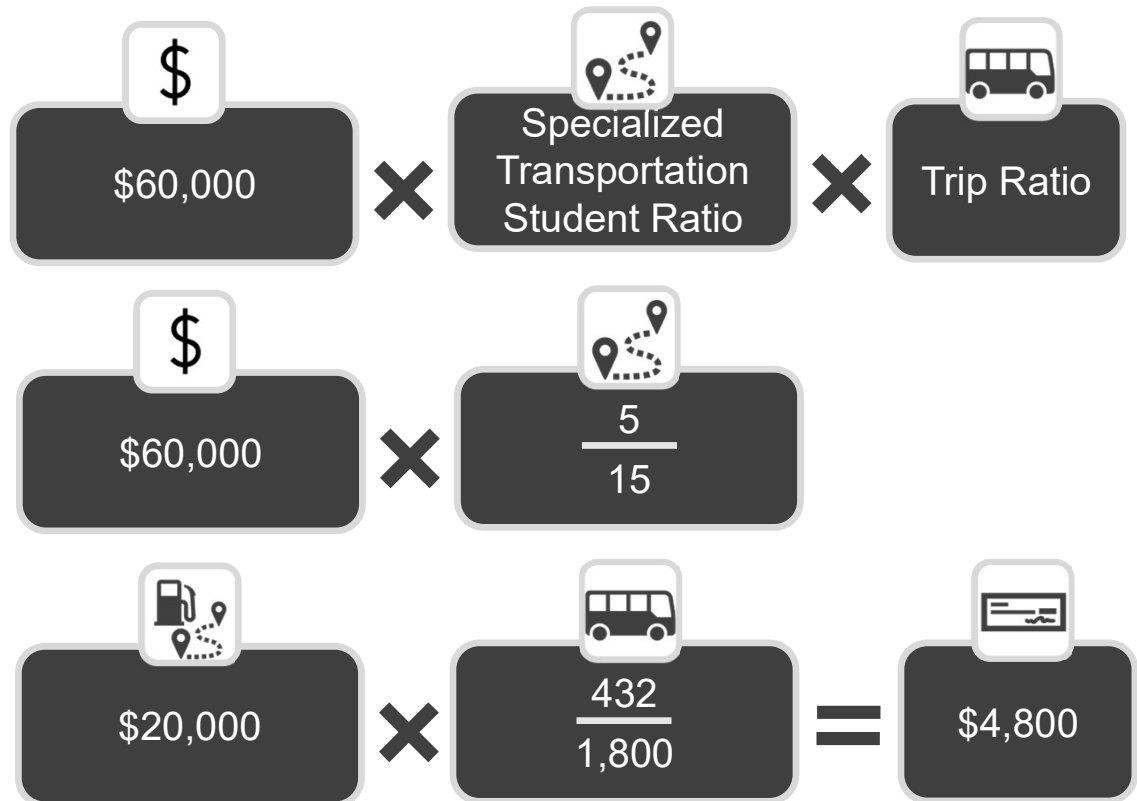
- Students not requiring Specialized Transportation
- Specialized Transport/**NOT** Medicaid Eligible
- Specialized Transport/Medicaid Eligible



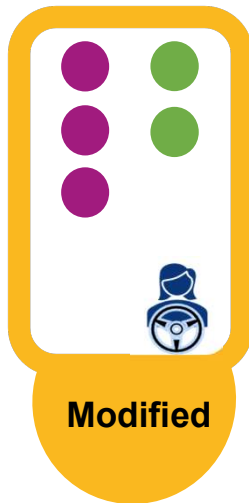
Calculating Not Only Specialized Costs



- Students not requiring Specialized Transportation
- Specialized Transport/**NOT** Medicaid Eligible
- Specialized Transport/Medicaid Eligible



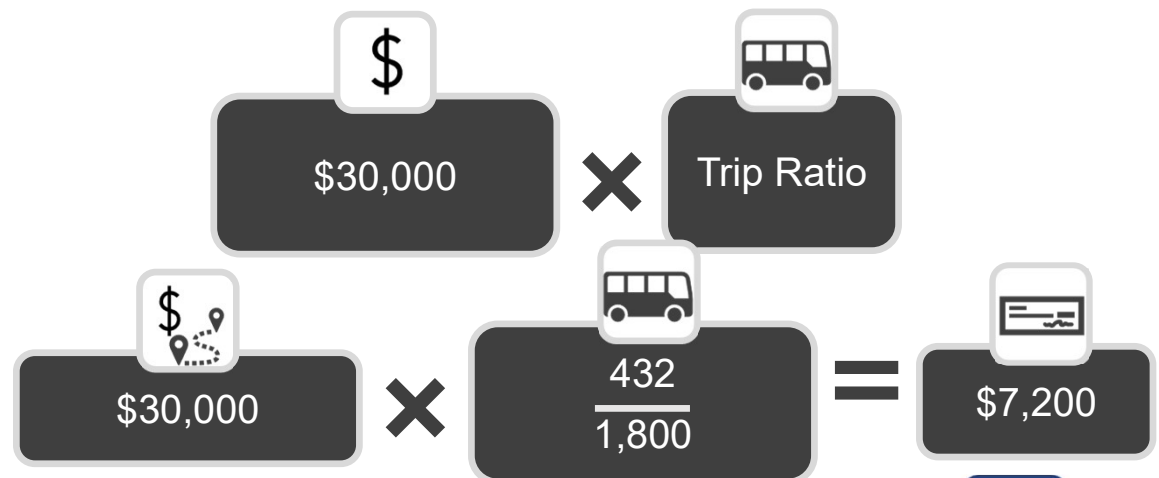
Calculating Only Specialized Costs



The district has one modified bus that **only transports students with specialized transportation** in their IEP. The allowable costs for that bus is \$30,000 that is paid from non-federal allowable sources

How will the district calculate costs?

ONLY SPECIALIZED



- Students not requiring Specialized Transportation
- Specialized Transport/**NOT** Medicaid Eligible
- Specialized Transport/Medicaid Eligible



Optimizing Transportation Claiming

District Provided Transportation

- Consolidate ridership for students with specialized transportation in their IEP to select modified vehicles
- Assign selected drivers exclusively to those modified vehicles
- Create a system to discretely identify the amount of fuel and other allowable costs to those physically modified vehicles
- Pay for all costs for the modified vehicles and drivers with non-federal funding

Contracted Transportation

- Have the contractor identify costs by route so that specialized routes are identified as a physically modified vehicle
- Be sure that these vehicles and routes exclusively transport students with specialized transportation in their IEP
- Pay for these routes with non-federal funds



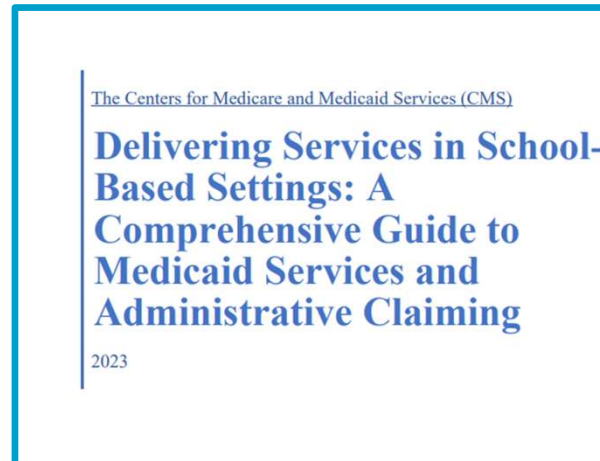
Documentation is key.



Resources and Contacts

CMS Guidance

- CMS 2023 Comprehensive Guide
[medicaid.gov/medicaid/financial-management/downloads/sbs-guide-medicaid-services-administrative-claiming.pdf](https://www.medicare.gov/medicaid/financial-management/downloads/sbs-guide-medicaid-services-administrative-claiming.pdf)
- PCG Claiming System Resources
<https://claimingsystem.pcgus.com/wi>



Resources
Available Filters
📄 WI FY26 Annual Fall Training Session A
📄 WI FY26 Annual Fall Training Session B
📄 WI FY26 Annual Fall Training Session C
📺 Recording of WI FY26 Annual Fall Training Session A
📺 Recording of WI FY26 Annual Fall Training Session B
📺 Recording of WI FY26 Annual Fall Training



RMTS Resources



Click2Learn Videos

- Direct Replacement
- Shifts
- Calendar
- Vacancy
- Updating the Staff Pool List
- Monitoring Moments
- How to Add and Delete Positions
- RMTS Participant Training Video



Other Resources

- RMTS Memo
- Resending a Moment Link
- Helpdesk:
wimacs@pcgus.com
- Helpdesk: (877) 395-5019





Solutions that Matter