SCOPE:

County Mental Health/Mental Retardation Administrators
Non-State Operated Intermediate Care Facility for the
Mentally Retarded (ICF/MR) Directors
Base Service Unit Directors
Targeted Service Management Agency Directors

PURPOSE:

The purpose of this bulletin is to clarify the reimbursement options for sign language interpretation using Medicaid funding under Intermediate Care Facilities for People with Mental Retardation (ICF/MR), the Medicaid (2176) waiver program, targeted service management, and the Omnibus Budget Reconciliation Act (OBRA).

BACKGROUND:

An advocacy group for people with hearing impairments recently approached a Medicaid agency to ask whether such agencies are required to pay for sign language interpretation. Upon consideration, the United States Health Care Financing Administration (HCFA) provided that states are not required, but may decide, to cover such services with Medicaid funds. The Pennsylvania Department of Public Welfare will provide coverage for sign language interpretation under the conditions contained in this bulletin for individuals receiving Medicaid funded ICF/MR, 2176 waiver, targeted service management and OBRA service.

DISCUSSION:

The following mechanisms are provided for reimbursement of sign language interpretation costs:

A. For people receiving ICF/MR care, sign language interpretation costs can be reimbursed by building them into the ICF/MR rate as a direct cost. Costs reimbursed in this manner are subject to federal financial participation at the federal service matching rate.

REFER COMMENTS AND QUESTIONS TO:

Appropriate Regional Mental Retardation Program Manager.
B. For people receiving 2176 waiver, targeted service management or OBRA services, sign language interpretation costs can be reimbursed by:

1. Building the costs into the reimbursement service rate negotiated between the service provider and the county MH/MR program;

or

2. Including the costs as part of the county MH/MR program's administration costs when the county contracts directly with the interpreter or has an interpreter on staff.

Sign language interpretation costs reimbursed as part of the service rate are subject to federal financial participation at the current federal service matching rate. Sign language interpretation costs reimbursed as part of the county's administration costs are subject to federal financial participation in accordance with requirements of 42 CFR 1903 (a) (7) of the Social Security Act "for proper and efficient administration of the state plan."