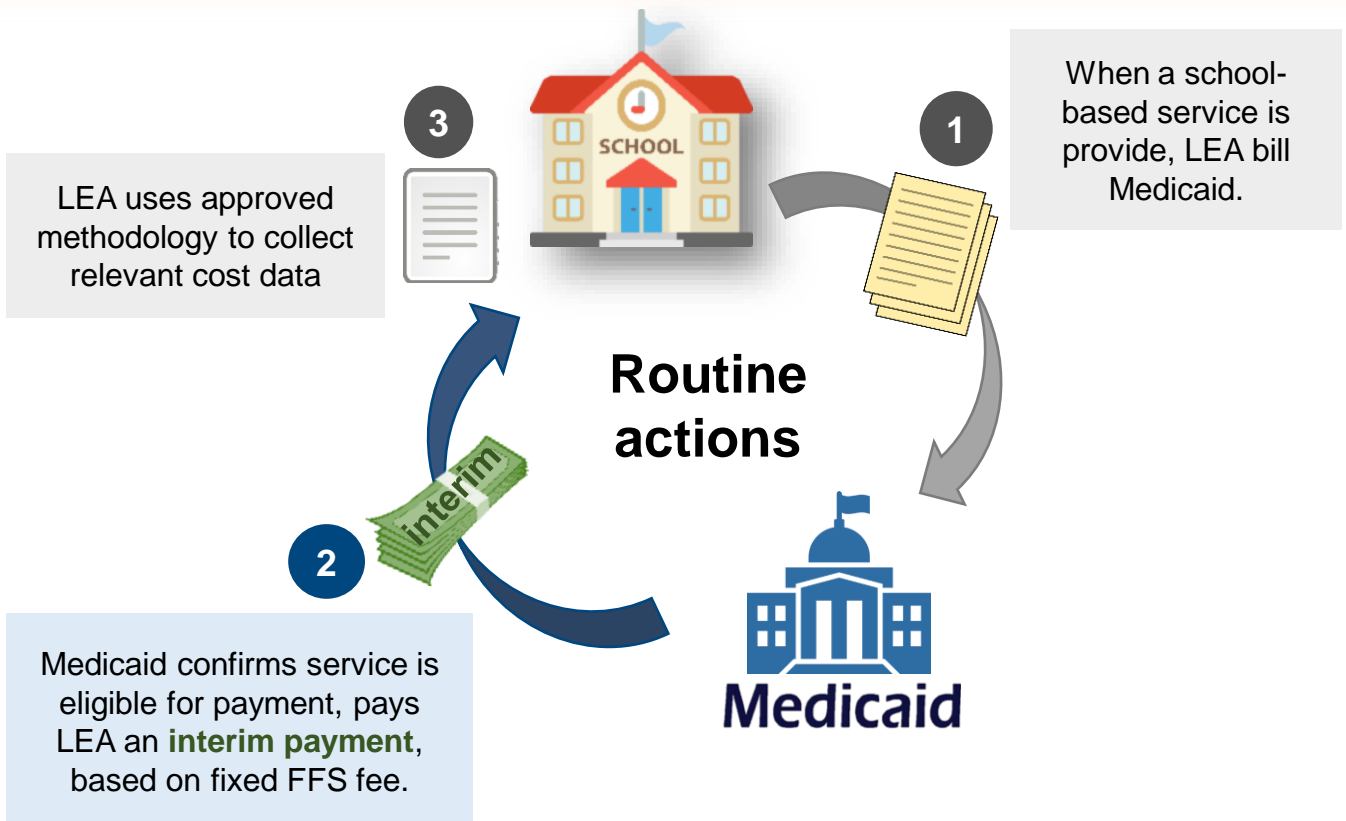


How Are Local Education Agencies (LEAs) Paid Under Cost-Based Reimbursement?

Under [cost-based reimbursement \(CBR\)](#)^a, LEAs and state Medicaid offices take routine actions when a Medicaid-eligible school-based service is provided throughout a quarter (or year). At the end of a quarter (or year), additional actions are required to determine settlement payments.

Routine actions throughout a quarter

LEA and state Medicaid office take the following actions (actions 1, 2, and 3) when LEA provides any Medicaid-eligible school-based service. LEA actions are in gray; Medicaid actions are in blue. Actions 1 and 2 also mirror how school-based services are reimbursed under a [fee-for-service \(FFS\) system](#).^b

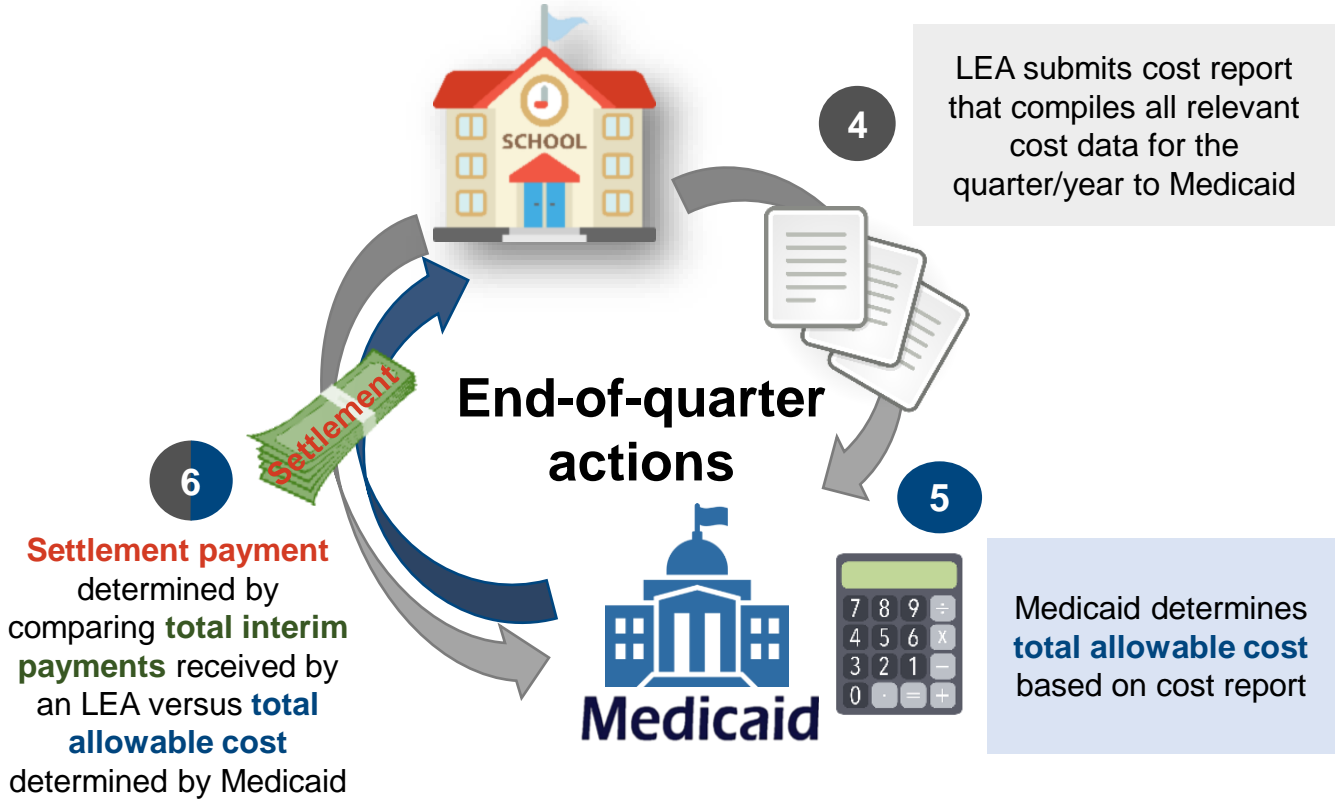


^aFor more information regarding Cost-Based reimbursement, see "What is Cost-Based Reimbursement?" <https://mhttcnetwork.org/centers/southeast-mhrtc/product/what-cost-based-reimbursement-financing-school-based-services>

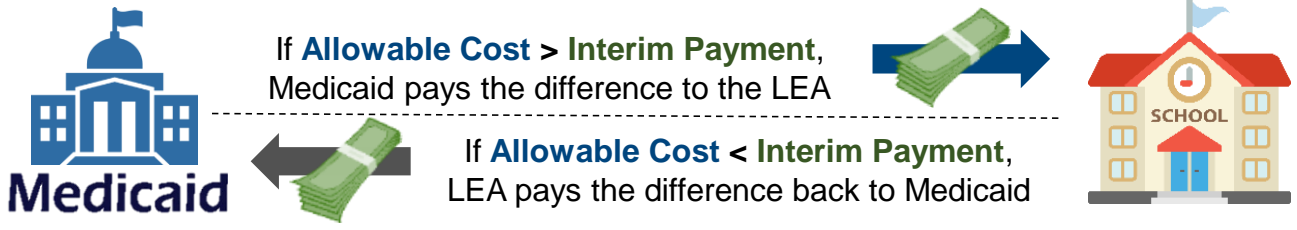
^bFor more information regarding the differences between cost-based reimbursement and FFS, see "Comparing reimbursement systems: Fee for service vs. cost-based" <https://mhttcnetwork.org/centers/southeast-mhrtc/product/comparing-reimbursement-systems-fee-service-ffs-vs-cost-based>

End-of-quarter actions

LEAs and state Medicaid office take the following actions (actions 4,5, and 6) at the end of the quarter or year to determine settlement payment. LEA actions are in gray; Medicaid actions are in blue.



How does settlement payment work?



Southeast (HHS Region 4)

MHTTC

Mental Health Technology Transfer Center Network
Funded by Substance Abuse and Mental Health Services Administration

SAMHSA

Substance Abuse and Mental Health Services Administration