

The Medicaid Administrative Claiming (MAC) Program

What is Medicaid Administrative Claiming (MAC)?

Often, when we think of Medicaid, we think of direct services. Although direct services account for about 96 percent of Medicaid expenditures, part of the remaining 4 percent is spent on administrative functions, under a program called Medicaid Administrative Claiming (MAC).

What does MAC do?

Just like Medicaid, MAC is a state-federal partnership, in which states or localities are reimbursed by the federal government for certain activities. Unlike Medicaid, however, reimbursement is not based upon the Federal Medical Assistance Percentage (FMAP), but on the reimbursable cost incurred by a jurisdiction through federal financial participation (FFP).

What does MAC cover?

MAC allows a jurisdiction to receive federal matching for costs incurred in administering Medicaid. These costs fall into several coded activity areas, including:

- Referral, Coordination & Monitoring: For example, a probation officer monitoring his client's progress in a substance abuse treatment program.
- Medicaid Outreach: For example, informing a client where she can receive mental health treatment and helping her schedule an appointment.
- Arranging Transportation to a Medicaid Covered Service: For example, driving or arranging transportation for a client to a detox center for services
- Medicaid Eligibility Intake: For example, helping a client fill out a Medicaid application.

Who can claim MAC?

Any public agency can claim MAC, but there are variations from state to state. For the most part, MAC is claimed by mental health agencies, social services, and schools. Public safety agencies, such as probation and parole, are also eligible to claim MAC.

How do we begin claiming MAC?

The process for claiming MAC varies from state to state. The first step is to contact your state Medicaid agency and ask about the process for qualifying as a claiming unit.



How do we prove that we are performing administrative functions?

There are two ways to claim. If your claiming unit is billing under all of the activity codes, then you need to do a time study to demonstrate your claim. You can either do a perpetual time study or a random moment time study, depending on your state's requirements. An individual who is billing under only one code can "direct charge" for that service, by tracking only the time for that activity code.

Are there limitations on how much can be claimed through MAC?

There is no cap on how much a jurisdiction can claim. However, it is important to note that the federal match is available only for activities that use local, state, or county dollars.

What is Targeted Case Management (TCM)?

TCM is a federal reimbursement program that reimburses state and county agencies, local public entities, and contracted community-based organizations for the costs that they incur while providing TCM services. Probation, parole, and other public safety entities typically qualify for participation.

What qualifies under TCM?

TCM covers four categories under the heading of comprehensive case management:

- Assessment
- Development of a Care Plan
- Referral and Related Services
- Follow-Up and Monitoring

What gets reimbursed?

Reimbursement varies by state. In some states, reimbursement is based on a fee schedule. In other states, reimbursement is based upon costs—for example, the cost of a probation officer managing a case.

Does TCM cover the activities of probation and parole?

Many of the services that probation and parole perform are reimbursable under TCM.