

MSBS Update on Supplanting Rules from CMS

The School Health Office has confirmed with the staff at CMS that although the MSBS funds are considered Federal Flow-Thru funds, they are reimbursement for services already rendered by the school district and considered “unrestricted” so the supplanting rules of OMB A-87 **do not apply**. These requirements still exist for other sources of funding such as IDEA.

What does this mean for MSBS districts?

Spending MBSBS Funds

Districts can now utilize MSBS funds to pay for positions that have been paid from other funding sources in the past. The GSA requirement of spending MSBS funds “to improve and expand health and health-related services provided by the schools and the community for children, youth and families” still applies.

Administrative Claiming

Districts can now allow staff paid out of MSBS funds to participate in the time study and subsequently claim their salaries on the quarterly administrative claims. The rule of not including staff paid 100% out of other federal funds (Carl Perkins, IDEA, etc.) still applies.

Direct Services Billing

Ancillary staff and nurses who are paid out of MSBS funds can bill for IEP related services provided to students.