April 6, 2001

TO: All Local Governmental Agencies (LGAs) PPL No. 01-002
Local Educational Consortium (LECs)
Medi-Cal Administrative Activities (MAA) and
Targeted Case Management (TCM) Coordinators

SUBJECT: MAA: CLAIMING HOME TO SCHOOL TRANSPORTATION

The purpose of this letter is to provide clarification that was received from the federal Health Care Financing Administration (HCFA) regarding allowable home to school transportation. Federal reimbursement is claimable through MAA when all the following criteria are met.

Providing Transportation

The actual costs of providing transportation is allowable only if:

- The child has specialized transportation listed in the Individualized Education Plan (IEP) or Individualized Family Service Plan (IFSP);
- The child is eligible and enrolled in Medi-Cal; and
- The child receives a Medi-Cal covered service listed in the IEP or IFSP at school that day.

To meet the requirement that a child receive a Medi-Cal covered service listed in the IEP or IFSP at school that day, schools will most often be participating in the LEA billing option. Billing the service through the LEA Billing Option ensures the school-based service is Medi-Cal covered. However, to bill home-to-school transportation cost (meeting the above requirements) to MAA, the actual cost must be direct charged, not time studied.

The actual costs of transportation from the school site to an off-site Medi-Cal provider is allowable if the child is eligible for and enrolled in Medi-Cal, regardless of whether the child has an IEP or IFSP.

Arranging Transportation

The costs of arranging transportation, not the actual cost of the transportation itself, for a Medi-Cal covered child to a Medi-Cal covered service (on or off the school site) regardless of whether the child has an IEP or an IFSP, must be time studied.
The LEA (whether participating through a LGA or LEC) must outline their MAA transportation method in a claiming plan. Once this method is approved by the Department of Health Services and HCFA, it will form the basis for claiming federal funds for MAA transportation and must be used consistently, in accordance with the MAA Provider Manuals.

If you have any questions, please contact Ms. Georgia Rivers, Chief of the Administrative Claiming Operations Unit, at (916) 657-0627 or by e-mail at grivers2@dhs.ca.gov.

Sincerely,

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Administrative Claiming and Support Section

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