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Department of Health Care Services



EDMUND G. BROWN JR.
GOVERNOR

DATE: May 5, 2015

PPL No. 15-011

TO: Local Educational Consortia (LEC) and
Local Governmental Agency Coordinators (LGA)

Subject: Medi-Cal Administrative Activities Related to Individualized Educational
Programs (IEPs)

The purpose of this Policy and Procedure Letter (PPL) is to provide guidance to LECs and LGAs participating in the School-Based Medi-Cal Administrative Activities (SMAA) program regarding individual code assignments for Random Moment Time Study (RMTS) moment responses that are related to the development and/or implementation of an IEP.

According to Centers for Medicaid and Medicare Services (CMS) 2003 Medicaid School-Based Administrative Claiming Guide, Section B 4(b):

The development of an IEP is a requirement of the Individuals with Disabilities Education Act (IDEA), the primary purpose of which is to facilitate the child's education. Because it is an education requirement, Medicaid does not pay for the administrative activities associated with the development of the IEP. Once the IEP is established and implemented, however, Medicaid does pay for administrative activities that are directly related to the provision of those Medicaid covered services that are identified in the IEP, and which are furnished to Medicaid eligible children.

In compliance with CMS guidelines, administrative activities provided in the development of the IEP, including initial assessments, and activities that take place within the IEP meeting itself are not eligible for Medicaid/Medi-Cal reimbursement.

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If you have any questions or require further assistance regarding this PPL, please contact Tony Teresi, Chief, School-Based MAA Unit at (916) 552-9049, or Tony.Teresi@dhcs.ca.gov

Sincerely,

ORIGINAL SIGNED BY MICHELLE KRISTOFF

Michelle Kristoff, Chief
Medi-Caid Administrative Activities Section