

# Local Education Agency Medi-Cal Billing Option Program

## Cost and Reimbursement Comparison Schedule (CRCS) Documentation Training

Presented by  
State of California  
Department of Health Care Services  
Audits and Investigations – Financial Audits Branch

# Introductions

- Alan Eng – HPAM
- Debbie Lee – HPA IV
- Cori Miglietto – HPA IV
- Stephan Fukasawa – HPA IV

HPAM – Health Program Audit Manager

HPA – Health Program Auditor

# Goals / Agenda

- A&I Background (Alan)
  - How A&I - FAB relates to the CRCS 10:00 – 10:10
- The Audit Experience (Debbie) 10:10 – 10:20
- Documentation Issues
  - CRCS Documentation (Cori) 10:20 – 10:35
  - Source Documentation (Debbie) 10:35 – 11:00

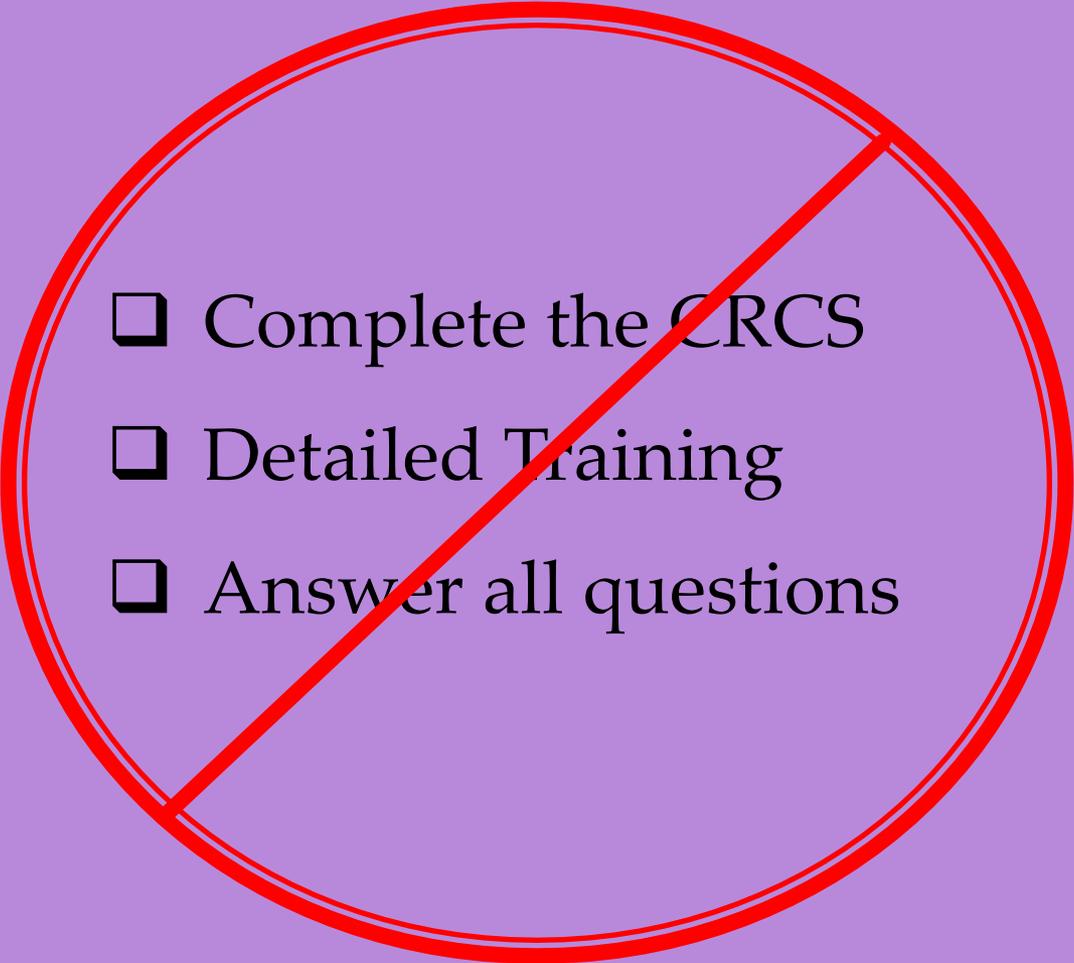
**Break 11:00 – 11:15**

**Q&A Session 11:15 – 11:30**

- Contractor Costs (Cori) 11:30 – 11:40
- Billing Review (Stephan) 11:40 – 12:10
- IRUS Reports (Cori) 12:10 – 12:20
- Post Audit (Alan) 12:20 – 12:30

**Break / Q&A Session 12:30 – 1:00**

# The Disclaimer

- 
- Complete the CRCS
  - Detailed Training
  - Answer all questions

# Department of Health Care Services (DHCS) Audits and Investigations (A&I)

## Three Branches

- ✓ **Financial Audits Branch (FAB)**
  - ✓ Announced Visits
  - ✓ Financial Reviews
- ✓ **Medical Review Branch (MRB)**
  - ✓ Unannounced Visits
  - ✓ Medical (Criteria) Reviews
- ✓ **Investigations Branch (IB)**

# The Mission

## A&I's Mission Statement

The mission of A&I is to ensure the *fiscal* integrity of the health programs administered by the Department of Health Care Services (DHCS) and ensure quality of care provided to the beneficiaries of these programs. The overall goal of A&I is to improve efficiency, economy, and the effectiveness of DHCS and the programs it administers.

FAB ensures, through financial audits, that payments made to providers of Medi-Cal or other State or federally funded health care programs are valid, reasonable, and in accordance with laws, regulations, and program intent.

# A&I FAB → CRCS

- ❖ Service rendered
- ❖ Billed to Medi-Cal under LEA Medi-Cal Billing Option Program
- ❖ Interim Reimbursement
- ❖ *CRCS Submission*
- ❖ CRCS Audited by FAB
- ❖ CRCS Cost Settled
  - ❖ Net Overpayment/(Underpayment)

# CRCS Submission

## The Facts

- Filing Date – one year from the last day of the FYE (06.30.20xx)
- Filing **DUE** Date – five months from the “Filing Date”
- i.e. – CRCS for FYE 06.30.2009 is due no later than 11.30.2010
- Extensions are rarely granted
  
- CRCS for FYE 2007, 2008, 2009 – already filed
  - Detailed acceptance process
  - Resubmission process
- **CRCS for FYE 2010 is DUE no later than November 30, 2011**
  - Streamlined acceptance process
  - The good and bad of change

# A&I FAB → CRCS

- ❖ Service rendered
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# Policy vs Reimbursement

## Safety Net Financing Division (Policy)

### LEA Policy Laws and State Plan Amendment

- Senate Bill 231 (2001) – Welfare and Institutions (W&I) Code, Section 14115.8
- SPA 03-024 (2003) regarding Interim Rates

# Policy vs Reimbursement

## Audits and Investigations (Financial Audits Branch)

### Reimbursement Laws and Regulations

- Federal Statute – Title XIX of the Social Security Act  
([http://www.ssa.gov/OP\\_Home/ssact/title19/1900.htm](http://www.ssa.gov/OP_Home/ssact/title19/1900.htm))
- Federal Regulation – 42 CFR, Part 413
  - Cost Reimbursement General – 42 CFR, Part 413.5  
(<http://www.access.gpo.gov/nara/cfr/cfr-table-search.html>)
- State Law - Welfare and Institutions (W&I) Code  
(<http://www.leginfo.ca.gov/calaw.html>)
- State Regulations - California Code of Regulations (CCR)
- CMS Guidelines – CMS Pub 15-1  
(<http://www.cms.hhs.gov/Manuals/PBM/list.asp>)

# Total Estimated Costs of LEA Services Provided

- Total costs of services
  - Salaries, Benefits, Admin
- LEA time
- Percentage applied
- Total Medi-Cal cost of LEA services provided
- Comparison to the interim payments
- Net Overpayment/(Underpayment)

# Audit Experience

DLee 2011

# Types of Audit

- Desk Review
  - CRCS FYE 06/07 and 07/08
  - Reconciliation of paid claim summary data (PCSR)
- Field Audit
  - CRCS FYE 08/09 and after
  - Field examination

# Desk Review

- Notice of desk review will be sent out
- Desk review in our office and corresponding by email
- This is the time to provide A&I with any documentation that support the correction/revision for the CRCS filed
- Exit letter is sent out or exit conference will be scheduled
- LEAs have 15 calendar days from the receipt of the exit acknowledgement letter to present relevant information concerning the audit

# Field Audit

- Prior to the audit
  - LEAs will receive a telephone call from A&I to schedule an entrance conference regarding the field examination of the CRCs.
  - A&I will send out the entrance letter which includes a list of records A&I typically need during the audit. Please have these records available at the time of the entrance conference.

# Field Audit

- During the audit:
  - A&I will keep LEAs informed of the progress of the audit. Although the time needed for an audit varies, A&I will give LEAs an estimate of how long the audit engagement will last.
  - A&I will be meeting with LEA staff during the audit to make requests for documentation and ask questions.

# Field Audit

- During the audit:
  - A&I will discuss the audit issues and potential audit adjustments with LEAs during the audit.
  - To reduce disruptions of business activities, let the auditor know the best time of day to meet with LEA representatives.

# Field Audit

- After the audit:
  - After the audit is complete, auditor will provide LEAs with a copy of proposed audit adjustment(s) and supporting work papers.
  - A&I will call to schedule an exit conference to discuss the audit findings.
  - After the exit conference LEAs have 15 calendar days to submit any additional documentation.

# Cost and Reimbursement Comparison Schedule (CRCS)

## **DOCUMENTATION**

**Sources and Data used to complete the  
CRCS**

**Cori Miglietto**

# Financial Documentation

- Financial Reports (Income Statement, Detail Transactions Reports, etc.)
- Payroll Records (Summaries, Timesheets)
- Invoices
- Employment Contracts
- Contractor Agreements

**NOTE: A sample of these documents will be requested during each audit.**

# Program Documentation

- Individualized Education Plans (IEPs)
- Individualized Family Service Plans (IFSPs)
- Assessments with supporting documentation
- Service/Treatment Logs
- Billing Records
- Remittance Advice Details

**NOTE: A sample of these documents will be requested during each audit.**

# Sources and Data used to COMPLETE THE CRCS

- Create a CRCS Audit Binder
  - ✓ Grouping schedules
  - ✓ Calculations
  - ✓ Notes
- Maintain binder for 3 years after CRCS has been submitted to DHCS.

As Teachers always say.....

**Show your work!**

# Grouping Schedule

If two or more account balances are grouped together and the grand total is reported on any one line of the CRCS; create a Grouping Schedule to show which accounts were grouped together.

# Grouping Schedule Sample

Function	Object	Books and Supplies	Year-To-Date Actual
3120	4310	Instruction Materials/Supp.	\$11,278.53
3120	4390	Other Supplies	<u>8,970.49</u>
		Total	<u><b>\$20,249.02</b></u>

To CRCS W/S  
A-1/B-1, Line 1,  
Column A

# Grouping Schedule Sample (Cont'd)

- Copy the financial report page(s) that identify the account totals that are being grouped;
- Attach to the Grouping Schedule;
- File in CRCS Audit Binder.

# SACS (Standardized Account Code Structure) Coding - Practitioners' Expenses

Expenses related to the direct provision of health services should be assigned an:

- Object code that identifies the type of expense;
- Function code to identify which practitioner type incurred the expense.
  - ✓ Use a Function sub code when more than one practitioner falls under the same Function Code (i.e., Health Services).

# Expense Allocation

If expenses exist, such as supplies, that cannot be directly assigned to a practitioner type, they will need to be allocated to each using practitioner based on the proportion of the using practitioners' salaries.

# Expense Allocation Example

## EXAMPLE:

Supplies totaling \$3,645.28 were used by four different practitioner types.

# Expense Allocation Example (Cont'd)

Practitioner Type	Salaries	Salary % to Total	Total Supply Cost
Counselors	\$193,160	0.197185	\$718.79 (A)
School Nurses	393,130	0.401322	1,462.93 (B)
Licensed Vocational Nurses	125,913	0.128537	468.55 (C)
Trained Health Care Aides	<u>267,384</u>	<u>0.272956</u>	<u>995.00(D)</u>
Total	<u>\$979,587</u>	<u>1.000000</u>	<u>\$3,645.28</u>

(A) through (D) To W/S A-1/B-1, Col. A, Line 3, 4, 5 and 6, respectively.

OR

(A) through (D) To "XYZ" Grouping Schedule

# Expense Allocation Example (Cont'd)

- Copy the page(s) from the financial report that identifies the **salaries**;
- Copy the page from the financial report that identifies the **supply** expense;
- Attach to the allocation calculation; and
- File in CRCS Audit Binder.

# Expense Allocation Example (Cont'd)

If the allocated supply amounts will be grouped with other supply costs then attach the above documentation to a Grouping Schedule before filing in the CRCS Audit Binder.

FYI...

# THE LAWS THAT PROTECT CONFIDENTIAL INFORMATION

Federal and State laws require protection of certain types of data that the Department of Health Care Services (DHCS) review, collect and maintain.

➤ At the Federal level:

--Health Insurance Portability and Accountability Act – Privacy and Security Rules

➤ At the State level:

--Information Practices Act

The Information Privacy & Security Training is a mandatory training that all DHCS staff must be taken annually.

**DHCS ADHERES TO ALL PRIVACY AND SECURITY RULES!**

**WHAT HAPPENS IN DHCS...  
STAYS IN DHCS!**

# Records Retention

Welfare and Institutions Code, Section 14170 provides authority for DHCS to audit cost reports within ***three years*** after the date of submission of the report.

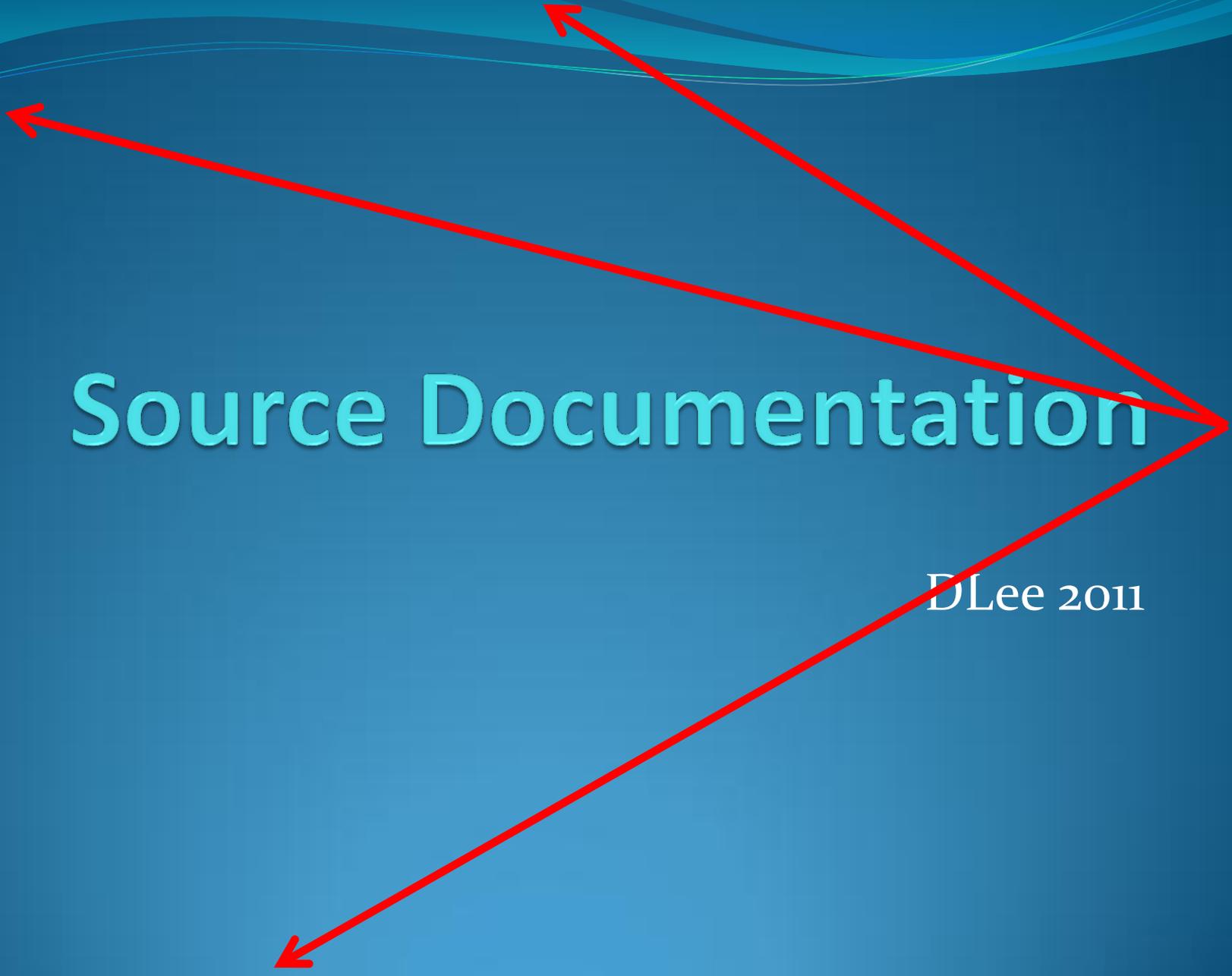
Therefore, Providers must maintain necessary records for a minimum of ***three years*** from the CRCS submission date.

# Records Retention (cont'd)

State Plan Amendment 03-024, Attachment 4.19-B, Supplement 8, Section J. 2. states:

Each LEA is required to keep, maintain and have readily retrievable, such records to fully disclose its LEA costs eligible for federal financial participation. Such documentation must be maintained for a period of no less than **three** years.

# Source Documentation



DLee 2011

# Presentation Outlines

- Audit process
- Brief overview of the worksheets
  - W/S A and B (Practitioner salary, benefits)
  - W/S A-1/B-1 (Other costs)
  - W/S A-3/B-3 (Practitioner hours worked)
- Identify supporting documents
- Sample documents

# Audit Process

- Identify the bridging documents between the Standardized Account Code Structure (SACS) reports and internal payroll files to support the Cost and Reimbursement Reconciliation Schedule (CRCS) salary/benefits. (W/S A and B)
- Determine the supporting documents to trace other costs to expense reports and to ensure the invoices are properly documented. (W/S A-1/B-1)
- Verify the applicable payroll/personnel documents to determine the FTE calculation. (W/S A-3/B-3)

# Audit Trail

It refers to documentation of detailed transactions supporting summary ledger entries. This documentation may be on paper or electronic records.

# Source Documentation

The information recorded on these original “source” documents is summarized in journals and the amounts in the journals are then posted to ledger accounts.

# Source Documentation

- Audit trail consists of source documents, journal entries, and ledger entries.
- The auditor may follow specific transactions from their **origin** (the **source documents**) and forward to their inclusion in the financial statement summary figures.
- Auditor also must acquire **evidence** from sources other than the client's accounting records.

• - McGraw-Hill -

Ledgers



Journals



Source  
Documentation

Working Trial  
Balance/General Ledger



Account  
Payable/Expenditure  
Report



Invoices

Ledgers



Journals



Source  
Documentation

Working Trial  
Balance/General Ledger



Payroll Register/Labor  
Distribution



Time Report

# Audit Process of Source Documentation

- Reported amounts have to tie in/trace to/reconcile with the original ledger
- Time report/time sheet supports the payroll register/labor distribution
- Payroll record reconciles to CRCS
- Capture the total actual costs for LEA services

**W/S A Costs of  
Providing LEA Services  
Documented in an IEP  
or IFSP**

**Worksheet A: Costs of Providing LEA Services Documented in an IEP or IFSP**

(Object Code) Practitioner Type	Practitioner 100% Federally Funded (Yes or No)	Salary and Benefit Expenditures		Other Costs C	Total Personnel Costs D = A+B+C	Dates of Service 7/1/08 - 9/30/08		Dates of Service 10/1/08 - 6/30/09	
		Salary Expenditures (1000-2999) A	Benefit Expenditures (3000-3999) B			Percent of Time Providing LEA Services Documented in an IEP or IFSP E	Cost of Providing LEA Services Documented in an IEP or IFSP F = D*E	Percent of Time Providing LEA Services Documented in an IEP or IFSP G	Cost of Providing LEA Services Documented in an IEP or IFSP H = D*G
1. Psychologists									
2. Social Workers									
3. Counselors									
4. School Nurses									
5. Licensed Vocational Nurses									
6. Trained Health Care Aides									
7. Speech-Language Pathologists									
8. Audiologists									
9. Physical Therapists									
0. Occupational Therapists									
1. Physicians/Psychiatrists									
a. Service Costs (Sum, F1 - F11 and H1 - H11)									
b. Service Costs Excluded from Indirect Cost Rate Application									
c. Service Costs Included in Indirect Cost Rate Application (a - b)									
d. Indirect Cost Rate									
e. Indirect Costs (c * d)									
f. Total Service Costs (a + e)									
g. Federal Medical Assistance Percentage (FMAP)									
h. Medi-Cal Maximum Reimbursable (f * g)									
i. Interim Medi-Cal Reimbursement for LEA Services Documented in an IEP or IFSP									
j. Overpayment/(Underpayment) (i - h)									
k. Net Overpayment/(Underpayment) (Sum of j Totals)									

**Instructions for Completing Worksheet A: Costs of Providing LEA Services Documented in an IEP or IFSP:**

**Practitioner 100 Percent Federally Funded:** Select "Yes" or "No" from the drop down box to indicate whether or not each practitioner type was 100 percent federally funded for the fiscal year. If a practitioner type was 100 percent federally funded, no salary or benefit expenditures should be reported in Columns A or B.

# Examples of Supporting Documents

- Time sheet/time report
- Labor distribution summary year to date
- Labor distribution detail year to date
- Payroll register year to date, should identify job titles associated with expenditures
- Employment agreement
- List of employed practitioners by type

# Examples of Supporting Documents

- Practitioners' licenses (expiration date) – Department of Consumer Affairs.
- Salaries & Benefits Summary
- SACS Financial Report (or equivalent), identifies function and object codes for the expenditures
- Expenditures Balance Report for Object Code (e.g. 1000 thru 3999)

Pay09a

Labor Distribution Summary

No Date Range Selected

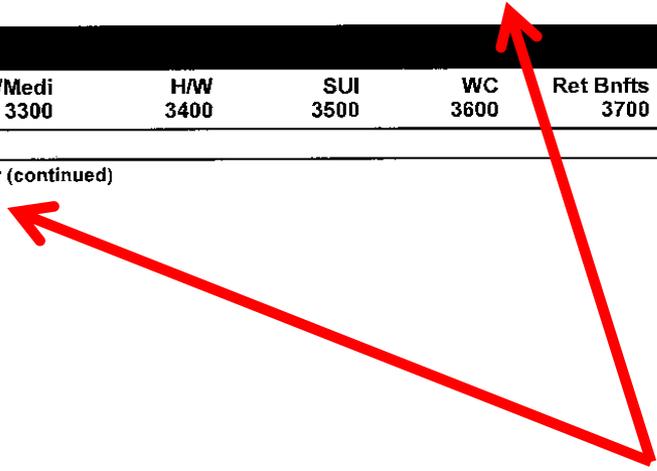
Fiscal Year 2007/08

Name	(ID) SSN4	Earnings	STRS 3100	PERS 3200	SS/Medi 3300	H/W 3400	SUI 3500	WC 3600	Ret Bnfts 3700	Pers Red 3800	Othr Bens 3900	Total
<b>Fund 01 - General, Object 1901 - OtherReg (continued)</b>												
<b>01-6500-8-1901-10-5770-3150-390-0750-000, Spec Ed, Other Certificated Salary-Regular (continued)</b>												
RIVERA, PER	(012573) [REDACTED]	76,495.85										76,495.85
BACON, JILL	(022268) [REDACTED]	57,377.02										57,377.02
S [REDACTED]	(029892) [REDACTED]	26,161.80										26,161.80
STARRBT, [REDACTED]	(02891 [REDACTED])	27,469.15										27,469.15
[REDACTED]	(000567 [REDACTED])	81,676.79										81,676.79
[REDACTED]	(00604 [REDACTED])	76,183.42										76,183.42
TAKAMA, GUY	(032065) [REDACTED]	25,079.97										25,079.97
[REDACTED]	(0314 [REDACTED])	30,652.39										30,652.39
[REDACTED]	(03316 [REDACTED])	39,227.97										39,227.97
[REDACTED]	(02624 [REDACTED])	73,954.97										73,954.97
WALKER, DL	(023810) [REDACTED]	57,345.52										57,345.52
WEST, DAN	(01255 [REDACTED])	67,716.78										67,716.78
[REDACTED]	(00657 [REDACTED])	33,424.71										33,424.71
<b>Account Totals</b>		<b>2,742,868.66</b>										<b>2,742,868.66</b>

<b>Totals for Fund 01 - General, Object 1901 - OtherReg</b>											
											<b>3,702,750.25</b>

<b>Fund 01 - General, Object 1903 - OtherTemp</b>												
<b>01-6500-8-1903-10-5050-2100-390-0750-000, Spec Ed, Other Certificated Salary-Temporary</b>												
[REDACTED]	(030884) [REDACTED]	1,573.00										1,573.00
[REDACTED]	(033129) [REDACTED]	66.78										66.78
[REDACTED]	(004788) [REDACTED]	731.63										731.63
[REDACTED]	(007684) [REDACTED]	181.60										181.60
<b>Account Totals</b>		<b>2,553.01</b>										<b>2,553.01</b>

<b>01-6500-8-1903-10-5060-2100-390-0750-000, Spec Ed, Other Certificated Salary-Temporary</b>												
[REDACTED]	(008788) [REDACTED]	2,001.11										2,001.11
[REDACTED]	(017151) [REDACTED]	2,113.51										2,113.51
[REDACTED]	(032029) [REDACTED]	2,245.40										2,245.40
<b>Account Totals</b>		<b>6,360.02</b>										<b>6,360.02</b>



No Date Range Specified Fiscal Year 2007/08

Account Number	Pay Date	Pay Cycle/ Period	Source	Amount
01-6500-8-2251-20-5770-3140-390-0750-000	07/31/2007	M12N#1	11930-9 1585	5,590.66
01-6500-8-2251-20-5770-3140-390-0750-000	08/31/2007	M12N#2	11930-9 1585	5,590.96
01-6500-8-2251-20-5770-3140-390-0750-000	09/28/2007	M12N#3	11930-9 1585	4,731.68
01-6500-8-2251-20-5770-3140-390-0750-000	10/31/2007	M12N#4	11930-9 1585	5,014.43
01-6500-8-2251-20-5770-3140-390-0750-000	12/21/2007	M12N#6	11930-11 1585	5,492.00
01-6500-8-2251-20-5770-3140-390-0750-000	01/31/2008	M12N#7	11930-11 1585	5,492.00
01-6500-8-2251-20-5770-3140-390-0750-000	02/29/2008	M12N#8	11930-11 1585	5,492.00
01-6500-8-2251-20-5770-3140-390-0750-000	03/31/2008	M12N#9	11930-11 1585	5,492.00
01-6500-8-2251-20-5770-3140-390-0750-000	04/30/2008	M12N#10	11930-11 1585	5,492.00
01-6500-8-2251-20-5770-3140-390-0750-000	05/30/2008	M12N#11	11930-11 1585	5,492.00
01-6500-8-2251-20-5770-3140-390-0750-000	06/30/2008	M12N#12	11930-11 1585	5,492.00
01-6500-8-2251-20-5770-3140-390-0750-000	08/01/2008	RETR#1		82.38
<b>Total for Employee</b>				<b>59,454.41</b>

01-6500-8-2251-20-5770-3140-390-0750-000	07/31/2007	M12N#1	11930-8 1585	5,555.62
01-6500-8-2251-20-5770-3140-390-0750-000	08/31/2007	M12N#2	11930-8 1585	5,555.62
01-6500-8-2251-20-5770-3140-390-0750-000	09/28/2007	M12N#3	11930-8 1585	5,555.62
01-6500-8-2251-20-5770-3140-390-0750-000	10/31/2007	M12N#4	11930-8 1585	5,555.62
01-6500-8-2251-20-5770-3140-390-0750-000	11/30/2007	M12N#5	11930-8 1585	5,555.62
01-6500-8-2251-20-5770-3140-390-0750-000	12/21/2007	M12N#6	11930-8 1585	5,562.51
01-6500-8-2251-20-5770-3140-390-0750-000	01/31/2008	M12N#7		959.20
<b>Total for Employee</b>				<b>34,299.81</b>
<b>Total for Org 097</b>				<b>93,754.22</b>

Selection Grouped by Employee Name - Sorted by Account, Filtered by (Org = 97, Online Status = N, Fiscal Year = 2008, Employee Id(s) = 28981,30945, Subtotal? = N, Object = 1-3, Page Break Level = )

ESCAPE ONLINE Page 1 of 1

\* Indicates Open Pay Date

# Actual Expenditures

# Actual Expenditures

- State Plan Amendment 03-024, attachment 4, 19B, Supplement 8, states in part, “...LEA services represent **total actual** expenditures...”
- 42 CFR 413.24/CMS Pub 15-1, Sections 2300 and 2302.1, states in part, “...The expense is reported in the period in which it is **incurred**, regardless of when it is paid...”
- Example:
  - Retro Payment
  - Payroll made after FYE for services rendered during the fiscal year

Pay10b

Labor Distribution Detail by Employee

No Date Range Specified					Fiscal Year 2007/08
Account Number	Pay Date	Pay Cycle/ Period	Source	Amount	
(continued)					
01-6500-8-1901-10-5770-3150-390-0750-000	05/30/2008	M10C#9	2655-672 0392	6,786.16	
01-6500-8-1901-10-5770-3150-390-0750-000	06/30/2008	M10C#10	2655-672 0392	6,786.16	
01-6500-8-1901-10-5770-3150-390-0750-000	07/29/2008	RSCT#1		484.00	
01-6500-8-1901-10-5770-3150-390-0750-000	08/01/2008	RETR#1		100.98	
<b>Total for Employee</b>				<b>68,447.28</b>	
01-6500-8-1103-10-5750-1110-390-0750-000	08/15/2007	M2 #1		16.58	
01-6500-8-1903-10-5750-2100-390-0750-000				4,756.40	
01-6500-8-1903-10-5750-2100-390-0750-000	09/14/2007	M2 #2		1,902.56	
01-6500-8-1903-10-5750-2100-390-0750-000	07/29/2008	RSCT#1		36.63	
01-6500-8-1903-10-5770-3150-390-0750-000	10/15/2007	M2 #3		3,002.30	
01-6500-8-1903-10-5770-3150-390-0750-000	11/15/2007	M2 #4		3,902.99	
01-6500-8-1903-10-5770-3150-390-0750-000	12/14/2007	M2 #5		3,002.30	
01-6500-8-1903-10-5770-3150-390-0750-000	01/22/2008	M2 #6		3,602.76	
01-6500-8-1903-10-5770-3150-390-0750-000	02/15/2008	M2 #7		2,101.61	
01-6500-8-1903-10-5770-3150-390-0750-000	03/14/2008	M2 #8		3,002.30	
01-6500-8-1903-10-5770-3150-390-0750-000	04/15/2008	M2 #9		3,002.30	
01-6500-8-1903-10-5770-3150-390-0750-000	05/15/2008	M2 #10		4,503.45	
01-6500-8-1903-10-5770-3150-390-0750-000	06/13/2008	M2 #11		3,101.38	
01-6500-8-1903-10-5770-3150-390-0750-000	07/15/2008	M2 #12		2,401.84	
01-6500-8-1903-10-5770-3150-390-0750-000	07/29/2008	RSCT#1		224.82	
01-6500-8-1903-10-5770-3150-390-0750-000	08/01/2008	RETR#1		27.21	
<b>Total for Employee</b>				<b>38,168.12</b>	
01-6500-8-1901-10-5770-3150-390-0750-000	09/28/2007	M10C#1	2655-636 0392	7,332.18	
01-6500-8-1901-10-5770-3150-390-0750-000	10/31/2007	M10C#2	2655-636 0392	7,332.18	
01-6500-8-1901-10-5770-3150-390-0750-000	11/30/2007	M10C#3	2655-636 0392	7,332.18	
01-6500-8-1901-10-5770-3150-390-0750-000	12/21/2007	M10C#4	2655-636 0392	7,332.18	
01-6500-8-1901-10-5770-3150-390-0750-000	01/31/2008	M10C#5	2655-636 0392	7,332.18	
01-6500-8-1901-10-5770-3150-390-0750-000	02/29/2008	M10C#6	2655-636 0392	7,332.18	
01-6500-8-1901-10-5770-3150-390-0750-000	03/31/2008	M10C#7	2655-636 0392	7,332.18	
01-6500-8-1901-10-5770-3150-390-0750-000	04/30/2008	M10C#8	2655-636 0392	7,332.18	
01-6500-8-1901-10-5770-3150-390-0750-000	05/30/2008	M10C#9	2655-636 0392	7,332.18	
01-6500-8-1901-10-5770-3150-390-0750-000	06/30/2008	M10C#10	2655-636 0392	7,332.18	
01-6500-8-1901-10-5770-3150-390-0750-000	07/29/2008	RSCT#1		524.00	
01-6500-8-1901-10-5770-3150-390-0750-000	08/01/2008	RETR#1		109.17	
<b>Total for Employee</b>				<b>73,954.97</b>	
01-6500-8-1901-10-5770-3150-390-0750-000	07/31/2007	MAKP#2		321.62	
01-6500-8-1901-10-5770-3150-390-0750-000	09/28/2007	M10C#1	2655-643 0392	7,528.78	
01-6500-8-1901-10-5770-3150-390-0750-000	10/31/2007	M10C#2	2655-643 0392	7,528.78	
01-6500-8-1901-10-5770-3150-390-0750-000	11/30/2007	M10C#3	2655-643 0392	7,528.78	
01-6500-8-1901-10-5770-3150-390-0750-000	12/21/2007	M10C#4	2655-643 0392	7,528.78	

\*Indicates Open Pay Date

Selection See last page for selection criteria

ESCAPE ONLINE

**W/S A-1/B-1 Other Costs**

**Worksheet A-1/B-1: Other Costs**

(Object Code)	Materials, Supplies and Reference Materials Expenditures (4200-4300)	Non-capitalized Equipment Expenditures (4400)	Travel and Conference Expenditures (5200)	Dues and Membership Expenditures (5300)	Contractor Costs (5800)	Contractor Costs (5100)	Communications Expenditures (5900)	Total Other Costs
Practitioner Type	A	B	C	D	E	F	G	H (A-G)
1. Psychologists								
2. Social Workers								
3. Counselors								
4. School Nurses								
5. Licensed Vocational Nurses								
6. Trained Health Care Aides								
7. Speech-Language Pathologists								
8. Audiologists								
9. Physical Therapists								
10. Occupational Therapists								
11. Physicians/Psychiatrists								
12. Optometrists								
13. Audiometrists								

**Instructions for Completing Worksheet A-1/B-1: Other Costs:**

**Column A <sup>(1)</sup> (Materials, Supplies and References Materials Expenditures):** Enter non-federally funded expenditures by practitioner type (lines 1-13) for *all* employed practitioners for object code 4200 for books and other reference materials related to the direct provision of health services, and for object code 4300 for consumable materials and supplies related to the direct provision of health services, including materials used to conduct assessments (e.g., psychological test materials). Exclude expenditures in object codes 4200 or 4300 for materials or supplies used for classroom instruction. If your LEA does not employ a practitioner type, leave that cell blank. Object codes are defined in the CSAM, Procedure 330. *Do not report any expenditures, or portion of expenditures, that are funded by Federal revenues.*

**Column B <sup>(1)</sup> (Non-capitalized Equipment Expenditures):** Enter non-federally funded expenditures for object code 4400 for non-capitalized equipment related to the direct provision of health services by practitioner type (lines 1-13) for *all* employed practitioners. If your LEA does not employ a practitioner type, leave that cell blank. Object codes are defined in the CSAM, Procedure 330. *Do not report any expenditures, or portion of expenditures, that are funded by Federal revenues.*

**Column C <sup>(1)</sup> (Travel and Conferences Expenditures):** Enter non-federally funded expenditures for object code 5200 for travel and conferences related to the direct provision of health services by practitioner type (lines 1-13) for *all* employed practitioners. If your LEA does not employ a practitioner type, leave that cell blank. Object codes are defined in the CSAM, Procedure 330. *Do not report any expenditures, or portion of expenditures, that are funded by Federal revenues.*

**Column D <sup>(1)</sup> (Dues and Membership Expenditures):** Enter non-federally funded expenditures for object code 5300 for dues and membership related to the direct provision of health services by practitioner type (lines 1-13) for *all* employed practitioners. If your LEA does not employ a practitioner type, leave that cell blank. Object codes are defined in the CSAM, Procedure 330. *Do not report any expenditures, or portion of expenditures, that are funded by Federal revenues.*

# Supporting Documents

- Invoices
- Account summary by object-balance
- SACS based financial reports
- Expenditures Balance Report for Object Code
- Financial Status Balance
- Financial Status Transactions

Above documents may or may not be required

Balances through June

Fiscal Year 2007/08

Fd- Rsce- Y- Obj t - Ut - Goal - Func- Rsp- Loca- Typ	Description	Adopted Budget	Revised Budget	Encumbered	Expenditure	Account Balance
<b>Fund 01 - General, Location 0750 - Spec Ed (continued)</b>						
01-6500-8-5210-00-5750-3140-390-0750-000	Spec Ed, InDistMile		4,000.00		2,133.42	1,866.58
01-6500-8-5210-00-5751-2700-390-0750-000	Spec Ed, InDistMile		100.00			100.00
01-6500-8-5210-00-5770-1120-390-0750-000	Spec Ed, InDistMile		3,100.00		2,760.12	339.88
01-6500-8-5210-00-5770-1190-390-0750-000	Spec Ed, InDistMile		1,840.00		1,738.19	1.81
01-6500-8-5210-00-5770-1191-390-0750-000	Spec Ed, InDistMile		100.00			100.00
01-6500-8-5210-00-5770-3140-390-0750-000	Spec Ed, InDistMile		1,955.00		1,225.00	730.00
01-6500-8-5210-00-5770-3150-390-0750-000	Spec Ed, InDistMile		1,900.00		1,941.32	41.32
	<b>Total for Object 5210</b>	<b>42,000.00</b>	<b>65,207.00</b>	<b>.00</b>	<b>59,028.20</b>	<b>6,178.80</b>
01-6500-8-5220-00-5001-2100-390-0750-000	Spec Ed, OutDistMil		21.00		20.18	.82
01-6500-8-5220-00-5001-3120-390-0750-000	Spec Ed, OutDistMil		31.23		31.23	
01-6500-8-5220-00-5750-1191-390-0750-000	Spec Ed, OutDistMil		275.20		275.17	.03
01-6500-8-5220-00-5750-1194-390-0750-000	Spec Ed, OutDistMil		202.00		199.48	2.52
	<b>Total for Object 5220</b>	<b>.00</b>	<b>529.43</b>	<b>.00</b>	<b>524.76</b>	<b>4.67</b>
01-6500-8-5230-00-5001-2100-390-0750-000	Spec Ed, Travel		2,252.00		1,291.50	960.50
01-6500-8-5230-00-5001-3120-390-0750-000	Spec Ed, Travel		2,500.00		1,017.71	1,482.29
01-6500-8-5230-00-5050-2100-390-0750-000	Spec Ed, Travel	15,000.00	6,495.57		1,086.48	5,409.09
01-6500-8-5230-00-5750-1110-390-0750-000	Spec Ed, Travel		130.00		130.00	
01-6500-8-5230-00-5750-1190-390-0750-000	Spec Ed, Travel		203.00		203.00	
01-6500-8-5230-00-5750-1191-390-0750-000	Spec Ed, Travel		450.00			450.00
01-6500-8-5230-00-5750-1194-390-0750-000	Spec Ed, Travel		1,940.00		1,931.45	8.55
	<b>Total for Object 5230</b>	<b>15,000.00</b>	<b>13,970.57</b>	<b>.00</b>	<b>5,660.14</b>	<b>8,310.43</b>
01-6500-8-5310-00-5001-2100-390-0750-000	Spec Ed, DuesMembr	2,100.00	2,100.00		2,100.00	
01-6500-8-5310-00-5050-2100-390-0750-000	Spec Ed, DuesMembr		250.00		250.00	
	<b>Total for Object 5310</b>	<b>2,100.00</b>	<b>2,350.00</b>	<b>.00</b>	<b>2,350.00</b>	<b>.00</b>
01-6500-8-5610-00-5001-2100-390-0750-000	Spec Ed, EquipRen		35,530.00		10,190.36	25,339.64
01-6500-8-5610-00-5060-2100-390-0750-000	Spec Ed, EquipRen	36,000.00	800.00			800.00
01-6500-8-5610-00-5750-1110-390-0750-000	Spec Ed, EquipRen		1,200.00		366.36	833.64
	<b>Total for Object 5610</b>	<b>36,000.00</b>	<b>36,530.00</b>	<b>.00</b>	<b>10,556.72</b>	<b>26,973.28</b>
01-6500-8-5620-00-5050-8700-390-0750-000	Spec Ed, BldngRntl		13,300.00		13,065.11	234.89
01-6500-8-5620-00-5750-8700-390-0750-000	Spec Ed, BldngRntl	19,150.00	6,850.00		6,534.93	315.07
	<b>Total for Object 5620</b>	<b>19,150.00</b>	<b>20,150.00</b>	<b>.00</b>	<b>19,600.04</b>	<b>549.96</b>

selection Grouped by Account Type, Filtered by User Permissions and (Org = 97, Online/Offline = N, Fiscal Year = 2008, Unposted JEs? = N, Assets and Liabilities? = N, Restricted? = Y, Fund = 01, Object = 1-7, Resource = 6500, Object Digits = 4, Page Break Level = )

ESCAPE ONLINE

**W/S A-3/B-3 Percent of Time  
Providing LEA Services**

Worksheet A-3/B-3: Percent of Time Providing LEA Services

Practitioner Type	Practitioner 100% Federally Funded (Yes or No)	Number of Full-Time Equivalent (FTE) Employees			Total Hours Worked by Contractors	Total Hours Worked by Employees and Contractors	Dates of Service 7/1/08 - 9/30/08		Dates of Service 10/1/08 - 6/30/09		Dates of Service 7/1/08 - 9/30/08		Dates of Service 10/1/08 - 6/30/09	
		A	B	C			Total Hours Reimbursed for LEA Services Documented in an IEP or IFSP	Percent of Time Providing LEA Services Documented in an IEP or IFSP	Total Hours Reimbursed for LEA Services Documented in an IEP or IFSP	Percent of Time Providing LEA Services Documented in an IEP or IFSP	Total Hours Reimbursed for LEA Services Not Documented in an IEP or IFSP	Percent of Time Providing LEA Services Not Documented in an IEP or IFSP	Total Hours Reimbursed for LEA Services Not Documented in an IEP or IFSP	Percent of Time Providing LEA Services Not Documented in an IEP or IFSP
						F	G = F/E	H	I = H/E	J	K = J/E	L	M = L/E	
1. Psychologists														
2. Social Workers														
3. Counselors														
4. School Nurses														
5. Licensed Vocational Nurses														
6. Trained Health Care Aides														
7. Speech-Language Pathologists														
8. Audiologists														
9. Physical Therapists														
10. Occupational Therapists														
11. Physicians/Psychiatrists														
12. Optometrists														
13. Audiometrists														

Instructions for Completing Worksheet A-3/B-3: Percent of Time Providing LEA Services:

**Practitioner 100 Percent Federally Funded:** Select "Yes" or "No" from the drop down box to indicate whether each practitioner type was 100 percent federally funded for the fiscal year. If a practitioner type was 100 percent federally funded and the practitioner type's time is fully dedicated to the federal program from which they are funded, no FTE information should be reported in Columns A, B or C.

**Column A (Number of Full-Time Equivalent (FTE) Employees):** Enter the number of total FTEs by practitioner type (lines 1-13) for all employed practitioners. Report any FTEs, or portion of FTEs, that are funded by federal revenues when the practitioner's time is not dedicated to that federal program. Do not report any FTEs, or portion of FTEs, that are funded by federal revenues when the practitioner's time is dedicated to that federal program. If the LEA's employee payroll system does not allow the calculation of total FTEs over the fiscal year period, an average may be reported, based on the total number of FTEs at the beginning and end points of the school year. Schedules used to calculate average total FTEs must be maintained for review or audit by State and/or federal authorities. If your LEA does not employ a practitioner type, leave that cell blank.

**Column B (Annual Hours Required to Work Per FTE):** Enter productive hours by practitioner type (lines 1-13) for all employed practitioners, based on the number of hours one FTE is required to work per day multiplied by the number of days the FTE is required to work per year. If your LEA does not employ a practitioner type, leave that cell blank.

**Column C (Total Hours Required to Work (Employees)):** Enter the total hours required to work by practitioner type (lines 1-13) for all employed practitioners. If the LEA's employee payroll system does not report total hours required to work, it may be calculated by multiplying Column A (Number of FTE Employees) by Column B (Annual Hours Required to Work Per FTE). Schedules used to calculate total hours required to work must be maintained for review or audit by State and/or federal authorities. If your LEA does not employ a practitioner type, leave that cell blank.

**Column D (Total Hours Worked by Contractors):** Represents the "Total Hours Paid" to contractors by practitioner type entered in Column B, Worksheet A-2/B-2.

**DO NOT ENTER ANY DATA INTO THE SHADED CELLS. CELLS SHADED IN GRAY WILL BE AUTOMATICALLY POPULATED WITH DATA ENTERED ON OTHER MEDICAL CRCS WORKSHEETS.**

LEA Provider Name: [Shaded Cell]  
 National Provider Identifier: [Shaded Cell]  
 Fiscal Year: [Shaded Cell]

# Supporting Documents

- Collective bargaining agreement, specifies the **days** and **hours** required to work
  - Ex: Psychologist works 8 hours per day, 190 work day per year.
- Payroll record that identify the FTE for all practitioners
  - ✓ Calendar days
  - ✓ FTE
  - ✓ Hours per day
  - ✓ Grouped by practitioner types

**Positions, Assignments, and Accounts active on 10/23/2007**

Assign Type	Pos#	Employee	Assignment Effective	Loc	Category	Unit	Calendar (Days)	Placement (Rate)	Authorized FTE	FTE	Hours per Day
<b>Job Class 0392 - Lang. Speech &amp; Hearing Specist (continued)</b>											
Paid	2655	[REDACTED]	07/01 - 06/30/08	0750	TEACHER	SCTA	G1 (184)	T-A/N- 3/ 4 (43538.00)	44.80000	.60000	3.60
			07/01/07 - 06/30/08:					(100.00%)			
Paid	2655	[REDACTED]	07/01 - 04/11/08	0750	TEACHER	SCTA	G1 (140)	T-A/N- 3/ 2 (40286.00)	44.80000	1.00000	6.00
			07/01/07 - 06/30/08:					(100.00%)			
Paid	2655	[REDACTED]	09/04 - 12/31/07	0750	TEACHER	SCTA	G1 (75)	TNC-A- 2/ 1 (39295.00)	44.80000	1.00000	6.00
			07/01/07 - 06/30/08:					(100.00%)			
Paid	2655	[REDACTED]	07/01 - 06/30/08	0750	TEACHER	SCTA	G1 (184)	T-A/N- 5/ 14 (73305.00)	44.80000	1.00000	6.00
			07/01/07 - 06/30/08:					(100.00%)			
Paid	2655	[REDACTED]	07/01 - 06/30/08	0750	TEACHER	SCTA	G3 (184)	T-A/N- 5/ 8 (57274.00)	44.80000	1.00000	6.00
			07/01/07 - 06/30/08:					(100.00%)			
LOAPd	2655	[REDACTED]	10/15 - 04/21/08	0750	TEACHER	SCTA	G1 (117)	T-A/N- 5/ 15 (73305.00)	44.80000	1.00000	6.00
			07/01/07 - 06/30/08:					(100.00%)			
LOAPd	2655	[REDACTED]	07/01 - 06/30/08	0750	TEACHER	SCTA	G1 (184)	T-A/N- 3/ 13 (62935.00)	44.80000		0.00
			07/01/07 - 06/30/08:					(100.00%)			
Paid	2655	[REDACTED]	07/01 - 06/30/08	0750	TEACHER	SCTA	G3 (184)	T-A/N- 2/ 22 (55639.00)	44.80000	.60000	3.60
			07/01/07 - 06/30/08:					(100.00%)			
<b>Totals for Job Class 0392</b>									<b>40.70000</b>		<b>256.20</b>
<b>Total Authorized FTE (including vacancies) as of 10/23/07</b>									<b>44.80000</b>		

**Job Class 0939 - Health Aide, Spec Ed**

LOAPd	4637	[REDACTED]	09/03 - 12/21/07	0750	AIDE/PAR	SEIU	M (79)	C-H- 35/ 5 (15.03)	4.50000		0.00
			07/01/07 - 06/30/08:					(100.00%)			
Paid	4637	[REDACTED]	07/01 - 06/30/08	0750	AIDE/PAR	SEIU	CM (191.50)	C-H- 35/ 5 (15.03)	4.50000	.75000	6.00
			07/01/07 - 06/30/08:					(100.00%)			
Paid	4637	[REDACTED]	07/01 - 06/30/08	0750	AIDE/PAR	SEIU	CM (191.50)	C-H- 41/ 5 (17.15)	4.50000	.75000	6.00
			07/01/07 - 06/30/08:					(100.00%)			
Paid	4637	[REDACTED]	07/01 - 10/31/07	0750	AIDE/PAR	SEIU	CTM (51)	C-H- 35/ 3 (13.72)	4.50000	.75000	6.00
			07/01/07 - 06/30/08:					(100.00%)			
Paid	4637	[REDACTED]	09/01 - 06/30/08	0750	AIDE/PAR	SEIU	M (191.50)	C-H- 35/ 5 (15.03)	4.50000	.75000	6.00
			07/01/07 - 06/30/08:					(100.00%)			
LOAPd	3124	[REDACTED]	08/20 - 04/10/08	0024	AIDE/PAR	SEIU	M (146.50)	C-H- 35/ 5 (15.03)	.75000	.75000	6.00
			07/01/07 - 06/30/08:					(100.00%)			
<b>Totals for Job Class 0939</b>									<b>3.00000</b>		<b>54.00</b>
<b>Total Authorized FTE (including vacancies) as of 10/23/07</b>									<b>5.25000</b>		

**Job Class 1585 - Occupational Therapist**

Selection User defined sort, Filtered by (Org = 97, Active Date = 10/23/2007, Job Class(s) = 0252,0939,0226,0392,0228,0248,1585, Vacancies? = N, Addons? = N, Salaries? = N, EmpId? = N, Unpaid? = Y, Resource = 0000-2999,6000-9999, Sort = Y)

# Summary

- Maintain a CRCS audit binder (highly suggested)
- Any amounts reported in the CRCS need to be documented
- Any costs that were estimated using the specific allocation methodology, supportive detail must be maintained
- Work papers and other schedules maintained to further support each amount

# Q&A Up Next

But FIRST...

- Additional issues...
- Slide show presentation will be posted on the website

# Cost and Reimbursement Comparison Schedules (CRCCS)

## CONTRACTOR COSTS

Cori Miglietto

# Documentation Needed from Contractors

- An Invoice
  - ✓ Practitioner's hourly rate
  - ✓ Service date(s)

---

  - ✓ NPS/NPA
    - Practitioner costs for service/treatment

NOTE: If external health service contracts do not specify contractor hours paid and/or average rate per hour by practitioner type, it is the responsibility of the LEA to obtain that detail from their contractors, and retain that documentation.

# Documentation Needed from Contractors (Cont'd)

- A Service/Treatment log that identifies:
  - ✓ Service/Treatment that was administered
  - ✓ Practitioner's name
  - ✓ Name of student(s)
  - ✓ Service date(s)
  - ✓ Length of each service

# BILLING OVERVIEW



# What is purpose of billing review

2

- To verify the services claimed have sufficient documentation to support the billed claim.
- To determine the availability of records supporting a treatment.

# What is purpose of billing review

3

- To test the information presented on worksheets A-4/B-4.
- To give confidence in the accuracy of the time drivers calculated on worksheet A-4/B-4.

# Medical Review vs. Financial Review

4

## Medical

- Do the billings have proper medical criteria supporting the necessity of service?

## Financial

- Does the school maintain sufficient documentation linking the billed procedure codes/modifiers to the treatment logs?

# Medical Review vs. Financial Review

5

- In a financial review the Auditor will not be making clinical judgments of the necessity of treatment.
- The goal of a financial review is to bridge the billing claim samples to the source documents.

**However.....**

- Financial Audits Branch can make referrals to our sister agency, Medical Review Branch based on information gathered in an audit.

# Making a Path for the Auditors

6

- Claim samples may be a random selection, a targeted selection, or mix of the two.
- The Auditor may request an interview with the responsible biller to understand the organizations configuration, practices, and procedures.

# What will you Need?

7

- The following are documents which are commonly utilized in a billing review. This is not an all inclusive list!
  1. IEP's/IFSP's
  2. Service/Treatment Logs
  3. Contractor Agreements
  4. UB-04 billing forms (if utilized)
- 5. Electronic submission batch files (pre and post payment)
  6. Practitioner Licenses status (at time of billing)
- 7. Vendor Contracts and/or memorandum of understanding

# Do you work with an outside Vendor?

8

- Provide the Auditor any appropriate contact information.
- If a billing review needs to be coordinated between the district and the vendor, the Auditor will work with the organization to identify the parties responsible for maintaining each piece of information utilized in the billing process.

# Do you work with an outside Vendor?

9

- Remember, the **LEA** retains the liability for all billed payments.
- Billers/LEAs will be referred to the Department of Justice for investigation and prosecution if fraud is suspected.

# IMPORTANT!

**An LEA with a vendor contract for the LEA Billing Option Program does not absolve the organization of the consequences for improper/fraudulent billing and any payments received.**

# Contractors and Records

When a LEA contracts with outside practitioners the service/treatment logs and notes supporting the billed services **must** be maintained and accessible by the entity that files the CRCS.

# Contractors and Records

12

- Attendance logs or invoices are not considered support documentation for services rendered.
- Required supporting documentation must describe the nature or extent of service provided\*

\*Source - LEA: A Provider's Guide (loc ed a prov)

# Nature or Extent?

13

- Medical Review Branch (MRB) created an extensive presentation outlining service documentation.

[MRB Slideshow Click HERE!](#)

- A financial audit review of nature or extent is a simplified version of the medical criteria.

# Nature or Extent?

14

- Billing support needs to document:
  - Who (Can the student be identified?)
  - What (Does the treatment log identify the service?)
  - When (Dates and duration?)
  - Where (In House, Contractor?)
  - Why (Is service on IEP/IFSP?)

# CMS Rules

15

- CMS rules regarding third party liability and free care are in full effect.
- LEA's which bill for Non-IEP service (worksheet B-4) must demonstrate compliance with **both** rules.

# CMS Rules

16

Auditors will be looking for many compliance elements. The major topics include:

1. Eligibility verification
2. Establishment of fee schedules
3. The districts collection efforts
4. Attempts to bill third party insurance and maintaining denials.

# CMS Rules

17

Remember, Third Party Liability is a component of Free Care Requirements per the billing manual which states:

1. Establish a fee for each service provided (it could be sliding scale to accommodate individuals with low income);
2. Collect Other Health Coverage (OHC) information from all those served (Medi-Cal and non-Medi-Cal); and
3. Bill other responsible third party insurers.\*

\*Source - LEA Billing and Reimbursement Overview (loc ed bil)

# Billing Recoveries for Unknown Codes

18

- Certain procedure code / modifier combinations are not reimbursable services but can still be processed and paid.
- All billings which do not have a valid procedure code / modifier combination (IE a line on worksheet A4/B4) will be recovered in a billing review...dollar for dollar recovery

# Billing Recoveries for Unknown Codes

19

- Review billing summaries for modifier combinations that are not typically billed.
- Billing recoveries are direct dollar for dollar recoveries of all interim payment.

# The Importance of Coding

- The CRCS slots every billing code into an assigned line with a unique time driver to calculate Medi-Cal's participation percentage.
- Track and review billings...it is important to review how the Fiscal Intermediary processed the claims.

# The Importance of Coding

21

- A Claim Inquiry Form (CIF) will be required if the procedure/modifiers are not processed correctly.
- Reminder...there is a 2-year claiming limit so reconcile all claims. An audit will most likely be past the CIF period.\*

\*See - CIF Submission and Timeliness Instructions (cif sub) and CIF Completion (cif co) for detailed instructions.

## Why is this important if my claim was paid?

22

Once a claim has been adjudicated by the fiscal intermediary, the Auditor **CAN NOT CHANGE** the nature of the claim!

## What does that mean for the reconciliation process?

23

If the service claim does not match the source treatment logs, the reimbursement will be recovered, even if the documentation supports a different service was rendered.

# Tips

24

- The Auditor is looking to walk the claim through the entire billing process.
- However the Auditor needs you to act as the GPS, giving directions to the people or supporting files which make up the claim.

# Tips

25

- Billing summaries in a CRCCS audit binder can be very helpful.
- All documents utilized for billing do not need to be maintained together however they must be accessible.

# Common Errors

26

- ❑ The code combination billed does not match the treatment log.
- ❑ Unknown procedure code/modifier combinations.
- ❑ Services billed for practitioner type not employed by the entity.

# Common Errors

- Treatment logs for services rendered by contracted practitioners are not available.
- The students are receiving treatments not on the submitted IEP.

# Common Errors

- Date on the billing can not be reconciled to a treatment log date.
- Students name is inconsistent between the IEP, treatment log, and Medi-Cal eligibility database.

# **COST AND REIMBURSEMENT COMPARISON SCHEDULES (CRCS)**

## **INTERIM REIMBURSEMENT AND UNITS OF SERVICE REPORT**

Cori Miglietto

# INTERIM REIMBURSEMENT AND UNITS OF SERVICE REPORT (IRUS)

- Future of the IRUS Report
- What to document in lieu of the IRUS Report

# Future of the IRUS Report

- IRUS Reports containing data through June 30, 2011 will be available.
- Total units and interim reimbursement will need to be obtained from each organization's internal accounting system in order to complete the CRCS starting with FY 2011/2012.

# What to Document in Lieu of the IRUS Report

- Services rendered
- Practitioner
- Encounters and Units
- Interim Reimbursement (Medi-Cal Payments)

# Units of Service vs. Encounters

- Helpful Hints
- Procedure Codes Affected

# Encounters vs. Units

Example:

Speech Therapy – 60 minute continuous session

## Medi-Cal Billing:

Initial Service = 15-45 continuous minutes  
= 1 unit per 15 minute increment  
= 3 units

Add'l Service = 15 minute increments  
= 1 unit

TOTAL = 4 units billed to Medi-Cal

## Tracking for CRCS:

Initial Service = 1 encounter

Add'l Service = 1 unit

# Records Retention

State Plan Amendment 03-024, Attachment 4.19-B, Supplement 8, Section J. 2. states:

Each LEA is required to keep, maintain and have readily retrievable, such records to fully disclose its LEA costs eligible for federal financial participation. Such documentation must be maintained for a period of no less than **three** years.

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What happens  
now??

# POST “FIELD” WORK

- ◉ Exit Conference
- ◉ Two-week Documentation Period
- ◉ Audit Report
- ◉ Appeal Process

# EXIT CONFERENCE

- ◉ Discussion of all proposed audit adjustments
- ◉ Working papers provided
- ◉ Exit Conference, not Appeal Process
- ◉ Acknowledgement of Exit Conference

# TWO-WEEK PERIOD FOR ADDITIONAL DOCUMENTATION

- 15-day period to submit any additional documentation on
  - Issues or requests that are “outstanding”
  - Proposed adjustments that may warrant additional documentation
- 15 days is 15 days - extensions are not viewed favorably
- The “one more shot” game

# AUDIT REPORT

- ◉ DHCS - A&I FAB will send Audit Report
- ◉ Format will be similar to a CRCS, but not exact
  - Opinion Letter, Schedules, Audit Adjustments, Management Comments
- ◉ Identifies settlement calculations
- ◉ Info on Appeal rights

# APPEAL PROCESS

- W&I Code, Section 14171 - Appeal Rights
- California Code of Regulations (CCR), Title 22
  - Section 51016 - defines “institutional provider”
  - Section 51022 - basis for appeal

# FIRST LEVEL APPEALS

- Hearing Auditor (mediation)
- Appeal timelines
  - Provider has 60 days from the date of Audit Report to file an appeal
  - Office of Administrative Hearings and Appeals (OAHA) accepts within 30 days
  - Both parties submit position statements within 45 days of acceptance
  - Hearing within 90 days of the position statements
  - Report of Findings within 180 days

# SECOND LEVEL APPEALS

- Administrative Law Judge presides
- Appeal timelines
  - Provider has 30 days from the First Level Report of Findings
  - OAHA will give 30 calendar days notice for Hearing
  - OAHA has two years to render “decision”