

**Local Education Agency Medi-Cal Billing Option Program
Advisory Workgroup Meeting
August 6, 2014 Meeting Minutes**

Location: Natomas Unified School District (USD)

Attendees: Jennifer Brooks, DHCS; Michelle Kristoff, DHCS, Safety Net Financing Division (SNFD); Rick Record, SNFD; Cheryl Ward, SNFD; Jesse Galbraith, SNFD; Cori Miglietto, DHCS, A&I Financial Audits Branch (FAB); Michael Donohue, A&I FAB; Renzo Bernales, California Department of Education (CDE); Kevin Harris, Navigant Consulting; Marna Metcalf, Navigant Consulting; A M Villalobos, San Mateo COE; Aurelie Alvarez, LACOE; Barbara Coon, Trinity COE; Barbara Rhodes, Mendocino COE; Becky Trebizo, East Valley SELPA; Belinda Berger, Calaveras USD; Beth Majchrzak, Santa Clara Co SELPAs; Brian Bateria, San Mateo COE; Carolyn Nunes, San Diego COE; Cathy Bennett, Sacramento City USD; Christina Hawkins, Novato USD; Debbi Rebottaro, Mendocino COE; Debbie Wood, Bakersfield City SD; Deeann Blighton, Lodi USD; Diane D'Elia, Saugus Union SD; Dorothy Raab, Santa Cruz COE; Edgar Manalo, San Jose USD; Gina Ross-Martin, Adelanto Elementary SD; Helen Hughes Tome, Novato USD; Jamie Russell, Central USD; Janice Holden, Stanislaus COE; Jeremy Ford, Oakland USD; Margaret Roux, Kern County; Margaret Saleh, Goleta Union SD; Margarita Bobe, LAUSD; Maria Fong, Lodi USD; Mary Ann Dellaney, Folsom Cordova USD; Mary Olmstead, Amador COE; Michelle Morales, San Jose USD; Noelette Prestwich, Folsom Cordova USD; Ramona Rogers, Horizon Charter Schools; Rebecca Santos, Elk Grove USD; Rob Roach, Twin Rivers USD; Robert Stout, Alameda COE; Rose Medeiros, Modesto City Schools; Sandra Butler-Roberts, Monterey COE; Sharon Kuhfal, Pleasanton USD; Sheri Coburn, San Joaquin COE; Sherry Purcell, LAUSD; Theresa Anderberg, San Mateo COE; Theresa Oliveres, San Bernardino City USD; Tracy Cole, Natomas USD; Tracy Schroeder, East Valley SELPA; Wendi Yamabe, Saugus Union SD; Xavier Reyes, Academia Moderna; Shelton Yip, Napa County SELPA; Michelle Cowart, Contra Costa COE; Ofelia Roxas, Stockton USD; McKenzie Palomino, San Joaquin COE.

Handouts

Each participant was emailed an electronic copy of the following: Workgroup Meeting Agenda, May 2014 Meeting Minutes, August DHCS Status Update Summary, LEA Workgroup Breakout Group Instructions, draft Internal Administrative Functions chart, edited draft Internal Administrative Functions chart, Comparison of SPA 03-024 and LEA Medi-Cal Billing Option Program Provider Manual, Fall 2011 Potential New Services chart.

Purpose

The meeting was convened by DHCS. The Department welcomed all participants to the meeting and briefly reviewed the new structure of the LEA Advisory Workgroup meetings, explaining that they look forward to fostering increased collaboration and building partnerships with the LEA provider community statewide. The purpose of the Workgroup is to improve the Local Educational Agency (LEA) Medi-Cal Billing Option Program. The emphasis of the meeting is to strategize various goals and activities aimed at enhancing the Medi-Cal services provided on school sites and access by students to these services, while increasing federal reimbursement to LEAs for the cost of providing these services.

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Review of Meeting Minutes

The Workgroup reviewed the May meeting minutes. The minutes were discussed and approved. Meeting minutes will be posted on the LEA Medi-Cal Billing Option Program website.

Random Moment Time Study (RMTS) Methodology (DHCS)

DHCS provided an update on RMTS as it relates to the LEA Medi-Cal Billing Option Program. The Department is currently rolling out the School-Based Medi-Cal Administrative Activities (SMAA) time study and working with the Centers for Medicare and Medicaid Services (CMS) on finalizing the SMAA manual. The Department intends to roll-out the SMAA RMTS before developing the Direct Services RMTS for the LEA Medi-Cal Billing Option Program. The Department has asked for an extension from CMS, requesting a 1/1/2015 SMAA RMTS implementation date.

As a condition for continued SMAA billing, CMS has required the Department to develop a “common cost allocation methodology” for the SMAA and LEA Medi-Cal Billing Option programs, with a required State Plan Amendment (SPA) submission by 9/30/2015. Department personnel noted that even though the SPA must be submitted by 9/30/2015, there is currently no RMTS implementation date for the LEA Medi-Cal Billing Option Program. Even though the Department is currently focused on the SMAA RMTS implementation, they will continue to move forward on the design and development of a Direct Services RMTS in the coming months through a school-based RMTS Advisory Committee. The Department proposes to develop an RMTS Advisory Committee that is representative of LEAs across California who are committed to actively participate in the group through completion, and will not allow billing vendors to participate. The Department noted that they expect that Navigant Consulting will be an integral part of the Committee and process, providing their expertise on the methodological design and implementation of other school-based RMTS methodologies nationwide.

California Department of Education (CDE), Special Education Division (SED) Updates

- CDE continues their ongoing work with the AB 86 and AB 114 stakeholder workgroups. The meeting phase of the AB 114 Transition Workgroup and the AB 86 Behavioral Intervention Stakeholder Workgroup are now formally complete. Work is ongoing and new meetings could be scheduled if needed. CDE will continue to provide technical assistance for the provision of mental health related services and for Behavioral Intervention Plans.
- CDE reported that they are waiting for a response from DHCS on the draft Interagency Agreement that will outline the dual responsibilities for Special Education Students who are Medi-Cal eligible and have mental health needs at CDE and DHCS.

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- CDE inquired if DHCS was aware of a July 7, 2014 letter from CMS clarifying Medicaid coverage of services to children with Autism. The Department noted that they are currently reviewing the CMS letter to determine how this policy impacts services provided through the LEA Medi-Cal Billing Option Program and will report out on this issue at a future meeting.

DHCS A&I Updates

- A&I FAB has completed their minimal reviews of approximately ninety percent of the FY 2009/10, 2010/11 and 2011/12 Cost and Reimbursement Comparison Schedule (CRCS) submissions and have begun several limited scope reviews and field audits.
 - Audits performed by FAB are being posted online and can be located under the Data & Statistics section of the DHCS website at: [Audits & Investigations Financial Audits Reports](#).
- A&I FAB compared the list presented by SFND of participating LEA providers for the 09/10, 10/11 and 11/12 fiscal years to the log of all CRCS's received by the department for those corresponding years. A&I found the following non-submission CRCS information:
 - FY 09-10:
 - 38 LEAs failed to submit CRCS – a letter was sent to these providers
 - 19 LEAs submitted CRCS after letter was sent
 - 19 LEAs outstanding (100% W/H) CRCS as of 8/12/14
 - FY 10-11:
 - 13 LEAs failed to submit CRCS – a letter was sent to these providers
 - 4 LEAs submitted CRCS after letter was sent
 - 9 LEAs outstanding (100% W/H) CRCS as of 10/18/13
 - FY 11-12:
 - 31 LEAs failed to submit CRCS – a letter was sent to these providers
 - 9 LEAs submitted CRCS after letter was sent
 - 22 LEAs outstanding (100% W/H) CRCS as of 3/4/14

DHCS SNFD Status Updates

FY 2013/14 Rate Inflation

- SNFD reported that the new inflated reimbursement rates have been updated in the LEA Services Billing Codes Chart. The newly inflated rates were developed by inflating the FY 2012/13 interim reimbursement rates, using the Implicit Price Deflator.
- The Department has requested Xerox initiate an Erroneous Payment Correction (EPC) to correct payment of claims prior to the 7/28/14 implementation date in the paid claims system. Inflated rates are retroactive to dates of service on or after 7/1/13.

FY 2012/13 Rate Inflation – Adjustment of Claims EPC

- The EPC began running on 7/3/14 and was completed by 8/7/14.

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- The Department discovered a payment discrepancy for procedure code/modifier combination 92507 GN TM, in which the FY 2012/13 claims were slightly underpaid due to an error by the Fiscal Intermediary. Since payment for these claims will be adjusted in a future EPC, the interim payment on the Quarterly Report will not reflect the accurate interim reimbursement amount. A&I will handle the payment discrepancy in their review of the 2012/13 CRCS Reports, making an audit adjustment for those providers that will receive payment from a future EPC for this procedure code/modifier combination. The Department noted that the Quarterly Report will contain a footnote explaining this discrepancy.

FY 2012/13 Quarterly Reimbursement Report

- Report will be generated once SNFD receives confirmation that the FY 2012/13 Rate Inflation EPC has been completed by Xerox. The Department expects this Report to be posted to the LEA Program Website prior to the next Workgroup meeting.

2.5% and 1% Withhold Over-collections and Under-collections

- AB 2608 amends Section 14132.06 (k) of the Welfare and Institutions Code and requires the Department to conduct an annual accounting of funds collected by the Department from federal Medicaid payments allocable to Local Educational Agencies. The annual accounting of funds summary is available on the LEA Program website.
- SNFD has instructed Xerox to reimburse the over-collected withholds for FYs 2011/12 and 2012/13. The Department indicated that they expect the over-collected withholds to be paid out in October or November 2014.
- The under-collected withholds for FYs 2011/12 and 2012/13 will be offset from the FY 2013/14 Annual Accounting of Funds.

Cost Settlement Withholds

- DHCS indicated that Xerox will provide an estimate by mid-September for a System Development Notice (SDN) to exempt cost settlements, over-collected withholds and electronic health record provider incentive payments from future withholds.

Delinquent CRCS Withholds

- A&I FAB is implementing a one hundred percent (100%) withhold on payment for delinquent CRCS reports for FYs 2009/10, 2010/11 and 2011/12. LEA providers are issued a warning letter prior to withhold initiation, and allowed a grace period in which to submit delinquent reports.

FY 2012/15 Provider Participation Agreement / FY 2013/14 Annual Report

- The Department reported that the Report is undergoing final edits and should be posted on the LEA Program Website this Fall.

Targeted Case Management (TCM) Labor Survey

- The Department reported that the Survey is undergoing final edits and should be posted on the LEA Program Website this Fall.

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FY 2012/13 CRCS

- The Department reported that the CRCS is undergoing final edits and should be posted on the LEA Program Website in August.

2014 LEA Medi-Cal Billing Option Program Documentation Training

- The Department reported that the FAQs will be posted on the LEA Program Website after final review.

Site Visit Compliance Review Materials

- The goal of the site visits is to provide technical assistance to LEAs, particularly those that are new to the Program or out of compliance with Program requirements. In addition, SNFD plans to meet with LEAs that request technical assistance from the Department.
- The draft compliance review package is currently under SNFD management review. SNFD has met with A&I and Medical Review Branch (MRB) to ensure no duplication of processes. The Department plans to meet with CDE to discuss the site visits, particularly in the context of existing IDEA Regulations.

LEA Onboarding Handbook

- SNFD incorporated Workgroup feedback received in June, and the Handbook is under management review. The Internal Administrative Functions Chart, which is expected to be included in the LEA Onboarding Handbook, will be one of today's breakout sessions.

LEA Transportation Claiming Guide

- SNFD incorporated Workgroup feedback received in June, and posted the Guide on the LEA Program Website on 7/1/14. LEAs may immediately follow the information contained in the Guide.

Telehealth

- The Department noted that they did not receive any comments on the new Telehealth section or revised Speech Therapy section of LEA Provider Manual.
- SNFD is currently working to finalize the Provider Manual sections with the Office of Legal Services.
- SNFD noted that additional sections of the Provider Manual will be updated, as well, including *loc ed bil cd*, *loc ed bil ex* and *loc ed rend*. In addition, SNFD indicated that the Telehealth rate table and utilization controls must still be established and implemented in the claims processing system.

Elimination of CPT Code 92506

- As of January 1, 2014, CMS eliminated CPT code 92506 (Evaluation of speech, language, voice, communication, and/or auditory processing) and replaced it with four new, more specific evaluation codes:
 - 92521 Evaluation of speech fluency (e.g., stuttering, cluttering)
 - 92522 Evaluation of speech sound production (e.g., articulation, phonological process, apraxia, dysarthria)

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- 92523 Evaluation of speech sound production (e.g., articulation, phonological process, apraxia, dysarthria) with evaluation of language comprehension and expression (e.g., receptive and expressive language)
- 92524 Behavioral and qualitative analysis of voice and resonance
- The four new codes were developed by ASHA, in collaboration with the American Medical Association.
- The Department discussed the elimination of CPT Code 92506, and noted that the LEA Medi-Cal Billing Option Program is not impacted by the 7/1/14 deletion of the code for “general” Medi-Cal providers. However, SNFD is moving forward with repealing 92506 and replacing it with the four new suggested codes for speech language assessment services.
- Elimination of code 92506 and discussion of possible replacement codes and policy issues will be a subject in today’s breakout sessions.

CRCS Audit Payment

- In the last Workgroup meeting, a question was asked regarding payment of funds owed to the State as a result of the CRCS cost settlement. The provider asked if the LEA could write a check for the entire amount due to the State. The Department researched this issue and reported that any funds owed to DHCS as a result of a review/audit will be withheld against the LEA’s future claims. The methodology for collection is included in SPA 03-024.

FY 2014/15 Rebasing

- Rebasing is on hold at this time, pending discussions on RMTS.

LEA Program Specialized Transportation Regulations Package

- The Regulations package is currently being reviewed by the Office of Legal Services.

LEA Program Report to the Legislature – May 2013

- The May 2013 Report is currently under Management review.

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Workgroup Breakout Session

The goal of the Workgroup breakout sessions is to brainstorm challenges and barriers in smaller workgroups, and use combined expertise to provide guidance to DHCS and suggest planning and solutions.

- Workgroup members split into three groups to discuss three topics: (1) Review claimable LEA Program services and evaluate potential new services and practitioners, (2) Discuss termination of CPT Code 92506 and evaluate new CPT codes for speech therapy and audiology assessments, and (3) Review and evaluate the content of the draft Internal Administrative Functions Chart that will be included in the LEA Onboarding Handbook.
- Each group was provided a flip chart and pens to document their breakout topics and goals of the topic. The groups then presented their potential breakout topics to the larger group. SNFD/NCI will review the information and recommendations.

Next Meeting

- The Workgroup discussed future meeting venues and potential dates. Potential future meeting dates include October 1 or October 3 from 10:30am-4:00pm. Meeting location will be determined in the coming weeks, and an email blast will be sent with date and location information.