

**Local Education Agency (LEA) Medi-Cal Billing Option Program
Advisory Workgroup Meeting
February 3, 2016 Minutes**

Location: Natomas Unified School District (USD)

Attendees: Rick Record, SNFD; Cheryl Ward, SNFD; Dmitry Terlesky, SNFD; Stephanie Magee, SNFD; Vongayi Chitambira, A&I Financial Audits Branch (FAB); Lindy Summers-Bair, M.D., A&I Medical Review Branch (MRB); Dennis Finnegan, Navigant Consulting; Marna Metcalf, Navigant Consulting; Alma McKenry, Fresno COE; Amanda Dickey, CCSESA; Ann Inglis, Rocklin USD; Andrea Coleman, LAUSD; Aurelei Alvarez, LACOE; Belinda Brager, Calaveras USD; Catherine Graham, Orange County DOE; Cathy Bennett, Sacramento City USD; Chris Romanosky, OCDE; Christine Wilhite, Butte COE; Colleen Emswiler, Thermalito; Debbi Conner, MCOE; Debbi Wood, Bakersfield City SD; DeeDee Lowery, Napa Valley USD; Diane Rey, Santa Ana USD; Donna Wolter, Lake Elsinor USD; Dorothy Raab, Santa Cruz COE; Elizabeth McAnnally, William Hart USD; Jackie Swords, Lancaster USD; Janice Holden, Stanislaus COE; Jennifer Wood-Slayton, Lamont SD; Jeremy Ford, Oakland USD; Julie Fereby, Palmdale SD; Laura Missimer, San Joaquin COE; Laurie Lane, Winters Joint USD; Leonor Montano, Lake Elsinore USD; Marciela Martin, San Bernardino Co.; Margaret Roux, Kern; Margarita Bobe, LAUSD; Marta Cuevas-Ortega, Galt Joint Union ESD; Mary Ann Delleney, Folsom Cordova USD; Mary Olmstead, Amador COE; McKenzie Mekelburg-Palomino, San Joaquin COE; Melissa Lopez, Pajaro Valley USD; Melissa Lockette, Rocklin USD; Michelle Cowart, Contra Costa COE; Rose Medeiros, Modesto City Schools; Sandy Stiving, Castro Valley USD; Sharon Battaglia, Sonoma COE; Sharon Holstege, Yolo COE; Sharon Kuhfal, Pleasanton USD; Sheri Coburn, San Joaquin COE; Tammy Jones, Ventura COE; Therese Tiab, Monterey COE; Tracy Cole, Natomas USD; Wendi Yamabe, Saugus Union SD.

Handouts

Each participant was emailed an electronic copy of the following: February Workgroup Meeting Agenda; February DHCS Status Update Summary; December 2015 Meeting Minutes; December 2015 E-Signatures Breakout Results; December 2015 OT/PT Breakout Results; February 2016 Breakout topics and instructions.

Purpose

The meeting was convened by DHCS. The Department welcomed all participants to the meeting and briefly reviewed the purpose of the Workgroup, which 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 December meeting minutes. The meeting minutes were approved with a correction to the date of the December meeting.

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

CDE did not have anyone in attendance at the meeting, but provided the following updates:

- Chris Drouin selected as interim Acting Director for the Special Education Division
- California State Auditors Report regarding the use of Assembly Bill 114 funds is now posted at <http://www.bsa.ca.gov/>

DHCS A&I Updates - FAB

- FY 10/11 CRCS audits were completed pursuant to the 11/30/2015 statute date. A&I noted that additional late audits were received and will be completed shortly.
- FY 11/12 CRCS audits are currently in production and must be completed by the 11/30/16 statute date. All minimal audits have been completed and FAB is now conducting limited and field audits.
- FY 12/13 CRCS audits have recently been placed into production and minimal audits are underway. Limited and field audits will start later in CY 2016.
- A workgroup member asked about the status of audit appeals. A&I noted that there are approximately six appeals for FYs 2010/11 and 2011/12. Two to three of these appeals are currently in the hearing process, two were ruled in favor of the State and one appeal is in process of being scheduled for hearing.
- A question was asked regarding whether the results of an audit are shared with SNFD. A&I and SNFD discussed how results are shared between the two divisions and findings are incorporated into trainings, when appropriate.
- Stakeholders requested that all policies that A&I audits against be included in the Provider Manual, noting that some policies are located in previous training slides or FAQs. Districts discussed some of the challenges of the audits, since they relate to prior dates of service. There was a request for SNFD to create an effective date on policy publications so that documentation requirements and timing are clear to all parties. In addition, stakeholders discussed that it would be helpful if the State published an audit file that districts could reference when storing documents and records for audits and on-site reviews (similar to SMAA).
- Stakeholders requested an annual training webinar from A&I, possibly including redacted documents and walking LEAs through a “mock audit” process.
- SNFD offered technical assistance site visits for any district that requests assistance, and also reminded LEAs that clarifying questions can always be

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submitted to the LEA inbox if there are areas of the Provider Manual that LEAs find confusing.

- A workgroup member inquired as to the frequency of audits. FAB noted that routine audits are the norm for LEA providers and that all LEA CRCS Reports receive a minimal audit, and some receive a limited or field audit. This has been the standard since LEAs began submitting CRCS Reports many years ago.

DHCS A&I Updates - MRB

- Dr. Lindy Summers-Bair attended the meeting to represent the Medical Review Branch and discuss findings from recent LEA audits.
- MRB discussed their role and the importance of audits, which help to maintain Program integrity. MRB clarified that once a provider signs a contract to become a Medi-Cal provider, they are considered a medical provider and that this can be difficult for schools, which do not generally operate under a medical model.
- MRB audits focus on whether the LEA documents the nature and extent of the service. MRB noted that a log that merely shows that the student was present is not sufficient to document the nature and extent of the service provided under a medical model. MRB expects LEAs to provide some detail in notes or treatment logs regarding the nature and extent of the service. Medical providers must document services in the same way they would in any other medical setting.
- MRB discussed the Medi-Cal Payment Error Study (MPES) and noted that the highest number of claim errors in the 2011 MPES were for the LEA Program (24 out of 25 claims). MRB provided background on how districts are selected for audit, noting that some audits are targeted, due to high dollar volume, or unusual billing patterns, while others are random.
- MRB provided limited copies to workgroup members of a handout that addressed the most frequent reasons claims have been disallowed under the Medi-Cal LEA Billing Option Program. MRB discussed some items on the handout, including occupational therapy and physical therapy services billed without a prescription, and Trained Health Care Aide services documented solely with attendance logs (and no supporting treatment logs or notes). SNFD will e-mail the MRB handout of the most common audit findings to all workgroup attendees after today's meeting.
- LEAs, SNFD, and MRB discussed service documentation requirements, specifically regarding services provided by Trained Health Care Aides (THCAs). MRB noted that for continuous observation and monitoring billed by THCAs, they expect to see notes on each service increment billed, and that an attendance log is often the only documentation provided by LEAs that have been audited. The conversation regarding LEA documentation and MRB common audit findings will continue at the April Advisory Workgroup meeting as a separate breakout session. Any LEAs requesting clarification on MRB audit issues should send

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their questions to SNFD (via the LEA e-mail address) prior to the April 6 meeting, which will allow DHCS to research topics and provide thorough responses.

DHCS SNFD Status Updates

Provider Participation Agreement (PPA) and FY 2014-15 Annual Report Submissions (due November 30, 2015)

- As of January 27, 2016, 499 LEAs have submitted the PPA and 498 LEAs have submitted the FY 2014-15 Annual Report.
- SNFD is expecting approximately 550 submissions and will be reaching out to LEAs that have missed the submission deadline.

2015-2018 Data Use Agreement (DUA) and Attachment E Submissions (due November 30, 2015)

- As of January 27, 2016, 498 LEAs have submitted the 2015-18 DUA and 500 LEAs have submitted Attachment E.

Cost and Reimbursement Comparison Schedule (CRCS) Update

- FY 2013-2014: as of January 28, 2016, A&I has accepted 512 submissions
 - 496 DHCS Form 237- *Medi-Cal Cost and Reimbursement Comparison Schedule*
 - 16 DHCS Form 2437a- *Certification of Zero Reimbursements for LEA Services*
- 52 LEAs did not submit the FY 2013-14 CRCS as of January 28, 2016. DHCS will be following up with these LEAs.
- The Department gave an update on delinquent CRCS Reports for prior fiscal years. A total of 13 LEAs are on 100% withhold.
 - 8 for FY 2012-13
 - 5 for prior fiscal years

Site Visit/Technical Assistance

- DHCS conducted one site visit in December.
- A January site visit was cancelled (by LEA).
- DHCS has a site visit scheduled in March, and is in the process of scheduling additional site visits.
- In December and January DHCS provided 'telephone site visits' via conference call and Web Ex to two LEAs who requested technical assistance.
 - Provided overview of LEA website and resources
 - Showed LEAs how to find answers to questions using available resources
- The Department encouraged LEAs that would like technical assistance to submit a site visit request form.

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LEA Website Updates and E-blasts

- E-blast 12/1/15: PPL 15-023 (CPT Codes) and PPL 15-024 (Telehealth)
- E-blast 12/4/15: Provider Manual Updates
- E-blast 12/7/15: Program Participation Documents Deadline (November 30, 2015)
- E-blast 12/17/15: SPA 15-021 RAIs
- E-blast 12/18/15: Approval of Transportation Regulation Package DHCS-12-015
- E-blast 1/21/16: Reminder to Vendors regarding DUA and Attachment E
- An attendee requested that the Provider Manual updates include an effective date so they can track when changes are implemented.

Denial of Transportation Claims (EPC 29273)

- Xerox inadvertently deleted Category of Service 075 from certain procedure codes resulting in some transportation claim denials. The issue affected claims processed from March 23, 2015 through June 2, 2015.
- Erroneous Payment Correction (EPC) 29273 was initiated to reimburse affected LEAs.
 - Xerox resubmitted affected claims appearing on RADs beginning December 10, 2015 with Claim Control Number (CCN) 532855 ([EPC Letter](#))
 - Net Impact = +\$101,440; 75 providers affected

Electronic Health Record (EHR) Over-withholds

- DHCS is working with Xerox to determine amounts withheld from EHR payments to reimburse affected LEA.

Fair Share Reimbursements/Collections for FY 2013-14

- DHCS is working with Xerox to compile data needed to calculate the Fair Share reimbursement or collection for each LEA for FY 2013-14.
 - Will include carry over collections from LEAs for FY 2011-12 and FY 2012-13

Annual Accounting of Funds Summary Report for FY 2014-15

- DHCS received Adjudicated Claim Line (ACL) data from Xerox and is finalizing this report.

Reduce A&I/NCI Withhold

- DHCS submitted Operating Instruction Letter (OIL) 420b-14 to Xerox to reduce the 2.5% A&I/NCI Withhold to 1.5%.
 - Estimated implementation in March/April 2016
- DHCS mentioned that a reconciliation will take place for any over-collected withholds, and noted that over-collection due to a withhold applied to CRCS cost settlement or EHR payments is a separate process.

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Random Moment Time Study (RMTS)

- Fifteen Implementation Advisory Group (IAG) meetings have taken place in Sacramento to date.
- Four additional meeting dates are scheduled (March, April, and twice in May).

Termination of SLP CPT Code 92506 and Implementation of CPT Codes 92521-24 and 92557

- Xerox is in the process of updating the rate table and utilization controls (expected to take 90 days).
- Subject of future breakout session to determine how to best educate stakeholders on the new billing requirements.
- SNFD and NCI responded to questions regarding utilization controls on the four new speech codes and noted that they will be applied in a manner similar to the current speech assessment code.

Telehealth

- Xerox is in the process of updating the rate table and utilization controls (expected to take 90 days).
- Subject of future breakout session to determine how to best onboard and educate stakeholders.
- NCI mentioned that telehealth will have a modifier attached to the procedure code being claimed, and if the service is not a telehealth service then there will be no change in billing practice. The Workgroup was reminded that telehealth services must be provided by a practitioner holding a California license in order to be eligible for Medi-Cal reimbursement.

SPA 15-021 (New Services and RMTS Implementation)

- SPA 15-021 was successfully submitted to CMS on September 30, 2015.
 - CMS responded on December 10, 2015 with a Request for Additional Information (RAI).
 - DHCS is working collaboratively with NCI and stakeholders to respond to the RAI.
- DHCS is working collaboratively with the RMTS Implementation Advisory Group to successfully onboard the RMTS methodology for the LEA Program. RMTS meeting updates are posted on the LEA Program website on the RTMS landing page.

May 2014/May 2015 Combined Legislative Report

- The LEA Legislative Report will be combined for FYs 2013-14 and 14-15. NCI and SNF are working collaboratively on the report and it is under review by DHCS management.

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SPA Update

- Responses to CMS' Request for Additional Information (RAI) are being prepared by SNFD and NCI. A call with CMS, SNFD, and NCI took place on Wednesday, January 27th but had limited CMS participation due to a snowstorm on the East Coast. Some questions were answered during that call, but SNFD noted that an additional meeting will need to be scheduled to continue the discussion.
- SNFD mentioned they will be phasing their responses to the CMS RAI as follows: In Phase I, DHCS will answer all non-complex questions; In Phase II, DHCS will respond to questions that require additional research or stakeholder feedback; Finally, DHCS will respond to questions that require more research and/or management-level decisions.

Free Care Update

- Free Care changes are included in pending SPA 15-021. The Department noted that CMS asked additional questions to DHCS regarding dual eligible students on the RAI conference call held on January 27th. DHCS is in the process of researching CMS' questions.
- At this time, LEAs should continue to follow the current LEA Provider Manual guidance on Free Care. Once SNFD finalizes the new policy on free care, they will formally notify LEAs through a PPL and edit the LEA Provider Manual.

RMTS IAG Update

- Two IAG meetings have taken place since the last LEA Workgroup meeting, including:
 - December IAG meeting – reviewed and proposed edits to the definition of Activity Code 2; Reviewed RAIs and provided feedback to SNFD on specific CMS questions.
 - February IAG meeting – reviewed different state RMTS Implementation Guides, which helped identify key areas that will need to go into the future LEA RMTS Implementation Guide.
 - Next meeting in early March will focus on LEA RMTS training.

Third Party Liability (TPL)

- A LEA requested that DHCS/NCI provide LEAs with the status of a TPL waiver in other states.

Workgroup Breakout Session

The goal of the Workgroup breakout sessions are to brainstorm challenges and barriers in smaller workgroups, and use combined expertise to provide guidance to DHCS and suggest planning and solutions. There was one breakout session this meeting, which focused on SPA 15-021 and CMS' Requests for Additional Information. The group discussed questions that required input from the Workgroup.

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Next Meeting

The next meeting will take place on Wednesday, April 6, 2016 at Natomas Unified School District.