Local Education Agency (LEA) Medi-Cal Billing Option Program
Advisory Workgroup Meeting
February 11, 2015 Meeting Minutes

Location: Natomas Unified School District (USD)

Attendees: Rick Record, Safety Net Financing Division (SNFD); Cheryl Ward, SNFD; Stephanie Magee, SNFD; Dmitry Terlesky, SNFD; Vongayi Chitambria, A&I Financial Audits Branch (FAB); Renzo Bernales, California Department of Education (CDE); Kevin Harris, Navigant Consulting; Marna Metcalf, Navigant Consulting; John Azpeitia, Navigant Consulting; Aurelie Alvarez, LACOE; Brian Baterina, San Mateo COE; Cathy Bennett, Sacramento City USD; Christine Wilhite, Butte COE; Christyal Salinas, New Haven USD; Claudia Ginsberg-Brown, Capistrano USD; Debbie Daly, Pittsburg USD; Debbie Geer, Glenn COE; Debbie Wood, Bakersfield City SD; Diane Rey, Santa Ana Unified SD; Dorothy Raab, Santa Cruz COE; Jackie Swords, Lancaster SD; Janice Bates, Stockton USD; Janice Holden, Stanislaus COE; Jeremy Ford, Oakland USD; Kate Tharler, Sonoma Valley USD; Laurie Lane, Winters Joint USD; Margarita Bobe, LAUSD; Mark Muller, Santa Maria Bonita SD; Mary Anne Delleney, Folsom Cordova USD; Michelle Cowart, Contra Costa COE; Michelle Morales, San Jose USD; Randy Nakamura, Hayward Unified; Robert Stout, Alameda COE; Rose Medeiros, Modesto City Schools; Sandra Butler-Roberts, Monterey COE; Sharon Kuhfal, Pleasanton USD; Dr. Sherry Purcell, LAUSD; Tammy Jones, Ventura COE; Teresa Olivares, San Bernardino City USD; Tom Etchart, Ventura COE; Tracy Cole, Natomas USD; Wendi Yamabe, Saugus Union SD; Willie Gutierrez, Stockton USD.

Handouts

Each participant was emailed an electronic copy of the following: Workgroup Meeting Agenda, December 2014 Meeting Minutes, February DHCS Status Update Summary, December 2014 LEA Workgroup Breakout Sessions Summary and Results Grids; LEA Workgroup Breakout Group Instructions and Supporting Documents.

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.

Review of Meeting Minutes

The Workgroup reviewed the December meeting minutes. No edits were suggested and the minutes will be posted on the LEA Medi-Cal Billing Option Program website.

Local Education Agency (LEA) Medi-Cal Billing Option Program
Advisory Workgroup Meeting
February 11, 2015 Meeting Minutes

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

- CDE noted that they received an updated draft Interagency Agreement from DHCS, which is currently in CDE's Legal Division for review. CDE will be developing a response, and then expects a future meeting with DHCS representatives.

DHCS A&I Updates

- A&I Financial Audits Branch (FAB) gave a brief overview of the CRCS audits in process for FYs 09/10, 10/11 and 11/12. For these three fiscal years, 1,465 CRCS reports were filed and 548 audits have been issued in the last two months. Of the 1,465 reports received, 71 percent of audits are complete, 20 percent are receiving limited audits, and the remaining approximately ten percent of reports have a zero settlement amount.
- FAB noted that ARAS is reviewing the FY 12/13 CRCS report submissions. For FY 12/13, approximately 54 CRCS reports are outstanding. On 1/13/15, withhold letters were sent to these providers, placing them on 100 percent withhold until report submission. SNF is following up with providers on 100 percent withhold for prior reporting periods, as follows:
    - FY 2009/10: nine LEAs on withhold
    - FY 2010/11: six LEAs on withhold
    - FY 2011/12: sixteen LEAs on withhold
- CDE noted that the SELPA may be helpful in assisting DHCS with non-compliance, and offered to assist DHCS in identifying the appropriate contact person.
- Workgroup members commended the Department for working to identify and follow-up on delinquent CRCS reports, but expressed concern on the lack of process to inform LEAs when audits are completed. FAB informed the group of the process of notifying providers, as follows:
    - LEAs receiving a minimal audit – the CRCS reports are generally accepted as filed, unless there is a discrepancy between the CRCS interim units/reimbursement and the paid claims processing system information for the respective fiscal year. If no discrepancy exists, the LEA is not notified that the audit is complete, which may be causing confusion among providers since there is no formal notification (only an action notice to the Fiscal Intermediary letting them know what action is necessary for cost settlement). If A&I makes an adjustment to the as-filed CRCS during a minimal review, the provider is notified.
    - LEAs receiving a limited audit or field audit – A&I will contact the LEA to let them know what additional documentation is required of the provider. In these cases, a formal exit conference will take place at the conclusion of the audit and adjustments are documented in a 15-day letter. As indicated in the 15-day letter, the provider has 15 days to respond if they don't agree with the proposed adjustments; otherwise, the audit will be finalized and issued by FAB.

- Workgroup members discussed concerns and cited examples where sample claims were disallowed based on general Medi-Cal regulations in effect at the time of service. FAB noted that Medical Review Branch (MRB) is largely responsible for claim audits and that FAB is auditing to Medi-Cal regulations in effect during the relevant time period. The Workgroup discussed the importance of being part of the training process with regard to documentation, helping SNFD to identify systemic issues for future training examples.

DHCS SNFD Status Updates

FY 2012-15 Provider Participation Agreement (PPA) / FY 2013/14 Annual Report (due 11/30/14)

- SNFD reported that to date they have received 472 Annual Reports.
- Regarding the PPA, SNFD has received and processed six new LEA PPAs and an additional five PPAs have been returned to the provider for corrections.

FY 2012/13 Cost and Reimbursement Comparison Schedule (CRCS)

- On 1/13/15, A&I FAB sent letters to 104 LEAs instructing them to submit delinquent FY 12/13 CRCS reports or they will be put on 100 percent claims withhold. On 1/14/15, the Department also informed all providers of this via LEA e-blast.
- On 2/3/15, the Department reported that 73 LEAs were still delinquent and received email reminders that they must submit the CRCS or be placed on 100 percent withhold.

FY 2015-18 PPA; FY 2014/15 Annual Report (AR); FY 2015-18 Data Use Agreement

- SNFD will update the PPA and AR to make them more “user friendly”.
- All three documents will be due on the same date, allowing for electronic signatures and submission.

Miscellaneous LEA Website Updates

- The Internal Administrative Functions Chart was posted in December 2014.

Erroneous Payment Correction (EPC) 24350

- EPC 24350 will be issued to correct payment discrepancy: 92507 GN TM claims submitted on or after 7/1/12 paid at the older, uninflated rate.
- Navigant Consulting (NCI) reviewed the Xerox test results and EPC installation is forthcoming.

System Development Notice (SDN) 14002

- SNFD is working on an SDN instructing Xerox to exempt cost settlements, over-collected withhold reimbursements and electronic health record provider incentive payments from the withhold process. The DHCS walk-thru of the SDN is scheduled for early March 2015.

Local Education Agency (LEA) Medi-Cal Billing Option Program
Advisory Workgroup Meeting
February 11, 2015 Meeting Minutes

FY 2013/14 LEA Program Annual Accounting of Funds Summary Report

- DHCS reported that they are awaiting the close of FY 2013/14 Expenditures Report before finalizing the Annual Accounting of Funds Summary Report.
- DHCS presented a draft summary and discussed the compilation of expenditures with workgroup members.
- Workgroup members expressed concern that Navigant Consulting remains underutilized, given the significant difference between the funds paid to Navigant Consulting in FY 13/14 and the $1.5 million contract cap. Members noted that the Program is undergoing significant changes, especially with the upcoming transition to RMTS, and noted NCI's involvement will be necessary for successful RMTS implementation in the LEA Medi-Cal Billing Option Program.

Termination of Speech-Language Pathology (SLP) CPT Code 92506 and Implementation of CPT codes 92521-24 and 92557

- SNFD will meet with DHCS Fee-for-Service Division to confirm the rate methodology for the new SLP CPT codes (92521-24).
- SNFD will schedule a meeting with CMS to present the rate methodology.
- Workgroup members noted the importance of getting the information out to LEAs as soon as possible, allowing time for LEAs to modify their internal billing systems.
- Workgroup members requested SNFD allow time for training prior to implementation.

Telehealth

- The Department has established talking points for a conversation with CMS regarding the feasibility of including the Facility Site Fee and Transmission Cost as claimable services. SNFD plans to move forward with CMS discussions and will provide an update at the April LEA Workgroup Meeting

Random Moment Time Study (RMTS)

- NCI reported that they completed a third-party assessment of the confidential online surveys and limited follow-up phone discussions, and presented a high-level summary of issues identified during the assessment process.
- DHCS selected members of the RMTS Implementation Advisory Group (IAG), comprised of technically qualified representatives. The IAG will meet for the first time in late-February 2015.

SNFD Site Visits/Technical Assistance

- SNFD is in the final process of developing the Site Visit/Technical Assistance plan, expected to be implemented by 7/1/15.
- Technical assistance will be provided to new LEAs, LEAs who are out of Program compliance, or those requesting assistance.
- SNFD requested volunteers from the Advisory Workgroup who would like to receive technical assistance, and will follow-up with those LEAs in the coming weeks.

Applied Behavior Analysis (ABA)

- On 12/23/14, SNFD sent a survey asking for information on ABA services in schools, at the request of the Managed Care Division. The survey was sent to 29 LEAs, eight of whom responded. Based on this limited group, SNF noted the following:
    - LEAs provide ABA services to students (with and without IEPs/IFSPs).
    - ABA services are determined based on several assessment types.
    - ABA services are provided by either licensed or unlicensed practitioners.
    - LEAs pay for the provision of ABA services and outside funding is limited.
- Workgroup members discussed ABA services and how those may fit into the new services identified in a future State Plan Amendment.

2.5% (NCI) and 1% (A&I) Withhold Over-collections and Under-collections

- Xerox refunded LEAs the over-collections of A&I withholds and NCI withholds for FY 2011/12 and FY 2012/13 on warrants issued on and around October 30, 2014 and November 3, 2014 using RAD 0728, "Payment to provider of an amount due resulting from other than a cost settlement".
    - November 18, 2014 e-blast informed LEAs of this payment.
    - Xerox will issue a provider letter or LEA bulletin in January 2015.
- DHCS will offset under-collections from LEAs for A&I expenditures to cover FY 2011/12 and FY 2012/13 and NCI expenditures to cover FY 2011/12 and FY 2012/13.
- DHCS noted that a retroactive adjustment for withholds collected on the refund amounts will be made to LEAs via a future EPC.

ICD-10

- The ICD-10 implementation date has been delayed by the federal government until October 2015.
- NCI is researching the CMS General Equivalence Mapping guides and related materials, and reviewing relevant ICD-10 codes and descriptions. NCI will create a table of possible crosswalk combinations based on the ICD codes most often used within the LEA Program. This information will be presented at the April 2015 workgroup meeting.

Transportation Regulations

- SNFD noted that the regulations package was approved by Health and Human Services Agency, although they requested that the California Department of Education review and sign off on the package.
- The transportation regulations package is currently with CDE

Training

- SNFD provided a summary of the December Workgroup Meeting breakout session on future LEA training. The breakout group representatives recommended no longer than 2-hour morning training sessions in Spring or Fall.

- The group discussed a Fall 2015 training, taking place over two days. Day one would be a 2-hour session that includes the general program requirements ("LEA 101") and would be targeted to new LEAs or new personnel within existing LEAs. Day two would be a 2-hour session that includes new Program developments and documentation requirements.
- Workgroup members agreed that an October webinar would work for most LEAs, but would like the training to be after the National Alliance for Medicaid in Education (NAME) conference (October 4-7).

Free Care Principle

- On 12/16/14, LEAs were informed via e-blast that CMS issued a letter to clarify ambiguities concerning Medicaid payment for services provided without charge ("free care"). SNFD requested that the DHCS Office of Legal Services provide input as to how this new guidance will affect the LEA Program.
- This subject will be discussed in today's Advisory Workgroup breakout session.

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. Prior to discussing the two breakout session topics, Workgroup members reviewed the breakout session summary and results grids from the December Workgroup meeting.

- Workgroup members discussed the December 2014 CMS Letter regarding changes to the Free Care policy, and developed a list of questions that will be forwarded to the NAME organization (NAME is collecting comments to review with CMS on this topic).
- Workgroup members briefly discussed potential new services and reviewed a matrix of new services, developed by DHCS. Workgroup members noted new services that were previously discussed and missing from the matrix, and requested those be added to the matrix (e.g., Specialized Assessments, Orientation and Mobility Services).

Next Meeting

- The next meeting will take place on Wednesday, April 1, 2015 at Natomas Unified School District.