

**Local Education Agency Medi-Cal Billing Option Program
Ad Hoc Workgroup Meeting
May 28, 2014 Meeting Minutes**

Location: Department of Health Care Services (DHCS)

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|-----|--------------------|--|
| 1. | John Mendoza | DHCS |
| 2. | Michelle Kristoff | DHCS, Safety Net Financing Division (SNFD) |
| 3. | Rick Record | DHCS, SNFD |
| 4. | Cheryl Ward | DHCS, SNFD |
| 5. | Angelia Johnson | DHCS, SNFD |
| 6. | Martin Alvarez | DHCS, A&I Financial Audits Branch (FAB) |
| 7. | Alan Eng | DHCS, A&I FAB |
| 8. | Cori Miglietto | DHCS, A&I FAB |
| 9. | Michael Donohue | DHCS, A&I FAB |
| 10. | Vongayi Chitambira | DHCS, A&I FAB |
| 11. | Ricardo Garcia | DHCS, A&I FAB |
| 12. | Alex Legkly | DHCS, A&I FAB |
| 13. | Renzo Bernales | California Department of Education |
| 14. | Christine Wilhite | Butte County Office of Education (COE) |
| 15. | Sherry Purcell | Los Angeles USD |
| 16. | Margie Bobe | Los Angeles USD |
| 17. | Tracy Cole | Natomas USD |
| 18. | Jeremy Ford | Oakland USD |
| 19. | Cathy Bennett | Sacramento City USD |
| 20. | Janice Holden | Stanislaus COE |
| 21. | Rob Roach | Twin Rivers USD |
| 22. | Debbi Rebottaro | Mendocino COE |
| 23. | Laura Baynham | Mendocino COE |
| 24. | Debbie Geer | Glenn COE |
| 25. | Melissa Lovick | Downey USD |
| 26. | Michelle Cowart | Contra Costa COE |
| 27. | Kevin Harris | Navigant Consulting, Inc. |
| 28. | Marna Metcalf | Navigant Consulting, Inc. |

Handouts

Each participant was emailed an electronic copy of the following: Workgroup Meeting Agenda, April 2014 Meeting Minutes, April 2014 Breakout Summary, draft Internal Administrative Functions chart, May DHCS Status Update Summary, PowerPoint Summary of FY 13/14 Breakout Sessions, LEA Workgroup Breakout Group Instructions, final draft of the LEA Transportation Claiming Guide, final draft of the LEA Onboarding Handbook, and draft revisions to the Speech Therapy and Telehealth Provider Manual sections.

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Purpose

The meeting was convened by DHCS. 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.

Review of Meeting Minutes

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

Future Goals of Stakeholder Meetings (DHCS)

The Department indicated that the structure of the Ad Hoc Workgroup meetings will be modified to ensure that all LEAs that would like to participate in the meetings are able to do so. The Department would like to foster increased collaboration and build partnerships with the LEA provider community and believes that opening up the meetings to statewide participation will help meet these goals. The Department indicated that they are still working out the logistical issues and that space constraints may create the necessity to establish a first-come, first-serve RSVP policy. The Workgroup discussed the possibility of establishing a conference line so that travel budgets do not restrict attendance in future meetings. The Workgroup discussed the role of vendors in future meetings and the Department noted that the meeting will only be open to LEA providers, and not their vendor representatives, given the Department's contracting relationship with the LEAs. Future Workgroup meetings are expected to be held in Sacramento at the Department of Health Care Services.

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 last AB 114 Transition Workgroup meeting was held earlier in May, and the final AB 86 Behavioral Intervention stakeholder workgroup, mandated by AB 110, will be held in June 2014.
- CDE will continue to provide technical assistance for the provision of mental health related services and the provision of Behavioral Intervention Plans. These two areas, BIP's and mental health related services, will also continue to be monitored through CDE/SED monitoring activities such as Special Education Self Reviews and Verification Reviews.
- CDE reported that they are currently waiting for a response from DHCS on a draft Interagency Agreement.

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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 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.
- A&I Audit Review and Analysis Section (ARAS) provided an overview of the CRCS acceptance process to the Workgroup. Generally, CRCS intake ensures that a PDF and Excel file were properly submitted by the provider, that the PDF is signed and includes all pages of the report, and that the correct file naming convention was used to submit the report. ARAS follows up directly with providers on these issues, as necessary.
- ARAS discussed the deadlines for submitting a CRCS and noted that A&I works with delinquent providers before they are placed on withhold (the process whereby 100 percent of a provider's claims are withheld until a CRCS is submitted).
 - Approximately 17 and 30 LEAs are currently on withhold for FY 2010/11 and FY 2011/12, respectively.
 - ARAS is in the process of putting approximately 38 LEAs on withhold for FY 2009/10 delinquent reports.
 - The Workgroup discussed the process and the importance of allowing A&I to remain the authority on CRCS intake, provider withholds, and the audit/review process.
- The Workgroup discussed instances in which multiple NPIs are attached to one IRS Tax ID Number (the FEIN, Federal Employer Identification Number) and how this impacts the withhold process. DHCS will conduct internal discussions on how to resolve this issue and report back at a future meeting.
- The Workgroup discussed instances in which the CRCS audit indicates that the LEA was overpaid for the fiscal year and how the LEA may refund the State for the overpayment. Workgroup members indicated that in past fiscal years, LEAs were allowed to cut the State a check for the amount due, if they preferred that method of repayment. However, providers noted that now the only option given to LEAs is to refund the overpayment via future claim withhold. DHCS will follow up on this issue and determine if it is still allowable for the LEA to cut a check for the entire amount due to the State.
- A&I FAB completed their follow-up with LEAs that have not submitted a CRCS report in FYs 2006/07, 2007/08 or 2008/09.
 - Almost all audit reports have been issued for the first three fiscal years; A&I is currently working to resolve a small number of outstanding reports.

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DHCS SNFD Status Updates

FY 2012/15 PPA / FY 2011/12 Annual Report (AR) Process

- SNFD has received 546 PPA/ARs to date. Of these, 540 are approved and 6 require corrections. Six PPA/ARs were submitted by LEAs that are new to the LEA Medi-Cal Billing Option Program.
- 11 LEAs have not submitted an AR. SNFD has attempted to call or e-mail these providers, with no response. If these LEAs do not submit an AR, DHCS will consider them out of compliance and move forward with placing the providers on withhold until they submit all required documents.

FY 2011/12 Annual Accounting of Funds Report

- The Workgroup discussed the FY 2012/13 LEA Medi-Cal Billing Option Program Annual Accounting of Funds Summary Report and the methodology for collecting or returning the proportionate withhold to LEAs.
- The summary was posted on the website in mid-May.
- LEAs may request supporting detail by contacting SNFD.

FY 2012/13 Rate Inflation EPC

- SNFD is working with Xerox to implement the EPC.
- Estimated implementation: August 2014 (subject to change).
- The Workgroup discussed the timing of the FY 2012/13 rate inflation EPC, the impact on the Quarterly Reimbursement Reports and the November 30 CRCS deadline.

FY 2012/13 Quarterly Reimbursement Report

- Report is on hold until FY 2012/13 Rate Inflation EPC is implemented.

FY 2013/14 Rate Inflation

- SNFD reported that the new inflated reimbursement rates are in the process of being implemented by Xerox, and that the increase was modest (less than one percent).

FY 2014/15 Rebasing

- Rebasing is on hold at this time, pending discussions on RMTS. However, SNFD indicated that they may consider rebasing after A&I has completed the FY 2009/10 and 2010/11 audits.

2.5% and 1% Withhold Overcollections

- SNFD has instructed Xerox to reimburse the over-collected withholds resulting from the A&I FY 2011/12 withhold. SNFD estimated that these payments will be distributed to LEAs over the summer.
- FY 2012/13 overcollections associated with A&I and SB 231 are being reviewed and will be reimbursed to LEAs (dates TBD, SNFD will continue to follow-up and will report at the next meeting).

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End of FY Checkwrite Hold for Fee-for-Service Provider Payments

- FY 2013/14 checkwrite hold for specific provider payments (including LEAs) was posted to the *NewsFlash* area of the Medi-Cal website on May 20, 2014.
- Payments scheduled for the June 19, 2014 checkwrite will be deferred to July 3, 2014, assuming enactment of the State FY 2014/15 Budget.

Cost Settlement Withholds

- DHCS indicated that Xerox will likely be able to update the claims processing system to eliminate withholds on cost settlements by implementing an Operating Instruction Letter (OIL), versus a lengthy System Development Notice (SDN), and projected a summer 2014 implementation.
- The Workgroup discussed the impact of over-collected withholds on CRCS cost settlements that have been already issued to LEAs.
 - CRCS cost settlements that have been issued were applied withholds.

Delinquent CRCS Withholds

- A&I FAB is implementing a one hundred percent 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 2009/10 EPC (erroneously denied RAD 0002)

- A&I continues to review this issue as CRCS reports are audited, but reports that the majority of LEAs have no variances related to the CRCS due to this EPC.

FY 2012/13 CRCS

- The Workgroup requested that the FY 2012/13 be posted on the LEA website prior to the FY 12/13 Quarterly Reimbursement Report so that LEAs may begin to complete the cost portion of the CRCS. DHCS agreed to move forward and post the report in early summer.

RMTS

- DHCS reported that they are looking at implementing the SMAA RMTS and then rolling in the LEA direct service RMTS at a later date. Although timing is currently unknown, DHCS would like to develop a concept paper for CMS in FY 2015/16, suggesting RMTS implementation in FY 2016/17 for the LEA Medi-Cal Billing Option Program.
- The Workgroup noted that they would like to be part of the RMTS discussions so that the distinct differences in the LEA Program are recognized during the development of the RMTS methodology. In addition, the Workgroup discussed the differences in coding between SMAA and direct services (particularly with respect to codes 2, 4 and 8), and suggested that a sub-committee within the LEA Workgroup be developed to work specifically on clarifying this area.

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- DHCS committed to including LEA representatives in a future committee that will be formed to discuss RMTS, and acknowledged that they are in initial phases of SMAA RMTS implementation and that no decisions with regard to the LEA Program have been made to date.
- The Workgroup requested a presentation on various states' direct service RMTS methodologies as a starting point in the RMTS discussion for the LEA Program.

2014 LEA Medi-Cal Billing Option Program Documentation Training

- DHCS hosted a webinar on April 29, 2014, which has 991 registrants and 445 attendees. The PowerPoint and speaker notes are now posted on the LEA Program website; the video version was corrupted and will not be available.
- Fifty questions were submitted by attendees. SNFD is developing FAQs that will be available on the LEA Program website at a future date. The Workgroup indicated that they would like to review the FAQs prior to website posting.

Site Visit Compliance Review Materials

- Draft compliance review package is currently under SNFD management review.
- The goal of the site visits, which are expected to be conducted in FY 2014/15, is to provide technical assistance to LEAs, particularly those that are new to the Program or out of compliance with Program requirements. The Workgroup suggested that SNFD work with A&I, MRB and CDE to ensure that the site visits remain technical in nature, and do not infringe upon the audit process or IDEA Regulations.

LEA Onboarding Handbook

- A final draft was provided to the Workgroup for comments and suggestions. The Workgroup will provide written feedback to SNFD by June 16, 2014.

LEA Transportation Claiming Guide

- A final draft was provided to the Workgroup for comments and suggestions. The Workgroup will provide written feedback to SNFD by June 16, 2014.

Telehealth

- The new Telehealth section and revised Speech Therapy section of LEA Provider Manual were provided to the Workgroup members for comment and suggestions. The Workgroup will provide written feedback to SNFD by June 16, 2014.
- SNFD noted that the Telehealth rate table and utilization controls must still be established and implemented in the claims processing system.

LEA Program Specialized Transportation Regulations Package

- The Regulations package is currently being processed by DHCS's Office of Regulations. This process generally takes twelve months and an opportunity for public comment will be available during the review period.

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LEA Program Report to the Legislature – May 2013

- The May 2013 Report is currently under Management review.

TCM Documentation

- SNFD noted that a CMS letter dated May 21, 1999 provides clarification on bundled services, noting that CMS will not recognize bundled services as acceptable for the purposes of claiming federal financial participation (FFP).
- DHCS guidance is that the IEP should describe the specific related service(s) to assist the student in accessing needed medical, educational or social services. It is not acceptable for LEAs to document TCM services with a general statement, such as: “TCM services will be provided to the student”. This clarification was provided in the recent training (now on the LEA website), PowerPoint slide 81.

Elimination of SLP 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)
 - 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.
- 92506 included many different evaluation procedures and the new codes reflect smaller components of the original 92506.
- Implementation deadline is July 1, 2014 for the general Medi-Cal Program.
 - SNFD is currently trying to determine if the LEAs may establish an effective date that is different from the general Medi-Cal Program.
 - SNFD is currently trying to identify the appropriate person at CMS to ask if the State must implement all four of the new CPT Codes to replace 92506.
 - LEAs will be notified of status via e-blast.

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Workgroup Breakout Session

The goal of the Workgroup breakout sessions is to brainstorm

- Workgroup members discussed the high priority items to address in FY 2014/15, including: RMTS, Elimination/Addition of Speech Therapy CPT codes, NCI work plan/load, new services/provider types for the LEA Program, development of a tool box (to include LEA tool box, audit tool box and self-audit checklist), Targeted Case Management (TCM), adding TCM and Transportation to the CRCS, rate rebasing, ICD-10 implementation (October 2015), provider training sessions.
- The Workgroup discussed how to implement the meeting format changes moving forward so that LEAs that are actively participating in the Program can join the Workgroup.
 - DHCS plans to issue an invitation to all LEAs going forward that they are welcome to attend the meetings, as long as they are active and engaged meeting participants.
 - The Workgroup discussed that although there will be no bylaws or regulations for the group, there will be expectations of the attendees, including confidentiality requirements.
 - In order to maintain the working nature of the meetings, it was suggested that LEAs that join by phone may be limited to participating in the morning session (where updates are provided and issues are discussed in a larger group), but that the afternoon breakout sessions may be reserved for those that attend the meetings in person.
 - DHCS will consider the input received and work to develop guidelines for the August meeting.

Next Meeting

- SNFD scheduled for Wednesday, August 6, 2014 10:30am-4:00pm at DHCS.