

Section I:  
Overview of SB 231 and  
SPA 03-024 Implementation

## Overview of Senate Bill 231

- Sponsored by Senator Ortiz and signed into law in October 2001
- Objective is to enhance Medi-Cal services provided at school sites and access by students to these services
- U.S. General Accounting Office Report published in April 2000 estimated that California ranked in the bottom quartile nationally in average school-based claim per Medicaid-eligible child

# Senate Bill 231 Implementation Activities

- Identify and address barriers to reimbursement not imposed by federal requirements
- Increase school participation in the LEA program
- Provide statewide training to school personnel on the LEA program and policies

## Senate Bill 231 Implementation Activities (Cont'd)

- Streamline eligibility verification process
- Recommend new services
- Implement rate study recommendations
- Modify the LEA program website

# California School-Based Services Medi-Cal Programs

- LEA Medi-Cal Billing Option (LEA)
  - ✓ Provides reimbursement for health services at fee-for-service rates (W&I Code Section 14132.06)
  - ✓ Providers submit claims for each service provided
  
- Medi-Cal Administrative Activities (MAA)
  - ✓ Provides reimbursement for administrative activities necessary for the proper and efficient administration of the Medi-Cal program (W&I Code Section 14132.47)
  - ✓ Providers submit invoices that reflect time spent on administrative activities
  - ✓ Providers must bill in the LEA Program

## Overview of SPA 03-024

- Update rates for assessments and treatment services
- Transition to national, HIPAA-compliant code structure
- Update the LEA portion of the Provider Manual
- Design cost reports to comply with requirements for certified public expenditure programs
- Add new qualified rendering practitioners

## Overview of SPA 03-024 (Cont'd)

In order to develop updated rates for assessment and treatment services, a rate study was conducted. As a result:

- New qualified practitioners were assigned rates for existing services
- Interim state-wide rates were established for LEAs
- DHS will reconcile total LEA Medi-Cal costs to total LEA Medi-Cal payments received under the new rates
- LEA-specific final cost settlement will be determined by DHS Audits & Investigations

# LEA Medi-Cal Billing Option Program Certified Public Expenditure Program

- Allowable costs are based on the provision of covered health services
- Certified public expenditure programs require an annual reconciliation to compare costs with reimbursements
- The reconciliation results in a “difference” owed to/from the LEA

# LEA Medi-Cal Billing Option Program Certified Public Expenditure Program (Cont'd)

## **LEA Responsibility**

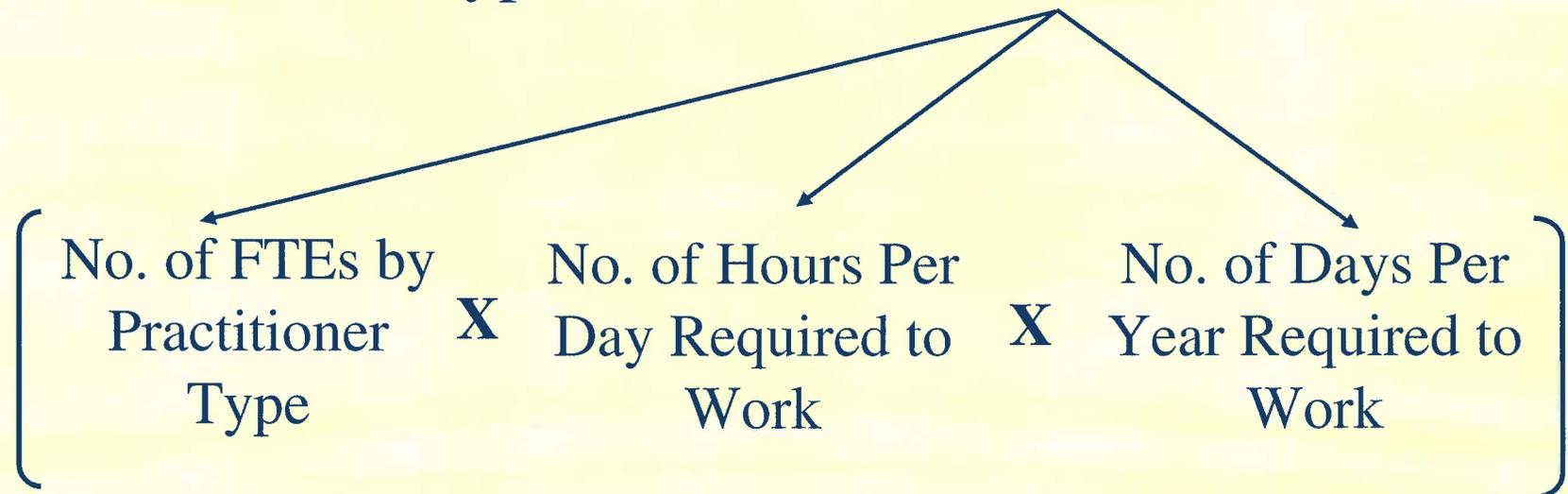
The LEA is responsible for reporting and documenting the costs associated with the direct provision of health services

# LEA Medi-Cal Billing Option Program Certified Public Expenditure Program (Cont'd)

## LEA Responsibility

Total Direct  
Personnel Costs for  
Practitioner Type

Total Annual  
Hours Required to  
Work



# LEA Medi-Cal Billing Option Program Certified Public Expenditure Program (Cont'd)

- LEAs will be responsible for:
  - Providing information in the unshaded portions of the CRCS worksheets
  - Compiling and maintaining documentation that supports the CRCS
- The information provided by the LEA in the CRCS will be used in the State's reconciliation process

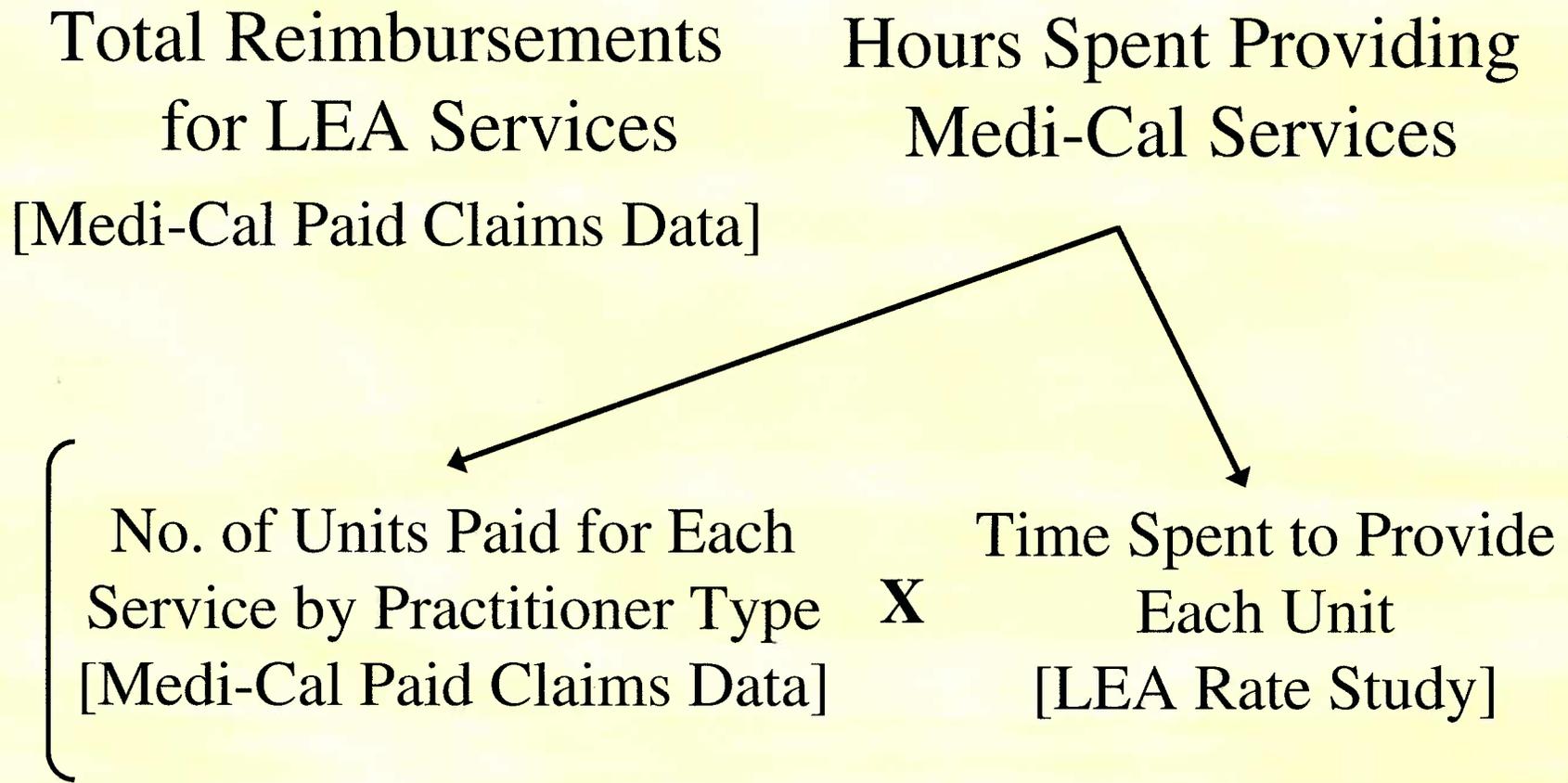
# LEA Medi-Cal Billing Option Program Certified Public Expenditure Program (Cont'd)

## State Responsibility

The State is responsible for reporting the interim reimbursements paid to LEAs based on the paid claims data, time spent providing Medi-Cal services (based on the prior rate study), and the final reconciliation of costs to reimbursements

# LEA Medi-Cal Billing Option Program Certified Public Expenditure Program (Cont'd)

## State Responsibility



# LEA Medi-Cal Billing Option Program Qualified Rendering Practitioners

- The LEA Provider Participation Agreement ensures that all Medi-Cal covered services are furnished by qualified practitioners
- In June 2001, the State Plan was amended to include credentialed practitioners as providers of treatment services (with limitations), and physicians as providers of LEA services

# LEA Medi-Cal Billing Option Program Qualified Rendering Practitioners (Cont'd)

## Psychologists

- Licensed psychologist, licensed educational psychologist, credentialed school psychologist

## Social Workers

- Licensed clinical social worker, credentialed school social worker

## Counselors

- Licensed marriage and family therapist, credentialed school counselor

# LEA Medi-Cal Billing Option Program Qualified Rendering Practitioners (Cont'd)

## Nurses

- Registered credentialed school nurse, certified public health nurse, licensed RN, certified nurse practitioner

## Speech-Language Pathologists

- Licensed speech-language pathologist, speech-language pathologist

## Audiologists

- Licensed audiologist, audiologist

LEA Medi-Cal Billing Option Program  
Qualified Rendering Practitioners (Cont'd)

Licensed Vocational Nurse

Trained Health Care Aide

Licensed Physician/Psychiatrist

Licensed Physical Therapist

Registered Occupational Therapist

Registered School Audiometrist

Licensed Optometrist

# LEA Medi-Cal Billing Option Program Cost and Reimbursement Comparison Schedule

**Local Educational Agency (LEA) Medi-Cal Billing Option Program  
Medi-Cal Cost and Reimbursement Comparison Schedule <sup>(1)</sup>  
Worksheet A: IDEA Services <sup>(2)</sup>  
Fiscal Year 2006-2007**

**DRAFT**

(Object Code) <sup>(3)</sup> Practitioner Type	Salaries (1000-2999) A	Benefits (3000-3999) B	Other Costs <sup>(4)</sup> C	Total Personnel Costs D = A+B+C	Percent of Time Providing Medi-Cal IDEA Services <sup>(5)</sup> E	Direct Cost of Providing Medi- Cal IDEA Services F = D*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						

a. Total Medi-Cal IDEA Direct Service Costs (sum of lines 1-12, column F)	_____
b. Indirect Cost Rate	_____
c. Indirect Costs (a times b)	_____
d. Total Medi-Cal IDEA Service Costs (a plus c)	_____
e. Federal Medical Assistance Percentage (FMAP)	_____
f. Medi-Cal Maximum Reimbursable - IDEA Services (d times e)	_____
g. Interim Medi-Cal Reimbursement - IDEA Services <sup>(6)</sup>	_____
h. Overpayment (Underpayment) - IDEA Services (g-f)	_____

**Notes:**

- <sup>(1)</sup> In Columns A-B, include personnel costs necessary for the provision of health services. Exclude costs (or the portion of costs) that are funded by federal revenues.
- <sup>(2)</sup> Services provided to students under the Individuals with Disabilities Education Act (IDEA).
- <sup>(3)</sup> Object codes on this schedule are described in the California School Accounting Manual, Part II Standardized Account Code Structure (SACS) issued by the California Department of Education.
- <sup>(4)</sup> Other costs necessary for the provision of health services. (From Column G of Worksheet A-1-B-1).
- <sup>(5)</sup> Number of units paid by Medi-Cal for each LEA IDEA service multiplied by the time worked by practitioners to provide one unit of service (numerator) divided by the total annual hours each practitioner type were required to work (denominator). The number of units paid will be determined from Medi-Cal paid claims data. (From Column G of Worksheet A-2/B-3).
- <sup>(6)</sup> From Column F of Medi-Cal Paid Claims Report for IDEA Services.

LEA Name \_\_\_\_\_  
Provider Number \_\_\_\_\_

