Local Educational Agency (LEA) Medi-Cal Billing Option Program

Frequently Asked Questions

Cost and Reimbursement Comparison Schedule (CRCS)

****PLEASE REVIEW THE LEA MEDI-CAL BILLING OPTION PROVIDER MANUAL FOR COMPLETE LEA PROGRAM AND POLICY INFORMATION****

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CRCS General Questions

Q1. What is the purpose of the CRCS?

A. The CRCS is a mandatory requirement for participation in the LEA Medi-Cal Billing Option Program (LEA Program). The LEA Program requires that LEAs annually certify that the public funds expended for LEA services provided are eligible for federal financial participation, in accordance with 42 CFR 433.51. The California Department of Health Care Services (DHCS) must also reconcile the interim Medi-Cal reimbursements to LEAs with the actual costs LEAs incur in the course of rendering eligible services. The CRCS will be used to compare each LEA's total actual costs for LEA services with interim Medi-Cal reimbursement for a specific fiscal year. This will determine if LEAs are owed additional funds to DHCS, or vice versa.

Q2. Is the CRCS mandatory?

A. Yes, in accordance with 42 CFR 433.51, continued enrollment in the LEA Program is contingent upon timely submission of the CRCS each fiscal year. DHCS may implement a penalty for late or non- submission of CRCS forms and LEA payments may be reduced or withheld until the CRCS has been received and accepted for processing.

Q3. If an LEA is a billing consortium and billing under one LEA National Provider Identifier (NPI), how should the CRCS be completed? Do the LEAs in the consortium have to be listed?

A. When multiple school districts bill with one LEA NPI, it is advisable that one draft CRCS be completed for each of the school districts operating under that NPI. Each individual CRCS should then be aggregated into a final CRCS submitted by the billing consortium. This may help ensure that costs or practitioner hours aren't excluded or double counted. LEAs are now required to report whether or not the LEA is part of a billing consortium on the CRCS Certification page. If the LEA is part of a billing consortium, the LEA must report the LEA name and corresponding County/District/School (CDS) code for each participating member of the billing consortium.

Q4. Where do LEAs get the reimbursement, units and encounter data to complete the CRCS?

A. The CRCS is due annually on November 30th. LEAs may download a copy of the LEA Annual Reimbursement Report on the LEA Program website. LEAs should verify the reasonableness between their internal accounting system and the Annual Reimbursement Report to accurately report reimbursement, units and encounter data on the CRCS.

Q5. Why is DHCS not providing the Interim Reimbursement and Units of Service (IRUS) report?

A. The IRUS Report is now known as the Annual Reimbursement Report, which LEAs may download at the LEA website. The reimbursement information includes encounters, units of service and reimbursement by LEA and specific procedure code and modifier combinations. The report is based on paid claims data for dates of service and includes a cumulative fiscal year-to-date total. The cumulative fiscal year-to-date information aggregates the encounters, units of service and reimbursement for the fiscal year. The LEA Annual Reimbursement Report may assist LEAs in completing CRCS Worksheets A-4 and B-4. LEAs should verify the reasonableness between their internal accounting system and the LEA Annual Reimbursement Report and accurately report the information on the CRCS form.

Q6. What time period should my LEA collect costs/hours information for when completing the CRCS?

A. LEA information will be based on the costs incurred and hours worked within the CRCS reporting period. For example, for the FY 2013/14 CRCS, the LEA practitioner costs and hours will be for the July 1, 2013 to June 30, 2014 time period regardless of the fiscal year in which payment is received.

Q7. If you started billing in 2013/14 school year but retroactively billed for services provided in the 2012/13 school year, do you need to fill out the FY 2012/13 CRCS report since we really did not spend until the 2012-13 school year?

A. Yes, LEAs must complete a CRCS form for the year that they provided LEA services. So if your LEA did not start billing until the FY 2013/14 school year, but also retroactively billed for services in FY2012/13, your LEA must complete and submit a CRCS for FY 2012/13 and 2013/14.

Q8. If an LEA has not received LEA Medi-Cal Billing Option Program reimbursement before November 1st, will we still need to complete a CRCS report?

A. Yes, your LEA must complete a CRCS for any year that they are enrolled in the LEA Medi-Cal Billing Option Program and eligible to receive Medi-Cal reimbursement. The CRCS is based on the date services are provided, not when the reimbursement is received. Effective July 1, 2015, if your LEA did not receive any reimbursement for services provided during the fiscal year, it may submit the "Certification of Zero Reimbursement for LEA Services" DHCS Form 2437a, and is not required to submit the complete CRCS (Form 2437).

State and LEA CRCS Responsibility

Q9. What information is my LEA responsible for completing on my CRCS forms?

A. LEA providers must submit actual costs and annual hours worked for all practitioners during a specific fiscal year. Actual costs that LEAs will report in the CRCS include: salaries, benefits, and other costs related to the direct provision of health services, such as health-related materials and supplies. Hours that LEAs will report in the CRCS are based on the number of Full Time Equivalents (FTEs), and hours worked by these FTEs. LEAs will also be responsible for reporting costs incurred and hours paid for health services provided by independent contractors. In addition, LEAs will be responsible for reporting interim reimbursement, units of service and encounter information for the respective reporting period. DHCS will summarize reimbursement, units and encounter information for each LEA to assist LEAs with reporting the information on Worksheets A-4 and B-4. LEA providers must designate a signatory who will certify under penalty of perjury, to the accuracy of the data provided in the CRCS.

Q10. What portion of the CRCS forms is the State responsible for?

A. The State will be responsible for intake and review of the CRCS forms for completeness, and performing audits as necessary to determine the final cost settlement. DHCS Audits and Investigations (A&I) will audit the LEA's actual costs of providing LEA services to the interim Medi-Cal reimbursement paid for those services. A&I will conduct a desk and/or field review on each returned CRCS to complete the final settlement. The final settlement will determine whether the LEA was overpaid or underpaid for the LEA services provided based on their actual costs.

Q11. Can the State provide a list of LEAs and NPI numbers for those that have not submitted a CRCS report?

A. A list of LEAs and NPI numbers that have not submitted a CRCS will not be publicly available. The Audits and Investigations, Financial Audits Branch will directly contact LEAs that have not submitted a CRCS.

CRCS Reconciliation

Q12. Should we expect a CRCS audit yearly or is it random?

A. Yes. Each CRCS will be audited yearly, although the scope may vary from year to year. The level of audit will depend on the reported information provided in the CRCS.

Q13. How long does the State have to complete the reconciliation process?

A. DHCS will complete the final settlement no later than three years from the date that the CRCS is submitted.

Q14. How will A&I decide what type of audit review to perform?

A. A&I will use a variety of screening tools in order to identify specific LEAs for a desk review or field audit. Your LEA should be prepared for the possibility of any of the audit levels and it is advised to keep thorough documentation of any calculations or assumptions you made in completing your CRCS forms (for example, compile a CRCS audit support binder with relevant practitioner costs, hours and units, encounter and reimbursement information).

Q15. We received notice of a proposed audit adjustment and agreed with the findings. Do we expect to receive a bill for amount due to the state? If yes, what is the timeframe?

A. The amount due state will be recovered 100% on your next check write from your billing claims. If the total amount due is not recovered in the first check write the amounts due state will be recovered in the subsequent billings. Review your statement account status to identify amounts recovered.

Q16. Prior trainings on the CRCS process indicated that there would be an exit conference. Does the 15 day calendar notice fulfill the requirement for an exit conference?

A. An exit conference is performed in order to explain the audit adjustments to the appropriate LEA personnel after a field audit is completed.When a minimal or limited audit is performed, A&I sends the 15 Day Letter in lieu of an exit conference. Please refer to the LEA Program Training of September 24, 2015, Part II slides 15 to 20, for more details of the Audit Process.

CRCS Documentation Requirements

Q17. How long are LEAs required to retain documentation to support their submitted CRCS?

A. According to State and federal regulations, LEAs must keep, maintain and have readily retrievable documentation for a minimum of three years from the date of submission of the CRCS. All supporting documentation will be subject to review and/or audit by State and/or federal authorities. If the LEA is involved in a review or audit, documentation must be maintained in full until all outstanding audit issues are resolved. This may mean that the LEA will have to maintain documentation beyond the three-year minimum requirement. LEAs should not destroy documentation until a final cost settlement is received. If an LEA decides to appeal the CRCS audit findings, they should retain all information until the appeal is settled. Please note that if it is discovered that there is an intent to defraud, documentation would be required even beyond these time limits.

Q18. Are LEAs required to submit all supporting documentation to DHCS with the CRCS?

A. No, LEAs should not submit their supporting documentation to DHCS. However, as detailed in the CRCS, LEAs must maintain all of their documentation in accordance with State and federal requirements.

Q19. If an LEA has a discrepancy with their internal paid claims system in comparison to the State LEA Quarterly Reimbursement Report, how does the verification process work? If the LEA can provide detailed information by claim control number, can the State cross-reference to identify the differences?

A. If a LEA discovers billing discrepancies they should contact the FI to correct the paid claims data. During the audit, the State obtains a current Paid Claims Summary Report (PCSR) from the FI. The State adjusts paid claims data reported in the CRCS to agree with the PCSR. If the LEA has paid claims data that is not included in the PCSR, the State will review documentation that the LEA provides during the audit. Note that auditors cannot adjudicate claims.

Q20. Do we need to keep copies of Master Contracts that are currently negotiated and maintained by our local SELPA for the CRCS reports?

A. Yes, contract agreements need to be maintained for CRCS documentation purpose.

<u>Overpayment/Underpayment</u>

Q21. What happens if my LEA owes the State money as a result of the CRCS settlement process?

A. If your LEA's actual costs to provide Medi-Cal services are less than you received in interim reimbursements, you were overpaid during the respective fiscal year. If your LEA owes the State (overpayment), there will be offsets from future Medi-Cal reimbursements. Xerox, the fiscal intermediary, will offset future claims until the amount due is fulfilled. The offset will be reflected on the provider's Remittance Advice Report(s) as RAD Code 710. However, please note that DHCS reserves the right to recoup payments outside of Xerox from the LEA if necessary.

Q22. What happens if the State owes my LEA money as a result of the CRCS settlement process?

A. If your LEA's actual costs to provide Medi-Cal services are more than you received in interim reimbursements, you were underpaid during the respective fiscal year. If the State owes your LEA money (underpayment) the LEA will receive a "Statement of Account Status" letter from Xerox identifying the anticipated reimbursement amount and check date. The payment will be included in the check attached to the Medi-Cal Financial Summary and identified on line 8 (A/R Payments) with RAD code 710 "payment to provider of final cost settlement".

Q23. What is the CRCS post audit settlement process? How will we be able to identify the CRCS overpayment/underpayment?

A. Once A&I's Audit and Review Analysis Section (ARAS) receives the CRCS settlement amounts due to the provider/State from the A&I Financial Audits Branch, ARAS will process an Action Notice and send to Xerox, DHCS' Fiscal Intermediary and DHCS' Third Party Liability and Recovery Division.

- If the CRCS results in an overpayment, Xerox will offset any amount due to the State through the billing/payment process. This will be reflected on the Provider's Remittance Advice Report(s) as RAD Code 710: "payment to provider of final cost settlement".

- If the CRCS results in an underpayment and funds are due to the provider, LEAs will receive a “Statement of Account Status” letter from Xerox, which will identify the anticipated amount and check date for the additional reimbursement. The additional payment will be included in the check attached to your Medi-Cal Financial Summary and identified on line 8 (A/R Payments). The last page of your RAD will identify this payment with RAD Code 710: “payment to provider of final cost settlement.”

Q24. Are CRCS audit adjustments and withholds applied to LEAs using their Federal Employer Identification Number or NPI?

A. As part of the PPA/AR, LEAs report their Federal Employer Identification Number (EIN) on record with the IRS. The LEA EIN and corresponding NPI and CDS (California School Directory) code will ensure proper identification of the LEA. LEA CRCS overpayments/ underpayments are associated with the LEA EIN number, not the NPI. This allows DHCS to recover or provide reimbursement to LEAs that are no longer participating in the LEA Program.

CRCS Submission

Q25. Does DHCS want both electronic Excel and PDF versions of the CRCS forms so that you have the signature on file?

A. LEAs are required to submit an electronic Excel version and scanned PDF version of the entire CRCS with the authorized representative signature on the CRCS Certification page in blue ink. LEAs must maintain the original hard copy CRCS with all worksheets and Certification page signed in blue ink on site for DHCS Audits and Investigations staff. LEAs are not required to submit a hard copy to DHCS; the PDF version will serve as the original hard copy submission. An Excel version of the completed (signed) CRCS form and scanned version of the original signed completed CRCS form (i.e. PDF, JPEG, etc.) is required.

Q26. What is the penalty for LEAs that do not submit the CRCS on time?

A. DHCS A&I ARAS will implement a 100% withhold on LEAs that have not submitted a CRCS report and are more than 30 days past the annual CRCS deadline (November 30).

Mechanics of CRCS Forms and Data Input

Certification Sheet

Q27. Is it acceptable to designate one individual as the CRCS contact person and another individual as the signatory who takes responsibility for the accuracy of the CRCS data submitted?

A. Yes, it is acceptable to have one LEA contact person and another individual who is the signatory. It is important to make sure that the LEA contact person is fully knowledgeable about the LEA Program in your district or County Office of Education.

Q28. Is it acceptable to have a co-signatory on the CRCS?

A. Yes, more than one individual may sign to the accuracy of the CRCS.

Q29. Can the LEA designate a third party as their point of contact?

A. LEAs may choose a third party vendor as their point of contact to answer questions regarding the CRCS completion. In the event the LEA's contractor contacts DHCS, DHCS will include the LEA in the response. LEAs are ultimately responsible and must sign and certify under penalty of perjury to the accuracy of the information reported on the CRCS. In addition, the point of contact will be directly receiving future LEA Program communications from DHCS.

Worksheets A, B and A.1/B.1

Q30. Is it necessary to break-out the function codes by each practitioner type?

A. Yes, all salaries, benefits, and other costs must be split out by practitioner type for CRCS purposes.

Q31. Can federally funded employees be included in the CRCS FTE count?

A. Federally funded FTEs that worked in the LEA should be included on the CRCS. LEAs should exclude FTE hours if those FTEs are dedicated (either fully or partially) to another Federal program, aside from the Medi-Cal Billing Option Program. The LEA Medi-Cal Billing Option Program is a Certified Public Expenditures (CPE) Program, which requires LEAs to demonstrate that they are not reimbursed more than their actual costs. If the LEA has a federally-funded FTE that is fully dedicated to another Program (e.g., that FTE is not available to provide LEA Medi-Cal Billing Option Program services to students), the expenditures and all FTE hours would be excluded from the CRCS. If the LEA has a federally-funded FTE that is partially dedicated to another Program, the expenditures and those partially-dedicated hours would be excluded from the CRCS. FTEs are used to determine the percentage of time that practitioners are providing LEA services. If the portion of a federally funded practitioner's FTE, applicable to the time they spent providing LEA services is omitted from the CRCS, then the LEA percentage will not represent the percentage of time that ALL practitioners provided LEA services.

Q32. If my district receives federal funding, not directly identified to a practitioner group, but we choose to pay practitioners using these federal funds, do we claim these as federal revenues on the CRCS report? For example, I receive Title 1 funding that is unrestricted in how it is spent and we decide to pay psychologists with it. Is this considered federal funding for that practitioner group?

A. Yes, this is considered federal funding and the salary/expenditures are reported on Worksheet A.1/B.1 Column A and B. This federal portion is then identified on Column D with the revenue account number on Column E in order to determine the Net Total Personnel Costs (Column F).

Q33. Our LEA utilizes the LEA Medi-Cal Billing Option Program reimbursement to help fund health practitioners who provide LEA services. Is LEA reimbursement considered to be federal funds and should these be identified in the CRCS as federal funds?

A. LEA Medi-Cal Billing Option Program reimbursement (Resource code 5640) funds are not considered federal revenues for CRCS reporting purposes. LEAs may utilize the reimbursement to fund practitioner expenditures and can report the applicable practitioner costs on the CRCS; LEAs should not report the LEA Medi-Cal Billing Option Program funds as "federal revenues". In March 2012, DHCS issued Policy and Procedure Letter (PPL) # 12-006 that provided formal guidance on Resource Code 5640 funds.

Q34. I am putting together the CRCS for a multi-district SELPA. Five out of fifteen districts participate in Medi-Cal LEA billing. When I checked the chart for the Indirect Cost Rate, it listed 0.00% for the SELPA. However, each of my five participating districts has an indirect cost rate. How do I know what Indirect Cost Rate to enter on Worksheet A?

A. In instances where the SELPA has no indirect cost rate or where multiple school districts bill with one National Provider Number (NPI) (billing consortium), the appropriate way to determine the indirect cost rate that is entered on Worksheet A is to weight the individual district indirect cost rates by direct salary and benefit costs reported on the CRCS. The following is a simplified example:

A SELPA has three participating districts, A, B and C. District A accounts for salaries and benefits on the CRCS of $10,000 and has an indirect cost rate of 5%; District B accounts for salaries and benefits on the CRCS of $50,000 and has an indirect cost rate of 5%; District C accounts for salaries and benefits on the CRCS of $100,000 and has an indirect cost rate of 3%. The SELPA should first determine each district's weighting of total salaries and benefits on the CRCS:

District A = $10,000/$160,000 = .0625
District B = $50,000/$160,000 = .3125
District C = $100,000/$160,000 = .6250

The SELPA should then apply these weightings to the district's CDE-approved indirect cost rate:

District A = 5% * .0625 = 0.3125
District B = 5% * .3125 = 1.5625
District C = 3% * .6250 = 1.875
The indirect cost rate that the SELPA should report on Worksheet A of its CRCS is 3.75% (.3125 + 1.5625 + 1.875).

LEAs who use this methodology to calculate a weighted indirect cost rate should maintain adequate documentation for review/audit by State and/or federal authorities.

<u>Worksheets A-1/B-1</u>

Q35. How can I separate the supplies necessary for the direct provision of health services by practitioner type? For example, it will be difficult to precisely determine the extent that certain practitioners used non-capitalized equipment.

A. An allocation methodology has been developed for the CRCS in the case that certain costs cannot be distinguished by practitioner in your LEA's SACS system. Costs in Worksheet A-1/B-1 (excluding contractor costs, Columns E and F) may be allocated based on salary proportions. The following is a simplified example illustrating how to allocate based on salary proportions:

LEA A, who employs LVNs and RNs, incurs $2,629 for nursing materials/supplies. The LEA plans to allocate these costs between the nursing practitioners for CRCS reporting purposes using salary as the allocation basis. Total salaries for RNs and LVNs are $130,633 and $23,673, respectively, totaling $154,306. Using these figures, LEA A determines that RN salaries account for 84.66% of the total nursing salaries, and that LVN salaries account for the remaining 15.34% ($130,633/$154,306 = 84.6584% and $23,673/$154,306 = 15.3416%). In order to allocate the $2,629 of nursing materials, LEA A will multiply the cost by the allocation percentages determined above. In doing so, LEA A determines that $2,225.67 ($2,629 * 84.6584%, unrounded) of the $2,620 will be reported on the RN line on Worksheet A-1/B-1 and the remaining $403.33 ($2,629 * 15.3416%, unrounded) will be reported on the LVN line on Worksheet A-1/B-1.

Q36. Are photocopying costs, coded under object 5700, allowable costs that can be included in Worksheet A-1/B-1?

A. No, copying is not an allowable cost because it is not related to the direct provision of health services.

Q37. We have vehicle expenses related to direct health services which are paid out of object code 5600. Should we include these in object code 5200 as travel?

A. No, vehicle expenses coded to object code 5600 should not be included on the CRCS. Only object codes identified on Worksheet A-1/B-1 have been approved by the Centers for Medicare and Medicaid Services (CMS) and should be included on the CRCS.

Q38. There is not a column in the report for equipment, object code 6400. Where should we report equipment expenses?

A. Equipment expenses coded to object code 6400 should not be included on the CRCS. Only object codes identified on Worksheet A-1/B-1 have been approved by the Centers for Medicare and Medicaid Services (CMS) and should be included on the CRCS.

Q39. We contract with a consultant to process our claims. Is that service to be billed under Object Code 5800 and 5100?

A. You may only report contractor costs related to practitioners contracted to perform direct health services. Costs for consultants who process claims are not allowed to be reported on the CRCS and must be excluded.

Q40. Where can LEAs get more information regarding Non-Capitalized Equipment expenditures?

A. LEAs can find more information on Non-Capitalized Equipment in the Standardized Account Code Structure (SACS) or refer to the California School Accounting Manual, Procedure 330 for more detail.

Q41. Can charges for billing software and license fees be included on the CRCS?

A. No, the expenses reported on the CRCS must be attributable to the direct provision of health services. Administrative expenses must be excluded from the CRCS.

Worksheets A-2/B-2

Q42. Our contracted audiologists charge a flat rate per child. Will an invoice for this provide enough detail for CRCS reporting and documentation purposes?

A. No, an invoice showing an encounter rate will not provide acceptable documentation. If your LEA includes these contractor expenses, you will need to document the hourly costs and expenses for each practitioner.

Q43. In Worksheet A-2/B-2, what hours can be included in Column B for contracted practitioners?

A. Report total hours paid to independent health service contractors by practitioner type. Total hours should only include direct health service time. If total hours are not available in your accounting system, they may be estimated by dividing the contractor costs by the average contract rate per hour.

Q44. We are unsure how to account for Non-Public School (NPS)/Non-Public Agency costs. The contracts don't always break out the costs for the health related services, any suggestions for accounting for it accurately?

A. Districts may contract with Non-Public Schools (NPS) to provide both instruction and health services for students; however, it is the LEA's responsibility to collect sufficient detail from their contractors to document for the provision of health services. In order to include contractor expenses and hours on the CRCS, the expenses and hours specific to Medi-Cal reimbursable health services must be identified and documented.

Worksheets A-3/B-3

Q45. If my LEA has one half-time FTE and one full-time FTE, how do you account for their time and expenses?

A. Your LEA should record time and expenses for partial FTEs in the same manner as full-time FTEs. For example, if your LEA has one full-time nurse and one half-time nurse, record 1.5 FTEs in Worksheet A-3/B-3, Column A. If your full-time nurse has a salary of $40,000 and your half time nurse has a salary of $20,000, record $60,000.

Q46. Do LEAs need to record the number of times a practitioner has treated a child during the day or should they record the number of hours that the practitioner worked?

A. For CRCS purposes, LEAs are required to record the number of hours the practitioner worked, and support with documentation the total number of hours required to work per fiscal year for each practitioner.

Q47. If a practitioner is under contract to work a "professional day," rather than a specific number of hours per day, how do I determine the annual hours required to work for that FTE on Worksheet A-3/B-3, Column B?

A. In absence of a contract specific work day, the standard work day is 8 hours. To determine the number of annual hours required to work, the eight hour day should be multiplied by the number of days the practitioner is required to work per year.

Q48. How do you identify Extended School Year (ESY) activity in your claim? Usually ESY is for a period beyond the regular School Year contract hours.

A. LEAs are to report all total personnel costs and annual hours practitioners are required to work per year. The Annual Hours Required to Work per FTE (Worksheet A-3/B-3, Column B) is based on annual productive hours per FTE. If your LEA has practitioners rendering services during summer school or is on an extended school year, that time should be included in Column B.

Q49. If my LEA only participated in the LEA Program for a portion of the year, should I pro-rate my expenses?

A. If your LEA only participated in the LEA Medi-Cal Billing Option Program for a portion of the fiscal year, it is not necessary to pro-rate expenses on the CRCS report. The "pro-rating" of these expenses will take place on CRCS Worksheets A-3/B-3, where the Percent of Time Providing LEA Services is estimated for IEP/IFSP services and non-IEP/IFSP services. The percent of time estimates represent the number of units paid by Medi-Cal for each LEA service multiplied by the time (in minutes) worked by practitioners to provide one unit of service (numerator), divided by the total annual hours each practitioner type was required to work (denominator). The time worked by practitioners to provide one unit of service will be based on paid claims data (i.e., some services such as T1002, Nursing Services are billed and paid in 15-minute increments) or time increments from the LEA Program Rate Study.

Q50. Should I include all FTE hours on CRCS Worksheet A-3/B-3?

A. No, the hours reported on Worksheet A-3/B-3 should reflect the annual hours the practitioner is required to work, based on the number of hours one FTE is required to work per day multiplied by the number of days the FTE is required to work per year. Annual hours exclude paid time off (holidays, sick leave and vacation time).

Worksheets A-4/B-4

Q51. Are we supposed to report both encounters and units in Column B of Worksheets A-4 and B-4 on the CRCS report?

A. LEAs are to report total units by procedure code and modifier combination in Column B for all LEA services except for initial treatment services. For initial treatment services (rows 1c, 1e, 2c, 2e, 3c, 3e, 7a, 7c, 8a, 10b, 11b, 12e, 12g), report total encounters by procedure code and modifier combination in Column B. CRCS Worksheets A-4 and B-4 instructions identify which lines within Column B to input units and which lines to input encounters.

Q52. If the initial service for speech therapy is reported on CRCS as one encounter, regardless of how many units/minutes were actually spent providing the service, why are we required to bill according to the number of units? Will this billing process be changed to allow the billing to be based on encounter? (If I bill for 30 minutes of speech therapy, I bill 2 units of Initial Treatment, yet we get paid the same amount regardless of number of units I bill for. Why is this?)

A. Due to HIPAA national coding requirements, LEAs must record the number of units (e.g., one, two or three units) for 15-45 minute initial treatment services when the time period is reimbursed at the same rate to accurately reflect the time it takes to complete the treatment service. For initial treatment services billed in 15-45 minute sessions, bill one unit for 15

completed minutes, two units for 30 completed minutes and three units for 45 completed minutes. There is no plan to change the billing for initial treatment services to encounter-based billing.

Q53. Licensed Marriage and Family Therapists, Counselors and Psychologists can do social work. How do we show this cost if we received payment in both areas of psychology and social work?

A. Worksheets A-4 and B-4 collect the units and interim reimbursement that an LEA received by specific procedure code and modifier combinations that are aggregated by practitioner type. The practitioner type “Counselors” should include your costs and reimbursement for credentialed school counselors and licensed marriage and family therapists. The practitioner type “Psychologists” should include your costs and reimbursement for licensed psychologists, licensed educational psychologists, and credentialed school psychologists.

SACS Coding

Q54. The CRCS instructions include applicable function codes. If we have applicable expenses in other functions, can they be included as well?

A. The Function and Object fields in Standardized Account Code Structure (SACS) are tools that can be useful for distinguishing costs and practitioner categories. However, LEAs must verify that costs they include on the CRCS are eligible. Only those costs related to the direct provision of health services can be included in the CRCS. “Restricted” SACS codes should be reviewed for appropriateness before completing the CRCS. For example, if your LEA ran a SACS report to identify all costs associated with Function Code 3120 (Psychology Services), the results may include Resource Code 7155. This Resource Code identifies Instructional Materials, Grades K-8. No instructional expenses can be included in the CRCS, as they are not direct health care services costs.

Q55. LEAs are to report salary, benefit and other costs. Should we exclude administrative or instructional costs reported under Function Code 2700 if their time is dedicated partially to administrative functions?

A. Yes, administrative salaries and benefits reported under Function Code 2700 should be excluded from the CRCS unless the Administrator is also billing for LEA direct healthcare services. If the Administrator does bill for LEA services, the LEA may include their salary and benefits costs under the respective practitioner line item on the Worksheet A, as well as the full time FTE and "Annual Hours Required to Work" information on Worksheet A-3/B-3. In addition, the LEA should be able to provide documentation of the direct healthcare services provided by the Administrator upon State and/or Federal review.

Q56. If health aides can legitimately bill, does it matter if their salary is coded to an educational function?

A. The CRCS captures costs related to the direct provision of health services only; instructional expenses must be excluded from the CRCS. Function Codes that are instructional in nature may be a red flag in a State and/or federal review. If your LEA is certain that the expenses are not instructional in nature and can provide supporting documentation to support the provision of health services (e.g., progress notes, treatment logs, credentialing information, etc.), your

LEA may include these expenses on the CRCS. However, your LEA must maintain adequate documentation to support these expenditures upon a State and/or Federal review.

Practitioners

Q57. If aides (qualified providers under California Education Code, Section 49423.5 and are supervised by registered credentialed school nurse) are rendering and billing for services for a Medi-Cal eligible student using the appropriate procedure code and modifier, does it matter if their job classification is NOT Health Aide?

A. No, the job title does not need to match the practitioner title of a "Trained Health Care Aide", as long as the person providing LEA school health aide services meets the qualifications specified in California Education Code, Section 49423.5.

Q58. What is the penalty if a mistake is made on the CRCS by a third party service that is used to complete the CRCS report for us based on information we provided?

A. LEAs are responsible for ensuring proper billing and maintaining adequate supporting documentation for information reported on the CRCS. Therefore the LEA would be held accountable for the mistake. If the LEA discovers it made a mistake after the CRCS has been submitted, the LEA is advised to notify the Department before the audit begins so that the mistake can be corrected during the audit process. CRCS mistakes are typically corrected through CRCS audit adjustments. If the mistake was intentional, it will be addressed in accordance with the applicable laws and regulations depending on the nature of the mistake.

Miscellaneous Questions

Q59. Why are transportation and Targeted Case Management (TCM) services not included on the CRCS?

A. LEAs should not report actual costs for transportation and TCM provided in a school- based setting in the CRCS because these services were not part of the State Plan Amendment. Transportation and TCM will continue to be paid as "final" (not interim) rates based on the prior rate structure. They will not be subject to the CRCS or final settlement. LEAs may continue to bill Medi-Cal for these services under existing program rules and regulations.

Please note that effective July 1, 2015, TCM claiming with dates of service from July 1, 2015 forward will be suspended until a rate methodology has been approved by CMS. In addition, the TCM Labor Survey will no longer be valid effective July 1, 2015. The LEA Medi-Cal Billing Option Program submitted a new rate methodology to CMS that includes TCM services that may be retroactive to July 1, 2015.

Q60. Are there limitations as to what costs an LEA can record on the CRCS?

A. Yes. Only those costs related to the direct provision of health services may be recorded on the CRCS. Instructional costs cannot be included in the CRCS.

Q61. What if you discover through this process that you did not claim something that is reimbursable, can you resubmit for that?

A. LEAs have 12 months following the month in which services were rendered to submit claims for processing by the DHCS fiscal intermediary. After this time period, claims will be denied due to lack of timely submission.

Q62. If a district contracts with a physician to assist with developing a speech protocol to provide reimbursable speech therapy treatment, can we include the physician costs on the CRCS?

A. The CRCS collects salary, benefits and other costs for all qualified district employed practitioners billing LEA reimbursable services in the LEA Program. Unless the physician is billing for LEA reimbursable services, the LEA should not include the physician costs on the CRCS.

Q63. LEAs are reimbursed the maximum allowable reimbursement rates published in the LEA Provider Manual multiplied by the Federal Medicaid Assistance Percentage (currently 50%). In the CRCS, LEA costs are also multiplied by the FMAP. It appears that FMAP is being applied two times.

A. Since the LEA Program is financed jointly by the LEAs and federal government at 50% federal match, LEAs must fund the other 50% local share. Therefore, Medicaid will reimburse LEAs up to the 50% of the cost to provide school-based services in the LEA Program. For example, if the published maximum allowable rate listed in the DHCS Provider Manual is $100, the LEA will receive the Federal share of this published rate as the interim reimbursement, or $50 ($100 x 50% FMAP). When completing the CRCS, the LEA's costs are reported and the CRCS report multiples the total service costs (Worksheet A and B, line f) by the Federal Medicaid Assistance Percentage to obtain the Federal share of Medicaid costs to provide school-based services in the LEA Program. In this simplified example, if the LEA reports total service costs of $400 on its CRCS, they will be eligible for $200 of Federal reimbursement ($400 x 50% FMAP), and the CRCS report will show an underpayment of $150 owed to the LEA on the Certification page ($200 - 50). The FMAP is appropriately applied twice: once during the claims processing for calculation of interim reimbursement and once to the LEA's submitted costs on the CRCS.