

# Reasonableness Test Criteria (RTC)

## Technical Assistance

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As specified in PPL No. 13-012, DHCS established a procedure for LEAs, LECs and LGAs to apply a Reasonableness Test Criteria (RTC) to deferred invoices in accordance with the Office of Management and Budget (OMB) circular A-87, which requires DHCS to ensure that all costs submitted for reimbursement are “necessary and reasonable for the proper and efficient performance and administration of Federal Awards”. All invoices submitted to DHCS during the current deferral period (covering State Fiscal Years 2010-11, 2011-12 and 2012-13) are subject to the RTC. The RTC is comprised of a set of objective criteria, including the elimination of job classifications not included on the SMAA pre-approved job classification list, benchmarks for each billable code as well as a benchmark for the number of allowable clerical/administrative positions. Should there be a need for the inclusion of job classifications not on the pre-approved list or benchmark overages, the RTC procedure includes a justification process whereby LEAs may submit written justifications for exceptions to the RTC procedure.

DHCS has developed technical assistance to help you with the preparation of your justifications for seeking approval for an unauthorized job classification(s). In addition, DHCS developed two examples of benchmark overage justifications.

### **Position Justification**

The intent of the RTC is to ensure that claiming complies with OMB A-87, as stated above, so when writing a justification for a position not listed on the pre-approved list, the question you should always consider is:

#### **How are the duties performed by this position reasonable and necessary for the proper and efficient administration of the Medi-Cal program?**

Supporting information may include:

- ✓ The duties the position performs on a regular basis that would qualify as MAA activities
- ✓ The reason it is necessary for this particular position to perform these specific activities
- ✓ Whether the position serves a specific student population, such as a special education population
- ✓ How the students and families would be affected if this position did not perform MAA
- ✓ If multiple positions for the same job classification are being justified, state the necessity for including each position
- ✓ Data to support references to the socioeconomic conditions of the school

# Justification for Benchmark Overage

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(12) STAFF JOB CLASSIFICATIONS: (Identified by duty statement – Please indicate if the staff is the MAA Coordinator or MAA assistant.	(13) NUMBER OF STAFF:	(14) MEDI-CAL ADMINISTRATIVE ACTIVITIES (ENTER “D” FOR DIRECT CHARGE UNDER EACH ACTIVITY):							
		Code 4	Code 6	Code 8	Code 10	Code 12	Code 14	Code 15	Code 16
<b>Nurse (1F)</b>	<b>1</b>	X	X	X		X	X	X	X
<b>Speech Therapist (1M)</b>	<b>1</b>	X		X		X		X	X
<b>Secretary II (3D)</b>	<b>1</b>	X	X	X		X		X	X
<b>Community Service Worker (1K)</b>	<b>7</b>	X	X	X	X	X	X	X	X
<b>District Psychologist (1J)</b>	<b>1</b>	X		X				X	X

General USD (GUSD) had a total of 4.63% time spent in code 4 for FY 10/11 Q2 because Community Service Workers (CSW) (also called Case Managers or Social Workers) serve a vital role in connecting students with Medi-Cal related programs and services. CSWs are at the frontline for informing students about Medi-Cal as well as initially referring the students to Medi-Cal services.

In lieu of a Resource Center, GUSD has CSWs located at each school site. The primary purpose of a Community Service Worker is to initially connect/refer students and families to outside Medi-Cal services not offered by a school district; CSWs are hired only for this purpose. No other person at the school site has the expertise and time specifically devoted for meeting the needs of families that are not within the scope of services offered by the school or the district. CSWs receive extensive training on how to access Medi-Cal covered services such as mental, dental, and vision. Due to the heavy volume of Medi-Cal related work a CSW performs daily, a substantial portion of their time would be allotted to MAA reimbursable activities, specifically code 4.

The overage in code 4 should be acceptable based on the high percentage of Medi-Cal eligible students within the district and because CSWs spend a great amount of time traveling to different schools within the district to connect students with Medi-Cal services. Of the various job classifications listed on the claiming unit functions grid, CSWs are the only staff equipped to engage the large number of Medi-Cal eligible students. There are 15 schools within General USD, whose total student population is 12,946. With only 11 total SMAA participants, the CSWs must engage constantly with such a comparatively large student population.

**Recommendation by DHCS analyst: Approve**

1.) *GUSD exceeded the established benchmark of code 4 by .63%,*

2.) *The percentage of Medi-Cal eligible students for GUSD during FY 10/11 Q2 was 68%.*

3.) *It appears that CSWs acted with prudence associated with their job responsibilities according to OMB Circular A-87 Revised. The costs incurred as a result of the CSW's work appear to be efficient and reasonable.*

# Justification for overage on clerical/administration ratio

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		Code 4	Code 6	Code 8	Code 10	Code 12	Code 14	Code 15	Code 16
<b>Audiologist (1A)</b>	<b>1</b>	X					X		
<b>Nurse (1F)</b>	<b>2</b>	X		X					
<b>Speech Therapist (1M)</b>	<b>1</b>						X		
<b>Secretary (3D)</b>	<b>1</b>		X	X	X		X	X	

Clerical/administration ratio benchmark: 1 administrator for every 5 providers

GUSD has a clerical/administration ratio of 1 administrator for 4 providers. The school district serves a diverse population of 2,500 students on six school campuses. 52% of the students receive free and reduced fee lunches and 35% are English learners. The district also serves 800 students with special needs and has a Medi-Cal percentage of 65%. There is a high need for Medi-Cal outreach and services and we have limited staff who can participate to fulfill the needs of so many students. The secretary assists the providers by following up with students and by arranging transportation for offsite services.

## **Recommendation by DHCS analyst: Approve**

As this is the only clerical/administration position providing support to the providers, the secretary position is efficient and reasonable for the administration of the Medi-Cal program (OMB-A-87). The students at GUSD represent a wide spectrum of socioeconomic and special education needs and are served effectively and efficiently with the providers and one support staff. It is imperative that the above SMAA participants fully engage with these students in order to improve their academic and health wellbeing.