

**CMS Comments on California DHCS SB MAA proposal submitted 10/21/13**

*Disclaimer: Please note that these comments are intended merely to facilitate further discussion and should not be construed as comprehensive or final. CMS reserves the right to request additional changes in order to meet federal Medicaid claiming requirements. The requested changes should be included in a track changes version as well as the submission of the training materials.*

**1) Training materials**- Please include the following information in the training materials as indicated below:

- Please provide a sample set of instructions as well as an example of a LEC/LGA/LEA invoice including instructions to show how the claiming unit will complete the invoice and the steps in the process. Be sure to include the rollout plans for training each of the school districts, etc.
- Please provide a description for how the various claiming units will be organized and how many participants, number of moments, and the variations on this theme, etc.
- Please explain how salary costs are reallocated for general administration as well as for paid time off.
- Please include a description of the non-salary costs and an explanation in the training materials and where these costs are captured in the invoice.
- Please note how time spent completing a time survey, should be coded to General Administration. Please provide a detailed example in the LECs, LEAs and LGAs in the training materials to explain that this should be coded to Code 16 as General Administration (GA) since this has been a concern that has been voiced by CMS in the past.

**DHCS Response:**

**1<sup>st</sup> Bullet – The RMTS invoice is substantially the same as the worker-log invoice, with minor changes in order to conform to the RMTS methodology (please refer to attached RMTS Invoice). The steps to complete the RMTS invoice are detailed in Section 11 of this Manual. Invoice instructions are set out in the invoice training materials, which are attached.**

**The time study participants at the school district level will be trained beginning in April, 2014. Each LEC/LGA is responsible for providing RMTS training at the school district level Please refer to the “Participant Training” power point presentation. An exact calendar of training dates will be provided to CMS prior to April, 2014.**

**2<sup>nd</sup> Bullet – Based on the current RMTS claiming plan, claiming units will be organized either through their respective LEC/LGA or their LEC/LGA Consortia. Once this organization paradigm is known, DHCS will advise CMS on the organization structure. The total number of participants and total moments will not be known until the total number of Claiming Universes is known. The number of moments will be based on the RMTS statistical formula included in Section 6 page 6-8.**

**3<sup>rd</sup> Bullet – Salary costs for General Administration and Paid Time-Off will remain under Code 16 and are explained in slide 65 of the coder training.**

**Code 16 captures all general administration and paid time off time reported in the RMTS. When the time survey results are entered on Tab 1 of the RMTS invoice,**

the time in Code 16 is reallocated to the other 15 codes proportionately. Costs are allocated between MAA and non-MAA activities on Tab 4 of the Invoice. Since the time reported to Code 16 has already been redistributed, the allocation of costs between MAA and non-MAA activities includes the proportionate share of Code 16 costs.

**4<sup>th</sup> Bullet** – The term “non-salary” costs or “Other” costs are listed on the invoice on line 56J on the Costs and Revenue Worksheet. Other costs include costs that support the general administration of the school district and include items such as office supplies, general overhead costs, consulting services, operating expenditures and communications. A description of other costs is included in the Coder Training on Slide 10.

**5<sup>th</sup> Bullet** – Slides 65 through 67 in the Coder Training provide a detailed description of costs to be allocated to Code 16. LAUSD has been using RMTS for 8 quarters. In all that time, there have been less than 5 moments where the participant reported s/he was completing a random moment. Moments cannot be completed until after the moment occurs. It is possible, but not common, for a participant to get another moment, or be responding to a clarifying question, when a subsequent moment occurs, but highly unlikely. Since the RMTS is a “real time” reporting system and the State’s history with RMTS indicates completing moments occurs only rarely in the completed descriptions, it is reasonable to assign the completion of random moments to Code 16.

- 2) Time Survey Methodology description page 6-1.** Please include in the description that the goal is to capture 100% of time, etc.

**DHCS Response:** Added sentence to paragraph 2 on page 6-1: “The goal of the time study process is to capture and account for 100% of TSP’s time.”

Each RMTS will capture 100% of the time of each participant, based on his/her individual work schedules. Every minute of a workday that students are in session and every minute of a workday that is considered paid time for participants in the RMTS universe will be included in the universe of eligible moment. Only days that are designated federal, state, or local holidays, or days in which students and district staff will not be in attendance will be excluded from the sample universe.

This approach will ensure that the participant’s full workday and all of his/her activities are captured in the RMTS. The use of individual schedules captures the actual days each participant works, removing the need to identify an “average” school calendar or “average” workday for each participant.

- 3) RMTS vs. Paper-based, Pg. 6-1-** It appears the State is proposing for possibly several vendors, etc. to put together either a “paper-based” worker log or RMTS for school based by claiming unit, etc. On pg. 6-1 of the implementation plan, it states “*a manual paper-based option for claiming units that do not have access to electronic information systems (EIS) will be accepted.*” CMS requires that the statewide program be consistent across all contractors, LEAs and LGAs whether they’re using a worker log and/or RMTS. The paper-based option should be a last resort and we suggest that all school districts

have the capacity to participate in one of the electronic systems that are being developed.

**DHCS Response: The paper-based option proposed by DHCS is a product of the RMTS methodology and not a worker log option. To clarify, we eliminated the word “manual” and specified this is an RMTS paper-based option.**

**All time study participants that require a hard copy moment must be pre-approved by the LEC/LGA, which will verify the need for the hard copy moment.**

**Any approved RMTS system must be able to flag participants needing hard copies of their moments at the time the moments are generated. When the system notifies participants of an upcoming moment, a paper based moment will be sent to the RMTS coordinator, if that person has computer access. If no one in an LEA’s RMTS has access to a computer with internet capacity, another method for survey completion will be approved by DHCS.**

**After the participant completes the moment, the paper document is faxed (with a date/time stamp, and or scanned or emailed. The moment must be entered into the RMTS system no later than 5 working days after it occurs. If later, it will be considered a late moment, and be invalid unless the employee was on verified paid or unpaid leave. This process will be required of all contractors. The use of the same deadline for completing both paper and electronic moments improves the consistency of the RMTS.**

**Based on an informal survey of the LECs/LGAs, DHCS anticipates a minimal need (less than 1% of all Time Study Participants) for a paper-based option.**

- 4) Paper-based option-** How will the State ensure the statistical validity of the paper-based option/ worker log for SMAA? See comment above.

**DHCS Response: See DHCS Response to CMS Comment 3.**

- 5) Consistency across claiming units-** CMS is requesting DHCS provide assurances that the new Plan will be implemented consistently across the State. Please describe how DHCS will ensure this consistency in their oversight and monitoring of this program.

**DHCS Response: DHCS develops and provides to all LECs/LGAs a set of standardized training materials necessary to train the coders, participants and coordinators in order to maintain program consistency statewide. Also, using a set of standardized review tools, DHCS performs detailed Desk Reviews and On-Site reviews of all claiming unit audit binders for randomly selected invoices. Additionally, DHCS will implement electronic reporting requirements and will have real-time access to all RMTS data for each claiming universe and will regularly review a random sample of at least 10% of all coded moment to ensure coding consistency. Development and/or procurement of RMTS software is subject to a set of objective standards that is detailed in Section 6: System Software Platforms and will provide uniformity for RMTS software throughout the state.**

The following documents and/or electronic access to them must be provided quarterly to DHCS for every RMTS in operation in the state (all deadlines are subject to change before the final submission).

**By the first day of the month prior to the start of the quarter:**

- The Claiming Unit Universe Grid (the list of authorized positions)

**By no later than 14 working days before the quarter begins:**

- The universe of time survey participants (All employees who will be eligible to receive random moments in a quarter).
- Identification of the work days and work hours of each individual in the Universe of Eligible Participants (the staff who are eligible to receive random moments)

**By the first day of the quarter:**

- The master list of random moments for each claiming unit, by participant, job class, date and time of moment.

**During the quarter:**

- Real time access to the RMTS to spot check coding activity, the quality of clarifying questions, and coding accuracy.

**After the quarter:**

1. RMTS coding history, which displays the coding history on every moment (the date and time of the moment, when it was completed, the codes selected by Coder 1 and 2, and the RMTS coordinator, and clarifying questions and answers.
2. RMTS results, including the number of moments in the sample, the number of valid and invalid moments (this will be displayed on the RMTS invoice).
3. The Claiming Unit Functions grid.
4. The RMTS invoice, with all supporting backup documentation.

**6) Closing Rosters, Page 6-7.** Please indicate when the rosters are closed to adding new participants before the beginning of each quarter. This information should be included in the Plan and when a moment is no longer available to a participant.

**DHCS Response:** Added the following language to Page 6-7 Roster Report – “Claiming units must submit an annual roster report along with quarterly updates to their respective LEC/LGA RMTS representative. The annual roster report must be submitted prior to the beginning of the SFY. If changes are necessary for the annual roster report, modifications to this report may be made on a quarterly basis. The LEC/LGA must establish a deadline for claiming units to submit their quarterly roster reports (modified or unmodified) prior to the beginning of each quarter in order to have sufficient time to calculate the universe of eligible moments for each quarter. The last student attendance day prior to the next

quarter, the roster report for that quarter is closed and no further modifications to a claiming unit's roster may be made.”

- 7) Quality Assurance, Page 6-18** - Please expand upon the description of the quality assurance process review to be conducted locally, by LECs, LEAs or LGA, etc. as well as by DHCS.

**DHCS Response: Responsibilities for quality assurance are integrated into every level of the review process and begin at the LEA level with DHCS' of the Claiming Universe Unit Grid developed by the LEA. The Claiming Unit Participation Standards on page 6-19 require each LEA to: “develop a process to ensure each TSP is aware of the date and time of their moment(s) and the benefits of their participation to their school. DHCS will impose sanctions on LEAs whose participants fail to complete at least 85% of their moments in a quarter.**

**DHCS added the following language to Section 6-18 LEC/LGA Review Process: Paragraph #1: Quarterly quality assurance sample reviews must be conducted prior to the submission of the quarterly invoice to DHCS to ensure: 1) that the TSP answered their moment completely; 2) the accuracy of the assigned code; 3) any coding errors are corrected by the RMTS administrator; and 4) the coders are not posing leading questions to the participants. The LECs/LGAs also review the invoice and perform cost analyses of all invoice documents to ensure that all costs that are input into the invoice meet the standards for Certified Public Expenditures and are composed of the nonfederal share of all salary and benefit costs.**

**DHCS added the following language to Section 6-18 DHCS Review Process: “DHCS will randomly select a minimum 10% sample of all coded responses and clarifying questions during the quarter. A representative from DHCS will validate the 10% subsample. The validation process will consist of reviewing the TSP responses, the corresponding code assigned by LEC/LGA central coders and/or senior coders and the clarifying questions asked by the coders to determine: 1) if the assigned code accurately reflects the activities performed by the TSP; 2) if the activities described were necessary for proper administration of the state plan; 3) to ensure that no direct medical services provided were coded to a MAA reimbursable code; and 4) that the clarifying questions posed to participants were not leading questions”.**

**DHCS oversight extends to vendor fees as well. DHCS added the following language to Section 4-3 Consultant/Consulting Firms/Vendor Fees – LECs/LGAs or claiming units may enter into agreements with Consultants / Consulting Firms / Vendors for the administration of the MAA program. These agreements may be based on a per-person fee, or a flat fee reimbursement; however, if the fees are being claimed for reimbursement on any of the quarterly invoice(s), those fees will be limited depending on the details of the sub-recipient contract.**

- **Per-person fee reimbursement will be limited to: 1) no more than fifteen percent of the total amount claimed during a given fiscal year; and 2) only DHCS approved job classifications that participate in the quarterly Time Study.**
- **Flat fee reimbursement will be limited to no more than fifteen percent of the**

total amount claimed during a given fiscal year.

**Site Visits/Desk Reviews - DHCS performs site visits on three LECs and three LGAs each year. These Site Visits consist of a review of two claiming units and invoices for two fiscal years and include MAA Coordinator, central coder, and fiscal staff in-person interviews, and a complete review of the audit binders for all invoices covered by the review. Desk reviews using the same criteria are performed when state budget restrictions prohibit staff travel.**

**Invoice Analysis – DHCS reviews each invoice submitted for reimbursement. The review process involves scrutiny of the Activities and Medi-Cal Percentages Worksheet, the Claiming Unit Functions Grid, the Cost and Revenue Worksheet, the Payroll Data Collection Worksheet, and the Variance form to ensure compliance with the standards set in the SMAA Manual. If DHCS determines that an invoice does not comply with the standards set out in the manual, the invoice will be returned to the LEC/LGA and federal funds will not be claimed.**

- 8) Claiming Unit Grid, Section 7, Page 7-2-** Please indicate in this section of the Plan when the time study closes and counties are no longer able to add new participants. Please provide additional explanation regarding the claiming unit function grid. Please explain how DHCS' review of the grid provides sufficient information for DHCS to determine that the activities the claiming unit intends to submit claims for are necessary for the proper and efficient administration of the State plan.

**DHCS Response: DHCS added the following language to Section 7-2 Claiming Unit Universe Grid(s):**

**Paragraph #1: At the end of the last day of the previous quarter, the quarterly roster report for that quarter is closed and no further additions to a Claiming Unit's Universe Grid may be made for that quarter.**

**Paragraph #3: DHCS will review each position listed on the Claiming Unit Universe Grid along with their individual job description/duty statement in order to determine if the activities to be performed directly relate to MAA and are necessary for the proper and efficient administration of the State plan.**

- 9) County contract language** -The State will be responsible to integrate any approved changes into the county contract language and require the LECs/LGAs/LEAs to do the same.

**DHCS Response: All relevant changes to the Claiming Plan will be reflected in the State's contracts with the LECs/LGAs as well as any contracts between LEC/LGA and LEA.**

- 10) Personal Services Contractor, Page 3-5** - Please explain these non-employee entities and what services and administration will be performed by these individuals. Please explain the participation fee to be paid to cover additional costs for administration of this program.

**DHCS Response: The following language was added to the definition of Personal Service Contractor in Section 3 Glossary: “To provide direct medical services to the LEA.”**

**LEAs may hire staff as contractors, rather than as regular employees. These contracted employees perform the same duties as staff participating in the RMTS or may be in specialized, one-of-a-kind positions. Job classifications/position descriptions will be submitted for any personal services contractors in positions not already listed on the Claiming Universe Unit Grid.**

**The definition of Participation Fee in Section 3 Glossary was changed to denote that the fee is meant to cover “actual costs” of the administering the program rather than “additional costs.”**

**11) Sample MAA Invoice- Appendix B** - The State had previously provided an LEC sample MAA invoice template that will be submitted to DHCS. Will this same template be used by all claiming units? Are the RMTS MAA Invoices proposed significantly different? Please explain any notable differences and provide the training materials related to this invoice.

**DHCS Response: Claiming units will use an RMTS invoice. The RMTS invoice is substantially the same as the worker-log invoice, with minor changes in order to conform to the RMTS methodology (please refer to attached RMTS Invoice).**

**The MAA invoice required the following modifications to accommodate the RMTS:**

- **Units of time survey activity were changed from hours to moments.**
- **Code 15 is discounted.**
- **The number of moments in the RMTS, and the number of valid and invalid responses are displayed on Tab 1.**

**12) Enhanced Matching for SPMP-** Please confirm the State will NOT claim time spent at the enhanced matching rate of 75% for SPMP activity in the school-based claiming time study as SPMP is not allowed in the school setting as indicated in the 2003 Medicaid School-Based Administrative claiming guide.

**DHCS Response: Claiming for SPMP has not occurred in the MAA Program since 2003 and the SMAA program has no plans to submit claims for SPMP in the future.**

**13) Duplication of Payment, Page 4-4** -the State says “LECs/LGAs may not claim FFP for costs of allowable administrative activities that have been or should have been reimbursed through an alternative mechanism or funding source.” What internal controls are to be implemented to ensure that there are no duplicate payments as well as duplication of costs claimed for medical services and/or administration? Will the same claiming entity that provides direct services participate in the time study to assure there is no duplication between medical related services and school based administration?

**DHCS Response: Internal controls to ensure no duplication of payment are included in the manual, training materials and Site Visit/Desk Review procedures:**

**Manual - The following language, taken from the LEA Billing Option claiming plan, was added to Section 4-4 Duplicate Payments: “Federal, State, and local governmental resources must be expended in the most cost-effective manner**

possible. LEA providers shall adhere to and comply with all Federal Health and Human Services (HHS) and CMS requirements with respect to billing for services provided by other health care professionals under contract with the LEA and must avoid duplication of services and billing with other programs. In determining the administrative costs that are reimbursable under Medi-Cal, duplicate payments are not allowable.” All school-based providers participate in the time study process to ensure proper claiming.

**Training - All direct services are identified as Code 2: Direct Medical Services and are not reimbursable under the MAA program. Proper coding procedures for direct service activities are identified in the Coder training. Slides 16-18 provide examples of Code 2 activities.**

**Quality Assurance - SMAA Site Visit/Desk Review tools will include a comparison of the LEA’s percentage of time reported to direct services on their annual Costs and Reimbursement Comparison Schedule (CRCS) submitted for the LEA Billing Option program to the amount of time reported to Code 2 in the RMTS by practitioner type. If the percentage on the CRCS exceeds the average annual amount reported by each practitioner type on the RMTS, their percentages must be reduced to match what is on the CMCS.**

**14) Internal Controls-** What new internal controls will be implemented to ensure compliance with 42 CFR Section 433.15(b) (7) and OMB Circular A-87? How does DHCS determine that the issues identified in the Financial Management review are addressed including:

- Are all of the activities being proposed (or actually performed) by the LEA needed to properly administer the state plan?
- Are the time survey results and vendor fees reasonable and don’t exceed the 15% limit?
- Are other direct charges included on the invoice also reasonable?

**DHCS Response: The “new” internal controls to ensure compliance with 42 CFR Section 433.15(b)(7) and OMB Circular A-87 center around the new quality assurance procedures listed in the response to CMS Comment #7.**

**1<sup>st</sup> Bullet – Under RMTS, coding is the key to ensuring the activities performed are needed to properly administer the state plan. Coding definitions for all billable MAA activities are explicitly addressed in the coder training. DHCS requires pre-approval of all LEA participant universes and duty statements/job descriptions, prior to MAA claiming to ensure allowable MAA activities are a regular part of each participant’s workload.**

**2<sup>nd</sup> Bullet – Time allocation for billable codes are reasonable due to the statistical validity of the RMTS procedures. The RMTS results used to create the LEA invoice and the vendor fees are considered reasonable once they are subject to the quality assurance activities outlined in the response to CMS Comment #7.**

**3<sup>rd</sup> Bullet – The direct charge invoices will be subject to the same quality assurance activities outlined in the response to CMS Comment #7.**

**15) State Assurances-** The State is responsible to provide assurances that they are meeting the requirements of the 2003 Medicaid School-Based Administrative claiming guide. Please review the guide in its entirety to make sure all of the requested

information such as MOUs, interagency agreements, etc. is provided to CMS in the final submission.

**DHCS Response: The 2003 Medicaid School-Based Administrative claiming guide has been reviewed and all requested information will be provided in the final submission. Language from the 2003 Guide related to IEP activity, 504 and free care has been incorporated into the plan to provide consistency.**

**16) LEAs-** Please explain why the State believes colleges and universities should continue to be allowed to participate in school MAA. Why does the State believe colleges and universities' claiming are necessary for the efficient administration of the Medicaid State Plan? It is CMS's recommendation that colleges and universities be eliminated from the program.

**California community colleges serve 2.3 million students on 112 campuses. 39% of those students are under the age of 21. Community colleges generally have a larger underserved population than the California university systems while also accommodating a larger percentage of low-income students. An estimated 20% of community college students under the age of 21 do not have health insurance. Also, 45% of community college students are between the ages of 22 and 39. With the implementation of the Affordable Care Act, many of these students may be eligible for Medi-Cal. Therefore, there is a reachable population within the community college universe that would be eligible for Medi-Cal services right now and that universe will increase with the implementation of the Affordable Care Act. By allowing community college participation, the State will be better able to reach and serve these students.**

**Community colleges will be bound by the SMAA rules, including the provision of a defensible participant universe for pre-approval by DHCS. Community colleges will need to provide supporting documentation to ensure SMAA activities are a regular part of each participant's job duties.**

**17) LEAs, Section 4, Page 4-6 -**How will the State ensure against duplication of payments regarding LEA Medi-Cal billing option and SMAA since other entities within the State are also providing administrative activities. Therefore, the State will need to describe the other programs operated by DHCS that deliver administration in the school setting and their relationship to this program to ensure that there is no duplication of effort. A matrix or chart format is suggested. Please explain how DHCS ensures that no costs are duplicated between SMAA and LEA services since providers are allowed to participate in both programs and different cost allocation methodologies are used. The State needs to provide assurances that they will have consistent cost allocation practices.

**DHCS Response: See DHCS Response to CMS Comment #13 regarding duplication of payments. Also, Slide #41 was added to the Coder training and lists the differences between Code 2 & Code 8 activities. The revised manual also allows DHCS to have real-time access to all RMTS moments and requires a quarterly review of a minimum of a 10% sample of all moments, the codes assigned, and the clarifying questions posed. The manual also gives DHCS the right to final approval of all assigned codes. The DHCS review process includes analysis of duplication.**

#### **Other Medi-Cal Programs:**

The LEA Billing Option program provides the federal share of reimbursement for specific health assessments and treatment services for Medi-Cal eligible children (usually special education students) and family members within the school environment. An LEA provider, (generally a school district or county office of education) employs or contracts with qualified medical practitioners to render certain health related services. All LEA Billing Option services are coded to Code 2: Direct Medical Services on the MAA invoice and are non-reimbursable.

The Child Health and Disability Prevention (CHDP) is a preventive program that delivers periodic health assessments and services to low income children and youth in California. CHDP provides care coordination to assist families with medical appointment scheduling, transportation, and access to diagnostic and treatment services. Health assessments are provided by enrolled private physicians, local health departments, community clinics, managed care plans, and some local school districts. CHDP services are administered by the County Public Health Departments and include, but are not limited to, preventative services, health assessments, and treatment for medical therapy which are coded to Code 2: Direct Medical Services are non-reimbursable.

**18) Code 12 translation 50 percent FFP**- Is the State aware of the enhanced matching rate for Medi-Cal translation services?

**DHCS Response:** The state is aware of the enhanced matching rate for Medi-Cal translation services.

**19) Code 10 non-medical transportation**- For Code 10, how will the State ensure against duplication of payment for both arranging and providing the actual transportation service? Please include a description of the differences.

**DHCS Response:** Detailed description of the differences between arranging and providing transportation services is included in the Coder Training power point presentation on slides 44-47. Slides 46 and 47 provide examples of what are and are not considered Code 10 activities.

**20) Cost Pools**- Based on the implementation plan there are four Cost Pools (CP) including CP #1 direct service staff who conduct both direct services and administrative claiming activities, CP#2 administrative claiming staff, CP#3 Non-MAA costs not included in the claim, and CP#4 allocated costs. Please confirm that the direct services providers listed in Cost Pool #1 are in the CA approved SPA.

**DHCS Response:** Yes, the direct services providers are listed in the CA approved SPA.

**21) RMTS Training materials**-staff training for coders need to get an overview of school based admin and services and the different activities provided that are both educational and Medicaid- related provided in the school setting.

**DHCS Response:** Slides 13 and 14 of the coder training specifically address educational and Medicaid related activities performed in a school setting. The

training is presented as a Webinar and participants are able to ask questions and DHCS provides responses.

**22) RMTS training-** Please includes a slide or two on completing the time study and reporting instances/examples where activities are being miscoded. Please include additional examples of Medi-Cal vs. non-Medi-Cal activities and whether school staff will receive this training as well as the coders to distinguish how to complete the RMTS.

**DHCS Response:** In the coder training, slides were added for each billable code that demonstrate activities that are and are not related to that particular code, including examples of Medi-Cal and non Medi-Cal activities.

Time study participants (school staff) are not involved in the coding process; therefore, school staff will not receive coding training. The only training that school staff receive is on how and when to respond to their moment.

**23) RMTS Training Code 8:** Please provide additional examples of allowable and unallowable activities for referral and coordination to be included. Please include an example of the unallowable activity for staff who participates in IEP meetings since this is an educational related activity.

**DHCS Response:** Slides 37 through 41 in the Coder training address both allowable and unallowable activities for Code 8 and includes an example using IEP (slide 40). Slide 41 provides a direct comparison between Code 2 and Code 8 activities and this also includes an IEP example.

**24) Consistency-** Please review the LAUSD and the CMAA Plans including the training materials to ensure consistency across each of the claiming entities within and across the State.

**DHCS Response:** The LAUSD RMTS plan and training modules are consistent with the Draft SMAA Implementation plan and training.

However, when SMAA makes the transition to RMTS, the CMAA plan and training materials will be inconsistent with the SMAA plan/training in a number of ways. The CMAA time survey methodology is based on worker log, the CMAA overall invoice is different from the SMAA invoice, and the training requirements are very different for worker log and RMTS. A review of the CMAA activity codes shows similarities for Direct Medical Services (Code 2) and Medi-Cal Outreach (Code 4). There is a material difference in the definitions for Code 6 and Code 8. These definitions for the two codes are reciprocals of each other between the two manuals. Code 6 in the SMAA Manual and Code 8 in the CMAA manual relate to providing assistance with the Medi-Cal application.

**25) Vendor fee schedule Section 4, Page 4-3/4-4** – The vendor fee section should be clarified to clearly indicate that even the per person vendor fee contracts will be subject to the aggregate 15% limit. The wording in the second bullet implies this is only for flat fee contracts.

**DHCS Response:** The following language was added to Section 4: Consultant/Consulting Firm/Vendor Fees: “Per-person fee reimbursement will be

**limited to: 1) no more than fifteen percent of the total amount claimed during a given fiscal year; and 2) only DHCS approved job classifications that participate in the quarterly Time Study.”**

**26) Record Retention Section 8, Page 8-1** – The record retention requirement for local claiming units may not cover the full time required by federal regulations for DHCS to maintain documentation for claims submitted to CMS.

**DHCS Response: The following language was added to Section 8-1: “Federal regulations require that all records in support of allowable MAA activities must be maintained for a minimum of three fiscal years after the date of payment for that claim.”**