Subject:
Department of Health Care Services – Practitioner Enrollment for Physical Therapist

Local Educational Agency Medi-Cal Billing Option Program

October 22, 2026

UPDATE

Please do not reply to this e-mail.

To All Local Educational Agency Medi-Cal Billing Option Program (LEA BOP) Providers:

The Department of Health Care Services (DHCS) is notifying all LEA BOP Providers about information related to Policy and Procedure Letter (PPL) 26-001, specifically for physical therapists that are enrolling in Medi-Cal to meet the federal requirement for practitioners to be enrolled.

What you need to know

- All physical therapists who submit an application to enroll in Medi-Cal may undergo a comprehensive review, including those who submit an Ordering, Referring, Prescribing (ORP) application.
    - 42 Code of Federal Regulations (CFR) 424.518 designates physical therapists as a "moderate" risk that would necessitate an onsite inspection in accordance with 42 CFR 455.432.
    - Physical therapists who have received and successfully completed an onsite inspection for Medicare enrollment will be considered "low" risk and may not require a Medi-Cal onsite inspection. DHCS will verify this during the review process of the application.
- DHCS will conduct a comprehensive review, which may include, but not be limited to, document requests, interviews, and an onsite visit to ensure the application is in compliance with Medi-Cal's enrollment requirement under 22 California Code Regulation (CCR) 51000 et. al.
    - Although the ORP application does not require professional liability (malpractice) insurance to be uploaded, Medi-Cal requires it for all licensed practitioners under 22 CCR 51000.60(c)(6). Coverage under the LEA's or an individual policy are both acceptable.

    - Acceptable forms of verification of malpractice insurance include a Declaration Sheet or a Certificate of Insurance issued by the insurance company that contains the name of the insurance company, the name of the insured, effective dates, and limits of coverage in an amount not less than $100,000 per claim with the minimum annual aggregate not less than $300,000.
- DHCS will send a letter via the Provider Application and Validation for Enrollment (PAVE) to notify the practitioner that their application has been referred for comprehensive review.

Why this is important

Since physical therapists are designated as "moderate" risk and require an onsite inspection to enroll in Medi-Cal, it is essential for the practitioner to provide the requested information as part of the screening process. Effective July 1, 2026, all practitioners with a Medi-Cal enrollment pathway that provide LEA BOP-covered direct services, including physical therapists, must separately enroll in Medi-Cal. This ensures LEAs stay in compliance with federal requirements and are eligible to receive continued federal funding.

We are here to help

- For information regarding the LEA BOP, visit the LEA BOP website.
- For general LEA BOP questions, e-mail DHCS at LEA@dhcs.ca.gov.
- For personalized assistance, request a Technical Assistance visit.

Sincerely,

LEA BOP Staff

LEA Medi-Cal Billing Option Program | Department of Health Care Services

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