



State of California—Health and Human Services Agency
Department of Health Care Services



GAVIN NEWSOM
GOVERNOR

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PPL No. 20-022R

TO: Local Educational Agency (LEA),
Local Educational Consortia (LEC),
Local Governmental Agency (LGA),
Coordinators for the LEA Medi-Cal Billing Option Program (LEA BOP),
School-Based Medi-Cal Administration Activities (SMAA) Program

SUBJECT: NOTIFICATION OF RANDOM MOMENT TIME SURVEY REQUIREMENT
(RMTS) FOR THE LOCAL EDUCATIONAL AGENCY MEDI-CAL BILLING
OPTION PROGRAM (LEA BOP)

This Policy and Procedure Letter (PPL) notifies stakeholders participating in the LEA BOP that a RMTS methodology will be integrated into the LEA BOP reimbursement methodology. This policy will be implemented beginning July 1, 2020. The first RMTS quarter will begin on October 1, 2020.

State Plan Amendment (SPA) 15-021 was approved by the Centers for Medicare and Medicaid Services (CMS) on April 27, 2020. This SPA expands access to federal Medicaid funds for LEAs, through the following three primary changes: (1) incorporating RMTS into the cost settlement process, (2) adding new service practitioners and new services covered under the LEA BOP, and (3) expands the covered population to include Medicaid beneficiaries outside of special education. This PPL covers the changes that will take place due to the integration of RMTS into the payment methodology process.

Overview of RMTS

Since January 1, 2015, the Department of Health Care Services (DHCS) has used RMTS as part of the School-Based Medi-Cal Administrative Activities (SMAA) Program. As of July 1, 2020, DHCS will utilize RMTS as a component of its Certified Public Expenditures reimbursement program for the LEA BOP. The first RMTS to include both the SMAA and LEA Programs will be the survey for the quarter beginning October 1, 2020.

RMTS is a statistically valid means of determining what portion of a group of participants' workload is spent performing Medicaid reimbursable activities. Under RMTS, qualified Time Study Participants (TSPs) are randomly selected and asked

some or all of following questions about what they are doing during their assigned moment, equal to one minute of time:

1. (Pre-question) Were you working at the time of your moment? (If the response is no, the remaining questions are not applicable)
2. (Pre-question) Was the activity being performed related to a student assessment, as defined in the LEA Provider Manual, or pursuant to a service listed on a student's IEP, IFSP, or 'Care Plan'? (Participant Pool 1- Direct Service Practitioners Only)
3. Who were you with?
4. What were you doing?
5. Why were you performing this activity?

Once a TSP certifies their responses to the above questions in the approved software platform, the moment is coded by central coding staff into one of the CMS-approved Activity Codes. Moments coded to Activity Code 2A, Direct Medical Services, will be compiled across designated regions and will be published by DHCS for LEAs to use as one of several allocation statistics applied to LEA-specific costs that are reported in the annual cost report, known as the Cost and Reimbursement Comparison Schedule (CRCS). Moments that are coded to Activity Code 2Z are for direct medical services that are not billable under the LEA BOP. Code 2Z moments will not be included in the LEA's CRCS for the respective fiscal year.

What Does my LEA Need To Do to Prepare for the LEA BOP RMTS Process?

Consistent with the current SMAA RMTS process, DHCS will continue to rely upon the Local Educational Consortiums (LECs) and the Local Governmental Agencies (LGAs) to administer the RMTS process for contracted LEAs in their service region and Los Angeles Unified School District to administer their plan within their District. LEAs must contract with either their regional LEC or LGA to participate in RMTS¹. LEAs that currently contract with a LEC or LGA and participate in the SMAA RMTS will not need to enter into an additional contract agreement for the LEA BOP RMTS, since the RMTS administered will cover both the LEA BOP and SMAA program. If your LEA does not currently participate in the SMAA RMTS and does not have a contract agreement with a LEC or LGA, you will need to contact your regional LEC and/or LGA. The following link provides the contact information for each LEC/LGA:

<http://www.dhcs.ca.gov/provgovpart/Pages/MapLECsLGAs.aspx>.

For State Fiscal Year (SFY) 2020-21, all LEAs that plan to participate in the LEA BOP should have submitted the SFY 2020-21 Provider Participation Agreement (PPA), which was due to DHCS by June 1, 2020. This PPA includes language regarding RMTS

¹ LEAs that contract out 100% of their direct service practitioners will not be required to participate in RMTS, nor will they be required to contract with their regional LEC or LGA. See "Who Must Participate in RMTS?" for more information.

participation requirements for the LEA BOP. LEAs that did not submit a PPA by the required June 1, 2020, due date will be subject to termination as a LEA provider when RMTS begins for the LEA BOP on December 31, 2020. Please direct any questions regarding the PPA requirement to LEA@dhcs.ca.gov.

Who Must Participate in RMTS?

As of July 1, 2020, the LEA BOP will integrate with the SMAA RMTS process. **LEA BOP providers are required to participate in RMTS in order to be eligible to receive Medi-Cal direct service reimbursement.** For the LEA BOP, the only exemption from RMTS participation is for LEAs that contract out all of their direct health service practitioners (e.g., LEAs that do not employ any health service practitioners). These LEAs will still be required to submit an annual CRCS, but they will not be required to allocate costs using the RMTS Direct Medical Service percentage. These 100 percent-contracted LEAs will not be required to contract with a LEC or LGA, since they will not be part of the RMTS process. However, LEAs that utilize the Model 2 delivery of service method² must complete Attachment A of this PPL, “Active Local Educational Agency Provider Using Model 2 Delivery of Service” prior to the start of each annual RMTS process.

There may be instances where certain direct health service practitioners will not participate in the RMTS, even though the LEA is still required to participate in RMTS at some level. The following practitioners **will not** participate in RMTS:

- All contracted direct health service practitioners.
- Employed direct health service practitioners that are 100 percent federally funded. For each respective RMTS quarter, LEAs will identify 100 percent federally funded practitioners. If a LEA identifies a 100 percent federally funded practitioner, that practitioner will not participate in the RMTS for that quarter. However, LEAs with employed practitioners that are partially-federally funded or receive no federal funding must participate in the RMTS.

Unless the LEA or direct health service practitioner meets one of the RMTS participation exemptions noted above, the LEA must participate in the RMTS as of July 1, 2020. Failure to participate in RMTS will result in loss of Medi-Cal LEA BOP reimbursement and removal from program participation.

² Model 2: Contracting of Health Care Practitioners or Clinics is defined in the LEA Program Provider Manual, Section “A Provider’s Guide” (loc ed a prov). An LEA utilizes the Model 2 delivery of service when 100% of the direct medical service practitioners are contracted out from a third party.

**LEA Program Requirements for the Start of Quarter 1, Beginning July 1, 2020
(Participant Pool 1 Only)**

Since the RMTS is not administered in Quarter 1 (July 1 to September 30), each LEA Coordinator must independently develop a Participant Pool 1 Time Survey Participant (TSP) list for Quarter 1 that reflects eligible direct service practitioners employed by the LEA during the first quarter of SFY 2020-21. LEA Coordinators must use the certified SFY 2020-21 Quarter 2 list (for Pool 1) as a starting point in developing the SFY 2020-21 Quarter 1 list. The LEA Coordinator must ensure that the Quarter 1 list reflects only employed staff that meet LEA Program requirements, by making appropriate modifications, additions, or deletions to the Quarter 2 TSP List. The Q1 Participant Pool TSP list for each SFY must be compiled by each participating LEA and maintained by the LEA for audit or review purposes. **The Q1 TSP list for Participant Pool 1 will not be submitted to DHCS.** Salary and benefit costs on the Cost and Reimbursement Comparison Schedule (CRCS) must be limited to those TSPs on the Q1 TSP list for Participant Pool 1. Additional detail on the LEA BOP Quarter 1 TSP list process is included in a separate Policy and Procedure Letter ([PPL](#)) #20-046.

Additional Information on RMTS

CMS has approved a revised version of the 2019 SMAA Manual, available at <https://www.dhcs.ca.gov/provgovpart/Pages/SMAAManual.aspx>. This manual includes all details for participation in RMTS and should be the LEA's primary resource for SMAA-RMTS-related policies. Sections 5 and 6 of this manual have been revised to detail the integration of the LEA BOP into the RMTS process. In addition, DHCS will publish a new "California School-Based Random Moment Time Survey Manual" upon CMS approval, which will remove the RMTS-related policies from the SMAA Manual and create a separate RMTS Guide for both school-based programs.

If you have questions concerning this PPL, please contact the LEA Medi-Cal Billing Option Program by e-mail at RMTS@dhcs.ca.gov.

Sincerely,

ORIGINAL SIGNED BY

Rick Record, Chief
Local Educational Agency Medi-Cal Billing Option Program