



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



GAVIN NEWSOM  
GOVERNOR

Date: August 17, 2021

**PPL NO. 21-019**

To: Local Educational Agencies (LEA Providers)

Subject: LOCAL EDUCATIONAL AGENCY MEDI-CAL BILLING OPTION  
PROGRAM (LEA BOP) TELEHEALTH BILLING POLICY

The purpose of this Policy and Procedure Letter (PPL) is to provide billing guidance to LEA Providers participating in the LEA BOP regarding covered direct medical services provided to Medi-Cal enrolled students via telehealth.

### **BACKGROUND**

The Telehealth Advancement Act of 2011 defines telehealth as the mode of delivering health care services and public health utilizing information and communication technologies to facilitate the diagnosis, consultation, treatment, education, care management and self-management of a patient's health.

In-person contact between a health care provider and a student is not required for services appropriately provided through telehealth, subject to reimbursement policies adopted by the Department of Health Care Services (DHCS) to compensate a licensed health care provider who provides health care services through telehealth that are otherwise reimbursable pursuant to the Medi-Cal program (Welfare and Institutions Code [W&I Code], Section 14132.72[c]).

For purposes of reimbursement for covered treatment or services provided through telehealth, the type of setting where services are provided for the student or by the health care provider is not limited (W&I Code Section 14132.72[e]). The health care provider is not required to document a barrier to an in-person visit for Medi-Cal coverage of services provided via telehealth (W&I Code, Section 14132.72[d]).

### **Billing for Telehealth Services Rendered Prior to the Public Health Emergency**

For dates of service between July 1, 2016 and March 1, 2020, LEAs are only authorized to bill for covered speech therapy services via telehealth when services were rendered by licensed speech-language pathologists. Speech therapy services delivered via telehealth must be billed with modifier '95' (synchronous telehealth service rendered via

a real-time interactive audio and video telecommunications system) and the appropriate CPT code. Providers are not required to include a place of service on telehealth claims. The telehealth modifier '95' will be used to designate that the speech service was provided via telehealth.

### **Billing for Telehealth Services Rendered During the Public Health Emergency (applicable only to dates of service March 1, 2020 through June 30, 2021)**

On March 4, 2020, Governor Newsom declared a State of Emergency for California stating, among other things, "State and local health departments must use all available preventative measures to combat the spread of the virus." On April 3, 2020, the [Governor issued Executive Order No. N-43-20](#), suspending the requirements specified in Business and Professions Code section 2290.5(b), related to the responsibility of a health care provider to obtain verbal or written consent before the use of telehealth services and to document that consent, as well as any implementing regulations.

During the national emergency and retroactive to March 1, 2020, LEA Providers were allowed to bill for covered direct medical services provided via telehealth by licensed and credentialed practitioners under the LEA BOP, except for services, such as specialized medical transportation services, that preclude a telehealth modality. [PPL #20-014R](#) contains detail of the LEA BOP policy regarding covered direct medical services provided to Medi-Cal enrolled students via telehealth during the declared national emergency due to COVID-19.

For dates of service between March 1, 2020 and June 30, 2021, **only** speech therapy services delivered by a licensed speech-language pathologist via telehealth should be billed with modifier '95', consistent with telehealth policy prior to the COVID-19 PHE. All other telehealth claims must be submitted through the fiscal intermediary **without** modifier '95' in order to receive reimbursement. For all telehealth claims between March 1, 2020 and June 30, 2021, LEAs are not required to include a place of service on telehealth claims.

### **Billing for Telehealth Services Rendered July 1, 2021 and Forward**

For telehealth services provided on or after July 1, 2021, the LEA Program will require the telehealth modifier '95' on **all telehealth claims**. The [State Fiscal Year 2021-22 rate file](#), posted on the LEA Program website, contains the new rate combinations billable with a modifier '95'. Providers are not required to include a place of service on telehealth claims. Effective July 1, 2021, the telehealth modifier '95' must be used to designate that the service was provided via telehealth.

DHCS expects that the fiscal intermediary will complete the modifier '95' system update in mid-summer 2021. **For dates of service on or after July 1, 2021**, LEAs may move forward in either of the following ways with regard to claiming telehealth services:

- **Hold telehealth claims** until the modifier '95' update is completed in mid-summer 2021. DHCS will send out an e-blast when the '95' modifier implementation is complete to inform LEAs that they may submit telehealth claims for adjudication;

**OR**

- **Submit telehealth claims with the '95' modifier and have those claims denied.** An Erroneous Payment Correction (EPC) will re-process any erroneously denied claims adjudicated before the '95' modifier has been implemented. If an LEA selects this option, no further action will be required, since DHCS will initiate the EPC when the system update is complete.

A future PPL will be released notifying the LEAs when the telehealth policies have been approved.

If you have questions concerning this PPL, please contact the LEA BOP by e-mail at [LEA@dhcs.ca.gov](mailto:LEA@dhcs.ca.gov).

Sincerely,

**ORIGINAL SIGNED BY**

Stephanie Magee, Chief  
Local Educational Agency Medi-Cal Billing Option Program