



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



GAVIN NEWSOM
GOVERNOR

Date: October 4, 2021

PPL No. 21-025

To: Local Educational Agencies (LEAs)

Subject: NOTIFICATION OF THE COMPLIANCE PROCESS FOR LOCAL EDUCATIONAL AGENCY PROVIDERS THAT DO NOT SUBMIT THE COST AND REIMBURSEMENT COMPARISON SCHEDULE BY THE MANDATED DUE DATE

This Policy and Procedure Letter (PPL) notifies Local Educational Agency (LEA) providers participating in the LEA Medi-Cal Billing Option Program (BOP) of the compliance process for LEA BOP providers that fail to submit the Cost and Reimbursement Comparison Schedule (CRCS) to the Department of Health Care Services (DHCS) by the mandated due date.

As a condition for participation in the LEA BOP, LEA BOP providers must certify that the public funds expended for LEA BOP services are eligible for federal financial participation. This certification is performed through the CRCS reporting process. Continued enrollment in the LEA BOP is contingent upon the timely annual submission of the CRCS report.

Beginning with the CRCS that reflects services rendered in state fiscal year (SFY) 2020-21, LEA BOP providers must submit the CRCS report annually to DHCS by March 1 after the close of the immediately preceding state fiscal year, as required by the terms of the Provider Participation Agreement (PPA) and the California Medicaid State Plan. The following chart illustrates the upcoming CRCS due dates for SFYs 2020-21 to 2022-23:

State Fiscal Year	CRCS Due Date
2020-21	03/01/22
2021-22	03/01/23
2022-23	03/01/24

The March 1 due date requires CRCS reports to be submitted eight months after the close of the SFY in which services were rendered. However, LEAs will continue to have one year from the month of service to claim for services through the Fiscal Intermediary. Any claims adjudicated after the LEA submits the CRCS will be reconciled by DHCS' Audits and Investigations division during the review process.

Consistent with current LEA policy, LEAs that are not compliant with the submission requirements will receive written notice from DHCS and will immediately be placed on a 100% withhold of future LEA BOP reimbursement until their CRCS is submitted and accepted by DHCS. Once the required CRCS documents are accepted, reimbursement from the LEA BOP will be restored through the claims processing system.

Effective for SFY 2020-21 and thereafter, DHCS will enforce further compliance requirements for LEAs that are on 100% withhold due to a late CRCS submission. LEAs placed on withhold will receive a Corrective Action Plan (CAP), which will include a timeline for which the CRCS must be submitted to DHCS without further consequence. If the required CRCS report is not submitted within that timeline, the LEA will be suspended from participating in the Random Moment Time Survey (RMTS) for the quarter following the CRCS due date that is outlined in the CAP and every quarter thereafter in which the LEA fails to submit the late CRCS. LEAs that are suspended from the RMTS may not claim for services during the suspension quarter(s), or report LEA BOP costs on the CRCS for the suspension quarter(s). If an LEA still fails to submit the CRCS after being suspended from participating in the RMTS, DHCS will initiate the process of terminating the LEA from participating in the LEA BOP.

In the event of a termination, the LEA may no longer file a past due CRCS, and DHCS will initiate recoupment of all interim payments received by the LEA for the reporting year in which it failed to timely submit the CRCS. In addition, all reimbursements withheld resulting from the non-submission of a CRCS report will be forfeited by the LEA BOP provider.

DHCS will continue to send an email notification to LEA stakeholders concerning how and when to access the CRCS. The CRCS report, information, and instructions are posted annually on the LEA BOP website at:

https://www.dhcs.ca.gov/provgovpart/Pages/CRCS_Forms.aspx

Nothing stated in this PPL shall supersede applicable state and federal regulations or statutes.

If you have any questions concerning this PPL, please contact the LEA BOP by e-mail at LEA@dhcs.ca.gov.

PPL No. 21-025
Page 3
October 4, 2021

Sincerely,

ORIGINAL SIGNED BY BRIAN FITZGERALD

Brian Fitzgerald, Chief
Local Governmental Financing Division, Department of Health Care Services