



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



GAVIN NEWSOM
GOVERNOR

DATE: October 14, 2021

School-Based Medi-Cal Administrative Activities PPL No.: 21-031
Supersedes PPL 19-014

TO: All Local Educational Consortia (LEC),
Local Governmental Agency (LGA), and
Local Educational Agency (LEA) Coordinators for the
School-Based Medi-Cal Administrative Activities (SMAA) Program

SUBJECT: Submitting Random Moment Time Survey (RMTS) Vendor Fee
Worksheets (VFWs) to the Department of Health Care Services
(DHCS) for SMAA

PURPOSE: This Policy and Procedure Letter (PPL) replaces PPL 19-014 and
requires LEAs to electronically sign and submit RMTS VFWs to the
SMAA program through the Secure File Transfer Protocol (SFTP).

REFERENCE: 2019 SMAA Manual

BACKGROUND:

DHCS requires LECs and LGAs to submit one VFW per claiming unit every reported State Fiscal Year (SFY) for all LEAs that wish to claim vendor fees incurred during that SFY. Per section 4, page 4 of the 2019 SMAA Manual, vendor fees are costs that stakeholders agree to pay to vendors for SMAA-related services:

LECs/LGAs/LEAs may enter into agreements with Consultants/Consulting Firms/Vendors for the administration of the SMAA program. These agreements may be based on a per-person fee, or a flat fee reimbursement. However, if the [vendor] 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.

POLICY:

When LEAs claim vendor fees through the SMAA program, the amount of the reimbursement is limited to no more than 15% of the LEA's annual SMAA claim amount for the reported SFY. Each SFY, LEAs must input vendor quarterly invoice and fee information into a VFW to determine the percentage of annual vendor fees (not

including direct charge claiming units) that are reimbursable, sign electronically, and submit the VFW to DHCS through the SFTP. LEAs must remit payment to DHCS for the amount of vendor fees exceeding the 15% limit, if any.

LECs/LGAs must submit the electronically signed VFW to DHCS within three years of the end of the fiscal year being reported. This allows time, after the submission of all four quarterly RMTS claims for the reported SFY, for LEAs to report the total claim amount to their vendors, receive vendor invoices for services rendered, pay the vendor fees, and submit the VFW to their LECs/LGAs to review and submit to DHCS along with any remittance due.

LECs/LGAs requesting more time to submit the VFW must complete and submit a VFW Late Submission Request (Attachment C) to DHCS within three years after the end of the SFY in which the costs were incurred. Failure to submit a VFW within the three-year timeframe without an approved Late Submission Request may result in delays in processing future claims, or recoupment.

If you have any questions or require further assistance regarding this PPL, please contact the SMAA mailbox at SMAA@dhcs.ca.gov.

Sincerely,

ORIGINAL SIGNED BY

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

Attachments:

Attachment A: RMTS Vendor Fee Worksheet Instructions

Attachment B: RMTS Vendor Fee Worksheet

Attachment C: VFW Late Submission Request