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Date: January 18, 2022 **PPL No. 22-002**

To: Local Educational Agencies (LEAs)

Subject: NOTIFICATION OF NEW SUBMISSION REQUIREMENT RELATED TO THE STATE FISCAL YEAR 2020-21 COST AND REIMBURSEMENT COMPARISON SCHEDULE (CRCS)

This Policy and Procedure Letter (PPL) notifies Local Educational Agencies (LEAs) participating in the Local Educational Agency Medi-Cal Billing Option Program (LEA BOP) of a new CRCS submission requirement for State Fiscal Year (SFY) 2020-21. For SFY 2020-21, LEAs are required to submit Participant Pool 1 Time Survey Participant (TSP) Lists for Random Moment Time Survey (RMTS) quarters two (October to December 2020), three (January to March 2021) and four (April to June 2021) with the CRCS¹ to the Department of Health Care Services (DHCS) on March 1, 2022. These documents will be used in the review/audit of the CRCS to ensure that only costs associated with employed practitioners on the quarterly Participant Pool 1 TSP Lists are recognized on the CRCS. LEAs are **not** required to submit Participant Pool 2 TSP Lists with the SFY 2020-21 CRCS.

CRCS Reporting Requirement for TSPs in Participant Pool 1

Only costs for Participant Pool 1 practitioners that are certified on the RMTS quarterly TSP Lists are allowable on the CRCS. LEAs may **not** include quarterly costs on the CRCS for SFY 2020-21 unless the practitioner is included in the certified TSP List for the applicable quarter². Quarterly certified TSP Lists for Participant Pool 1 must be included in the SFY 2020-21 CRCS submission package due to DHCS on March 1,

¹ LEAs that **only** contract for direct service practitioners, known as Model 2 providers, are not required to participate in RMTS. As such, this PPL is not applicable to Model 2 providers, since they do not maintain quarterly TSP Lists that are used in the RMTS. However, in order for Model 2 providers to bill and receive Medi-Cal reimbursement for the covered services, the contracted provider of services must voluntarily reassign their right to payment to the LEA.

² Note that the LEA must only include TSPs on the quarterly TSP List who were approved for participation in the RMTS. TSPs that are identified as 100% federally funded should not be included on the certified TSP List. The TSP Lists submitted with the CRCS must include those TSPs who were certified prior to the start of the quarter (e.g., staff that were identified and approved at the beginning of the claiming quarter), as well as any new hires that filled vacant positions on the TSP List during the quarter, and any direct replacements made during the quarter. LEAs can only claim costs for Participant Pool 1 TSPs that were included in the approved universe of potential TSPs each quarter.

2022 and sent to LEA.CRCS.Submission@dhcs.ca.gov. The quarterly TSP Lists and the CRCS must be submitted in the same email.

Each SFY 2020-21 quarterly TSP List must identify the LEA name, National Provider Identifier (NPI), RMTS quarter, practitioner's name, and the LEA BOP approved job classification³. TSPs not certified prior to the start of an RMTS quarter, such as a TSP who filled a vacant position or a TSP who was a direct replacement during the quarter, must be identified on the TSP List(s) submitted with the CRCS. Any Participant Pool 1 TSPs who were included on the certified TSP List in error and vacated after the start of the quarter must also be identified on the TSP List(s) submitted with the CRCS.

Failure to Comply with Submission Requirements

If the LEA reports quarterly salary and benefit costs, but fails to include the corresponding certified TSP Lists for RMTS quarters two (October to December), three (January to March) and/or four (April to June) of SFY 2020-21, the submitted CRCS will be rejected. In these cases, LEAs will receive a notice from the DHCS Audits and Investigations Division (A&I) that their CRCS was rejected by DHCS for failure to include the required attachments. LEAs that receive the rejection notice will have an opportunity to make the correction and resubmit the SFY 2020-21 CRCS with the required documents within 30 days. If A&I does not receive the resubmission package within the required timeframe, providers will be considered past due and A&I will begin the process of placing the LEA on 100 percent withhold from future claims. Note that providers that do not comply with the annual cost reporting process are considered out of compliance with LEA BOP requirements and subject to termination from the LEA BOP. If providers are terminated for failure to submit the CRCS, they must repay DHCS for all interim reimbursement received during the respective SFY(s) that they failed to submit a timely cost report as stated in PPL 21-025.

Nothing stated in this PPL shall supersede any state or 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.

Sincerely,

ORIGINAL SIGNED BY JILLIAN MONGETTA

Jillian Mongetta, Branch Chief

Medi-Cal Claims and Services Branch
Local Governmental Financing Division
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³ See the [SMAA Manual](#) page 6-8 for a list of the LEA BOP approved job classifications.