The Local Educational Agency Medi-Cal Billing Option Program (LEA BOP) Quarterly Meeting

10:30 a.m. – 12:00 p.m.

1:00 p.m. – 3:00 p.m.

DHCS
CALIFORNIA DEPARTMENT OF
HEALTH CARE SERVICES

October 2025

Welcome

Morning Session
10:30 a.m. – 12:00 p.m.

Introductions

» **California Department of Health Care Services (DHCS)**

- The Local Educational Agency Medi-Cal Billing Option Program (LEA BOP)

- Audits and Investigations (A&I)

- School-Based Medi-Cal Administrative Activities (SMAA)

Agenda

» Audits and Investigations (A&I) Updates and Training

- Cost Report Tracking Section (CRTS)
- Special Programs Section (SPS)
  - Common audit adjustment
  - Auditor – LEA Communication and Tips/Reminders to Avoid Common Findings

» Local Governmental Financing Division (LGFD) Discussion Points

- Alternative Format System Update
- Practitioner Enrollment
- State Plan Amendment (SPA) Updates
- Random Moment Time Survey, Quarter 1 Implementation

Agenda (cont.)

» Program Status Updates

- Erroneous Withhold on Interim Settlements Process with RAD Code 709
- Online Program Guide and Provider Manual Updates
- Recognition for the Fiscal Year (FY) 2023-24 Cost and Reimbursement Comparison Schedule

» General Reminders

- Protected Health Information (PHI)
- Mental Health Coordination
- Provider Participation Agreement (PPA)
- Annual Report (AR) Fiscal Year 2025-26
- Data Use Agreement (DUA)

Audits and Investigations (A&I) Updates and Training

# Cost Report Tracking Section (CRTS)

CRCS Submission

» A&I CRTS completes the cost report intake process.

- The following types of emails are sent to LEAs upon submission:

  - **Confirmation** – Acknowledges receipt of the LEA's submission and indicates it is under review.

  - **Acceptance** – Notifies the LEA that their submission has been accepted and no further actions are required.

  - **Rejection** – Informs the LEA that errors were identified in their CRCS/CZR and advises prompt correction and resubmission.

- Extension requests should be sent **before the due date** to LEA.CRCS.Submission@dhcs.ca.gov.

  - Include the LEA name, NPI, reason for the extension, and a proposed extension timeline

CRCS Rejections

Top Rejection Reasons (2023-24)

1. Blank/incomplete CRCS Worksheets

2. Variance between the reported Total Overpayment/ (Underpayment) in the CRCS & Cert. Statement

3. Incorrect LEA name, NPI, or SFY reported in the CRCS or Cert. Statement

Count of Rejected Submissions by State Fiscal Year (SFY)

Legend: 2021-22, 2022-23, 2023-24
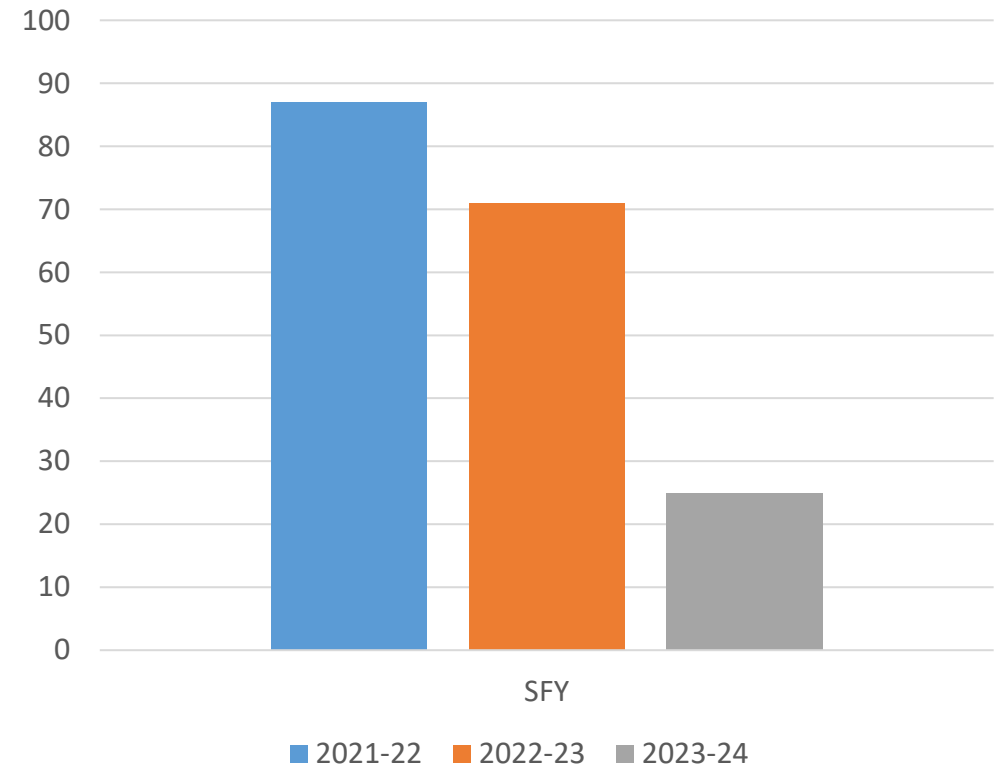
Special Program Section (SPS)

LEA Common Audit Adjustments

Allocation Statistics Common Audit Findings

» Not reporting, under reporting, or over reporting:

- Allocation Statistics:

  - Unrestricted Indirect Cost Rate

  - Federal Medicaid Assistance Percentages (FMAPs)

  - Direct Medical Service Percentage from Time Survey Results

  - Medi-Cal Eligibility Ratio (MER)

- Interim Reimbursement

Salaries and Benefits Common Audit Findings

» Variances between the reported Salary/Benefit expenditures for employees and the supporting documentation (example: bridging, payroll records).

- Variances may result in adjustments to agree with the provider's records.

» Salary/benefit expenditures reported for employees that are not on the Pool 1 Time Survey Participant (TSP) list.

- Eliminate costs for practitioners not on the Pool 1 TSP list.

» LEA BOP covered services documentation could not be provided for employed practitioners reporting costs (Salary/benefit expenditures).

- Eliminate costs for practitioners that did not provide support for LEA BOP rendered covered services.

Contractor Costs Common Audit Findings

» LEA BOP covered services documentation could not be provided for contractors reporting costs.

  • Eliminate costs for contracted practitioners that did not provide support for LEA BOP rendered covered services.

Special Program Section (SPS)

Auditor – LEA Communications and Tips/ Reminders to Avoid Common Findings

Auditor – LEA Communication

» During the Audit:

- Assigned auditor is the primary point of contact.

- Assigned auditor reaches out to confirm LEA's contact person and send correspondence along with any documentation requests.

- Providers are encouraged to reach out and discuss any questions/concerns with the auditor.

- Audits will answer any clarifying questions, assist with any concerns, and provide most recent updates related to the current audit.

Tips/Reminders to Avoid Common Findings

» Verify your LEA's allocation statistics.

- Indirect Cost Rate – available on the California Department of Education's website.

- FMAP – available on the LEA BOP website.

- Direct Medical Services Percentage – available on the LEA BOP website.

- MER – Maintain for audit and/or review purposes.

  o Technical assistance available if needed.

» LEAs must be able to support costs with covered services documentation for audit and/or review purposes.

- LEA BOP requirements : LEA Billing Option Provider Manual

» Include costs only for employed practitioners listed on the Pool 1 TSP list.

» Communicate to your auditor any questions you may have during the audit process.

Questions?

Cost Report Tracking Section (CRTS): LEA.CRCS.Submission@dhcs.ca.gov

Audit: LEAAuditQuestions@dhcs.ca.gov

General: LEA@dhcs.ca.gov

Local Governmental Financing Division (LGFD) Discussion Points

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Alternative Format System (AFS) Update

AFS Update

» As of September 19, 2025, the AFS website (https://afs.dhcs.ca.gov) redirects to the Alternative Formats webpage

» Members will be provided three options for selecting and recording their AFS

- Large print
- Audio file
- Braille

Practitioner Enrollment

Eligible Practitioner Types

» Certified Nurse Practitioner

» Licensed Audiologist

» Licensed Clinical Social Worker

» Licensed Marriage and Family Therapist

» Licensed Occupational Therapist

» Licensed Optometrist

» Licensed Physical Therapist

» Licensed Physician

» Licensed Physician Assistant

» Licensed Psychologist

» Licensed Respiratory Care Practitioner

» Licensed Speech-Language Pathologist

» Licensed Educational Psychologist*

» Registered Credentials School Nurse*

*More information to come.

What's Next?

» Policy and Procedure Letter, Survey, and Guidance & FAQs to be released and published.

» Training on Practitioner Enrollment Requirements, November 2025.

- DHCS will notify LEAs of the date via e-blast.

» Enrollment timeline and effective date.

State Plan Amendment (SPA) Updates

SPA Updates

» Expansion of Qualified Practitioners:

- Licensed Professional Clinical Counselors (LPCCs)
- Associate Professional Clinical Counselors (APCCs)
- Community Health Workers (CHWs)
- Certified Wellness Coaches (CWCs)

» Proxy rates for new practitioner types

» New rate for Vaccine Administration

» Photoscreeners as a valid screening tool for vision screening

» Payment methodology for Quarter 1 RMTS

SPA Updates *cont.*

» Exempts colleges from the Pupil Personnel Services (PPS) credential supervision requirement

» Cleans up language around Medi-Cal Enrollment Ratio (MER) specific to student enrollment count

» Removes Academy for Certification of Vision Rehabilitation and Education Professionals (ACVREP) requirement for Orientation and Mobility Specialist

» Updates payment methodology rates that used to be based on proxy rates

» Updates specialized medical transportation calculation for one-way trip ratio

Random Moment Time Study Quarter 1 (Q1) Implementation

Current Practice for Q1

» Current Practice (ending June 30, 2026):

- The time study occurs only in Quarters 2-4.

- LEAs get paid for LEA BOP covered services for Q1 based off the average of the time study from Quarters 2-4.

- LEAs can claim costs for Q1 on their CRCS without conducting a time study.

Implementing Quarter 1 Time Study

» The 2023 CMS Guidance requires RMTS to be conducted for any quarter in which services are being rendered, and costs will be claimed.

- Beginning on **July 1, 2026**, claiming costs for Quarter 1 will now require the administration of RMTS, consistent with the process already in place for Quarters 2 through 4.

» All TSIP updates will require approval by CMS.

If RMTS is not conducted for Q1, LEAs can not include costs for Q1 on their cost report or SMAA invoice.

Program Status Updates

Erroneous Withhold on Interim Settlements Processed with RAD Code 709

LEA BOP Online Program Guide and Provider Manual Updates

Online Program Guide Updates

» Requires a 30-day notification of change as outline in Welfare and Institutions (W&I) Code, Section 14115.8.

» In FY 2025-26, the following Online Program Guide sections have been updated:

- LEA BOP Provider Manual
- Trainings
- Tool Box

FY 2025-26 LEA BOP Provider Manual Update

» The LEA BOP Provider Manual is an important component in the Online Program Guide.

» LEA Service: Psychology/Counseling (loc ed serv psych)

- Updated September 2025
- Added list of documentation requirements for Adverse Childhood Experiences (ACEs) Screening

» More updates will be coming soon.

FY 2025-26 LEA BOP Training Updates

1. August 2025 LEA BOP Quarterly Meeting

2. August 2025 LEA BOP Provider Billing Forum Part 1: LEA BOP Medicaid Claiming and RMTS

3. September 2025 LEA BOP General and Code 2A Documentation Training **(to be posted soon)**

Instructional Materials, Resources, and Forms

- LEA BOP Trainings
- Frequently Asked Questions (FAQs)
- E-mail Notifications

FY 2025-26 Tool Box Updates

1. Job Aid for New LEA BOP Coordinators

Instructional Materials, Resources, and Forms

- LEA BOP Trainings

- Frequently Asked Questions (FAQs)

- E-mail Notifications

- Internal Administrative Functions Chart

- Alternative Format Resources

- FYI - For Your Information

- Tool Box

- Terminology Crosswalk

- Glossary of Terms

- Technical Assistance/Site Visit Request

- Nursing and Health Aide Services Treatment Form

Tip Sheets and New Resources:

- CRCS Resource: Tips for Identifying Allowable Costs and Avoiding Common Pitfalls
- School-Based Health Funding Resouces for LEAs and Health Partners
- CRCS Resource: Administration and Audit Checklist
- CRCS Glossary
- Enrollment: Steps and Timeline
- Tips for Using Contractors as LEA BOP Practitioners
- Tips for Identifying Allowable Cost and Calculating Total Program Reimbursement
- Job Aid for New LEA BOP Coordinators

Recognition for the FY 2023-24 Cost and Reimbursement Comparison Schedule

Exciting News!

All FY 2023-24

Cost and Reimbursement Comparison Schedule reports have been submitted!

Thank You!

» ## LEAs and Billing Vendors

- We sincerely appreciate your commitment to the program and your diligent efforts in completing and filing the FY 2023-24 cost reports.

» ## A&I Team

- Thank you for your dedication and meticulous work in auditing the cost reports. Your work is essential to maintaining transparency and program integrity.

» ## LEA BOP Provider Relations Unit

- Thank you for your continued support of LEAs through outreach and technical assistance, including the coordination of 20 TA meetings since the last Quarterly Meeting in August. Your efforts have been instrumental in ensuring program success.

Reminders/Announcements

Protected Health Information (PHI)

Redacting PHI

» PHI includes:

- Names
- Dates of birth
- Social Security Numbers

- Medical record numbers
- Addresses
- Any information that can identify a patient

» Before sharing documents/screenshots:

- Remove or redact PHI
- Double-check before sending

Encrypting Emails with [secure]

» How to encrypt an email:

- In the subject line, type: [secure]

» Why it matters:

- Protects privacy
- Complies with HIPAA and DHCS policy
- Prevents data breaches

Mental Health Coordination

Provider Participation Agreement (PPA)

PPA Reminders

» Familiarize yourself with the PPA instructions and checklist.

» Make sure that the LEA Name and NPI number are correct.

» The LEA is responsible for all information reported by vendors/billing agents on the PPA.

» Get the appropriate signers for the LEA.

» Keep the PPA as one document without any additional pages.

» If you have questions, e-mail them to LEA@dhcs.ca.gov.

PPA

» The following items were sent out via e-blast on Monday, October 13, 2025:

- New PPA
- Instructions for completing PPA
- Exhibit A (Business Associate Addendum)*
- Exhibit B (LEA Data Match Files)*

» E-mail LEA@dhcs.ca.gov for a copy.

» All LEAs **_must_** submit a new PPA.

- Must be submitted electronically (with digital signature) to: LEA.AnnualReport@dhcs.ca.gov.

» Due Wednesday, **December 31, 2025**.

*Exhibit A and Exhibit B do not need to be signed and submitted to DHCS.

Annual Report FY 2025-26

Annual Report Reminders

» All information and fields must be completed.

» Complete the Anticipated LEA BOP Service Funding Priorities as it is a required field.

» Please list three LEA Interagency Collaborative Partners.

- The LEA local collaborative group shall include parents/guardians and teachers of the children receiving LEA services, LEA Providers or potential LEA Providers, or their representatives.

Updates and Reminders

» Update Contact Information for any changes made to staff.

- Ensure correct contacts for LEA BOP to receive program updates.

» Address Change with the Effective Date of Change.

- Update to receive warrants at the correct address.

» Employer Identification Number (EIN)

- Prevent billing/claiming issues.

» Safeguard communication that may contain confidential information or Protected Health Information.

- "Encrypt" feature on your email platform

- Subject: [SECURE] 2025-26 Annual Report

Annual Report FY 2025-26

» The Annual Report for FY 2025-26 and Instructions was sent out on October 13, 2025.

» All LEAs must submit an Annual Report.

- Must be submitted electronically (with digital signature) to: LEA.AnnualReport@dhcs.ca.gov.

» Due Wednesday, **December 31, 2025**.

Data Use Agreement (DUA)

Data Use Agreement (DUA)

» DHCS is looking into developing a new DUA to support compliance with the CMS May 2023 Guide to Delivering School-Based Services

- Target implementation date: July 1, 2026

» Tentative Timeline (subject to change):

- DUA release: Early 2026
- Submission deadline: Spring 2026

» For MOVEit access requests, e-mail LEA@dhcs.ca.gov

General Reminders

Stay Updated with Listserv

» Subscribe or unsubscribe to LEA BOP e-blasts for updated program information at:

http://apps.dhcs.ca.gov/listsubscribe/default.aspx?list=DHCSLEA

List Subscribe

You are working with the following list

DHCSLEA

Please enter your Email address and confirm the Security Code displayed below
Optionally enter your Full Name or leave it blank to subscribe anonymously

Full Name

Email Address

P Z J X B

Enter the security code above

Subscribe   Unsubscribe

LGFD Mailboxes

» LEA@dhcs.ca.gov - General questions about the LEA BOP, CRCS, and technical assistance requests.

» LEA.AnnualReport@dhcs.ca.gov - Compliance documents (Provider Participation Agreement, Annual Report, and Data Use Agreement forms)

» RMTS@dhcs.ca.gov - Random Moment Time Study, Time Study Participant, and moment questions.

Thank You!
See you in the Afternoon Session.

1:00 p.m. - 3:00 p.m.