

DATE: August 2, 2023

**PPL No. 23-006**

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

**SUBJECT: NOTIFICATION OF THE TERMINATION OF THE PUBLIC HEALTH EMERGENCY (PHE) DUE TO COVID-19 AND UNWINDING OF THE PHE FLEXIBILITIES**

PURPOSE: This Policy and Procedure Letter (PPL) notifies all LEA BOP Providers, LECs, and LGAs participating in the LEA BOP and SMAA Program that the PHE, due to the outbreak of COVID-19, ended May 11, 2023. The following PPLs are superseded upon the termination of the PHE, with the exception of PPL 20-043, as noted below.

REFERENCE: PPL 20-014R, PPL 20-038, PPL 20-043, and PPL 21-019

**BACKGROUND:**

The COVID-19 national emergency and public health emergency (PHE) were declared by the Trump Administration in 2020. These declarations expired on March 1, 2023, and April 11, 2023, respectively, and then were extended to May 11, 2023, when both emergencies terminated.

**POLICY:**

Upon termination of the PHE, the LEA BOP and SMAA Program will resume pre-PHE operations. The following published policies expired on May 11, 2023, and the pre-PHE policies resumed as of May 12, 2023:

**PPLs 20-014R and 21-019 (LEA BOP Providers) superseded by this PPL; PPL 21-019 is also superseded by the LEA BOP provider manual Telehealth section:**

- **Service Authorization Requirements:** Extensions for expired service authorizations (prescriptions, referrals, and recommendations) will no longer apply. As of May 12, 2023, LEA BOP Providers must ensure that service authorizations are in place and appropriately dated prior to submitting LEA BOP claims to the fiscal intermediary. Post-PHE, LEA BOP service authorizations will be valid for one year from the date of authorization.
- **Telehealth:** The LEA BOP will permanently add telehealth as billable LEA BOP services when performed by a licensed, credentialed, or registered LEA BOP qualified practitioner. Consistent with LEA BOP policy during the PHE, services that preclude a telehealth modality, such as specialized medical transportation services, will not be reimbursable telehealth services for LEAs post-PHE. The LEA BOP Provider Manual (section titled Local Educational Agency: Telehealth, *loc ed tele*) has been updated to reflect the post-PHE policy.

Certain telehealth accommodations that were granted during the PHE will no longer apply for LEA BOP Providers as of May 12, 2023, including:

- Written and oral consent requirements that were waived for telehealth services during the PHE will be reinstated. Effective May 12, 2023, the health care provider at the originating site must first obtain oral or written consent from the minor student's parent or legal guardian prior to providing services via telehealth.
- During the PHE, Medi-Cal accepted contracted practitioners providing services via telehealth if licensed in a different state. Post-PHE, DHCS will require that telehealth practitioners be licensed, credentialed, or registered in California.
- Practitioners who temporarily and provisionally enrolled in the Medi-Cal program during the PHE will be terminated and required to submit a full application package if they would like to continue enrollment as a Medi-Cal provider. Practitioners must submit an application for enrollment via the [Provider Application and Validation for Enrollment \(PAVE\) portal](#).

**PPL 20-038 (LEA BOP Providers) superseded by this PPL:**

- **Federal Medical Assistance Percentage (FMAP) Rate<sup>1</sup>:** As of January 1, 2024, DHCS is no longer eligible to receive the temporary 6.2 percent FMAP increase for certain claims reimbursed to LEAs during the PHE. The temporary FMAP increase is being gradually phased out, beginning April 1, 2023, until the temporary FMAP increase is eliminated on January 1, 2024. DHCS will reimburse LEA BOP Title XIX claims at a FMAP rate that will gradually decrease by quarter, as illustrated below:

**Timeline to Eliminate the Temporary 6.2 percent FMAP for Title XIX Claims:**

- |                      |                                     |
|----------------------|-------------------------------------|
| • 6.2% FMAP increase | Through March 2023                  |
| • 5% FMAP increase   | April 1 through June 30, 2023       |
| • 2.5% FMAP increase | July 1 through September 30, 2023   |
| • 1.5% FMAP increase | October 1 through December 31, 2023 |
| • No FMAP increase   | January 1, 2024, onward             |

**PPL 20-043 (LEA BOP and SMAA Providers):**

- **85% Random Moment Time Survey (RMTS) Compliance Rate:** Providers participating in the LEA BOP and SMAA Program are required to achieve a minimum response rate for LEAs participating in the RMTS that receive at least fourteen (14) moments in a quarter. For these LEAs, the pre-PHE compliance rate threshold of eighty-five percent (85%) during a given quarter, as stated in the California SMAA Manual, will resume. In addition, the compliance policy outlined in PPL 20-043 will resume upon termination of the PHE.

Please contact the LEA BOP at [LEA@dhcs.ca.gov](mailto:LEA@dhcs.ca.gov) with any questions regarding this PPL.

Sincerely,

**ORIGINALLY SIGNED BY BRIAN FITZGERALD**

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

<sup>1</sup> All LEA BOP interim claims are reimbursed at one FMAP rate, as indicated in this section of this PPL. A majority of LEA BOP beneficiaries are associated with the FMAPs listed in this section. However, claims submitted for beneficiaries eligible via the Children's Health Insurance Program (CHIP), are only entitled to receive a temporary 4.34 percent FMAP increase during the PHE. The settlement for CHIP beneficiaries will be accomplished on the annual Cost and Reimbursement Comparison Schedule (CRCS).

Note that the temporary CHIP FMAP increase is also being phased out as follows:

Timeline to Eliminate the Temporary 4.34 percent FMAP for Title XIX Claims:

- 4.34% FMAP increase Through March 2023
- 3.5% FMAP increase April 1 through June 30, 2023
- 1.75% FMAP increase July 1 through September 30, 2023
- 1.05% FMAP increase October 1 through December 31, 2023
- No FMAP increase January 1, 2024, onward

CHIP claims for dates of service on or after 1/1/24 are paid at an FMAP of 65%.