

**Local Educational Agency (LEA) Medi-Cal Billing Option Program (BOP)
Advisory Workgroup (AWG) Meeting
April 4, 2018 Minutes**

Location: Natomas Unified School District (USD)

Attendees: Betty Lai, SNFD; Jose Garcia, SNFD; Cheryl Ward, SNFD; Dmitry Terlesky, SNFD; Stephanie Magee, SNFD; Tony Teresi, SNFD; Martin Alvarez, A&I Financial Audits Branch (FAB); Brandon Smith, A&I FAB; Etta Gross, A&I FAB; Michelle Brown, A&I FAB; Said Mursal, A&I FAB; Karen Petruzzi, A&I Audit Review Analysis Section (ARAS); Renzo Bernales, California Department of Education (CDE); Andrea Pederson, Navigant Consulting; Dennis Finnegan, Navigant Consulting; Marna Metcalf, Navigant Consulting; Alma McKenry, Fresno COE; Alva Lueng, Berkley USD; Amy Yribarren, Modesto Junior College; Aurelei Alvarez, LACOE; Belinda Brager, Calveras COE; Brenda Rios, Ontario-Montclair SD; Cara Schusoske, San Diego COE; Carla Hernandez Espinosa, Bakersfield City School District; Catherine Graham, Orange County DOE; Cecilia Argaza Chester, Corona Norco USD; Christina Guillen, Napa Valley USD; Christine Wilhite, Butte COE; Colleen Ganley, Calif Community College Chancellor's Office; Coreen DeLeon, Glenn COE; Cremilde Rolicheck, Los Banos USD; Craig Chilson, Stockton USD; Debbi Conner, Mendocino USD; Debbi Wood, Bakersfield City SD; Deborah Still, Monterey COE; Debra Hinely, Yolo COE; Diana Reed, Newport Mesa USD; Elizabeth Plaster, Barstow USD; Heather Plahn, Palmdale SD; Helen Frederickson, Palmdale SD; Irma Roche, Clovis USD; Janice Holden, Stanislaus COE; Jeanne Harris-Caldwell, Saddleback College; Jeanne Tso, Montebello USD; Jennifer Wood-Slayton, Lamont School District; Julie Ferebee, Palmdale SD; Julienne Degeyter, UC Davis; Karol Castillo, Folsom Cordova USD; Kristie Kobayashi, Montebello USD; Laura Missimer, San Joaquin COE; Laurie Lane, San Joaquin COE; McKenzie Luis, San Joaquin COE; Margarita Bobe, LAUSD; Maria Jett, Yolo COE; Maria Parra, Ontario-Montclair SD; Maricela Martin, San Bernardino County; Marta Cuevos-Ortega, Galt Joint Unified ESD; Melissa Nguyen, San Diego COE; Nancy Gilko, Nevada Co Superintendent of Schools; Natasha Slivkoff, Bakersfield City SD; Octavio Castelo, LA COE; Patrice Breslow, San Diego USD; Phil Downing, LA COE; Randy Nakamura, HUSD; Rhonda Yohman, Madera County Superintendent of Schools; Saleena Santiago, Spring Charter Schools; Sharon Battaglia, Sonoma COE; Sheri Coburm, San Joaquin COE; Sheri Elkins, Modesto City Schools; Sheri Roberge, Sonoma COE; Terri Dye, Monterey COE.

Handouts

Each participant was emailed an electronic copy of the following: April AWG Meeting Agenda; April Department of Health Care Services (DHCS) Status Update Summary; a summary for the afternoon group discussions on Mental Health Services under the LEA Program and enhancements to the LEA BOP website; and February 2018 Meeting Minutes.

Purpose

The meeting was convened by DHCS. DHCS welcomed all participants to the meeting and briefly reviewed the purpose of the AWG, which is to improve the LEA BOP. The

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emphasis of the meeting is to strategize various goals and activities aimed at enhancing the Medi-Cal services provided on school sites and access by students to these services, while increasing federal reimbursement to LEAs for the cost of providing these services.

Review of Meeting Minutes

- The AWG reviewed the February meeting minutes. There were no edits to the minutes and DHCS will post the February 2018 minutes to the LEA website as is.

California Department of Education (CDE), Special Education Division (SED) Updates

- A representative from CDE provided the following updates regarding the State Board of Education's May 9, 2018 meeting, linked at <https://www.cde.ca.gov/be/ag/ag/yr18/agenda201805.asp>:
 - Development of California's System of Support (Item #1)
 - California Schools Dashboard (Item #2)
 - California Assessment of Student Progress (Item #3)
 - English Language Proficiency Assessment for California (Item #4)
- CDE reported on the status of the State's Every Student Succeeds Act (ESSA) submission. *The California State Board of Education approved the state's ESSA plan in April. The plan has been submitted to the United States Department of Education and the CDE is waiting to hear back from them.*
- CDE continues to collaborate with the Department of Social Services for the implementation of the Continuum of Care Reform.
- The SED continues to collaborate with the English Language Support Division, with the consultation of a work group, to develop a guidance manual on English Learners with Disabilities. The required contents for the manual were mandated by Assembly Bill (AB) 2785 and are now codified in Education Code (EC) 56305. The work group met on May 21, 2018.

DHCS A&I Updates - FAB

- A representative from A&I provided an update on the status of the Cost and Reimbursement Comparison Schedule (CRCS) audits by Fiscal Year End (FYE) date:
 - FYE 2013 - completed
 - FYE 2014 – 545 reports were filed; 306 audits have been completed.
 - FYE 2015 – 507 reports were filed; working on minimal audits now and limited audits should start soon.

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- Currently, there are six formal appeals in process and four informal appeals.
- An LEA asked if there are findings from an audit, do the findings ever get back to the LEA and other LEAs participating in the LEA Program? The LEA noted that knowing about common audit findings within other LEAs helps them review and assess their own programs. A&I stated that the audits are focused on the CRCS and there is both an entrance and exit conference, as well as a letter with any exceptions, that should help educate the LEAs. In addition, it was noted that common audit findings are reviewed during the LEA BOP annual training and discussed during the AWG meetings.
- The last training that A&I provided on common audit findings can be found here: http://www.dhcs.ca.gov/provgovpart/Documents/ACLSS/LEA%20BOP/Training%20and%20Webinars/2016_UPDATED_LEA_BOP_Training.pdf

DHCS Safety Net Financing Division (SNFD) Status Updates

- **FY 2016-17 Annual Report (AR) Submissions**
 - The FY 2016-17 AR was due from all participating LEAs on November 30, 2017.
 - As of March 28, 2018, approximately 480 LEAs have submitted the FY 2016-17 AR.

- **Cost and Reimbursement Comparison Schedule (CRCS) and Certification of Zero Reimbursement Reports Update (including past years)**
 - The FY 2015-16 CRCS was due from all participating LEAs on November 30, 2017.
 - FY 2015-16: As of March 28, 2018, A&I received 383 and accepted 349 submissions, categorized as follows:
 - 337 DHCS Form 2437 - *Medi-Cal Cost and Reimbursement Comparison Schedule*
 - 12 DHCS Form 2437a - *Certification of Zero Reimbursements for LEA Services*
 - FY 2014-15: As of March 28, 2018, A&I received 531 CRCS and accepted 520 submissions, categorized as follows:
 - 507 DHCS Form 2437 - *Medi-Cal Cost and Reimbursement Comparison Schedule*
 - 13 DHCS Form 2437a - *Certification of Zero Reimbursements for LEA Services*

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- Delinquent CRCS Reports: A total of 52 LEAs are on 100% withhold.
 - 41 for FY 2014-15
 - 6 for FY 2013-14
 - 3 for FY 2012-13
 - 1 for FY 2011-12
 - 1 for FY 2009-10

- **Policy for Non-Compliant LEAs**
 - SNFD is establishing a policy for those LEAs that have failed to submit a CRCS report by the mandated due date. This proposed policy is being reviewed by DHCS.
 - An LEA asked when this policy will be published. DHCS stated that they do not have a projected date, but are working to publish it as quickly as possible.

- **LEA Website Updates and E-blasts**
 - E-blast March 28, 2018: Terminology Crosswalk; CRCS Flow Chart; CRCS Submission Checklist
 - E-blast March 13, 2018: School Based Meeting, October 4, 2018
 - E-blast March 6, 2018: Three Info Sheets; FAQs 10 Sections; AWG Meeting Summary
 - E-blast February 15, 2018: Stakeholder Meetings Survey
 - Website Update February: Homepage Restructure

- **Erroneous Payment Correction (EPC) 44140 - FY 2016-17 Rate Inflation**
 - An EPC has been initiated to reprocess claims submitted by LEAs, for dates of service (DOS) July 1, 2016 through June 30, 2017, using the updated reimbursement rates implemented with the FY 2016-17 Inflated Rates on October 26, 2017 (180-day EPC).
 - On schedule to install EPC into production May 31, 2018 for payment estimated in June/July

- **EPC 42455 - RAD 0008 Claims Denials**
 - Some LEAs received RADs with denial code 0008 “The provider of service is not eligible for the type of services billed”. This denial code was erroneously associated with speech assessments and dates of service after July 1, 2016.
 - On schedule to install into production in May for payment estimated in June

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- **EPC 440445 - CPT Codes 92521, 92523, and 92557 Claims Denials**
 - An EPC has been initiated for certain claims submitted October 27, 2017 and after, which were denied incorrectly for CPT codes 92521, 92523 and 92557, and may have included a request for Resubmission Turnaround Documents (RTD).
 - Conduent fixed the claims processing error in November 2017.
 - LEAs were instructed via e-blast to either resubmit claims via RTD or disregard the RTDs and the claims will deny, and be included in an EPC with no further action required by the LEA.
 - This EPC will be processed once EPC 42455 is completed
 - An LEA asked if all of the EPCs will be processed at once or separately. DHCS stated that each EPC will be processed separately.

- **Operating Instruction Letter (OIL) 355-17 - Physical Therapy (PT) and Occupational Therapy (OT) Assessment Current Procedural Terminology (CPT) Codes 97001-97004**
 - System implementation of code changes (delete existing codes and replace with new codes) are on schedule to implement with an effective date of July 1, 2018. Until July 1, 2018, CPT codes 97001 – 97004 will continue to be used to bill OT and PT assessments.
 - Each deleted code will be replaced with one new CPT code; no other changes (such as rate or time increment adjustments) will be implemented.
 - An e-blast will be sent to stakeholders in April 2018.
 - A Policy and Procedure Letter (PPL) is being developed.
 - An LEA asked if the effective date is based upon date of service or date of claim submission. DHCS stated that the new procedure codes are effective for *dates of service* on or after July 1, 2018.

- **OIL 112-18 - Increase 1.5% Withhold to 2%**
 - An OIL has been approved to increase the 1.5% NCI/A&I withhold to 2%.
 - Expected implementation date of July 1, 2018
 - DHCS reminded the stakeholders about historical adjustments to the withhold and that they are trying to collect as close to their expenditures as possible, but they do not want to under collect and have to recoup additional funds from LEAs at a later date.

- **OIL TBD - Implement Other Health Coverage (OHC) Policy**
 - An OIL has been approved to change the 90-day timeframe for pursuing third party liability to a 45-day timeframe, per Senate Bill 276.
 - Estimated implementation date of July 1, 2018

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- **OIL TBD – Rate Table Updates Related to State Plan Amendment (SPA) 15-021**
 - An OIL has been initiated to change the LEA Rate Table to include new services and new practitioners.
 - Estimated implementation date TBD based on SPA approval
- **OIL TBD – Aid Code Updates**
 - An OIL is being drafted to update the '0109 Table' that identifies the ineligible and eligible aid codes for the LEA BOP.
 - Updated aid codes are based on the following factors: funding source, service description, and benefits.
 - The LEA BOP Provider Manual will be updated to list aid codes that are ineligible for Medi-Cal reimbursable LEA services.
 - Expected implementation date is unknown.
- **FY 2015-16 Annual Accounting of Funds Report and Fair Share Analysis**
 - SNFD is working with CA-MMIS to run the necessary reports to produce the Annual Accounting of Funds Report.
 - Once a draft is developed, the report will be presented at a future AWG meeting.
- **Transportation Provider Manual Updates**
 - LEA Provider Manual updates to the Transportation section were published in March 2018, to be aligned with the transportation regulations package, which was effective April 1, 2016.
 - The PPL being developed for Transportation changes related to SPA 15-021 will also include the March 2018 transportation updates.
- **FAQ Updates**
 - In February 2018, the following ten FAQ sections were updated based on input from the AWG: *Assessment Policy and Billing; Contracted Practitioners; CRCS; DHCS PHI Security Requirements; Documentation and Record Retention Requirements; Eligibility Verification and DUA; Free Care and Other Health Coverage; General Program Requirements; LEA Service Limitations; Parental Consent and Patient Confidentiality*
 - The link to the Training FAQs has been moved to the LEA FAQ page: <http://www.dhcs.ca.gov/provgovpart/Pages/LEAFAQs.aspx>
 - DHCS told the stakeholders that all FAQs will be reviewed after SPA 15-021 is approved and that all previous FAQs are being archived, for historical and auditing purposes.

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- **SPA 15-021 (New Services and RMTS Implementation)**
 - On March 14, 2018, DHCS received input from CMS regarding the Requests for Additional Information (RAI) responses that were submitted to CMS October 6, 2017, and the CMS response included two follow-up items. DHCS was unable to share the two follow-up items with LEAs at this time, since they had not responded to CMS at the time of the meeting.
 - SNFD is in the process of drafting LEA Provider Manual updates related to SPA 15-021.
 - SNFD is in the process of drafting PPLs related to SPA 15-021. Proposed PPLs include:
 - SPA Approval
 - New Services/Practitioners
 - RMTS Methodology
 - Individualized Health and Support Plan (IHSP)
 - Transportation
 - Targeted Case Management
 - Back-casting/Cost Settlement

 - An LEA asked how many RAIs are outstanding with CMS. DHCS stated that there are a total of 10, including the two new RAIs.
 - An LEA asked if there is a time limit for how long the SPA review process can take with CMS. DHCS stated that since they are “off the clock” there is no time limit.

- **Ordering, Referring, Prescribing (ORP) Practitioners Update**
 - SNFD is working with other divisions to determine policy regarding the pending requirement of the ORP practitioner’s NPI number on treatment service claims. In addition, the ORP practitioner will be required to enroll as an ORP Medi-Cal Provider. This is required by Federal regulation.
 - SNFD submitted a draft PPL for review by the PPL Review Subcommittee.
 - SNFD is considering proposing a January 1, 2019 implementation date.
 - An LEA expressed support for the January 1, 2019 implementation and stated that they are having challenges with enrolling ORP practitioners in Medi-Cal.

- **Report to the Legislature for FY 2016-17**
 - The LEA Legislative Report is currently being reviewed by DHCS.

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- **College Participation in the LEA BOP**

- On March 7, 2018, SNFD toured the Student Health and Counseling Services Center at UC Davis. SNFD received an overview of the UC Davis health program, the facility, and the types of services provided to students. SNFD also met with numerous practitioners, and answered their questions regarding participation in the LEA Program.
- Regarding colleges' use of student health fees, on February 1, 2018, SNFD clarified that if student health fees cover the full costs of providing services to students, and the college does not seek or bill students' Other Health Coverage, then use of student health fees is not prohibited.
- Regarding college age limitation and the nurse supervision issues, SNFD is currently researching if any federal limitations exist that may limit the beneficiary's age for school-based services or require RN supervision by nurses holding a School Nurse Services Credential.

- **Office of Inspector General (OIG) Audit**

- DHCS received notification on February 27, 2018, that the LEA BOP is being audited by the OIG.
- On March 19, 2018, DHCS had an entrance conference with the OIG auditors to discuss the scope of the audit and to review the items listed on the information request.
- The Department will make available any report findings from the current OIG audit review.
- An LEA asked for more detail on the audit. DHCS summarized a federal compliance audit by the California State Auditor (CSA) for Fiscal Year Ending June 30, 2017, which included a finding for the LEA Program related to the Optional Targeted Low Income Children (OTLIC) population, associated with the Bridge to Reform Waiver. The Department appealed this audit finding. In March 2018, the California State Auditor agreed with the Department's appeal on this issue and agreed that the LEA Program funding received for the OTLIC population was allowable and this was no longer an audit finding.

Note: The CSA audit covered FYs 2012-13, 2013-14, 2014-15 and 2015-16. Currently, the LEA BOP is under audit review by the OIG covering FYs 2015-16 and 2016-17.

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- **FY 2018-19 Advisory Workgroup Meeting Dates – NOTE CHANGE TO OCTOBER DATE AND LOCATION**
 - Advisory Workgroup meeting dates for FY 2018-19 (first Wednesday of every other month EXCEPT October):
 - August 1, 2018
 - October 3, 2018 meeting has been cancelled. The new date is Thursday, October 4, 2018 (Located at 1414 K Street, Sacramento)
 - December 5, 2018
 - February 6, 2019
 - April 3, 2019
 - June 5, 2019

- **Subcommittees – Report Out**
 - **Documentation** – The Documentation subcommittee provided input on the updates to the Provider Manual for Physical Therapy. All sections of the Provider Manual are being reviewed and updated to account for the changes under SPA 15-021. DHCS stated that they will be sending additional sections to the subcommittee in the upcoming weeks.
 - **PPL** – The PPL subcommittee is reviewing a PPL for the ORP NPI changes discussed during previous AWG meetings. The subcommittee will provide edits soon to DHCS.

AWG Group Discussion

The goal of the AWG group discussion is to brainstorm challenges and barriers, use combined expertise to provide guidance to DHCS and suggest potential solutions. At this meeting, the group discussed two topics: Mental Health services under the LEA Program and updates to the LEA Program’s website.

DHCS provided three background documents related to the Mental Health services in the school setting: DHCS All Plan Letter 18-006 (related to Behavioral Health Treatment), and CDE Enclosures 1 and 3 (both related to Specialty Mental Health Services). DHCS also discussed Educationally Related Mental Health Services (ERHMS) and Educationally Related Intensive Counseling Services (ERICs).

CDE and LEAs provided background to DHCS on the type of Mental Health services provided in schools and the coordination of care that exists to furnish these services. LEAs shared their practices around Mental Health services for both students with and without IEPs. Many LEAs discussed how they coordinate with County Managed Care and Mental Health Programs, but practices were inconsistent and LEAs had varying success with the managed care providers. LEAs also stated that some of the Mental Health services in a school setting are non-billable because the requirements to bill for

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them exceed the requirements to deliver them (for example, crisis counseling may not have a diagnosis or referral).

A representative from the California School Nurses Organization (CSNO) offered to share materials on Care Plan requirements to help DHCS evaluate future policies. DHCS will review the comments from the stakeholders and discuss with DHCS management.

DHCS also reviewed the current structure of the LEA website and how the materials are organized. In the past, LEAs have asked DHCS to make changes to the website to make it easier to navigate. DHCS solicited feedback from stakeholders on how to make the website more user friendly; however, DHCS did emphasize that there is a style guide they must follow and not all changes can be made. The LEAs made recommendations on proposed changes and DHCS will review them after the meeting.

Other Miscellaneous Topics

There were two additional topics discussed during the meeting.

- **Data Use Agreement (DUA)** – an LEA asked when the DUA template will be updated and if it will be updated for both the LEA Program and School-Based Medi-Cal Administrative Activities (SMAA). DHCS did not have an update on the DUA, but did say they were actively looking into this. An update will be provided at a future meeting.
- **National Alliance for Medicaid in Education (NAME) Conference** – LEAs in attendance urged DHCS to attend the NAME Conference in October. They discussed how California is a leader in innovation and being in attendance would help reinforce that with CMS and other state agencies. DHCS stated that they did submit a request to the Governor to attend the conference this year. CSNO offered funding to pay for an additional DHCS employee to attend the conference. DHCS management responded that they will revise the travel request to include two representatives, but noted that upper management will make the decision on attendance.

Next Meeting

The next meeting will take place on Wednesday, June 6, 2018.