

**Local Educational Agency (LEA) Medi-Cal Billing Option Program (BOP)
Advisory Workgroup (AWG) Meeting
February 7, 2018 Minutes**

Location: Natomas Unified School District (USD)

Attendees: Rick Record, SNFD; Betty Lai, SNFD; Cheryl Ward, SNFD; Dmitry Terlesky, SNFD; Stephanie Magee, SNFD; Tony Teresi, SNFD; Martin Alvarez, A&I Financial Audits Branch (FAB); Etta Gross, A&I FAB; Michelle Brown, A&I FAB; Kate Hancock, A&I Investigations Branch (IB); Karen Petruzzi, A&I Audit Review Analysis Section (ARAS); 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; Andrea Coleman, LAUSD; Aurelei Alvarez, LACOE; Belinda Brager, Calveras COE; Beth Benne, Pierce College; Brenda Rios, Ontario-Montclair SD; Cara Schusoske, San Diego COE; Carla Hernandez Espinosa, Bakersfield City School District; Cecilia Argaza Chester, Corona Norco USD; Cristina Guillen, Napa Valley USD; Coreen DeLeon, Glenn COE; Cremilde Rolicheck, Los Banos USD; Debbi Wood, Bakersfield City SD; Deborah Still, Monterey COE; Diana Reed, Newport Mesa USD; Diana Romeri, Rocklin USD; Elizabeth McAnnally, William Hart UHSD; Francisca Montes, Manteca USD; Frank Jerome, Ripon USD; Heather Plahn, Palmdale SD; Helen Frederickson, Palmdale SD; Irma Roche, Clovis USD; Jackie Swords, Lancaster SD; Janice Holden, Stanislaus COE; Jeanne Tso, Montebello USD; Jeremy Ford, Oakland USD; Julie Ferebee, Palmdale SD; Julianne Degeyter, UC Davis; Kristie Kobayashi, Montebello USD; Laura Missimer, San Joaquin COE; Laurie Lane, San Joaquin COE; Leslie Agostini, Manteca USD; Margarita Blumberg, Galt Joint Union HSD; Margarita Bobe, LAUSD; Maria Parra, Ontario-Montclair SD; Maricela Martin, San Bernardino County; Marta Cuevos-Ortega, Galt Joint Unified ESD; Melissa Nguyen, San Diego COE; Michelle Cowart, Contra Costa COE; Natalya Dovbush, Natomas USD; Natasha Slivkoff, Bakersfield City SD; Patrice Breslow, San Diego USD; Phil Downing, LA COE; Rebecca Santos, Elk Grove USD; Rebeka Smith, San Bernadino Co Superintendent of School; Rhonda Yohman, Madera County Superintendent of Schools; Sharon Battaglia, Sonoma COE; Shelley Walsh, San Bernardino CUSD; Tammy Jones, Ventura COE; Wesley Neal, Kern County Sup of Schools.

Handouts

Each participant was emailed an electronic copy of the following: February AWG Meeting Agenda; February Department of Health Care Services (DHCS) Status Update Summary; a summary for the afternoon group discussion on LEA Compliance Plans; and December 2017 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 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

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services, while increasing federal reimbursement to LEAs for the cost of providing these services.

Review of Meeting Minutes

- The AWG reviewed the December meeting minutes. There were two questions related to December meeting minutes:
 - One LEA asked about the new occupational therapy (OT) and physical therapy (PT) assessment procedure codes and whether they will be time or encounter based (page 6 from the December AWG meeting minutes). The American Medical Association (AMA) introduced three new assessment procedure codes to replace one assessment procedure code and they are based upon complexity; however, California will only be using one of the new procedure codes and the current billing practices will not change. The new procedure codes will simply replace the old procedure codes for OT and PT assessments and the IEP/IFSP assessments will remain encounter based. After the meeting DHCS confirmed this approach and will issue a Policy and Procedure Letter (PPL) and Provider Manual updates to further clarify the changes.
 - Another LEA asked DHCS about the requirements to substantiate a Random Moment Time Survey (RMTS) moment (page 3 from the December AWG meeting minutes). DHCS stated that only Code 2 moments (direct medical services) will require backup documentation to substantiate a moment, when the LEA Program integrates RMTS. DHCS stated that any moments coded to a School-Based Medi-Cal Administrative Activity (SMAA) will not need to be substantiated beyond the response. Stakeholders encouraged DHCS to have a conversation with the Centers for Medicare and Medicaid Services (CMS) to confirm whether the response to a moment is enough to substantiate an SMAA activity code.
- There were no edits to the minutes and DHCS will post the December 2017 minutes to the LEA website as is.

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

- A representative from CDE was unable to attend the meeting in-person. DHCS provide a brief update on the Healthy Students, Promising Futures Learning Collaborative related to increasing communication from different state agencies. CDE will be posting materials to their website related to the LEA Program, Free Care, and the State Plan Amendment (SPA) 15-021.

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DHCS A&I Updates – Financial Audits Branch (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 – 529 reports were filed; approximately 526 audit reports issued to date and three are being finalized.
 - FYE 2014– 545 reports were filed; 249 audits have been completed.
 - FYE 2015 – 507 reports were filed; limited audits should start soon.
- There are seven formal appeals in process, four have dates finalized and three are yet to be scheduled.

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 February 2, 2018, approximately 463 LEAs have submitted the FY 2016-17 AR.
- **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 February 1, 2018, A&I received 359 and accepted 213 submissions.
 - 202 DHCS Form 2437 - Medi-Cal Cost and Reimbursement Comparison Schedule
 - 11 DHCS Form 2437a - Certification of Zero Reimbursements for LEA Services
 - FY 2014-15: As of February 1, 2018, A&I accepted 526 submissions.
 - 503 DHCS Form 2437 - Medi-Cal Cost and Reimbursement Comparison Schedule
 - 23 DHCS Form 2437a - Certification of Zero Reimbursements for LEA Services
 - Delinquent CRCS Reports: A total of 56 LEAs are on 100% withhold.
 - 45 for FY 2014-15 (\$3,236,547.34 total reimbursements received)
 - 6 for FY 2013-14 (\$21,898.85 total reimbursements received)
 - 3 for FY 2012-13 (\$103.75 total reimbursements received)
 - 1 for FY 2011-12 (\$7,966.96 total reimbursements received)
 - 1 for FY 2009-10 (\$12,345.27 total reimbursements received)

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• **LEA Website Updates and E-blasts**

- E-blast January 8, 2018: July 2015-June 2016 Leg Report; RMTS Implementation Advisory Group (IAG) Meeting Summary
- E-blast January 11, 2018: Notification/Response Timeline for RMTS Moments
- E-blast January 22, 2018: Nursing Frequently Asked Questions (FAQ); LEA Program Admin Checklist; IAG Meeting Summary
- Website Update January: LEA 2016-17 Rate Table Updated (Transportation updates, 12 pt. font)

• **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).
- An LEA asked if there are expected implementation dates for EPCs 44140 (rate inflation) and 42455 (Remittance Advice Detail [RAD] 0008 claim denials). DHCS stated that there are no projected implementation dates for EPC 44140 and EPC 42455 at this time. An update will be provided at the next AWG meeting.

• **EPC 42455 - RAD 0008 Claims Denials**

- Some LEAs received denial code 0008 “The provider of service is not eligible for the type of services billed, for the speech assessments with service dates after July 1, 2016” with denials for certain codes for claims with dates of service after July 1, 2016.
 - EPC test results are expected in February 2018.

• **EPC TBD - 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.
 - LEAs were instructed via e-blast to either resubmit claims or disregard the RTDs and the claims will deny, and be included in an EPC with no further action required by the LEA.

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- **Operating Instruction Letter (OIL) 355-17 - PT and OT Assessment CPT**
 - 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

- **OIL 356-17 - Remove Non-Individualized Education Plan (IEP)/Individualized**
 - OIL 356-17 implemented January 22, 2018, and updated the claims processing system tables to remove the Non-IEP/IFSP Medical Transportation and Non-IEP/IFSP Mileage procedure codes (T2003 and A0425, respectively) with no modifier.
 - The LEA 2016-17 Rate Table was updated.
 - LEA Provider Manual updates to the Transportation section are in progress and will publish by March 16, 2018.
 - A PPL is being developed.

- **OIL TBD - Implement Other Health Coverage (OHC) Policy**
 - An OIL has been initiated to change the 90-day timeframe for pursuing third party liability to a 45-day timeframe, per Senate Bill 276.

- **FAQ Updates**
 - On January 19, 2018, the FAQs for Nursing and School Health Aide Treatment Services were updated based on input from the Advisory Workgroup.
 - Additional updates, based upon the Advisory Workgroup's edits, will be posted in the upcoming months.
 - DHCS commented that previous FAQs are archived on the LEA website and LEAs can keep track of what has changed.
 - A stakeholder asked if the program FAQs could be merged with the FAQs from the 2016 Fall Training. DHCS stated that they will explore this request.
 - An LEA asked for more time to review the changes to the FAQs and recommended that one section is reviewed in detail during each AWG meeting.

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- **SPA 15-021 (New Services and RMTS Implementation)**
 - On December 11, 2017, DHCS had a conference call with the Centers for Medicare and Medicaid Services to discuss SPA 15-021 implementation dates and back-casting.

- **Explanation of Benefits (EOB) Informational Letter - Translation**
 - The EOB Letter, posted on the LEA website at <http://www.dhcs.ca.gov/provgovpart/Pages/LEAFYI.aspx> may be translated if the LEA is doing the translation and using their own letterhead (not DHCS letterhead).
 - LEAs may print and distribute this letter to parents and guardians.
 - Stakeholders asked for further clarification on translating the EOB letter and requested DHCS translate it into Spanish or provide a written update that indicates DHCS is amenable to the LEA translating it to Spanish. LEAs stated that having a translated letter on DHCS letterhead carries a lot of weight with parents, more so than if the letter is presented on an LEA's letterhead. DHCS will need to review this request with DHCS's Office of Legal Services (OLS) and will provide an update on this request at the next AWG meeting.

- **FY 2018-19 Advisory Workgroup Meeting Dates**
 - Advisory Workgroup meeting dates for FY 2018-19 (first Wednesday of every other month):
 - August 1, 2018
 - October 3, 2018 (*post-meeting, DHCS decided to remove the October 3rd meeting from the calendar and replace it with a combined LEA BOP/SMAA meeting on Thursday, October 4*)
 - December 5, 2018
 - February 6, 2019
 - April 3, 2019
 - June 5, 2019
 - DHCS stated that they are exploring the possibility of hosting a combined LEA BOP/SMAA workgroup meeting and will report out on this at a future AWG meeting.

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• Community College Updates

- DHCS, community colleges, and the University of California (UC) members met separately to discuss unique issues relevant to college participants that may not impact LEAs serving kindergarten through 12th grade students. The community colleges and UC have formed a subcommittee to work through these nuances with DHCS.
- DHCS and the subcommittee reported out on two items they currently working on:
 - Colleges provide services to students up to about the age of 26, but the LEA program is limited to age 22;
 - Nurses in a college setting are not Registered Credential School Nurses (RCSN) or supervised by RCSNs, since the school nurse credential issued by the California Commission on Teacher Credentialing (CTC) is not applicable to the college population. DHCS is researching whether the RCSN supervision requirement, which is a current LEA BOP billing requirement, may be eliminated for the college providers.

• Delinquent CRCS Policy

- DHCS provided an overview of the suspension and recoupment of funds process for LEAs that do not submit a CRCS. The goal of this presentation was to solicit feedback from stakeholders and the policy is not final. When the policy is final, DHCS will post the PowerPoint that was shared with the stakeholders and a PPL will be published.
- DHCS first introduced this topic at the October 2017 AWG, where they provided a brief overview of the recoupment process. Under the proposed new policy, DHCS stated that LEAs that are 60 days past due submitting their CRCS will receive a suspension notice and demand letter. If LEAs do not submit their delinquent CRCS, DHCS will move forward with deactivating them from the LEA Program. An inactive LEA is required to pay their Medi-Cal LEA BOP reimbursement for the respective fiscal year back to DHCS. Once an LEA becomes compliant, they can reenroll in the LEA Program.
- LEAs suggested that DHCS review the program FAQs and make sure that all training materials are up to date, so LEAs understand the standards they are being held to. LEAs also recommended DHCS publish scenarios that clearly outlines the dates that will impact the LEAs and the recoupment process.

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- An LEA expressed concern about the recoupment process and that the proposed CRCS in SPA 15-021 will be dependent upon an RMTS percentage for Code 2. The stakeholder stated that some RMTS percentages are not available in a timely manner and this will impact their ability to submit a completed CRCS. DHCS will need to consider the timing of the RMTS figures when developing the final policy.
- A stakeholder asked about the difference between Audit and Review Analysis Section (ARAS) and FAB. ARAS explained that they are involved in the intake of the CRCS and validating the completeness of CRCS, while FAB is responsible for auditing the contents of the CRCS. A request for an extension to submit a CRCS must be sent to LEA.CRCS.Submission@dhcs.ca.gov. Each extension request is individually reviewed by A&I, and an LEA must provide a valid justification as to why an extension is needed in order to not be considered delinquent by DHCS.
- **Subcommittees – Report Out**
 - **Documentation** – The subcommittee received an updated LEA Program Administrative Checklist document from DHCS. The updated document will be posted the LEA website.
 - **Terminology Crosswalk** – After the December AWG, the subcommittee added new terms to the crosswalk file. DHCS is reviewing the changes with A&I and intends to have the edits finalized by the upcoming April AWG meeting.
- **Ordering, Referring and Prescribing (ORP) Requirements**
 - DHCS provided an update to LEAs regarding ORP requirements, which were the focus of the group discussion at the December 2017 AWG meeting. DHCS stated that they are drafting a PPL for the ORP changes, which they hope to publish in March. The draft PPL will be sent to the PPL subcommittee group for review prior to finalization. Once the PPL is finalized, it will be sent out to all LEAs via an e-blast. DHCS reminded stakeholders that the ORP practitioners will need to apply for a Type I NPI (there is no fee to apply) and they must enroll in Medi-Cal.
 - Some stakeholders stated that their speech practitioners attempted to enroll in Medi-Cal and were denied. One stakeholder noted that denials are applicable to both in state and out-of-state speech providers. DHCS asked the LEAs to forward the denial letters to them and they will follow-up with the Provider Enrollment Division (PED) of DHCS to get this resolved.

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AWG Discussion Session

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: compliance plans for LEAs and the steps DHCS is taking to implement SPA 15-021.

A representative from Los Angeles Unified School District (LA USD) summarized the steps necessary to develop an LEA Compliance Plan, using various resources from presentations given at past National Alliance for Medicaid in Education (NAME) conferences. The guidelines for a Compliance Plan are from the Federal Register, Vol. 63, No. 243. LA USD walked stakeholders through their compliance plan and procedures, using the following seven topical areas:

1. Implementing written policies, procedures and standards of conduct
2. Designating a compliance officer (and compliance committee)
3. Conducting effective training and education
4. Developing effective lines of communication
5. Enforcing standards through well publicized disciplinary guidelines
6. Conducting internal monitoring and auditing
7. Responding promptly to detected offenses and developing corrective action

LA USD offered to share other materials from NAME to help LEAs develop their own compliance plans. The presentation was very well received and many stakeholders noted that they will begin working to formalize their own compliance plans outside of the AWG meetings.

DHCS also provided an overview of the steps they are taking in preparation for SPA 15-021 approval. DHCS is limited in the actions they can take due to the SPA being unapproved; however, this approach will help them quickly support LEAs and disseminate information, once the SPA is approved. DHCS has structured their implementation tasks into both short and long-term deliverables, which have been divided into phases:

- Phase I – prior to January 1, 2018 (complete)
- Phase II – between January 1, 2018 and March 31, 2018 (in-process)
- Phase III – between April 1, 2018 and June 30, 2018
- Phase IV – beyond July 1, 2018

Each phase has various tasks that are related to implementing SPA 15-021. The tasks within each phase are reviewed every two weeks and are shared with DHCS management. These tasks include such items as updates to the LEA Provider Manual, drafting PPLs and developing training materials.

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Other Miscellaneous Topics

- Stakeholders asked about the documentation of medical necessity, prescription requirements, and IEP documentation for Activities of Daily Living (ADLs). DHCS is researching this and will add the standards to the updated Provider Manual that is currently under development.
- An LEA asked about the group size requirements for occupational and physical therapy services. DHCS has reviewed regulations and has not identified a group size limit. They will reach out to the provider associations to ensure that there is no statutory limit to group size and publish detail in the updated Provider Manual.

Next Meeting

The next meeting will take place on Wednesday, April 4, 2018.