

**Local Educational Agency (LEA) Medi-Cal Billing Option Program (BOP)
Advisory Workgroup (AWG) Meeting
June 6, 2018 Minutes**

Location: Natomas Unified School District (USD)

Attendees: Jose Garcia, SNFD; Cheryl Ward, SNFD; Dmitry Terlesky, SNFD; Stephanie Magee, SNFD; Tony Teresi, SNFD; Martin Alvarez, A&I Financial Audits Branch (FAB); Kate Hancock, 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; Alma McKenry, Fresno COE; Andrea Coleman, LA USD; Aurelei Alvarez, LACOE; Belinda Brager, Calveras COE; Beth Benne, Pierce College; Brenda Rios, Ontario-Montclair SD; Carla Hernandez Espinosa, Bakersfield City School District; Catherine Graham, Orange County DOE; Cecilia Argaza Chester, Corona Norco USD; Christina Guillen, Napa Valley USD; Colleen Ganley, Calif Community College Chancellor's Office; Coreen DeLeon, Glenn COE; Deborah Still, Monterey COE; Deb Johnson, Bakersfield City SD; Debra Hinely, Yolo COE; Diana Romeri, Rocklin USD; Elizabeth Plaster, Barstow USD; Heather Plahn, Palmdale SD; Helen Frederickson, Palmdale SD; Irma Roche, Clovis USD; Jackie Swords, Lancaster SD; Janice Holden, Stanislaus COE; Jeanne Harris-Caldwell, Saddleback College; Jeanne Tso, Montebello USD; Jennifer Wood-Slayton, Lamont School District; Jeremy Ford, Oakland USD; Julie Ferebee, Palmdale SD; Karol Castillo, Folsom Cordova USD; Kelly Earls, Bakersfield City SD; Kristin Merritt, Val Verde USD; Kristie Kobayashi, Montebello USD; Laura Missimer, San Joaquin COE; Lisa Mazza, Ripon USD; McKenzie Luis, San Joaquin COE; Margartia 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; Michelle Cowert, CCCOE; Michelle Wheeler, Placer COE; Nancy Gilko, Nevada Co Superintendent of Schools; Natasha Slivkoff, Bakersfield City SD; Patrice Breslow, San Diego USD; Phil Downing, LA COE; Randy Nakamura, HUSD; Rebecca Santos, Elk Grove USD; Rebekah Smith, San Bernardino County Superintendent of Schools; Rhonda Yohman, Madera County Superintendent of Schools; Robin Ericsson, Folsom Cordova USD; Saleena Santiago, Spring Charter Schools; Sharon Battaglia, Sonoma COE; Sheri Elkins, Modesto City Schools; Tammy Jones, Ventura COE; Wendi Yamabe, Saugus Union SD; Wesley Neal, Kern County Superintendent of Schools.

Handouts

Each participant was emailed an electronic copy of the following: June AWG Meeting Agenda; June Department of Health Care Services (DHCS) Status Update Summary; a summary for the afternoon group discussions on Reinvest of Funds and Coordination of Care (including a sample Memorandum of Understanding from Wisconsin); and April 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

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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 April meeting minutes. An LEA asked why the implementation date for the Ordering Referring and Prescribing (ORP) requirements changed from January 1, 2019 to July 1, 2018. DHCS stated there is a Corrective Action Plan (CAP) in place with CMS that holds them to July 1, 2018. There were no edits to the minutes and DHCS will post the April 2018 minutes to the LEA website as is.

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

- A representative from CDE attended the meeting and provided the following updates:
 - CDE is studying required assessment of English Language Learners, particularly from the point of view of potentially developing an alternate assessment to the English Language Proficiency Assessments for California.
 - An update was provided about the Continuum of Care Reform (CCR) and LEAs were asked to work with their foster youth liaisons for support navigating the CCR changes.
 - An LEA asked CDE if any of the new data systems tied to CCR will connect to LEA billing? CDE stated that the Department of Social Services (DSS) is focused on legislative mandates and reporting indicators, with most of the focus on mental health services, and this is not in the plans.

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 – 530 reports were filed; 391 audits have been completed (a change of 85 since the February 2018 AWG meeting)
 - FYE 2015 – 510 reports were filed; no audits have been issued.
- Currently, there are six formal appeals in process and four informal appeals.
- An LEA asked if there is a timeline to complete appeals. A&I stated that informal appeals must take place within 180 days of the issued audit report, but formal appeals may be delayed and there are no requirements on when those need to be completed.

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DHCS Safety Net Financing Division (SNFD) Status Updates

- **Annual Report (AR) Submissions**
 - As of May 29, 2018, approximately 487 LEAs have submitted the FY 2016-17 AR.
 - The FY 2017-18 AR and instructions will be published on the DHCS website in July 2018. No notable revisions have been made to the AR for the upcoming year.
 - All currently enrolled LEAs must submit the FY 2017-18 AR to DHCS by November 30, 2018.
 - An LEA asked, how many LEAs have not submitted an AR? DHCS stated that approximately 560 LEAs participated in the LEA Program during FY 2016-2017 and approximately 73 reports are outstanding.

- **FY 2018-19 Provider Participation Agreement (PPA)**
 - The FY 2018-19 PPA and instructions will be published on the DHCS website in July 2018. No notable revisions have been made to the PPA for the upcoming year.
 - Currently enrolled LEAs with active evergreen PPAs do not need to submit a new PPA in FY 2018-19.

- **FY 2018-21 Data Use Agreement (DUA)**
 - All current FY 2015-18 DUAs are set to expire on December 1, 2018.
 - The FY 2018-21 DUA and instructions will be published on the DHCS website in July 2018. No notable revisions have been made to the DUA for the new three-year term.
 - All currently enrolled LEAs (with their billing vendors) must submit the FY 2018-21 DUA to DHCS by November 30, 2018.
 - An LEA asked DHCS, will there be one combined DUA for the SMAA and LEA Programs? DHCS stated that the SMAA and LEA teams reviewed the DUAs and did not find it practical to merge them under one DUA. The LEA DUA has only minor changes tied to dates.

- **Cost and Reimbursement Comparison Schedule (CRCS) and Certification of Zero Reimbursement Reports Update**
 - FY 2015-16: As of May 30, 2018, A&I received 504 and accepted 481 submissions.
 - 467 DHCS Form 2437 - Medi-Cal Cost and Reimbursement Comparison Schedule

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- 14 DHCS Form 2437a - Certification of Zero Reimbursements for LEA Services
 - FY 2014-15: As of May 30, 2018, A&I received 533 CRCS and accepted 522 submissions.
 - 509 DHCS Form 2437 - Medi-Cal Cost and Reimbursement Comparison Schedule
 - 13 DHCS Form 2437a - Certification of Zero Reimbursements for LEA Services
 - Delinquent CRCS Reports: 69 LEAs are on 100% withhold.
- **Policy for Non-Compliant LEAs**
 - SNFD policy, for LEAs who fail to submit a CRCS report by the mandated due date, is under final review by DHCS.
 - An e-blast was sent May 16, 2018 reminding LEAs to submit any delinquent CRCS.
 - An LEA asked, what is the penalty for a non-compliant LEA that is delinquent with their CRCS submission? DHCS is forming this policy language now and it will be sent to the PPL subcommittee for review. DHCS and ARAS then reviewed the CRCS submission process and how an LEA will receive a confirmation when their CRCS is successfully submitted. ARAS then discussed how they have received funding to automate the CRCS process and validation of the data included in it, which will link back Conduent.
- **LEA Website Updates and E-blasts**
 - E-blast June 1, 2018: Ordering, Referring or Prescribing (ORP) Requirements Policy and Procedure Letter (PPL) and Guide
 - E-blast May 23, 2018: FY 2015-16 Annual Accounting of Funds Summary Report
 - E-blast May 16, 2018: PPL 18-016; Delinquent CRCS; Meeting Minutes
 - Website Updates May: Homepage Restructure; LEA Provider Manual Searchable PDF Updated
- **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

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- **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.
 - This EPC will install after completion of EPC 44140.

- **EPC # TBD - CPT Codes 92521, 92523, and 92557 Claims Denials**
 - An EPC has been initiated for claims for CPT codes 92521, 92523 and 92557 that were submitted on October 27, 2017 and after, which were incorrectly denied, 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 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 install after completion of EPC 42455.

- **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.
 - [PPL 18-016](#) published May 15, 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
 - An LEA asked, is there a cap on the expenditures? DHCS stated yes, that the cap is \$1 million for A&I and that is the reason for the increased withhold.

- **OIL 144-18 - 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 TBD

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- **OIL 101-18 - Rate Table Updates Related to SPA 15-021**
 - An OIL has been initiated to change the LEA Rate Table to include new services and new practitioners.
 - Implementation date TBD based on SPA 15-021 approval
 - DHCS clarified that this is tied to SPA 15-021 and should be a benefit for LEAs.

- **OIL 058-18 – Remove Non-IEP and Non-IFSP Utilization Controls**
 - An OIL to update the '0109 Table' that identifies the ineligible and eligible aid codes for the LEA BOP, is pending approval.
 - 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

- **No Duplication of Services or Payments**
 - LEAs are to ensure that there are no duplication of services or payments between the LEA BOP and any other Medi-Cal Programs, such as Child Health and Disability Prevention (CHDP) or Managed Care.
 - Note that LEAs who currently submit CHDP claims must not submit those claims as Provider Type 55. Questions regarding CHDP claims should be directed to the [CHDP Program](#).
 - DHCS stated that there is the potential to bill with the wrong Provider Type number and LEAs should be careful when submitting services to Conduent (CHDP's Provider Type number is 9). DHCS reminded LEAs that they can bill for both LEA Program and CHDP services on the same day, but they need to be different services and cannot bill the same service twice under different Provider Type numbers.

- **FY 2015-16 Annual Accounting of Funds Report and Fair Share Analysis**
 - The [FY 2015-16 Annual Accounting of Funds Report](#) is posted on the LEA Program website under *Claims Processing*
 - LEAs will be refunded \$977,167 for over-withholds (payment estimated in Fall 2018)
 - Beginning in FY 2016-17, the cap on the A&I withhold increased from \$650,000 to \$1,000,000.
 - LEAs noted to DHCS that there appears to be a dip in billing practices and asked DHCS if they had any understanding of why. DHCS stated that they would look into possible reasons for this.

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- **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.
 - A PPL is being developed for Transportation, which will include the March 2018 transportation updates.

- **SPA 15-021 (New Services and RMTS Implementation)**
 - On May 18, 2018, DHCS responded to CMS regarding the last set of SPA 15-021 RAIs.
 - SNFD will be working with Local Educational Consortiums and Local Governmental Agencies on the RMTS proposed implementation timeline.
 - SNFD is drafting PPLs and Provider Manual updates related to SPA 15-021.
 - An LEA asked, what is still outstanding with CMS and SPA 15-021? DHCS stated that there are two outstanding items: prior notification and the timeline to complete a moment and MOUs (afternoon discussion). DHCS stated that they have emailed CMS about the timeline question and will use the information from the afternoon group discussion to inform their next steps with CMS and MOUs.
 - LEAs expressed concern to DHCS about the potential for no advanced notice about a moment and two days to respond, especially with part-time employees. DHCS mentioned that they have been meeting with the LECs to coordinate efforts related to the SPA, including the moment timelines.
 - An LEA asked, is there a document about “back casting” that can be provided and signed-off on by the LEAs? DHCS stated that the SPA has the RMTS methodology in it and CMS signs-off on the implementation of RMTS; back casting will be a part of this review and approved by CMS.
 - An LEA asked, are there any updates with changing nursing supervisor requirements? DHCS stated that there is no decision yet on nursing supervisors and the need for them to be supervised by a Registered Credentialed School Nurse (RCSN), but it is being discussed and may be part of SPA 15-021 or a future SPA.

- **ORP Practitioners Update**
 - SNFD published [PPL 18-018](#) on June 1, 2018, and posted the [ORP Guide](#) on the LEA Program website.
 - Effective for dates of service on or after July 1, 2018, LEAs are required to include the NPI of the ORP practitioner on claims for treatment services.

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- Currently, Medi-Cal requires that ORP practitioners that provide treatment services must be enrolled as a Medi-Cal provider.
- **Report to the Legislature for FY 2016-17**
 - The FY 2016-17 LEA Legislative Report is being reviewed by DHCS management, and is expected to be submitted to the California Health and Human Services Agency by the end of June 2018.
- **College Participation in the LEA BOP**
 - On May 31, 2018, SNFD toured the Los Angeles Pierce College facility and campus grounds. SNFD received an overview of the health program, including practitioners and services provided, and answered questions regarding participation in the LEA BOP.
- **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 continues to work with the OIG auditors and will make available any report findings from the OIG review.
 - LEAs asked DHCS if they could provide any additional information about the OIG audit. DHCS stated that they are working with the OIG and providing data and meeting with their auditors. They stated that the full audit could take years to complete and LEAs may be visited by auditors.
 - An LEA asked, what is the scope of the audit? DHCS stated that the audit covers 2015-2016 and 2016-2017 and the whole LEA Program. DHCS stated that the OIG has asked about the CRCS, claims processing by Conduent, reports paid claims, and other information tied to the LEA Program.
 - DHCS stated that this is different from the PERM audit, which has a CAP in place.
- **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 4, 2018 (Located at 1414 K Street, Sacramento)

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- December 5, 2018
 - February 6, 2019
 - April 3, 2019
 - June 5, 2019
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- **Subcommittees – Report Out**
 - **PPL** – The PPL subcommittee reviewed the ORP PPL and Occupational/Physical Therapy PPLs and will be reviewing PPLs tied to SPA 15-021 in the future.

 - **ORP Update**
 - DHCS stated that PPL 18-018 was sent out regarding the ORP requirements. LEAs noted that some of their providers have had a hard time enrolling in Medi-Cal and that the PAVE system is not the easiest to navigate. DHCS stated that they would follow-up with the Provider Enrollment Division (PED) and the LEA to discuss.

 - **Legislative Report Update**
 - DHCS reminded LEAs that the Legislative Report is written in Senate Bill 231, but some of the requirements are obsolete. DHCS is attempting to streamline future reports.

 - **Transportation Billing Overview**
 - DHCS reminded LEAs that many of the changes for billing for Specialized Transportation took place in April 2016.
 - LEAs expressed concerns that some of the requirements in the Transportation Billing Guide exceed the documentation requirements set by CDE. LEAs also asked DHCS specific questions regarding billing for these services. DHCS reminded the LEAs that the requirements can be found on the LEA website (http://www.dhcs.ca.gov/provgovpart/Documents/ACLSS/LEA%20BOP/Program_Req_and_Info/Trans_Guide_Updated_2.pdf) and any follow-up questions can be sent to the LEA inbox.

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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 one topic: MOUs between LEAs and Managed Care Organizations (MCOs). The topic regarding the reinvestment of funds was not discussed and will be a topic for a future meeting.

DHCS provided a sample MOU from Wisconsin that is used for school-based Medicaid.

DHCS gave an introduction to managed care and capitated rates. IEP, IFSP, and IHSP services, delivered by LEAs are carved out of the California capitated rates. DHCS stated that CMS has asked about MOUs between MCOs and LEAs and is asking for a formal process to be put in place. DHCS stated that the MOUs will help reduce the risk of duplication of payment and is a formal agreement between MCOs and LEAs.

Many of the LEAs discussed efforts they have previously completed to establish relationships, and in some instances MOUs, with MCOs and the challenges they faced. LEAs expressed concerns that school boards will need to approve the MOU, there is protected health information being exchanged, and other administrative burdens on LEAs.

After discussing the previous challenges, DHCS and the LEAs worked through preferred minimum standards of the MOUs: they would be evergreen (never expire), a small scope, one for each LAE/MCO (not one per student), and allow time for them to be approved by LEAs and MCOs. SNFD stated that they would meet with the Managed Care Division and discuss these items with them. DHCS also stated that they will continue to gather feedback on barriers and discuss with CMS and DHCS Management.

Next Meeting

The next meeting will take place on Wednesday, August 1, 2018.