

**Local Educational Agency Medi-Cal Billing Option Program
School-Based Medi-Cal Administrative Activities
October 4, 2018 Questions and Answers**

Location: Sacramento, CA

Attendees: Department of Health Care Services (DHCS) Staff, Local Educational Agency (LEA) Stakeholders, School-Based Medi-Cal Administrative Activities (SMAA) Stakeholders, LEA Contractors, Local Governmental Agencies (LGAs), Local Educational Consortium (LECs) and Associations.

Handouts

Each participant was emailed an electronic copy of the following: Email Blast, Meeting Agenda, PowerPoint, and a tele/video conference link.

Purpose

The meeting was convened and chaired by DHCS with assistance and input from LECs, LGAs, LEAs, the California County Superintendents Educational Services Association, and the Partnership for Children and Youth. DHCS welcomed all participants to the meeting and briefly reviewed the purpose of the Joint School Based meeting to go over State Plan Amendment (SPA) 15-021 update and Random Moment Time Survey (RMTS) implementation requirements for the LEA Medi-Cal Billing Option Program (BOP) and SMAA.

The questions and answers below represent discussion that took place during the meeting, and captures questions that were submitted electronically.

SPA 15-021

Q: When will SPA be submitted or approved?

A: DHCS is in the process of answering the final RAIs and expects the SPA to be formally resubmitted to CMS later this year.

SMAA Backcasting and Prop. 98

Q: Can Department of Finance collect the funds and then send them to the LEC?

A: No, LECs/LGAs are responsible to collect from LEAs that owe and pay LEAs that are due funds.

Q: Can LEAs pay by check or Prop. 98?

A: Yes, just let DHCS know if this is your plan.

Q: What is in the January 2019 disbursement? LEC encouraged all three batches to be processed to ensure that enough funding exists.

A: Batch 1 will definitely include fiscal years (FYs) 09-10 and 10-11. Other periods may come from January 2019 funds, as well. DHCS is committed to getting confirmation on when Batch 2 will process.

Q: If LEAs have any issues about money due to a LEA or withheld funds what can they do?

A: For LEA-specific inquiries regarding SMAA backcasting, contact the SMAA Unit at SMAA@dhcs.ca.gov.

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RMTS Review

- Q:** Why would Medi-Cal have the authority to audit a moment not billed to Medi-Cal?
- A:** DHCS must be able to validate the RMTS percentage used in cost reports. The code 2A percentage isn't limited to Medi-Cal only students; therefore, all moment responses are subject to review and verification.
- Q:** What is the universe of LEAs that do not currently participate in SMAA? Can the LECs/LGAs get the most updated list?
- A:** DHCS believes the number is approximately 50 LEAs, based on prior analysis. DHCS will refresh this analysis and send more current information to LECs/LGAs.
- Q:** What are additional responsibilities LECs will be required to take on regarding administration of the RMTS for the LEA Program? Will there be additional workload for ensuring appropriate documentation of moments? If the scope of services remains the same, no additional fees for those already participating in SMAA. LEC noted that need to know this well in advance of contracting (April/May).
- A:** DHCS will review LEC/LGA/LEA responsibilities, including the documentation of moments and follow up with LECs/LGAs/LEAs.
- Q:** The LECs and the Education Coalition worked together and formulated recommendations on moment notification/response times, which were sent via letter to Jennifer Kent. Is there a reason why these recommendations were not followed? Will the DHCS consider sending CMS an amendment to its proposal?
- A:** DHCS made the decision based on data provided by the LECs/LGAs with respect to RMTS response time. LEA BOP and SMAA Programs have no comment regarding amended proposals.
- Q:** Will DHCS reach out individually to districts for LEAs that participate in LEA BOP and not SMAA?
- A:** DHCS reached out in October 2017 and invited LEAs to the outreach webinar – we will continue to follow up with those stakeholders. DHCS will be modifying the Provider Participation Agreement (PPA) to include the RMTS component.
- Q:** Why should our LGA do business with an LEA who only participates in LEA BOP?
[Stakeholder LGA's recommendation to her Board will be to **not** contract with LEAs who only participate in LEA BOP. They will contract with SMAA-only providers and LEAs that do both programs, but noted concern with having to be up to speed on the LEA Program and related policies.]
- A:** DHCS encourages LEAs to participate in both programs and noted that if a LEC/LGA is doing the RMTS for one program, then the LEC/LGA is doing most of the work to participate in both. For example, the LEA will still have to include TSPs in the TSP list.

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- Q:** What happens if LEAs dropped out of SMAA and now want to join back up? Will SMAA deferral impact these LEAs?
- A:** DHCS noted that this is based on the date the LEA dropped out of SMAA. There are different rules depending on whether before or after 7/1/12, and it is best to contact your SMAA analyst for specific situations.
- Q:** What type of verification do you need for TSP's to confirm they were on paid break/lunch break? Paid breaks aren't verified, they are a matter of law.
- A:** DHCS clarified that this issue is mainly related to lunch breaks. DHCS will revisit a change to the RMTS question after today's meeting. The manual must be updated before the vendor can implement the change to the RMTS question.
- Q:** If you have an LEA-only claiming unit, what happens if there is no cost associated with a participant (e.g., a code 8 moment)?
- A:** The goal of RMTS is to capture what TSPs are doing at their one-minute moment. Even if the LEA doesn't claim SMAA, they may have a moment that's administrative in nature. Only the code 2A RMTS percentage is used in the cost report.
- Q:** For those districts who are going through audits for LEA-BOP is there a possibility OIG will do secondary audits?
- A:** Yes, OIG audits are totally independent of Departmental audits.

Memorandums of Understanding (MOUs)

- Q:** Can you explain the stakeholder process on MOU input?
- A:** DHCS reached out to the LEA Advisory Workgroup's Policy and Procedure Letter (PPL) Subgroup for review and input on the draft template MOU. In addition, the Managed Care Division provided input/edits to the draft template.
- Q:** Will responsibility fall on the LEA to make sure an MOU is signed? How can LEAs be held accountable for Managed Care Organization (MCO) compliance?
- A:** CMS is requiring DHCS to have a formal agreement, such as an MOU, between the LEAs and MCOs to reduce the risk for duplication of payments and encourage care coordination. If an MCO is not responsive to an LEA, the LEA may contact DHCS and the issue will be escalated.
- Q:** Is every LEA expected to send its MOU to the MCOs in their county? Why can't DHCS send it? Some MCOs do not recognize schools as providers.
- A:** At this point, DHCS will require LEAs to work with the MCOs in their county. The MOU will be between the LEA and the MCO, not DHCS.
- Q:** Isn't managed care different from care at school?
- A:** Services may be provided in different settings. Because of this, CMS wants to ensure that they are not duplicating services and that care is coordinated.
- Q:** What happens if LEAs do not send/execute MOUs? Also, what if MCOs do not accept the MOU?
- A:** LEAs will jeopardize their participation in LEA BOP if they do not have an executed MOU on file by the due date. DHCS recognizes this concern and will work to encourage MCOs participation.

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Q: If LEAs are penalized when a MCO fails to sign the MOU, why can't MCOs be held accountable too?

A: DHCS will work internally on this issue.

CRCS

Q: Are indirect costs calculated in the same manner as under the current CRCS?

A: Yes, the methodology is consistent. As before, the LEA will report the approved indirect cost rate from the California Department of Education. An LEA consortium must weigh the individual district indirect cost rates by direct salary and benefit costs reported on the CRCS to calculate a weighted average rate. Indirect cost rates may be found at the CDE website: <http://www.cde.ca.gov/fg/ac/ic>.

Q: Does RMTS/CRCS/Moment documentation requirement have to be compliant with the policies of the fiscal year of said documentation/instances of moments?

A: Yes, however this does not excuse the program from an OIG finding.

Q: How do they know what the documentation requirements are? Specifically, Activities of Daily Living requiring a physician prescription?

A: DHCS will follow up on the details in future PPLs and the revised Provider Manual.

Q: How will claims be captured on the CRCS if due within 5 months and LEAs have 12 months to claim? Schools close books by fiscal September 15. This only gives LEAs 1 month to submit CRCS. 2-3 month extension on CRCS submission is requested.

A: DHCS's Financial Audits Branch will re-run the paid claims summary report to the actual audit. The 5 month submission date is a requirement that we must follow.

Q: Will LEAs enrolled in last few years be impacted by backcasting, for example community colleges?

A: Any LEA that participated in the LEA Program at any time on or after 7/1/15 will be impacted by LEA backcasting.

Billing Questions

Q: I understand that behavioral health and autism related services are not billable under the LEA Program. What are some eligible IEP covered services that the following staff are allowed to bill: psychologists, social workers, and marriage and family therapists?

A: The LEA Program reimburses for psychology and counseling services, provided by a number of practitioners, including psychologists, social workers, and marriage and family therapists. The LEA Program does not reimburse for behavior health and autism related services since those services are covered under Managed Care. For more information on covered mental health services, please refer to the *Psychology and Counseling* section of the LEA Provider Manual (loc ed serv psych).

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RMTS Questions

- Q:** How is the Random Moment Time Survey (RMTS) percentage used for the Cost and Reimbursement Comparison Schedule (CRCS)?
- A:** RMTS captures what randomly selected TSPs are doing during their assigned moment (one minute). Time survey results will be used to determine the percentage of staff costs reimbursed to the district for the LEA Program
- Q:** Slide 7 shows the impact of RMTS on cost settlement. Regarding Indirect Costs on the new CRCS, will they be calculated in the same manner as the current CRCS?
- A:** Yes, each LEA's CDE-approved Indirect Cost Rate is included on the CRCS to allocate indirect costs to the LEA. For example, if your LEA has an Indirect Cost Rate of 4.5%, the new CRCS will bump up your LEA's net personnel costs by 4.5% to account for indirect costs. This methodology is consistent with the current methodology to allocate indirect costs on the CRCS.
- Q:** How is DHCS planning to handle direct health provider Time Survey Participants (TSPs) who are hired after submittal and certification of the quarterly TSP list? Districts may hire staff throughout the year, and not all of them are for vacant positions.
- A:** If an LEA hires a practitioner mid-quarter, the LEA may only submit claims for medical services provided by that practitioner if the practitioner filled a vacant position which was included in the quarterly TSP list. If the newly hired practitioner did not fill a vacant position which was accounted for in the quarterly TSP list, the LEA may not include that practitioner in RMTS sampling nor bill for any services provided by that practitioner during the quarter.
- Q:** Will documentation of the moment be covered in future training?
- A:** Yes, currently the TSP and Coordinator trainings contain information on documentation.
- Q:** Please clarify what documentation is required for non-direct services?
- A:** Currently, the moment response serves as the documentation for non-direct [medical] services.

CRCS Backcasting Questions

- Q:** The Medi-Cal Eligibility Ratio (MER) is going to be required on the CRCS for FYs 2015-16, 2016-17, 2017-18, and 2018-19. The MER cannot be retroactively obtained for those fiscal years. How will this be reconciled?
- A:** DHCS will be working with CMS on a backcasting methodology which will include the technical details of backcasting, including how to calculate the MER that will be included on the backcasted CRCS reports.
- Q:** On the new CRCS timeline, the FY 2019-20 CRCS report is due 5 months after the close of the fiscal year. Since claims can continue to be submitted/paid up to 12 months from the month of service, please address the following 2 scenarios:

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Scenario I. The LEA submits the FY 2019-20 CRCS report on November 30, 2020. Following that date, the LEA continues to submit claims with dates of service in FY 2019-20. Will the CRCS report be accepted even though additional claims were processed and not reflected on the originally submitted report?

A: Yes. Additional claims may be submitted after the CRCS report is submitted to DHCS. The CRCS report will be accepted, and any subsequent claims with dates of service in the reported fiscal year will be included in paid claims data reports run by DHCS Audits and Investigations upon their audit of the CRCS report. Please note that in general, claims must be submitted within one year of the date of service.

Scenario II. The FY 2019-20 CRCS report is submitted on November 30, 2020. The LEA employs a speech therapist for whom the LEA did not submit any claims in FY 2019-20 by the CRCS due date. The therapist's salary and benefits were not included on the CRCS report. In December 2020, the LEA submits claims for dates of service between December 2019 thru June 2020. As we understand it, A&I will amend the CRCS report with the paid claims that were processed after 11/30/2020. How will an auditor approach the missing salary and benefits for the therapist?

A: The LEA must include and certify all practitioners' salary and benefits information on the CRCS report at the time of submission. The LEA will be unable to modify the contents of the CRCS report following the submission.

Q: Can you confirm what time frame will backcasting cover?

A: Backcasting is expected to cover CRCS reports for FYs 2015-16, 2016-17, 2017-18 and 2018-19. All LEAs that submitted claims in those fiscal years will be required to re-submit the CRCS reports using the updated template that will include the new RMTS methodology.

MCO Question

Q: Can LEAs receive a list of managed care organizations (MCOs) in the state?

A: A list of all licensed health plans can be found on the Department of Managed Health Care website at: <http://wpsso.dmhc.ca.gov/hpsearch/viewLicensedHealthPlan.aspx>

Misc. Questions

Q. Is there a reason why both the California Department of Education (CDE) and Medi-Cal requirements are applied to LEA providers? What requirements are prioritized or take precedence? For example, Pupil Personnel Services (PPS) requirement for employed practitioners but not for contracted practitioners.

A: Medi-Cal providers are expected to comply with all regulations that impact them – in the case of schools, CDE and Medi-Cal requirements should be followed. DHCS will review the Title 5, Section 3051 requirements regarding the PPS credential.

Q: How is LEA-BOP reacting to AB 3192 (bill sponsored by CCSESA, LAUSD, LACO – requires DHCS to create Program Compliance Guide). What's the timeline on implementation of new policy in light of AB 3192?

A: DHCS will discuss AB 3192 and solicit stakeholder participation to draft the Program Guide at the December 2018 LEA Advisory Workgroup meeting.

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Q: Will DHCS explore other authorization options for Nursing Plans, such as NP or PA prescriptions?

A: DHCS will look into this possibility, and may consult with Medical Review Board.

Q: Will real-time review of moments be possible?

A: DHCS added this in the SMAA manual that is being updated. This should help coordinators to gather/maintain documentation.

Q: Will you ask CMS if student name, or 'case number' are valid in the moment response to help LEAs tie back moment responses to documentation? The Administrative Claiming Guide indicates that this is acceptable.

A: DHCS will ask CMS if this is okay. (DHCS wants to ensure compliance with the Health Insurance Portability and Accountability Act).