

Local Educational Agency (LEA) Medi-Cal Billing Option Program Transportation Claiming Guide

The Department of Health Care Services (DHCS) designed this Transportation Claiming Guide to provide guidance to Local Educational Agencies (LEAs) to assist them in claiming for specialized medical transportation services in the LEA Medi-Cal Billing Option Program. This document offers guidance and examples for submitting claims and documenting specialized medical transportation services provided to students with an Individualized Education Plan (IEP) or an Individualized Family Services Plan (IFSP).

Note: The reimbursement rates that appear in the examples presented below may not be current. To see the most current reimbursement rates, please refer to:

<http://www.dhcs.ca.gov/provgovpart/Pages/LEAClaimsProcessing.aspx>

I. What is needed to Bill for LEA Covered Medical Transportation?

In order to bill for LEA covered specialized medical transportation services through the LEA Medi-Cal Billing Option Program, the LEA **must**:

- Provide transportation in a specially adapted vehicle or vehicle that contains specialized equipment, including but not limited to lifts, ramps, or restraints, to accommodate the LEA eligible beneficiary's disability.
- Document the need for LEA covered medical services and LEA covered specialized medical transportation services in the student's IEP/IFSP.
- Provide a transportation trip log that includes the mileage, origination point and destination point for each student, student's full name, and date transportation was provided.
- Review school attendance records to verify that the student was in school and received an approved LEA Medi-Cal Billing Option Program covered medical service, other than LEA covered medical transportation, on the date the transportation was provided.
- Ensure that the service must meet all the necessary standards to be billed through the LEA Medi-Cal Billing Option Program.

II. Documentation Requirements

Providers are required to include all of the following information in the record of each student to bill LEA covered medical transportation services:

- The student's first and last name and date of birth.
- The general service category - (transportation).
- The date that the LEA covered medical transportation service was provided.
- The total number of miles (mileage can only be billed if also billing for the trip)
- The origination point and destination point.
- Documented verification that the student was in school and received an LEA Medi-Cal Billing Option Program covered medical service other than transportation on the date the transportation was provided.

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Note: It is critical that providers verify that a student received an allowable LEA Medi-Cal Billing Option Program covered medical service on a particular day before billing for LEA covered medical transportation services for that day. When seeking reimbursement for transportation, the address of the origination point and destination point must be documented in the student's trip log.

III. Provider Qualifications

A school-employed or school-contracted driver must deliver LEA covered specialized medical transportation services.

IV. How to Calculate Mileage

The mileage for LEA covered specialized medical transportation services can be calculated and documented by the following methods:

- 1) The vehicle odometer readings at the beginning and end of the trip.
 - When using this method, the LEA will calculate the mileage based on the odometer reading when the student boards the vehicle (origination point) and when the student exits the vehicle at their final destination (destination point).
- 2) By using mapping software such as Google Maps, Map Quest, Yahoo, etc. to measure the distance between the origination and destination points for the specified trip.
 - When using this method, you will calculate the mileage based on a direct route from the origination point to the destination point.
 - A print out of the mapped route must be retained in the student's record.

Regardless of how your LEA chooses to calculate mileage, the LEA must have a trip log from the transportation provider stating the origination point and destination point.

- The LEA may bill for a trip without billing mileage (mileage cannot be billed without billing for the trip).

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V. Billing for LEA Covered Specialized Medical Transportation Services

LEA covered specialized medical transportation services include a per-trip component and a mileage component. These two components must be billed separately using the following procedure codes:

- The current maximum allowable reimbursement rate for a one-way trip is \$18.54. Providers bill one-way trip as one unit of service (a round trip is two units).
 - Procedure code T2003 with the TM (IEP) or TL (IFSP) modifier will be used to bill for each one-way trip.
 - A trip may be billed without mileage.

- The current maximum allowable reimbursement rate for mileage is \$1.30/mile.
 - Multiply the total trip mileage by the mileage rate.
 - Procedure code A0425 with the TM (IEP) or TL (IFSP) modifier will be used to bill for mileage.
 - Mileage may not be billed without a trip log indicating the miles traveled

VI. Billing Example

- Procedure code T2003 and modifier TM (IEP) are used to bill the LEA covered medical transportation (trip), which is identified in the student's IEP.
- The reimbursement rate for a trip is \$18.54/trip. Since this is a round trip, there are two trips or units. Trip claim = 2 x \$18.54 = \$37.08
- Procedure code A0425 and modifier TM are used to bill the LEA covered medical transportation (mileage), which is identified in the student's IEP.

The reimbursement rate for mileage is \$1.30/mile.

Mileage cost = \$1.30 x 24 = \$31.20

Calculating Transportation Services								
	Trip Claim		Mileage Claim		Total Claim		Federal Reimb. (50% FMAP*)	Amount Reimb.
Trip with mileage	\$37.08	+	\$31.20	=	\$68.28	÷	.50	\$34.14
Trip without mileage	\$37.08	+	No Mileage	=	\$37.08	÷	.50	\$18.54

* FMAP (Federal Medical Assistance Percentage) – The federal government's share of a state's expenditures for Medicaid. The FMAP is determined annually for each state.

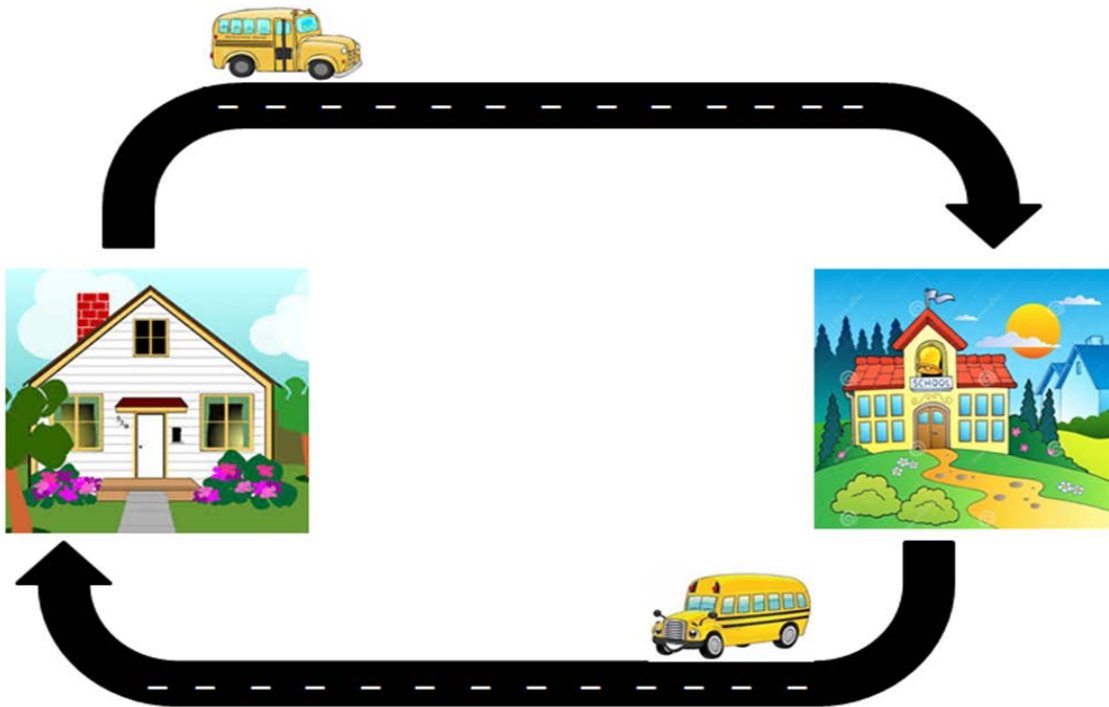
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Scenario 1: Transportation from home to school and school to home

An allowable LEA Medi-Cal Billing Option Program covered medical service, other than transportation, is provided at school and both transportation and the medical service are listed in the student's IEP/IFSP.

Example: The specially adapted vehicle picks up the student at home and takes the student to school covering a distance of seven (7) miles. The same vehicle takes the student back from school to home covering another seven (7) miles.

Calculating Transportation Services							Amount Reimbursed
Trip Claim	+	Mileage Claim	=	Total Claimed	x	Federal Reimb. (50% FMAP)	
2 x \$18.54		14 x \$1.30					
\$37.08	+	\$18.20	=	\$55.28	x	.50	\$27.64



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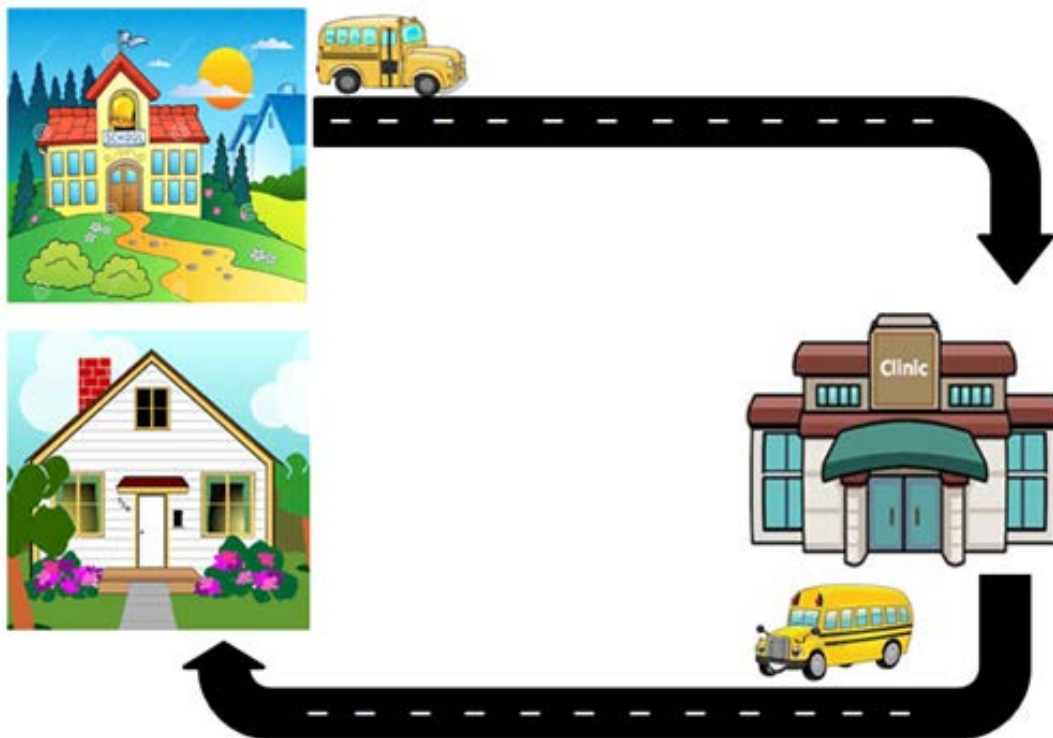
Scenario 2: Transportation from school to service location and service location to home

An allowable LEA Medi-Cal Billing Option Program covered medical service, other than transportation, is provided at the service provider's facility and both transportation and medical service are listed in the student's IEP/IFSP.

Example: The specially adapted vehicle picks up the student at school and takes the student to the service provider covering a distance of eleven (11) miles. The vehicle takes the student from the service provider to home covering another fifteen (15) miles.

Note: In this example, transportation from home to school is not covered because an allowable LEA Medi-Cal Billing Option Program covered medical service was not provided at the school. LEAs will be reimbursed for the trips from school to provider and from provider to home.

Calculating Transportation Services							Amount Reimbursed
Trip Claim	+	Mileage Claim	=	Total Claimed	x	Federal Reimb. (50% FMAP)	
2 x \$18.54	+	26 x \$1.30	=	\$70.88	x	.50	\$35.44
\$37.08	+	\$33.80	=	\$70.88	x	.50	\$35.44



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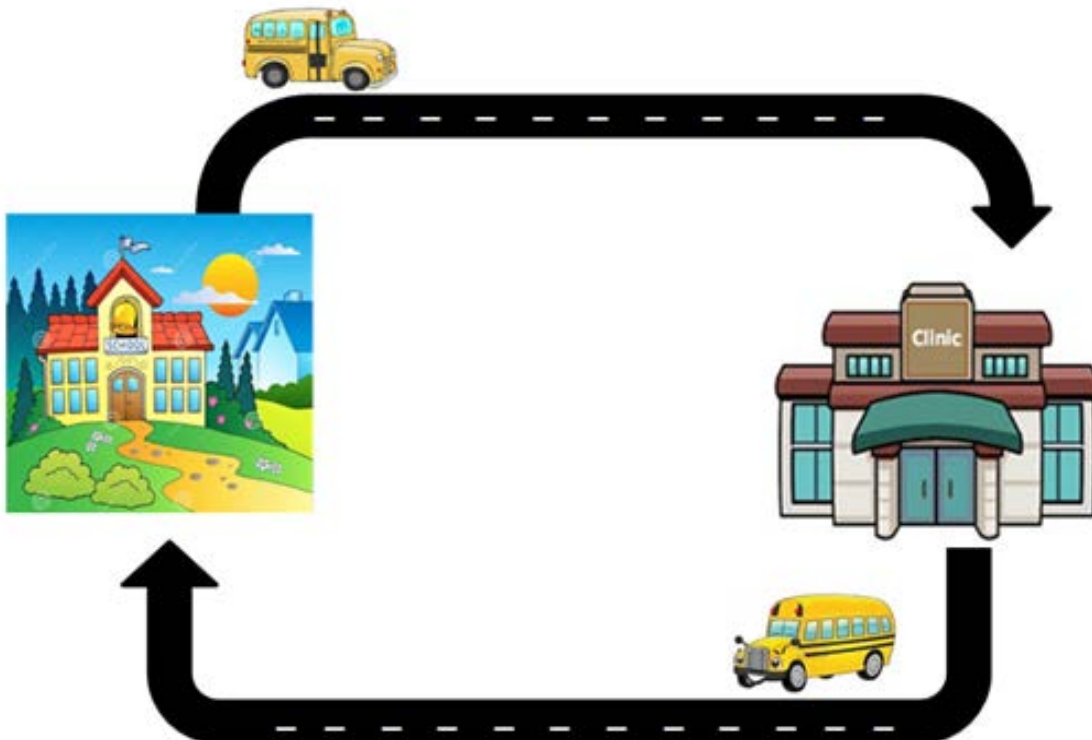
Scenario 3: Transportation from school to service location and service location to school

An allowable LEA Medi-Cal Billing Option Program covered medical service, other than transportation, is provided at the service provider's facility and both transportation and medical service are listed in the student's IEP/IFSP.

Example: The specially adapted vehicle picks up the student at school and takes the student to a service provider for treatment, covering a distance of ten (10) miles. The vehicle takes the student back from the service provider to school covering another ten (10) miles.

Note: In this example, transportation from home to school is not covered because an allowable LEA Medi-Cal Billing Option Program covered medical service was not provided at the school. LEAs will be reimbursed for the trips from school to provider and from provider back to school.

Calculating Transportation Services							Amount Reimbursed
Trip Claim	+	Mileage Claim	=	Total Claimed	x	Federal Reimb. (50% FMAP)	
2 x \$18.54	+	20 x \$1.30	=	\$37.08	x	.50	\$31.54



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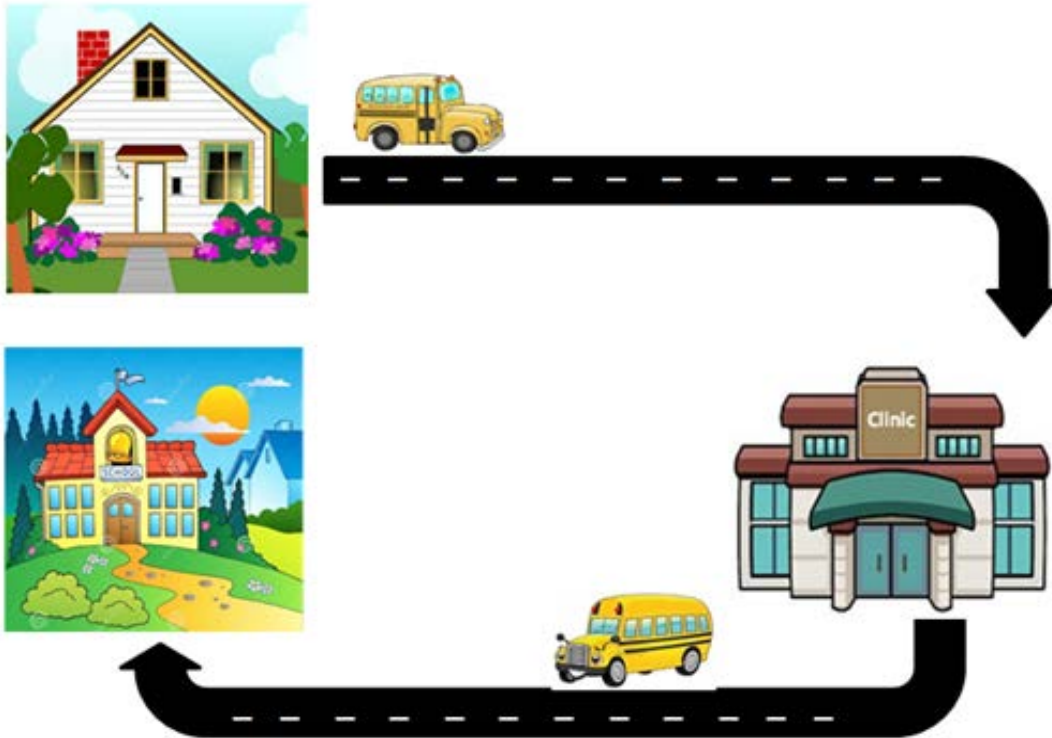
Scenario 4: Transportation from home to service location and service location to school

An allowable LEA Medi-Cal Billing Option Program covered medical service, other than transportation, is provided at the service provider's facility and both transportation and medical service are listed in the student's IEP/IFSP.

Example: The specially adapted vehicle picks up the student at home and takes the student to service provider, covering a distance of sixteen (16) miles. The vehicle takes the student from the service provider to school, covering another eight (8) miles.

Note: In this example, transportation from school to home is not covered because an allowable LEA Medi-Cal Billing Option Program covered medical service was not provided at the school. LEAs will be reimbursed for the trips from home to provider and from provider to school.

Calculating Transportation Services							Amount Reimbursed
Trip Claim	+	Mileage Claim	=	Total Claimed	x	Federal Reimb. (50% FMAP)	
2 x \$18.54		24 x \$1.30			x		\$34.14
\$37.08	+	\$31.20	=	\$68.28	x	.50	



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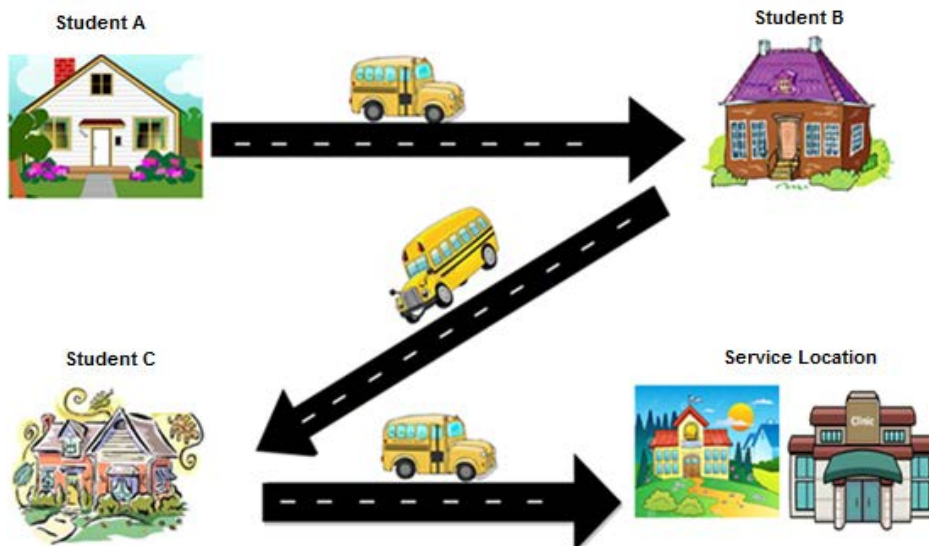
Scenario 5: Transportation for multiple origination points to service location (school or service provider)

An allowable LEA Medi-Cal Billing Option Program covered medical service, other than transportation, is provided at the service provider's facility and both transportation and medical service are listed in the student's IEP/IFSP.

Example: The specially adapted vehicle picks up the student A at home, drives 3 miles to pick up student B at home, then drives 4 miles and picks up student C at home. The specially adapted vehicle drives another 4 miles to drop all of the students off at the service location, covering a total distance of 11 miles.

- Student A lives 9 miles from service location
 - The provider cannot bill more than 9 miles for student A for the one-way trip
 - The provider cannot include the total one-way bus route of 11 miles for student A
- Student B lives 6 miles from service location
 - The provider cannot bill more than 6 miles for student B for the one-way trip
 - The provider cannot include the total one-way bus route of 8 miles for student B
- Student C lives 4 miles from service location
 - The provider cannot bill more than 4 miles for student C

Note: To measure the distance between the origination and destination points for a student (e.g., student A lives 9 miles from service location) for the specified trip, using the direct route between the two locations, the provider may use mapping software such as Google Maps. The provider may also establish the distance with an odometer reading.



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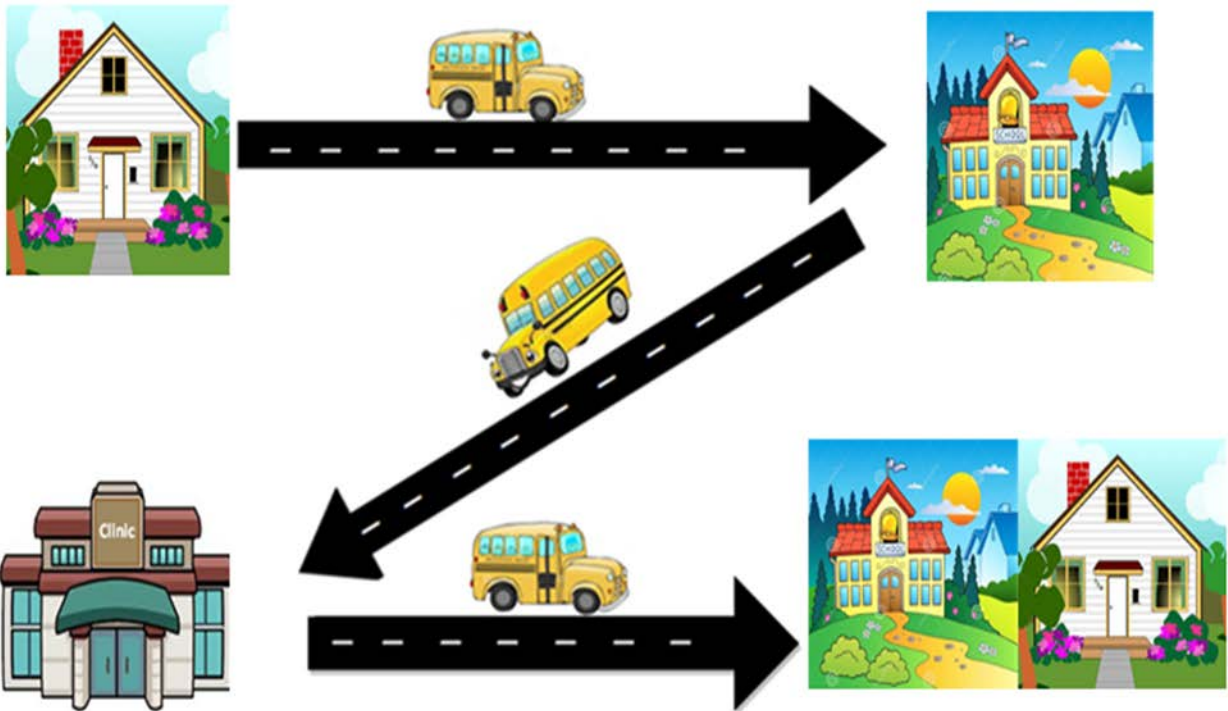
Scenario 6: Transportation from home to multiple treatment service locations on the same day (school and service provider)

Example: The specially adapted vehicle picks up the student at home and transports the student to school where treatment service 1 is provided. Later, the student is transported from school to receive treatment service 2 from an outside service provider. The student leaves treatment service 2 and returns to school or home. All services provided are written in an IEP.

The student must also attend school on the day in which service 1 is provided, in order for transportation to be billable. Receiving only treatment services at school does not count as the student attending school. In this scenario, the LEA may bill for three separate units of service, in addition to the associated mileage for all three trips.

Measure the distance between the origination and destination points for the student for the specified trip, using the direct route between the two locations, the provider may use mapping software such as Google Maps, Map Quest, Yahoo, etc. The provider may also establish the distance with a separate odometer reading.

- Origination point must take the student to or from treatment to bill for services.



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Scenarios 7 through 10 relate to the State Guidelines for LEA Covered Specialized Medical Transportation, referenced on page 11

Scenario 7 (Billable) – The student’s medical condition (seizures) requires the student to be restrained when transported to the school. The transportation services and the seizure related treatment services are both included in the IEP. The student receives an LEA covered service (for seizures) at the school site on the day of the transport.

Scenario 8 (Billable) – The student’s medical condition (seizures) requires the student to be restrained when transported to the school. In addition, the student requires speech therapy services, which the school also provides. Speech therapy services, seizure related treatment services, and transportation are included in the IEP. The student receives a speech therapy service at the school site on the day of the transport, not seizure related treatment.

Scenario 9 (Billable) – Same as scenario 8, except the student does not receive seizure related treatment at the school, as the school is not equipped to provide those types of services. However, the student’s medical condition (seizures) still requires the student to be restrained when transported to the school. The student receives a speech therapy service on the day of the transport.

Scenario 10 (Not Billable) – A student receives transportation in a specially adapted vehicle to the school site where she receives a speech therapy service. Speech therapy services are documented in the IEP. The student’s IEP does not include a statement of the student’s specialized medical transportation needs because the student’s medical condition does not require use of special adaptations or equipment during transport.

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VII. State Guidelines for LEA Covered Specialized Medical Transportation

On December 10, 2015, Local Educational Agency Medi-Cal Billing Option Program transportation regulation package DHCS-12-015 was approved by the Office of Administrative Law (OAL), and filed with the Secretary of State. This regulatory action aligned State regulations pertaining to school-based medical transportation services with provisions in Title 20, USC, Section 1400 et seq., which is the federal law governing IDEA; and with Title 34, CFR, Part 300, which describes assistance to states for the education of children with disabilities. Specifically, LEAs can seek reimbursement under the Medicaid program for providing specialized medical transportation services to Medicaid-eligible children under IDEA. The effective date of the regulations was April 1, 2016. The regulatory text is available for public viewing on the DHCS website at <http://www.dhcs.ca.gov/formsandpubs/laws/regs/Documents/12-015ART.pdf>.

The recently adopted California Code of Regulations (CCR) Title 22, Section 51190.4.1 defines LEA Specialized Medical Transportation Services as “medical transportation services provided to an LEA eligible beneficiary who requires a specially adapted vehicle or use of specialized equipment, including but not limited to lifts, ramps or restraints, **to accommodate the LEA eligible beneficiary’s disability.**”

In addition, Section 51360 specifies that for LEA eligible beneficiaries with an IEP or IFSP, LEA specialized medical transportation services “may include trips to and from the residence, school site or other sites of service **when all of the following conditions are met on the day of service:**

- The LEA eligible beneficiary receives a Medicaid covered service other than LEA specialized medical transportation services at the site being transported to; and
- Both the Medicaid covered service and LEA specialized medical transportation services are included in the LEA eligible beneficiary's IEP or IFSP.”

In summary, the following three items are required to bill for a LEA specialized medical transportation service:

1. The student has an IEP or IFSP that includes both LEA Program covered service(s) and specialized medical transportation.
2. The student receives an LEA Program covered service on the day of the transport (other than transportation) at the site to where the student was transported.
3. The student requires use of specially adapted vehicle or use of specialized equipment (lifts, ramps, restraints, etc.) to accommodate their disability.

LEA medical practitioners may utilize a variety of standards to notate specialized medical transportation in the IEP/IFSP, accompanied by an explanatory statement of the student’s specialized medical transportation needs.

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VIII. Transportation Regulations and Resources

Federal Guidelines for LEA Covered Specialized Medical Transportation

Each State administers its Medicaid program including LEA covered medical transportation in accordance with a Center for Medicare and Medicaid Service (CMS) approved State plan.

Applicable federal requirements:

- [34 CFR §300.34](#)
 - 34 CFR §300.34 “transportation includes –
 - Travel to and from school and between schools;
 - Travel in and around school buildings; and
 - Specialized equipment (such as a special or adapted buses, lifts, and ramps) if required to provide special transportation for a student with a disability.
- [42 CFR §431.53](#)
 - 42 CFR 431.53 stipulates that a state plan must “specify that the Medicaid agency will ensure necessary transportation for recipients to and from providers and describe the methods that the agency will use to meet this requirement.”
- [1997 CMS Technical Assistance Guide - Social Security Act § 1903 \(c\)](#)
 - Section 1903(c) of the Social Security Act provides that the secretary may not prohibit or restrict payment for medical assistance for covered services because such services are included in the student’s IEP or IFSP pursuant to Individuals with Disabilities Education Act (IDEA).
- [1999 State Medicaid Directors Letter](#)
 - Clarifies CMS’s policy regarding Federal Medicaid requirements for claiming transportation costs.