

# The Local Educational Agency Medi-Cal Billing Option Program (LEA BOP) Quarterly Meeting

10:30 a.m. – 12:00 p.m.

# Welcome



# Introductions

## » California Department of Health Care Services (DHCS)

- The Local Educational Agency Medi-Cal Billing Option Program (LEA BOP)
- Audits and Investigations (A&I)

## » Guidehouse

- Consultants for DHCS



# Local Governmental Financing Division Discussion Points

# **Children and Youth Behavioral Health Initiative (CYBHI) and LEA BOP Crossover**



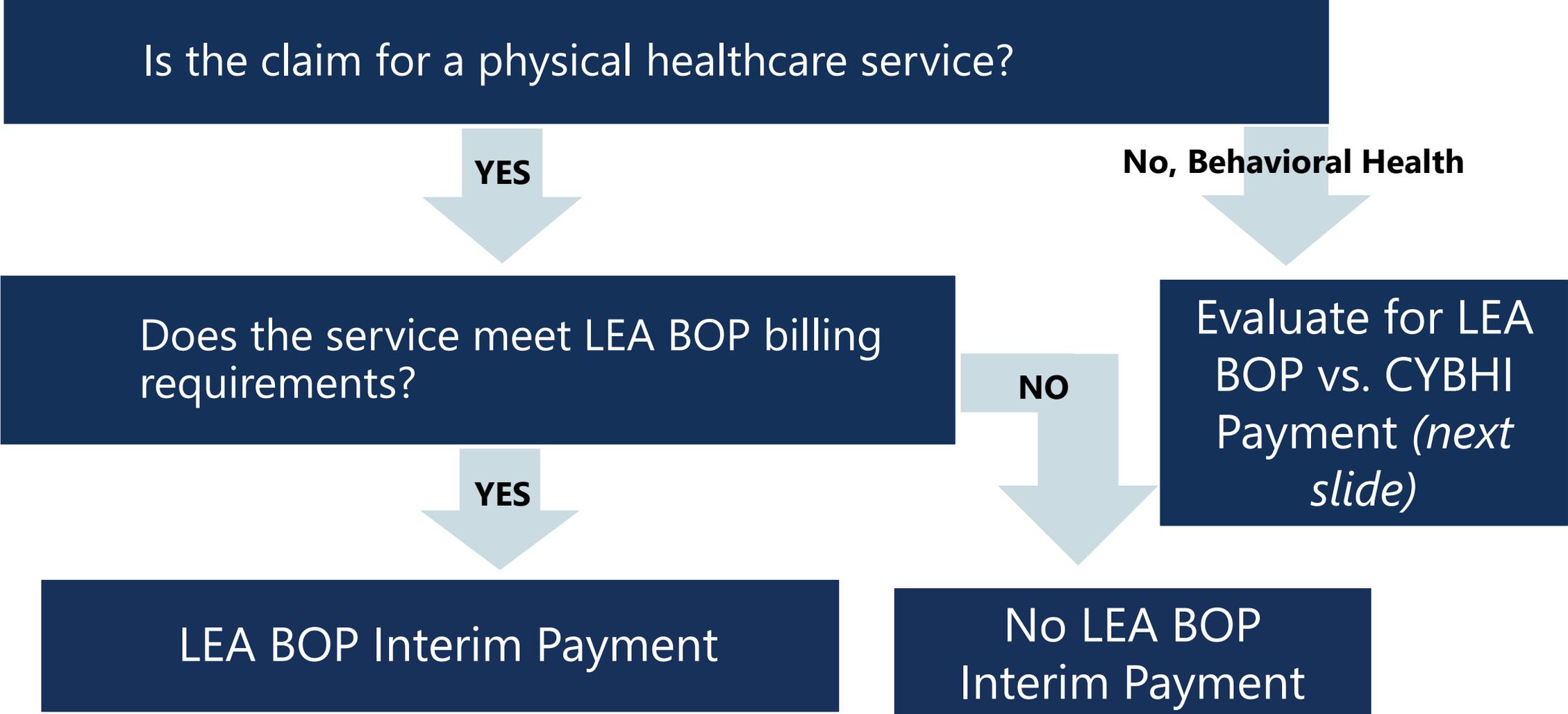
# LEA BOP Reimbursement

- » LEA BOP is a cost-based reimbursement program.
  - LEA submits interim claims for allowable services throughout the year.
  - At year end, interim payments are aggregated for the LEA.
  - LEAs complete the Cost and Reimbursement Comparison Schedule (CRCS), which compares the interim payments received to the Medi-Cal allowable costs.
  - Calculated difference determines the final settlement amount (post-audit).
- » On the CRCS, LEAs certify that expenditures have been incurred that are eligible for Federal Financial Participation (FFP).
- » It is important to ensure no duplication of payment for practitioners that participate in both programs.

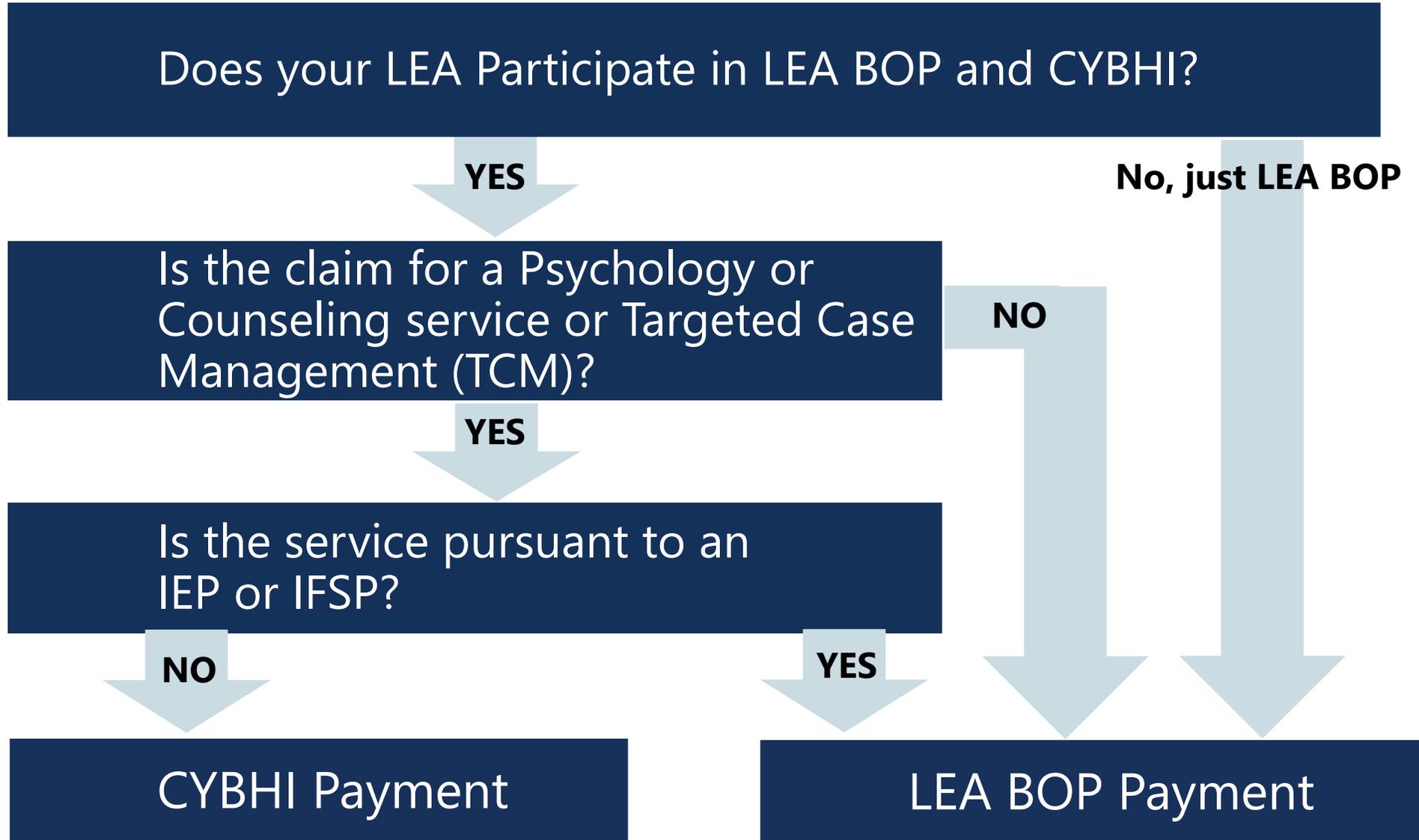
# CYBHI Fee Schedule

- » Covers **behavioral health services not pursuant to an Individualized Education Plan (IEP) or Individualized Family Service Plan (IFSP)** (non-IEP mental health and substance use disorder services).
- » Does **not** cover physical health services.
- » Requires commercial health plans, disability plans, Medi-Cal Managed Care Plans (MCPs), and Medi-Cal Fee-For-Service (FFS) to **reimburse providers at school sites** for providing non-IEP/IFSP behavioral health services to students.
- » Creates a **sustainable reimbursement revenue** for certain behavioral health services rendered to students covered by Medi-Cal MCPs, Medi-Cal FFS, health care service plans, and disability insurers.
- » Claims are **processed through a third-party administrator** and sent to indicated payer (MCP, commercial, regular Medi-Cal).
- » Represents final payment for the service.

# Decision Tree: Physical Health Payments



# Decision Tree: Behavioral Health Payments



# Participation in Both the LEA BOP and CYBHI Fee Schedule Enhances Reimbursement Opportunities

	Local Educational Agency Medi-Cal Billing Option Program (LEA BOP)	CYBHI Fee Schedule Program
<b>Eligible services</b> <sup>1</sup>	Certain mental and physical health services for both special education and general education students <sup>2</sup>	Expanded set of mental health and substance use disorder services not furnished pursuant to an IEP <sup>3</sup> / IFSP <sup>4</sup>
<b>Covered students</b>	Medi-Cal eligible children/youth under the age of 22 enrolled at participating LEAs	Enrolled members of a participating health plan, under the age of 26, enrolled at participating LEAs and IHEs

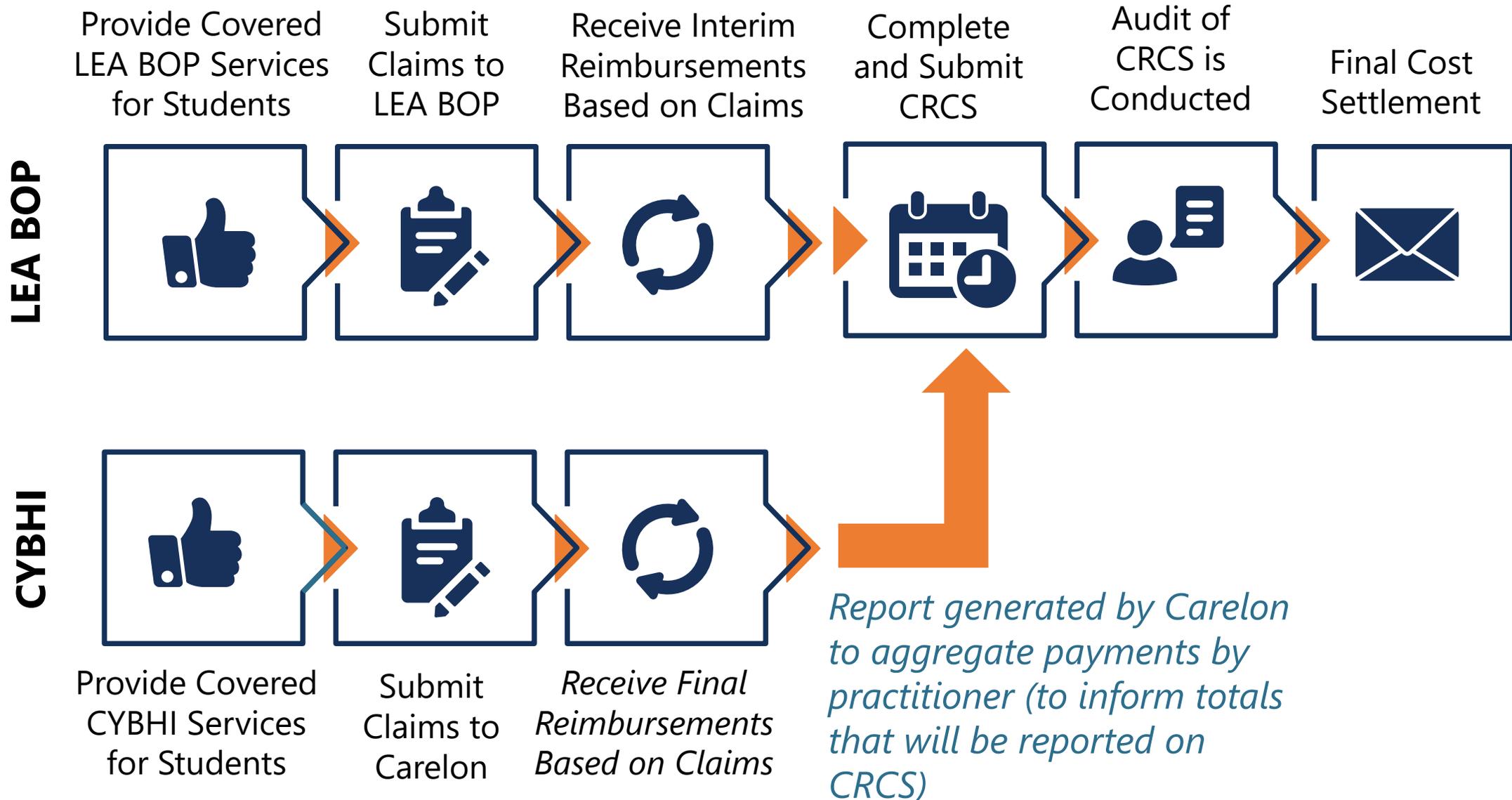
1. Additional information on the scope of services covered may be found in the CYBHI Fee Schedule Program Manual (<https://www.dhcs.ca.gov/CYBHI/Documents/CYBHI-Fee-Schedule-DRAFT-Guidance-FOR-PUBLIC-COMMENT.pdf>) and LEA BOP Provider Manual (<https://www.dhcs.ca.gov/provgovpart/Pages/LEAProviderManual.aspx>);
2. Rendering of services is not limited to those with Individualized Education Plans (IEPs) or Individualized Family Service Plans (IFSPs);
3. Individualized Education Plan (IEP);
4. Individualized Family Service Plan (IFSP).

# Participation in Both the LEA BOP and CYBHI Fee Schedule Enhances Reimbursement Opportunities

	Local Educational Agency Medi-Cal Billing Option Program (LEA BOP)	CYBHI Fee Schedule Program
<b>Obligated MCPs, health care plans, and insurers</b>	<ul style="list-style-type: none"> <li>» Medi-Cal Fee-for-Service</li> <li>» Medi-Cal Managed Care Plans</li> </ul>	<ul style="list-style-type: none"> <li>» Medi-Cal Managed Care Plans</li> <li>» Medi-Cal Fee-for-Service</li> <li>» Health care service plans <sup>5</sup></li> <li>» Disability insurers</li> </ul>
<b>Reimbursement</b>	<ul style="list-style-type: none"> <li>» Reimburses federal share only</li> <li>» Annual cost settlement using the CRCS</li> <li>» Cost allocation based on the Random Moment Time Survey (RMTS)</li> </ul>	<ul style="list-style-type: none"> <li>» Reimburses federal and state share</li> <li>» Pre-determined fee-for-service rate with no annual cost settlement and no annual reporting requirements</li> </ul>

5. APL 23-026 ([https://www.dmh.ca.gov/Portals/0/Docs/OPL/APL23-026-CompliancewithHealthandSafetyCodeSection1374.722andCYBHI\(12.20.23\).pdf](https://www.dmh.ca.gov/Portals/0/Docs/OPL/APL23-026-CompliancewithHealthandSafetyCodeSection1374.722andCYBHI(12.20.23).pdf)) refers to all health care service plans and behavioral health plans providing mental health and substance use coverage pursuant to Health and Safety Code Section 1374.722.

# LEA BOP and CYBHI Fee Schedule: Service to Reimbursement



# Avoiding Duplication: Part 1 - Claim Payment

When participating in both programs, a specific methodology will determine payment **for behavioral health claims**:

1. IEP/IFSP behavioral health services continue to be reimbursed under LEA BOP.
  - LEA BOP paid claims system will only accept behavioral health claims with a TL (IFSP) or TM (IEP) modifier.
  - All behavioral health claims without a TL or TM modifier will be denied.
2. Non-IEP/IFSP behavioral health services are billed to CYBHI.
  - All CYBHI Fee Schedule claims must include the modifier "U4", which is considered the CYBHI Fee Schedule program identifier.
  - All non-IEP/IFSP psychology/counseling services (or TCM services) billed to LEA BOP will be denied.

***Reminder:*** All physical health services continue to be reimbursed under LEA BOP.

- All current claiming and billing requirements continue to apply to physical health claims.

# Avoiding Duplication: Part 2 – Cost Settlement

## » Avoiding duplication through deduction.

- LEAs will reduce salaries and benefits reported on the CRCS by **total** CYBHI payments for practitioners that participate in both programs.
  - Same methodology used to remove federal funding on the CRCS.
  - Random Moment Time Survey will not be impacted (e.g., an LEA BOP covered service receives a Code 2A, regardless of which program paid for the service).
- » LEAs will **not receive any interim payments** for non-IEP/IFSP behavioral health services if they participate in both programs.
- » LEAs **may be eligible to claim practitioner costs on the CRCS** when practitioners provide LEA BOP covered services and meet all other Program requirements.

# Removing CYBHI Payments on CRCS

- » Quarterly CYBHI Fee Schedule Payments are **Removed** at the Practitioner Level from Salaries and Benefits.
- » Methodology applied to both employee and contractor costs.
- » Reduces gross salaries and benefits in same way that federal funds are excluded for final settlement.
- » *Example CRCS excerpt is displayed on the next slide*

# Removing CYBHI Payments on CRCS (continued)

Quarter 4: April 1 to June 30, 2025 (EXAMPLE)

Provider Category	Quarter 4 Total Salaries	Quarter 4 Total Benefits	Quarter 4 Compensation Expenditures (Net of Federal Resources or Grants)	Fee Schedule Payments (MCP and Commercial Payments)	Quarter 4 Net Compensation Expenditures
<b>Psychologists</b>			-		-
<b>Social Workers</b>	\$150,000	\$20,000	\$170,000	\$30,000	\$140,000
<b>Registered Associate Clinical Social Workers</b>			-		-
<b>Counselors/ MFTs</b>			-		-

This table is an excerpt of columns included on CRCS Worksheet B. The total Fee Schedule Payments by practitioner type will be deducted in a new column, outlined above.

# Co-Existence Practitioner Models

- » LEAs can structure their practitioners in a way that works for them:
  1. Separate behavioral health practitioners into two groups for logistical purposes:
    - A. Providing services to IEP/IFSP students (billing LEA BOP).
    - B. Providing services to the general education population (billing CYBHI fee schedule).
  2. LEAs may also decide to “share” practitioners (serving entire population).
- » When do you add practitioners to the Random Moment Time Survey as a Time Survey Participant (TSP), so they are eligible for LEA BOP cost settlement?

# Who to Put on the TSP List and the CRCS

- » Practitioners providing services pursuant to an IEP/IFSP.
  - LEAs should bill for these services to get interim reimbursement when requirements are met.
- » Practitioners providing assessments and services pursuant to an Individualized Health and Support Plan (IHSP) meeting LEA BOP requirements.
  - These services may not be billed to LEA BOP and should be billed to CYBHI instead.
  - When participating in both LEA BOP/CYBHI, if a practitioner only provides non-IEP/IFSP behavioral health services, they will not have interim claims reimbursed by LEA BOP, even though they may be providing LEA BOP covered services that are not pursuant to an IEP/IFSP.
- » **All practitioners** that provided LEA BOP covered services and met LEA BOP billing requirements may be included in the CRCS even if the LEA did not receive any interim reimbursement for those practitioners.
  - **LEAs must be able to substantiate services when no claims have been submitted.**

# Practitioners Without Interim Payments

- » If the LEA reports practitioners without interim billings on the CRCS, the LEA must be able to support costs with documented covered services
  - ✓ Did the practitioner meet the qualifications **to bill for the covered service** per LEA BOP requirements found in the Provider Manual: <https://files.medical.ca.gov/pubsdoco/publications/masters-mtp/part2/locedrend.pdf>
  - ✓ Was the practitioner supervised, if necessary? Is this documented?
  - ✓ Did the practitioner record services (in a portal or hard copy)?
  - ✓ Did the practitioner document to the extent required for billing purposes?
  - ✓ In an audit, could the LEA support that the practitioner provided covered LEA BOP services? Could they readily locate supporting documentation?
- » **If NO to any of the above**, do not include these practitioner costs on the CRCS!

# TSP Lists: Quality vs. Quantity

- » Consider how much time practitioners on the TSP list spend on covered LEA BOP services for students. Here are 2 examples.

## **Example 1: Code 2A % = 8 /10 = 80%**

- 4 TSPs who spend most of the time providing LEA BOP services. 10 total moments assigned; 8 moments are considered billable.

## **Example 2: Code 2A % = 1/10 = 10%**

- 7 TSPs who spend some of the time providing LEA BOP services, but more time on educationally-related activities. 10 total moments assigned; 1 moment is considered billable.

# Q&A - Enrollment

- » **Q1: Do we need to be enrolled in LEA BOP to participate in the CYBHI Fee Schedule?**
  - **A:** No, LEAs do not have to participate in both programs. We believe that the programs complement each other and encourage participation in both, but LEAs can choose to participate in only one of these programs. Each program has a Medi-Cal enrollment pathway that is independent of the other program.

You should not be enrolling in LEA BOP just for the purpose of participating in the CYBHI Fee Schedule. DHCS has a new enrollment pathway for LEAs and other qualified providers to enroll in CYBHI that does not involve LEA BOP.

# Q&A - Interim Claiming

- » **Q2: If you are participating in CYBHI, all non-IEP mental health services must be billed to CYBHI, correct? Are there any exceptions?**
  - **A:** That is correct, CYBHI cohort members will no longer receive interim payment for any non-IEP/IFSP behavioral health services through LEA BOP.
  
- » **Q3: What if one of my practitioners will not participate in CYBHI – can I submit their non-IEP/IFSP behavioral health claims to LEA BOP?**
  - **A:** No, the LEA BOP paid claims processing system has been updated to recognize the National Provider Identification (NPI)s of all CYBHI cohort members and will deny any behavioral health or TCM claims without a TL or TM modifier. If you participate in CYBHI, you are not eligible for any LEA BOP interim payment for non-IEP/IFSP behavioral health services.
  
- » **Q4: If I have Community Health Workers in Cost Pool 2 who can now bill through CYBHI, will I deduct their CYBHI payments on the CRCS?**
  - **A:** No, on the CRCS, the LEA will only deduct CYBHI payments for practitioners that are in Cost Pool 1 (and for which the LEA is reporting costs on the CRCS).

# Q&A - LEA BOP Cost Settlement

- » **Q5: Will the total CYBHI payments received by an LEA-BOP cost pool 1 provider be deducted from the LEA's total LEA BOP reimbursement for that year?**
  - **A:** No, the total CYBHI payments will be deducted from the reported salary and benefit costs by practitioner type for those practitioners that received CYBHI payments. If a practitioner is not on the CRCS, the CYBHI payments associated with that practitioner do not need to be deducted. Note that the amount deducted for CYBHI payments on the CRCS will never cause the practitioner classification costs go below zero.
  
- » **Q6: Is it true that only the CYBHI payments associated with Medi-Cal covered students will be deducted from the LEA's practitioner costs on the CRCS?**
  - **A:** No, this is incorrect. **All payments for all students will be deducted** from the practitioner classification's salary and benefit costs. This is similar to how federal funding is deducted from a practitioner's salary and benefit costs and does not just look at the Medicaid status. Again, if a practitioner's costs are not reported on the CRCS, their CYBHI payments do not need to be offset.

# Q&A - LEA BOP Cost Settlement (*continued*)

- » **Q7: If I have a practitioner that only bills through the CYBHI fee schedule, can I include this practitioner on the CRCS at the end of the year if I deduct the CYBHI payments?**
  - **A:** If the practitioner is on the TSP List **and** the LEA has supporting documentation that meets LEA BOP requirements, the practitioner costs may be reported on the CRCS. In this case, the total CYBHI payments for the practitioner will be included as revenue offsets on Worksheet A.

# Q&A - LEA BOP Cost Settlement *(continued)*

» **Q8: What if I have a practitioner that only bills for CYBHI services during the quarter, and the students served do not have the LEA BOP required authorization or any type of care plan? Can their costs be included on my CRCS for the quarter, since they are providing covered LEA BOP services?**

- **LEA BOP:** This practitioner's documentation does not meet the LEA BOP billing requirements because it does not have a referral for assessment or a recommendation for treatment and it is not pursuant to a care plan. This practitioner's costs should not be included on the CRCS.
- **CYBHI:** As part of the CYBHI Fee Schedule program, specific billing requirements, such as Medi-Cal enrollment requirements or recommendation of services, may vary based on the provider or practitioner type. Generally, participating LEAs must have defined policies and protocols for collecting, storing, and transmitting information on the following to submit claims and receive reimbursements: student data and health insurance information, eligible providers/practitioners, and documentation on the provision of behavioral health services (e.g., date of service, name of recipient, service location, treatment plans).

# Questions?

Please submit additional questions  
to the LEA BOP inbox:

[LEA@DHCS.CA.GOV](mailto:LEA@DHCS.CA.GOV)



# Billing for Crisis Counseling



# Crisis Intervention Services

- » Non-IEP/IFSP assessments are limited to psychosocial status assessments in the current State Plan.
- » Follow-up crisis-related treatments are currently billable when pursuant to a care plan.

# State Plan Amendment (SPA) Update



# Proposed SPA Packages

» DHCS is currently drafting two SPA packages for 2025:

## 1. **Expansion/Clean-Up SPA**

- Expanding covered services and adding accompanying rates
- Adding qualified rendering practitioners
- Cleaning up portions of SPA 15-021 for clarity / removing requirements
- Incorporating recent legislation (Assembly Bills (AB) 483 and 1722)

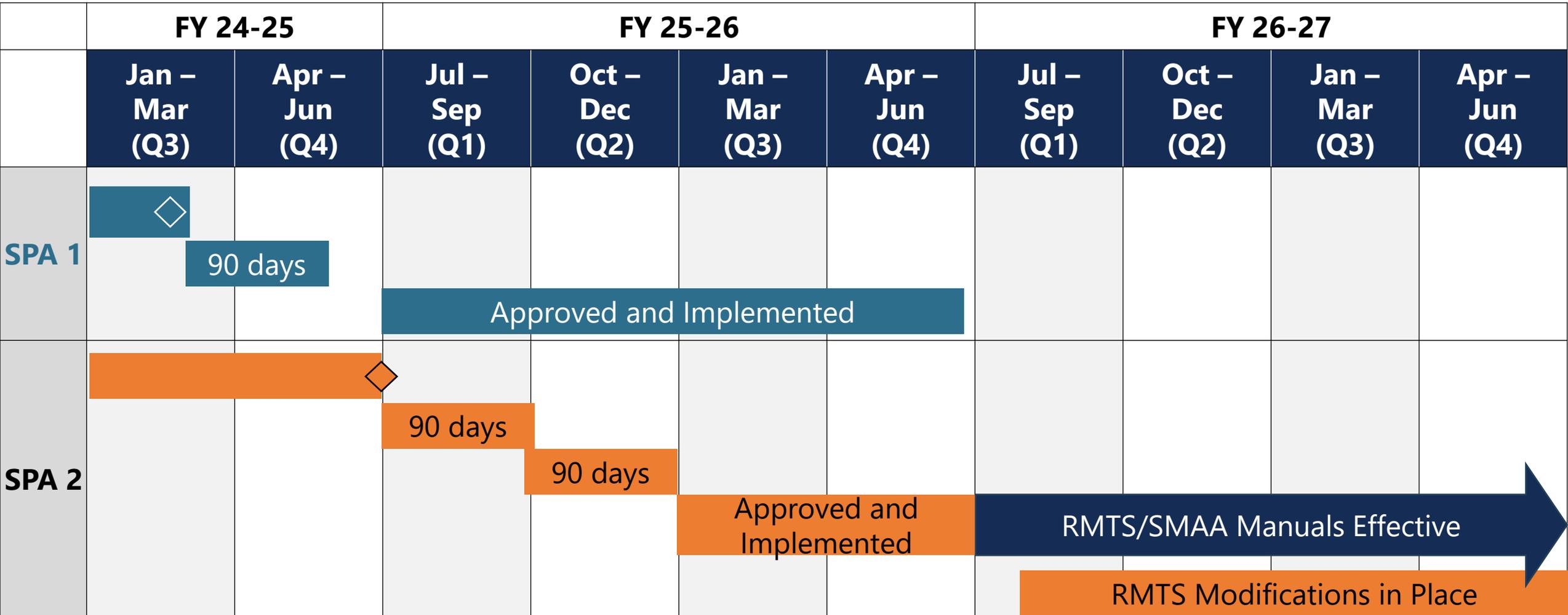
## 2. **Reimbursement Methodology SPA**

- Brings DHCS into compliance with 2023 Centers for Medicare and Medicaid Services (CMS) Comprehensive Guide
- Modifying LEA BOP reimbursement, including RMTS-related updates

# Phasing SPAs - DHCS Considerations

- » Benefits of submitting two SPAs, rather than one large SPA:
  - Program expansion implemented in short-term.
  - “Easier” SPA gets approved first, allowing for potential accelerated FY 25-26 increased funding.
  - Delays implementation of required CMS changes that will result in additional burden/requirements for LEAs.
  - Allows more time to evaluate complex changes required to meet the CMS July 2026 compliance deadline.
  - Provides flexibility for phased implementation of changes and trainings to ensure LEA understanding and compliance.

# Timeline Estimates for Two SPAs



◆ SPA 1 submission – target date March 2025

◆ SPA 2 submission – target date July 2025 (RMTS Manual effective July 1, 2026)

Proposed – subject to change

# **Proposed SPA I: Covered Services & Qualified Rendering Practitioners**



# SPA 1 Summary

1. Expansion of Covered Services
2. Expansion of Qualified Practitioners
3. Promoting participating by removing barriers
4. SPA 15-021 clarifications / clean up
5. Update for recent legislation (AB 483 and AB 1722)

# Expansion - Crisis Intervention Services

- » Expand psychology and counseling services to include crisis intervention / risk assessment. *Note: treatments will remain billable if pursuant to a care plan.*
- » **Applicable Services:** Assessment Services.
  - Recommended by a parent, teacher or practitioner within scope of practice.
  - New crisis intervention/risk assessment 15-minute rate.
- » CYBHI fee schedule participants will bill CYBHI fee schedule for this assessment. However, they may bill for ongoing treatments to LEA BOP when incorporated into the IEP.

# Expansion - Vision/Hearing Screening Tools

- » Rate for current vision screening is limited to acuity-based testing.
  - DHCS will expand to include **photoscreeners** as a valid screening tool.
- » Rates for current hearing screenings is pure-tone threshold testing.
  - DHCS will expand to include **Otoacoustic Emission (OAE) screening**, a noninvasive test that measures the function of the inner ear's hair cells.
- » New encounter rates, based on 5-minutes of the nurse hourly cost.
- » CYBHI fee schedule participants will be eligible to bill for these services (physical healthcare).

# Expansion - Vaccine Administration

- » DHCS will add a new rate for **vaccine administration** services.
  - Rate will be based on the Medi-Cal Fee Schedule encounter-based rate.
  - Will be a flat rate regardless of service time spent with student.
- » CYBHI fee schedule participants will be eligible to bill for this service (physical healthcare).

# Qualified Practitioner Updates

Qualified Practitioner Type	Applicable Services	Requires licensing / credentialing?	Requires supervision?
<b>Associate Professional Clinical Counselors (APCCs)</b>	<ul style="list-style-type: none"> <li>» Psychology / Counseling</li> <li>» TCM</li> </ul>	No, registered with the Board of Behavioral Sciences.	Yes, by a LPCC, LMFT, LCSW, Licensed Psychologist, LEP or Licensed Physician.
<b>Licensed Professional Clinical Counselors (LPCCs)</b>	<ul style="list-style-type: none"> <li>» Psychology / Counseling</li> <li>» TCM</li> </ul>	Yes, licensed by the Board of Behavioral Sciences	Yes, when LPCC does not hold a PPS Credential (colleges exempt).
<b>Registered Nurses (RNs) without a school nursing credential</b>	<ul style="list-style-type: none"> <li>» Optometry Services (vision screenings)</li> <li>» Hearing screenings</li> </ul>	Yes, licensed by Board of Registered Nursing.	Yes, when RN does not hold school nursing credential (colleges exempt).
<b>Licensed Vocational Nurses (LVNs)</b>	<ul style="list-style-type: none"> <li>» Optometry Services (vision screenings)</li> <li>» Hearing screenings</li> </ul>	Yes, licensed by the Board of Vocational Nursing & Psychiatric Technicians.	Yes, by a credentialed school nurse (at the same location or other location).

# Discussion: Community Health Workers (CHWs)

- » Provide preventive services to prevent disease, disability, and other health conditions or their progression; to prolong life; and promote physical and mental health.
- » Under general Medi-Cal, CHWs may provide the following services:
  - **Health education** to promote health or address barriers to health care, including providing information or instruction on health topics.
  - **Health navigation** to provide information, training, referrals, or support to assist Medi-Cal members to access health care, understand the health care system, and engage in their own care and to connect members to community resources necessary to promote their health.
  - **Screening and assessment** that connect to appropriate services.
  - Individual **support or advocacy**.
- » Services must be recommended by an Ordering, Referring and Prescribing (ORP) provider.
- » CHWs must be supervised by an enrolled Medi-Cal Provider (e.g., the LEA).
- » **To Discuss: Are CHWs providing LEA BOP covered services?**

# Removing Barriers – Orientation and Mobility

## » Orientation & Mobility (O&M) Specialists

- O&M Specialists will no longer be required to hold an Academy for Certification of Vision Rehabilitation and Education Professionals (ACVREP) Certification.
  - O&M Specialists must still possess a Clinical or Rehabilitative Services Credential in Orientation and Mobility.
- **Applicable Services:** Orientation & Mobility Assessment and Treatment Services

# Removing Barriers – College Billing

- » Colleges will be exempt from the Pupil Personnel Services (PPS) credential supervision requirement for the following practitioners:
  - Licensed Clinical Social Workers
  - Licensed Educational Psychologist
  - Licensed Professional Clinical Counselors
  - Licensed Marriage and Family Therapists (LMFTs)
  - Licensed Psychologists
  
- **Applicable Services:** Psychology & Counseling Services
  
- » Colleges will be exempt from the school nurse services credential supervision requirement for the following practitioners:
  - Nurse Practitioners
  - Public Health Nurses
  - Registered Nurses
  
- **Applicable Services:** Nursing, Nutrition, Hearing and Optometry Services

# Specialized Medical Transportation Updates

- » Removing personnel costs for “Attendants” (no change in policy, SPA clean up to align with CMS guidance in 2020).
- » **Applicable Services:** Specialized Medical Transportation

# Final Settlement Timeline

- » Required by California legislation (Assembly Bill 483)
- » SPA update will memorialize the condensed cost settlement audit timeline (currently effective):
  - From 36 months to 18 months from date of CRCS submission
- » DHCS must complete *all* final settlements and notify the LEA of audit findings no later than 18 months after the cost report submission date.
  - For LEAs that submit the CRCS by the March 1 due date, final settlement will take place by September 1 of the following year.

# **Proposed SPA 2: Reimbursement Methodology & Supporting Calculations**



# SPA 2 Summary

- » Interim payment updates
- » Clarifications or updates to payment methodology
- » Random Moment Time Survey (RMTS) updates
  - RMTS Guide (Time Study Implementation Plan – TSIP)
    - To be submitted with SPA 2
    - Proposed effective date July 1, 2026

# Interim Rates - Rebasing Data

- » Current policy: Rates are inflated every year and are **rebased every five years** based on LEA cost report data.
  
- » SPA will include additional rebasing flexibilities for DHCS:
  - **Collection Method:** Cost Report or other Supplemental Forms.
  
  - **Type of Data Utilized:** Specifies that reported LEA costs/hours will be utilized for rebasing.
  
  - **Level of Detail:** Use of Total Contracted Personnel Costs / Hours By Practitioner Type.

# Interim Rates – Removing Some Proxy Rates

- » Current Policy: Certain practitioner rates are based on proxy data.
- » SPA 2 will implement practitioner-specific rates for:

Assessments	Treatments
Associate Marriage & Family Therapists (MFTs)	Associate MFTs
O&M Specialists	O&M Specialists
Registered Associate Clinical Social Workers (SWs)	Registered Associate Clinical SWs
Optometrists	Occupational Therapy (OT) Assistants / Physical Therapy (PT) Assistants
	SLPAs

- » Physicians, physician assistants, dietitians and respiratory care therapists will continue to have proxy rates (based on RN data).
- » DHCS may opt to use practitioner cost data in the future, as adequate data are available.

# Interim Rates - Payment Methodology

- » In the 2023 Guide, CMS presented **four new interim payment methodologies** for states with cost-based reimbursement.
- » DHCS presented the four new payment methodologies at the August and October 2024 quarterly meetings.
- » **Continuing Expectations:**
  - LEAs **must continue to record and maintain service-level records**, even if the flexibilities reduces the reporting requirements.
  - LEAs **must continue to complete and submit an annual CRCS** to reconcile interim payment against allowable costs.
- » DHCS to survey LEAs to gauge interest in exploring a new interim payment methodology.

# Payment Methodology – Revenue Offsets

- » Adding clarifying language on revenue offsets for the CRCS.
  
- » Revenue offsets will include:
  - Federal funds, including State/local matching funds that may be required by the federal grant.
  - State funds that have already received federal matching funds.
  - Purchase discounts, rebates or allowances; insurance refunds, rebates or recoveries; adjustments of overpayments or erroneous charges.

# Payment Methodology – Medi-Cal Eligibility Ratio (MER)

- » The MER uses a 'snapshot date' to capture student enrollment (currently the California Basic Educational Data System (CBEDS) census day in early October).
- » DHCS will clarify who should be included in the total student enrollment (the denominator) by type of LEA:
  - **Local School Districts:** Total student count enrolled in the district.
  - **County Offices of Education (COEs):** Total student count enrolled in county-operated programs that provide LEA BOP covered services.
  - **Institutions of Higher Education:** Total student count eligible to receive LEA BOP covered services through the student health center.
- » Students receiving services at more than one LEA may be included in **each** LEA's MER.

# Parental Consent for the MER

- » Outstanding issue from 2023 CMS Guidance on parental consent.
  - **Medicaid regulations do not require DHCS or LEAs to obtain consent** prior to exchanging student information for a purpose directly connected to the administration of the Medicaid State Plan (e.g., checking Medi-Cal eligibility).
  - However, **FERPA and IDEA require the school district to obtain the consent of the parent** before disclosing a student's personally identifiable information (PII) to the State Medicaid Agency for billing and for cost reimbursement purposes.
- » This issue could have a major impact on program funding.
- » DHCS is discussing this issue with CDE and exploring whether the agencies can assist LEAs in getting the Medi-Cal enrollment counts.

# Payment Methodology - Transportation

- » To bill LEA BOP, the transportation must:
  - Be provided in a specially adapted vehicle;
  - Be included in the student's IEP/IFSP;
  - Be on the same day that the student receives a covered service **and**
  - **(NEW)** Document the medical need for the specific adaptation in the IEP/IFSP.
  
- » CMS has clarified that the presence of only an aide or simple seat belts do not make a vehicle specially adapted.
  
- » SPA 2 update will include new apportionment methodologies based on whether an LEA can isolate specialized transportation costs.
  - LEAs that can only identify general transportation will use a two-step allocation.
  - New methodologies will accommodate various LEA scenarios and ensure that only Medicaid allowable costs are included in cost settlement.

# **Annual Report Fiscal Year (FY) 2024-25 Reminder**



# Annual Report Reminder

- » The Annual Report FY 2024-25 was due on **November 30, 2024**.
  - DHCS was accepting submissions until December 20, 2024.
- » DHCS has received **500 out of 588** Annual Reports as of January 24, 2024.
- » All LEAs are required to submit an Annual Report annually.
  - All information and fields must be completed.
  - If you have not already, please submit the Annual Report electronically (with a digital signature) to [LEA.AnnualReport@dhcs.ca.gov](mailto:LEA.AnnualReport@dhcs.ca.gov) as soon as possible.

# General Reminders



# Stay Updated with Listserv

- » Subscribe or unsubscribe to LEA BOP e-blasts for updated program information at:

**<http://apps.dhcs.ca.gov/listssubscribe/default.aspx?list=DHCSLEA>**

# New Tools Available!

» LEA BOP has added new tools to the LEA Program Tool Box:

<https://www.dhcs.ca.gov/provgovpart/Pages/LEAToolBox.aspx>

» Check out the Onboarding Handbook:

<https://www.dhcs.ca.gov/provgovpart/Documents/Onboarding-Handbook.pdf>

# Local Governmental Financing Division (LGFD) Mailboxes

- » [LEA@dhcs.ca.gov](mailto:LEA@dhcs.ca.gov) - General questions about the LEA BOP, CRCS, and technical assistance requests.
- » [LEA.AnnualReport@dhcs.ca.gov](mailto:LEA.AnnualReport@dhcs.ca.gov) - Compliance documents (Provider Participation Agreement, Annual Report, and Data Use Agreement forms)
- » [RMTS@dhcs.ca.gov](mailto:RMTS@dhcs.ca.gov) - Random Moment Time Survey, Time Survey Participant, and moment questions.

# Highlights of the Program Status Updates

# Program Status Updates Items

- » Erroneous Withholds on Interim Settlements (Remittance Advice Details (RAD) 709)
- » Unsatisfactory Immigration Status (UIS) Recoupment
- » Technical Assistance (TA)

# Program Guide Updates

# Program Guide Updates

- » CRCS webpage for FY 2023-24 published
  - To be published soon:
    - CRCS (DHCS form 6299; sent out via email to listserv)
    - Annual Reimbursement Report
    - Federal Medical Assistance Percentage (FMAP) Grouping Percentages Report
    - Program Administration Withhold Report
    - Specialized Medical Transportation Report
  - Certification of Zero Reimbursement (DHCS form 6299A) available upon request

# Program Guide Updates (continued)

## » CRCS FY 2023-24

- LEA BOP Program Administration withhold balance reconciled using the CRCS
  - Up to 5%, per AB 483, deducted from final settlement
  - 3% administrative withhold from claims will be deducted from 5% owed (similar to interim reimbursement from Medi-Cal allowable)
- Remove allocation of indirect costs to contractor costs (Object Code 5800) per May 2023 CMS Guide.
- End of COVID-related FMAP Changes

**Thank You!**  
**See you in the Afternoon Session.**

1:00 p.m. - 3:00 p.m.

