LOCAL EDUCATIONAL AGENCY MEDI-CAL BILLING OPTION PROGRAM ONBOARDING HANDBOOK

DHCS

CALIFORNIA DEPARTMENT OF
HEALTH CARE SERVICES

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Section 1: Purpose and How to Use This Handbook

Purpose of the Onboarding Handbook

This Onboarding Handbook supports Local Educational Agencies (LEAs) that want to participate in the Local Educational Agency Medi-Cal Billing Option Program (LEA BOP) or onboard new staff that oversee the administration of the program.

The LEA BOP offers an incredible opportunity to improve health outcomes for California's student Medi-Cal beneficiaries. This reimbursement program can help improve access to prevention and treatment services for students enrolled in Medi-Cal. Enrollment, effective participation, and program oversight can be technical. This handbook provides an overview of how LEA BOP works, and how to set up a program as well as a high-level overview of program administration requirements with links to more detailed information.

The State Plan and the LEA BOP Provider Manual contain detailed information about the LEA BOP.

This handbook does not supersede Medi-Cal policy. Each LEA must ensure compliance with current federal and state laws, regulations, and procedures about the LEA BOP.

How to Use This Handbook

This handbook is an entry point for LEAs new to or considering enrollment in the LEA BOP and for new administrators or staff who will be involved with an already established program. It is additionally a valuable resource for LEAs that want to expand their participation to take advantage of new changes to LEA BOP. LEAs can revisit this content at any time for a refresher on the critical components of the program. LEAs may also wish to share specific sections of this handbook with new staff or use particular sections as part of training for current staff whose work intersects with student behavioral and physical health, for example, directors of student health or support services, district school nurses, and school mental health staff.

This handbook walks LEAs through how LEA BOP can benefit their district, how to get started with the program, the administrative basics of the program, and compliance requirements. The handbook concludes with important information, references, and resources for effective LEA BOP participation.

This handbook is divided into six sections:

Section 2: What is LEA BOP?

How Does LEA BOP Work?

LEA BOP is an optional program overseen by the California Department of Health Care Services (DHCS) for LEAs to recoup allowable expenses for providing covered health services for students enrolled in Medi-Cal, California's Medicaid program. LEA BOP is an ongoing funding stream through reimbursement for services, where LEAs receive federal matching funds for state and local dollars spent on eligible services. Detailed information about covered services, qualified practitioners, and student eligibility is included in Section 4: LEA BOP Key Building Blocks.

LEA BOP is a Certified Public Expenditure (CPE) program, a mechanism for public entities, such as LEAs, to certify that the funds spent on Medicaid services are eligible for federal matching funds. Therefore, the program has several components to ensure participating LEAs comply with CPE requirements. Figure 1 provides a high-level overview of the LEA BOP process.

Figure 1. LEA BOP Process

Hire: LEA hires practitioners (employed or contracted) based on the annual school budget.

Claim: The LEA submits a claim to Medi-Cal for LEA BOP-covered direct services.

Reimburse: Medi-Cal sends interim reimbursement based on claims.

Certify: The LEA reconciles interim reimbursements with actual costs through a cost report.

Audit: DHCS audits actual costs to verify that they are allowable expenditures.

Payment: LEA receives final settlement payments within 18 months of cost report submission.[1]

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[1] If an LEA does not receive a final settlement within 12 months, they will receive an interim settlement and then a final settlement within 18 months of the cost report due date.

Benefits of LEA BOP

LEA BOP participation has substantial benefits for LEAs, specifically that the Program:

Is ongoing. Medi-Cal reimbursement through LEA BOP can sustain and expand some school health services, including staffing or programs initially created with one-time funds.

Accounts for your specific LEA's costs. LEA BOP is a cost-reimbursement program, meaning that participating LEAs are reimbursed for the reasonable actual cost of allowed services for covered students. If an LEA's service cost increases, final reimbursement will also increase.

Is a model for LEAs to use to interact with the healthcare system. To enroll in LEA BOP, LEAs should create a healthcare infrastructure, including documenting health services and coordinating with medical providers. Together, these sytems will help your LEA leverage other or new opportunities to expand health care in schools, including coordination and billing with managed care health plans.

LEA BOP – Participants and Optional Supports

Individual LEAs participating in the program are identified as LEA BOP Providers. Once enrolled in LEA BOP, the LEA is considered a Medi-Cal provider.

An LEA BOP Provider can choose to utilize optional supports including an LEA Billing Consortium and/or a third-party billing vendor.

LEA BOP Providers

- » School District
- » County Office of Education
- » Charter School
- » State Special School
- » Community College District
- » California State University Campus
- » University of California Campus

LEA Billing Consortium

- » Two or more LEA BOP Providers pooling their resources to provide LEA BOP services and billing under one National Provider Identifier (NPI) number.
- » LEA BOP Providers may seek assistance from other larger LEA BOP Providers to share administrative billing resources to support medical services provided to beneficiaries.

LEA Billing Agent/Vendor

- » Optional for-profit third party contracted to assist LEA BOP providers with billing and claims submissions.

The LEA is responsible for assigning staff to manage its participation with the LEA BOP. This responsibility typically falls to the LEA BOP/Medi-Cal Billing Coordinator or Manager, and in many cases, it may fall to more than one staff to oversee the administration of the LEA BOP at the LEA level. Depending on the LEA's size, these may be duties that fall under one of the following positions:

- » Special Education Director/Manager
- » District School Nurse
- » Business Manager
- » One or more dedicated, full-time position(s).

Regardless of who oversees program participation, the coordinator should work closely with the following people to support program participation and compliance:

- » Business Manager and/or finance office
- » Special Education Director/Program manager
- » Human Resources
- » School Health Practitioner Supervisors
- » Contracts staff
- » IT staff
- » Administrative Unit

The individual(s) identified by the LEA are responsible for administering the program functions and must be familiar with the LEA BOP Provider Manual, department policies and procedure letters, and the LEA BOP website. The Internal Administrative Functions Chart on the LEA BOP website provides an overview of the critical functions integral to the administration of the LEA BOP, divided by responsible processes. The LEA BOP provider is accountable for ensuring that all information submitted on their behalf is true and accurate.

LEA BOP Contact Information

LEA BOP and providers communicate primarily through e-mail, web-based video conferences, and online databases. Based on the most recent contact information provided, DHCS sends e-mails that may contain specific issues related to the LEA (e.g. compliance issues).

LEAs should sign up for these updates through the e-mail subscription service on the LEA BOP website.

> **It is essential that anytime an LEA participant has a change to their contact and mailing information, they must inform DHCS of those changes immediately and not wait until the Annual Report submission. Late notice can result in missing essential program changes, reimbursements, and updates.**

DHCS has a direct e-mail inbox to submit all LEA BOP-related questions and several inboxes for topic-specific queries or submissions. Please see Table 1 below for contact information to address your LEA's specific questions. LEA BOP providers must include a phone number and their questions, since the analyst reviewing the question may need to call the LEA for clarity or additional information.

Table 1. Key Contact Information

Topics, Issues, or Questions	Contact
LEA BOP Questions or Comments » Policy questions » Compliance document request » Enrollment » Change of address/contact » Technical assistance requests » Questions about CRCS	LEA@dhcs.ca.gov LEA Medi-Cal Billing Website
LEA BOP Compliance Documents and Annual Report » Submitting compliance documents like the Annual Report and Data Use Agreement forms » Requesting extensions	LEA.AnnualReport@dhcs.ca.gov
DHCS Cost and Reimbursement Comparison Schedule » Submitting CRCS or requesting an extension	Submission: LEA.CRCS.Submission@dhcs.ca.gov
DHCS Random Moment in Time Survey (RMTS)	RMTS@dhcs.ca.gov RTMS Website
Audits and Investigations » Questions related to audits of the CRCS	LEAAuditQuestions@dhcs.ca.gov
Medi-Cal Telephone Service Center: » Claims issues	800-541-5555

Section 3: How to Get Started

LEA BOP Enrollment Tool

This 12-step tool will help your Local Educational Agency (LEA) navigate the various steps required to enroll in the LEA Medi-Cal Billing Option Program (LEA BOP). It will provide an overview of all the necessary steps and a general timeline for each section. The LEA BOP Enrollment Tool can also be found on the DHCS website. Figure 2 provides a high-level overview of the LEA BOP Enrollment Process.

Figure 2. LEA BOP Enrollment Process
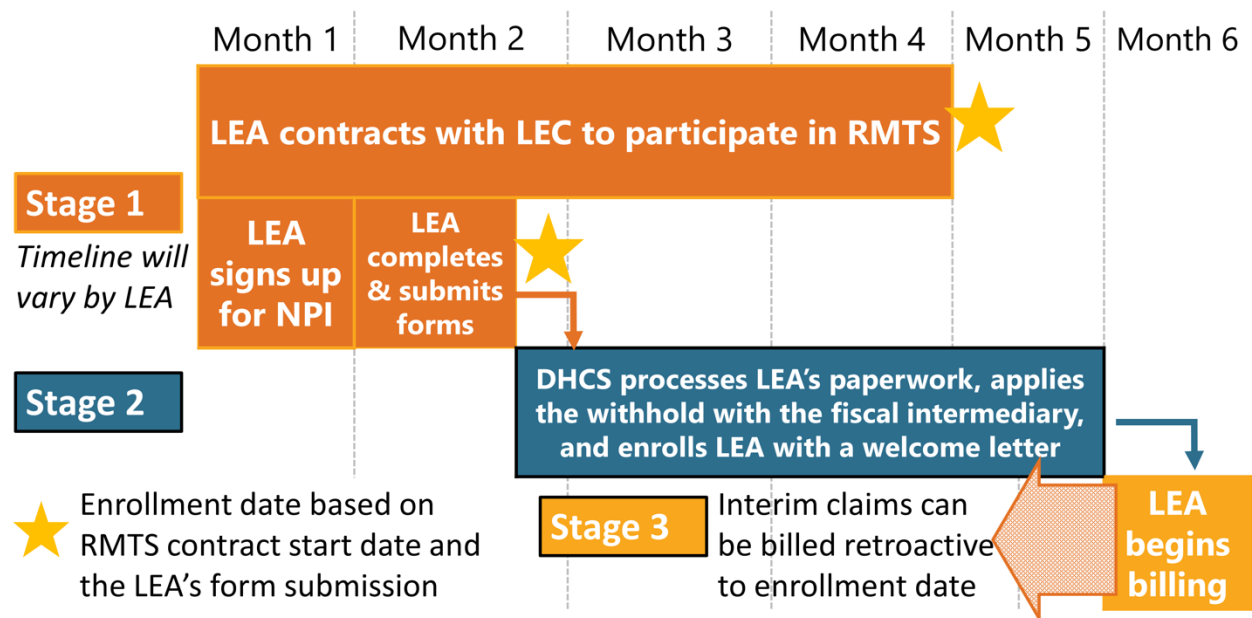
Enrollment takes place in three stages.

Stage 1 includes the steps the LEA needs to take to initiate required contracts and complete information. The time required to contract with a Local Educational Consortia (LEC) for the Random Moment Time Survey (RMTS) participation and for the LEA to complete the compliance forms needed for LEA BOP enrollment will vary.

Stage 2 involves the steps the Department of Health Care Services (DHCS) takes to process the completed paperwork, coordinate with other divisions, and send a welcome letter to establish an enrollment date for the LEA.

The enrollment date begins on whichever comes last:

- » The LEC contract start date.
- » The RMTS quarter following the submission of completed LEA enrollment forms to DHCS.

Stage 3 is when the LEA submits the forms to begin billing interim claims. Interim claims may be billed retroactively back to the LEA BOP enrollment date.

STAGES

Stage 0: Preparation

Timeline: 1-2 days

1. Are you currently enrolled?
   - » If "no," proceed to Stage 1 below.
   - » If "yes," refer to the DHCS website for training and resources about program operation.
   - » If LEAs are unsure of their provider status (new or returning), contact the LEA BOP at LEA@DHCS.CA.GOV.
   - » New LEAs should sign up for the LEA BOP email subscription service. DHCS utilizes the email subscription service to send the latest LEA BOP information and website updates.

Stage 1: Complete Documents

Timeline: 30-90 days

1. LEA applies for a National Provider Identifier (NPI) number from the National Plan and Provider Enumeration System (NPPES).
   - » Register for a new NPI number at NPI registry here.
   - » If unsure if an existing NPI number has been registered, search LEA's NPI number in the NPPES NPI Registry.
   - » Here's a helpful booklet NPI: What You Need to Know Guide.

2. LEA begins executing the Random Moment Time Survey (RMTS) contract with LEC (Local Educational Consortia). This contract will establish a starting RMTS quarter for the LEA to complete the Time Survey Participant (TSP) List Certification and participate in the RMTS.

» Instead of contracting with a LEC for RMTS, LEAs that contract out for all health service practitioners (considered a Model 2 service provider as described in the LEA: A Provider's Guide section of the LEA BOP Provider Manual) must complete PPL 20-022R Attachment A before the start of each annual RMTS process.

3. LEA requests the Provider Participating Agreement (PPA), Annual Report (AR), and Data Use Agreement (DUA) packet from DHCS by emailing LEA.ANNUALREPORT@DHCS.CA.GOV.

   » The LEA BOP will provide the PPA, DUA, and AR to LEA via email.

⚠ **An NPI is REQUIRED to complete Step 4 and beyond.**

4. LEA completes a Data Use Agreement (DUA).

   » DUA must be submitted electronically with a digital signature to LEA.ANNUALREPORT@DHCS.CA.GOV.

   » LEA providers that designate a third-party billing vendor as their 'Custodian of the Files' must submit a tri-party DUA, which is signed by the LEA provider and the vendor. A tri-party DUA is required for non-providers (provider representatives, such as a billing vendor) to receive and determine Medi-Cal eligibility information on behalf of the LEA provider.

   » If a LEA does not utilize the services of a third-party billing vendor and performs its own in-house billing, they will submit a two-party DUA.

5. LEA completes the Provider Participation Agreement (PPA) and Annual Report (AR).

   » The PPA is an agreement between the LEA and DHCS that does not expire or need to be renewed unless program changes require an updated PPA.

   » Review and have the LEA's authorized representative(s) sign.

   » The first AR is submitted with the enrollment materials. The AR includes the following:

   » Medi-Cal Provider Enrollment Sheet

   » Consortium Billing Page—if applicable

   » Current Year Certification of State Matching Funds

   » New LEA BOP Providers should enter zero (0) in all fields about the previous year

   » AR Financial data

   » Statement of Commitment to Reinvest

- » LEA Collaborative Partners
- » The AR is an annual requirement, due each year by November 30.

Stage 2: Engage DHCS and Submit Documents

Timeline: 30-90 days

1. LEA submits the completed Provider Participation Agreement (PPA), Annual Report (AR), and Data Use Agreement (DUA) to DHCS: LEA@DHCS.CA.GOV.

2. DHCS-LEA BOP processes documentation.
   - » Verifies and processes PPA, AR, and DUA.
   - » If corrections are needed, they will be sent back to the LEA, and the timeline for processing may be extended.
   - » Establishes a MOVEit account to submit and receive tape match data to determine student Medi-Cal eligibility.
   - » The annual Report and New Enrollment Memo with RMTS contract start date sent to DHCS-Provider Enrollment Division (PED).

3. DHCS Provider Enrollment Division (PED) processes the Provider Participating Agreement (PPA) and Annual Report (AR) received from the LEA BOP to update the Provider Master File with the LEA BOP enrollment date.

4. The LEA BOP engages Medi-Cal to allow the LEA to submit claims.

5. DHCS completes enrollment by e-mailing the LEA confirming the LEA's enrollment with a welcome letter and all the countersigned compliance documents. Medi-Cal will send a PIN number required to submit electronic claims. The LEA should make several copies and store these materials with the LEA billing records.
   - » DHCS determines the enrollment date based on a few factors: when the LEA submits the completed PPA, AR, and DUA to DHCS, and when the next appropriate RMTS quarter starts.

Stage 3: LEA Begins Active Participation

Timeline: 10-30 Days

1. LEA utilizes the Medi-Cal Provider Portal to register as a submitter organization for electronic claim transactions.

    » Register as a new Medi-Cal submitter organization in the [Provider Portal.](#)

    » Obtain submitter ID.

    » Complete the test claim process.

    » Complete the authorization process for 835 (electronic claim) transactions.

    » See the [Medi-Cal Provider Portal FAQs](#) for help. Scroll down for FAQs and general information.

2. LEA reviews and prepares to meet all Medi-Cal documentation requirements.

    » Review the LEA BOP Provider Manual section [LEA: A Provider's Guide,](#) which includes a section on documentation and record retention requirements.

    » While waiting to enroll, regularly check the DHCS website and familiarize yourself with the Provider Manual and Policy and Procedure Letters.

3. LEA begins billing claims, which may be retroactive to the LEA BOP enrollment date.

OPTIONAL: Working with a Vendor

For in-house claiming, LEAs must have employees on staff to submit claims and acquire software to assist in internal claim submission. While not necessary, some LEAs choose to work with a billing vendor. While the vendor assists in meeting program requirements based on the needs of an LEA, the LEA is ultimately and solely responsible for program compliance. The LEA should lead the work for all components of program administration, and the vendor should play a supporting role.

Vendors can assist with various services, all of which, along with associated fees, will be spelled out in a contract between the LEA and vendor. The following is a list of services commonly provided by billing vendors. Not all vendors may provide all these services and not all LEAs will want all of these services. It will be essential to be clear on all terms before agreeing. A billing vendor may:

    » Train practitioners.

    » Support compliance documents.

- » Complete LEA BOP enrollment paperwork.
- » Guide the LEA Medi-Cal Coordinator.
- » Provide an Electronic Health Records (EHR) or billing system that integrates into the LEA's student information system.
- » Monitor billing documentation.
- » Run billing status reports.
- » Monitor responses to the Random Moment Time Study (RMTS).

DHCS cannot provide a list of vendors or guidance on any specific vendor, but LEAs interested in contracting with a vendor may find it helpful to draft a list of questions for vendors based on the LEA needs. For example, LEAs may ask about:

- » What services a vendor provides.
- » Contract terms, including cost structure, likely cost to the LEA, and any minimum or maximums.
- » How the vendor's electronic health record system works, including where notes, orders, referrals, and other information is stored and how that connects to the billing system.
- » A demonstration for the end user, such as practitioners or practitioner supervisors, of how the billing system works and meets program compliance requirements, along with vendor familiarity with state and federal rules.
- » A reference list of other LEAs that use this vendor so that the LEA can do due diligence and learn about what a vendor genuinely likes to work within their region.

Changing/Updating LEA Information

To change your LEA's contact information or mailing, payment, or services addresses, submit an updated contact information on page 1 of the Annual Report (AR), which is called the Medi-Cal Provider Enrollment Information Sheet. LEAs have two options:

- » Submit with the completed AR when it is due to DHCS.
- » If updating information before or after the AR submission period, send just page 1 and a cover letter requesting the changes via e-mail to DHCS.

- » Failure to update your LEA address in a timely manner may cause major delays in receiving reimbursements.

Please e-mail submissions to LEA.AnnualReport@dhcs.ca.gov. For any questions regarding this process, reach out to LEA@dhcs.ca.gov.

Terminating Participation

If the LEA chooses to no longer participate in the LEA BOP, it may terminate participation by submitting a request on the LEA's letterhead to LEA@dhcs.ca.gov. DHCS and the LEA will work together to determine the last effective day of program enrollment.

All terminated LEA BOP providers are required to submit the CRCS by the due date for the State Fiscal Year in which they participated in the Program, regardless of whether the LEA participated for the entire year.

Terminated LEA BOP providers that fail to submit the CRCS by the due date must return all federal reimbursements received for that fiscal year to DHCS.

Section 4: LEA BOP Key Building Blocks

Section 4 covers the key building blocks for successful participation in the LEA BOP. This section covers informational documents where LEAs can learn about the specifics of LEA BOP in greater detail. LEAs should be familiar with the LEA BOP website, department policies, program regulations, and the Provider Manual, which is the primary resource guide for this program and contains additional requirements for successful participation. LEA BOP Policy and Procedure Letters (PPLs) provide further detail. Following that, this handbook introduces what this program covers, including eligible students, services, and practitioners. Finally, the section summarizes important ways LEAs must account for the time and cost of services through interim claims, the Random Moment Time Survey (RMTS), the Cost and Reimbursement Comparison Schedule (CRCS), and audits.

Key Informational Documents

The Program Guide gives providers quick access to useful resources and information concerning the proper administration and management of the LEA BOP. LEA BOP providers are ultimately responsible for administrative functions and should be familiar with the LEA BOP Provider Manual and with LEA BOP PPLs. LEA BOP providers should visit the DHCS LEA BOP website to find pertinent information for administering the program.

Provider Manual

While this handbook is intended to jump-start the LEA BOP enrollment process and provide the key steps and information for new LEAs, the LEA BOP Provider Manual provides details that staff must be familiar with as they administer the program.

The LEA BOP Provider Manual guides LEA policy and billing instructions, eligible students, services, and practitioners, and reimbursement rates and billing codes by service. A brief overview of these policies and eligibility criteria is provided below. Still, LEAs should consult the manual for guidance on specific situations and enroll in the Medi-Cal Subscription Service (select "Local Educational Agency") for timely updates.

LEA BOP Policy and Procedure Letters

DHCS issues policy and procedures regarding the LEA BOP via PPLs. These notifications alert LEA participants of procedure updates and changesas well as any new or shifting policies. They can be in response to state or federal mandates, codes, regulations, or

moving program policies. These PPLs are valuable for guiding your LEA through a successful, compliant, and effective program.

Current DHCS LEA BOP PPLs are on the LEA Medi-Cal Billing Option Program Policy and Procedure Letters webpage. PPLs are typically released several times a year, so LEAS need to sign up for the e-mail subscription service on the LEA BOP website, read PPLs carefully when released, and adjust accordingly if needed.

Eligible Students, Services, and Practitioners

Eligible Students

LEAs can only receive reimbursement through LEA BOP for eligible students. Eligible students are special education and general education students who are eligible for Federal Financial Participation (FFP qualified), enrolled in Medi-Cal on the date the service is rendered, and under 22 years old at the beginning of the school year. Students enrolled in Medi-Cal but with an unsatisfactory immigration status (UIS) are not FFP qualified. Some students may also be required to meet a Share of Cost (SOC) before being certified as eligible for Medi-Cal services. SOC is a monthly dollar amount that some Medi-Cal recipients must pay toward expenses. A Medi-Cal subscriber's SOC is similar to a private insurance plan's out-of-pocket deductible.

There are several ways LEAs can determine a student's eligibility, a description of which can be found in the Local Education Agency (LEA) Eligible Students *(loc ed elig)* section of the Provider Manual.

Eligible Services

LEA BOP covers assessment, treatment, and targeted case management services for special education and general education students, including recommended preventive pediatric health care as published by the American Academy of Pediatrics. LEA BOP also covers medical transportation for special education students. Figure 3 provides a list of covered assessments and treatments and may include services your LEA already provides to students.

Figure 3. IEP/IFSP vs. IHSP Services

IEP/IFSP	IHSP
Assessments	Assessments
Treatments	Treatments
Targeted case management	Targeted case management
Specialized medical transportation	

Note: The only difference between covered services under an IEP/IFSP and an IHSP is that medical transportation is covered for students with an IEP/IFSP.

» Hearing Services

» Health, Mental Health Evaluation and Education Assessments

» Nursing Services and Activities of Daily Living

» Nutritional Services

» Occupational Therapy

» Orientation and Mobility

» Physical Therapy

» Physician Services

» Psychology/Counseling

» Respiratory Care

» Specialized Medical Transportation

» Speech Therapy

» Targeted Case Management (TCM)

» Vision

Treatment services must be included in a student's care plan in all cases. This can be an individualized education plan (IEP) or an individualized family service plan (IFSP) for special education students, or an Individualized Health and Support Plan (or IHSP) for general education students. Some common names for an IHSP include nursing plan, 504 plan, or school health care plan.

Additional information on eligible services can be found in individual sections of the DHCS Medi-Cal Provider Manual.

Eligible Practitioners

To provide the covered services, LEA BOP includes many kinds of practitioners, many of which are staff that your LEA likely already employs. These will be direct service practitioners who regularly perform and are eligible to bill for immediate medical services under the LEA BOP. To bill for services an eligible practitioner provides, that practitioner must be on an LEA's pre-determined Time Survey Participant (TSP) List.

Familiar eligible practitioners include, *but are not limited to:*

- » Credentialed Speech-Language Pathologists
- » Credentialed School Counselors
- » Credentialed School Psychologists
- » Credentialed School Social Workers
- » Licensed Marriage and Family Therapists
- » Licensed Registered Nurses
- » Licensed Physical Therapists
- » Licensed Occupational Therapists

A complete list of eligible practitioners, along with more detailed descriptions of practitioner qualifications, can be found in the LEA BOP Medi-Cal Provider Manual.

Accounting for Costs

As described in Section 2, the LEA BOP is a Certified Public Expenditure (CPE) program where LEAs must certify the costs of delivering eligible services to students. LEAs account for and document their costs in a few key ways:

- » Interim reimbursements for covered services provided.
- » Time spent on covered services, documented quarterly through the Random Moment Time Surveys (RMTS).
- » Yearly submission of the Cost and Reimbursement Comparison Schedule (CRCS), which requires LEAs to account for and reconcile costs of services rendered against interim reimbursements received. DHCS then audits the CRCS to determine the final settlement.

This section briefly overviews interim claims, the RMTS, the CRCS, and the audit timeline. More information can be found in the DHCS Medi-Cal Provider Manual.

Claims and Interim Reimbursement

LEAs must be prepared to submit claims for LEA BOP-covered services a qualifying practitioner provides through electronic billing within 12 months of the service date. LEAs will be paid interim reimbursements based on these claim submissions. After submitting the cost report, LEAs will receive interim settlements within 12 months, based on the reconciliation of interim claims with actual costs calculated in the cost report, and final settlements within 18 months. LEAs must become submitters for electronic claims during the last step of the LEA BOP enrollment process (see Section 3). The Provider Enrollment Division (PED) may deactivate the National Provider Number (NPI) from the Medi-Cal claiming system if a reimbursement claim has not been submitted for 12 months, in which case LEAs may have to re-enroll to claim for LEA BOP services.

Random Moment Time Survey

The RMTS is a time study mechanism, overseen by LEA BOP and School-Based Medi-Cal Administrative Activities (SMAA), used to determine the amount of time spent on activities throughout a participant's workday. The RMTS is administered quarterly in the quarters two through four, starting with quarter two in October. All eligible practitioners employed by the LEA and included on the CRCS must be on the Time Survey Participant (TSP) list. Eligible practitioners on the TSP lists, which are updated quarterly[2], may receive a notification to respond to a "random moment" which captures what they are doing in the specific minute that is assigned. Those responses are then coded as either a billable or non-billable activity. The total of all billable codes is then formulated into percentage of all moment responses that creates the Direct Medical Services Percentage (DMSP), which is part of the payment methodology shown below. A minimum 85% compliance response rate is required for each LEA, but the goal should be 100% as the rate is tied to the Direct Medical Services Percentage. Participation in the RMTS is required in order to submit employee costs on the CRCS[3] and receive reimbursement for their covered services. To participate in RMTS your LEA will need to contract with your

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[2] Each LEA must also develop a TSP list for quarter one (Q1), but since the RMTS is not administered in Q1 it can be developed retroactively. For more detail, please see Policy and Procedure Letter (PPL) No. 20-046.

[3] LEAs operating under Model 2, where an LEA contracts with, rather than directly employs, all health care practitioners, are not required to participate in RMTS. See page 7 of the Local Educational Agency (LEA): A Provider's Guide for additional details.

Local Educational Consortium (LEC). Please consult the [Service Regions Map and Contact Information](#) to connect with your LEC.

## Cost and Reimbursement Comparison Schedule

The CRCS is due each year on March 1 for the previous fiscal year. For example, the CRCS used to reconcile interim costs received between July 2024 and June 2025 is due March 1, 2026. The CRCS aims to certify the cost of providing LEA BOP covered services to eligible students and to determine the allowable Medi-Cal costs for which the LEA is eligible. Specifically, the CRCS is how LEAs certify that the public funds expended for LEA BOP services are eligible for FFP and how DHCS compares an LEA's total actual costs for LEA BOP covered services with any interim payments received by the LEA. More information about what is required can be found in the [Document Checklists in Section 5](#).

LEA BOP Providers must extract a file containing total LEA student enrollment using their student information systems in October of each fiscal year. California's State Plan requires participating LEA BOP Providers to identify total student enrollment on a snapshot date (the California Basic Educational Data System census day) and to calculate the Medi-Cal Eligibility Ratio (MER), defined below, using October Medi-Cal eligibility data each year.

Cost Reimbursement

LEAs are not reimbursed for the entirety of total service costs, and there are factors other than cost that impact reimbursement. The total allowable Medi-Cal cost is calculated using four indicators outlined in Figure 4.

Figure 4. Cost Reimbursement Calculation
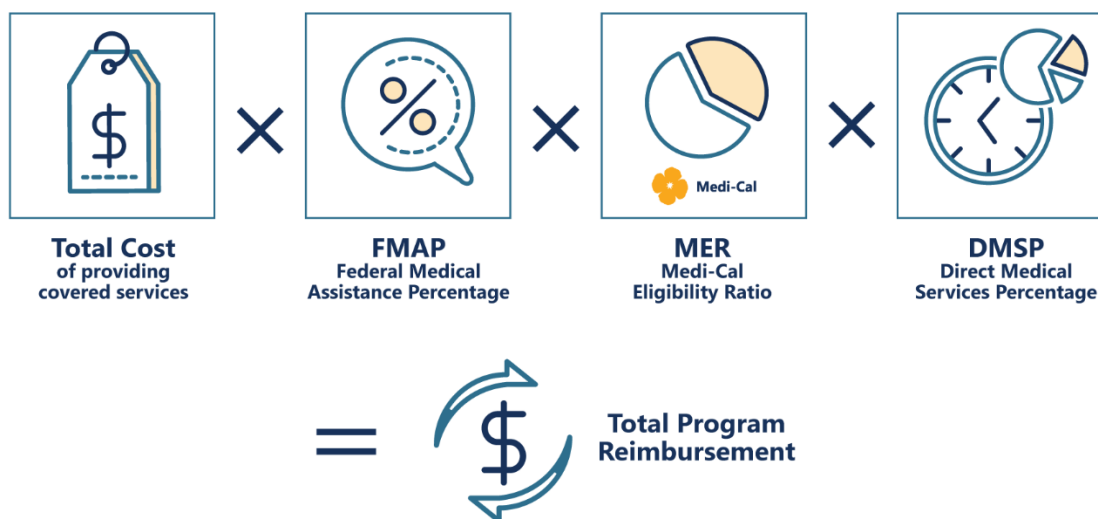
- » **Total cost:** The total allowable cost of providing services, which typically includes salaries, benefits, contracts, and necessary supplies.

- » **Federal Medical Assistance Percentage (FMAP):** The percentage of costs that the federal government will cover. This is typically 50 percent and is consistent across all LEA BOP Providers.

- » **Medi-Cal Eligibility Ratio (MER):** The MER represents the percentage of an LEA's total enrolled students that are LEA BOP eligible and enrolled in Medi-Cal. The MER percentage is applied in the CRCS to allocate costs to the Medi-Cal Program.

- » **Direct Medical Services Percentage (DMSP):** The percentage of time spent on direct services covered by LEA BOP for all LEAs within each Random Moment Time Survey (RMTS) region. This percentage is determined by the RMTS (described above).

For example, if an LEA's employee cost to provide covered services is $100,000, the FMAP is the typical 50%, Medi-Cal enrollment is 60% and the DMSP is 49%, the total reimbursement would be $14,700 (100,000 x .50 x .60 x .49).

The CRCS scales to an LEA's cost. For example, if an LEA needs many staff or contractors to provide LEA BOP-covered services, and these costs are reasonable and necessary, the "cost" of providing covered services increases. With the rise in reasonable and necessary expenses, LEAs may see an increase in total program reimbursement as long as the LEA

is billing for all eligible LEA BOP-covered services. Additionally, LEAs with more Medi-Cal enrolled students may receive larger reimbursements.

If the fictional LEA in the example above needs more staff to provide services, now costing an additional $100,000 and, based on changing demographics, currently 65% of its students are enrolled in Medi-Cal, the FMAP and DMSP remain the same, total reimbursement would increase to $31,850 (200,000 x .50 x. 65 x .49).

Additional information is available on the LEA BOP [Cost and Reimbursement Comparison Schedule](#) webpage.

Audit

LEA BOP participation is subject to annual audits to confirm the final federal reimbursements that an LEA can receive. While LEAs receive interim reimbursements throughout the year, the LEA submits the annual CRCS to certify costs and receives a temporary settlement within one year. Finally, DHCS audits the costs on the CRCS to determine the final total reimbursement amount. This final audited settlement is the balance of verified costs with any interim payments received. LEAs will receive the final audited settlement within 18 months of submitting the CRCS.

Additionally, federal (such as the Centers for Medicare and Medicaid Services) and state agencies (such as the California Department of Education) may conduct on-site reviews and/or audits of LEA BOP Providers.

Section 5: LEA BOP Provider Responsibilities

The LEA is responsible for <u>all</u> aspects of LEA BOP administration and compliance, including <u>all</u> information reported by billing vendors on <u>all</u> documents submitted on the LEA's behalf if the LEA has elected to work with a billing vendor. The LEA should contact DHCS directly with any questions. Below is a summary of day-to-day program administration responsibilities and compliance requirements. Please see the LEA BOP Provider Manual and relevant state and federal codes for additional details. These various responsibilities may fall to different staff within the LEA. Please refer to the Internal Administrative Functions Chart.

Day-to-day Program Administration Responsibilities

When administering the LEA BOP, it is the provider's responsibility to do the following:

» If the LEA utilizes health care professionals under contract, avoid duplication of services and billing with other programs. Ensure services billed using the LEA's NPI number will not be separately billed by the rendering practitioners.

» Ensure that all LEA BOP-covered services submitted for reimbursement are furnished by qualified practitioners acting within their scope of practice.

» Ensure administrative costs are necessary and reasonable for the proper and efficient administration of the program. These costs can include professional and consultant services when not contingent upon recovery of costs from the federal government, meaning administrative support cannot be paid for as a percentage of the revenue received through LEA BOP.

» Be prepared and intend to submit claims for covered services provided by a qualifying practitioner. This is necessary for LEAs to be paid interim claims for services rendered. LEAs will have to become a submitter for electronic claims during the last step of the LEA BOP enrollment process (see Section 3).

» Establish or designate an existing collaborative interagency human services group at the county level or sub-county level to meet at least twice a year and to decide how to reinvest LEA BOP reimbursements into services.

» Bill only for eligible services, which include case-managed health, mental health, social, and academic support services benefiting children and their families.

» Utilize these funds only to supplement, not supplant, existing services.

Records and Documentation

To meet LEA BOP documentation and compliance requirements, LEAs must do the following:

- » Submit the following documents each fiscal year:
- » Annual Report (AR) by the mandated due date.
- » Complete Cost and Reimbursement Comparison Schedule (CRCS) by March 1.
- » Submit Data Use Agreement (DUA) every three years or addendums as deemed necessary by DHCS.
- » Retain necessary records (including service documentation) for at least three years from the submission date of a new or amended LEA BOP CRCS or until the final audit settlement is complete, whichever comes later.
- » Furnish LEA BOP records and any information regarding payments received for providing the services, upon request, to DHCS or other relevant state and federal agencies.
- » Limit access to and ensure records and documentation are stored securely to comply with confidentiality requirements.
- » Maintain compliance with all PPA requirements, including the Business Associate Addendum.
- » Adhere to and comply with all federal and State laws and requirements prior to billing Medi-Cal.

Failure to meet these requirements may result in DHCS denying or recouping payment or terminating an LEA's participation in the LEA BOP.

Consent and Confidentiality Requirements

LEAs must comply with the Family Educational Rights and Privacy Act (FERPA). Schools may want to share student medical information with other providers or entities to facilitate services. Under FERPA, schools must get consent from the Medi-Cal student or the student's parent or guardian to share personally identifiable, protected, and confidential medical information from a student's educational record.

LEAs must obtain parental content to access benefit information. To bill for services provided to special education students, LEAs must get parental consent to access public

benefits or insurance for students with an IEP or IFSP. LEAs must take the following steps:

- » First, provide written notification to the parent/guardian.
- » Then, obtain one-time consent from the parent/guardian.
- » Only once written notification has been provided and consent obtained may an LEA access public benefits or insurance information for the first time.
- » After accessing benefit or insurance information for the first time, provide written notification annually.

The consent from the parent/guardian must specify the following:

- » The records that may be disclosed.
- » The purpose of the disclosure.
- » To whom may the disclosure be made.

This requirement is subject to change following a federal rulemaking process initiated by the U.S. Department of Education in May 2023.

LEAs do not have to obtain parental consent to bill Medi-Cal for general education/IHSP services because the consent is provided during the Medi-Cal application process. However, LEAs should check with their school district legal counsel to ensure they are in compliance with FERPA before submitting claims to Medi-Cal.

Administrative and Audit Checklist

The Administration and Audit Checklist, found on the DHCS website, is meant to assist LEAs in meeting the basic administration and management requirements of the LEA BOP. It is designed to help LEAs submit and retain the required documents and double-check information to avoid common errors. Below is a brief overview of the timeline and a document checklist to support LEAs with Practitioner and Service Logs, RMTS management, and the CRCS Submission.

Figure 5. Timeline of Key Program Administration Dates and Activities

Q1

JUL **AUG** SEP

- **AUG***
  Prepare Quarter 2 Time Survey Participant list

Q2
RMTS Moments

OCT **NOV** DEC

- **OCT**
  Collect Annual Medi-Cal Eligibility Ratio data

- **NOV***
  Prepare Quarter 3 Time Survey Participant list

- **NOV 30**
  ◦ Annual Report
  ◦ Data Use Agreement (submit once every three years)

Q3
RMTS Moments

JAN **FEB** **MAR**

- **FEB***
  Prepare Quarter 4 Time Survey Participant list

- **MAR 1**
  Submit Cost and Reimbursement Comparison Schedule

Q4
RMTS Moments

APR **MAY** **JUN**

- **MAY 15****
  Submit claims by May 15 to ensure they get paid within the fiscal year

- **JUNE**
  (Optional) Review Time Survey Participant list to prepare for next year

Services billed and cost tracked all year.

*Time Survey Participant list due dates are based on your LEC contract and are approximate.
**LEAs may still submit claims after May 15, but there is no guarantee that the LEA will be paid prior to the end of the fiscal year.

Document Checklists

Practitioner and Service Log – LEA providers must keep, maintain, and have available records that fully disclose the type and extent of LEA services provided to Medi-Cal recipients. At a minimum, practitioner and services logs should include:

» Student's name

» Student's date of birth

» Date of service

» Place of service

» Description of service, including detailed documentation of time spent with student to bill for time-based procedure codes.

» Name (or agency), title, and signature of the person rendering service, and supervisor's signature, if required.

» Progress and case notes

» Additional documentation requirements for Targeted Case Management and Specialized Medical Transportation Services can be found in the [Provider Manual.](#)

Random Moment Time Survey (RMTS) Management – The RMTS is a time study mechanism California uses to determine the amount of time spent on LEA BOP-covered activities throughout a practitioner's workday. The following are important strategies and requirements for managing your LEA's participation in RMTS:

» Identify the LEA's School-Based Medi-Cal Administrative Activities (SMAA)/RMTS coordinator annually.

» Include all qualified and employed health service practitioners in Participant Pool 1 as a Time Survey Participant (TSP).

» Remind TSPs to complete their moments, as needed, to achieve the required 85% moment response rate.

» Update the TSP list quarterly or by the deadline set by your LEC to match the current list of employed practitioners.

» Save Code 2A documentation showing that billable activities occurred during the moment(s).

Cost and Reimbursement Comparison Schedule (CRCS) Submission – Continued enrollment in the LEA BOP is contingent upon the annual submission of a CRCS, and the following are important documents to include during your LEA's CRCS submission:

- » Completed CRCS
- » Completed and signed Certification and Signature Document
- » Completed Source Documents
- » Production log containing columns for practitioner name, job classification, service dates, and units of service.
- » The financial log containing resource and object codes for all salary, benefits, and other costs documented on the CRCS.
- » Contractor log including contractor or agency name, total amount paid, and total hours paid for all contractor costs documented on the CRCS submission checklist.

Section 6: Resources and Definitions

References and Resources

LEA BOP providers are ultimately responsible for administrative functions and should be familiar with the LEA BOP website, DHCS policies, program regulations, and the [LEA BOP Provider Manual](#).

Local Educational Agency Medi-Cal Billing Option Program Provider Manual: The relevant sections of the LEA BOP Provider Manual are on the program website. They cover specific policies, CPT code lists, claiming and billing information, and information about service categories. Any LEA BOP Provider Manual updates will be published online and providers will be notified through the [Medi-Cal Updated Bulletin for LEAs](#).

LEA BOP Policy and Procedure Letters: DHCS issues policies and procedures regarding the LEA BOP via Policy and Procedure Letters (PPLs). These notifications inform LEA participants of procedure updates, changes, and any new or shifting policies. PPLs can be issued in response to state or federal mandates, codes, and regulations, or shifting program policies. These PPLs are a valuable resource for guiding your LEA through a living, breathing Program.

The entire DHCS LEA BOP PPLs repository can be found on the [LEA Medi-Cal Billing Option Program Policy and Procedure Letters webpage.](#)

LEA BOP Tool Box: DHCS developed an online [Tool Box](#) to give providers quick access to valuable resources and information concerning the proper administration and management of the LEA BOP. Resources in the Tool Box include tip sheets, important program documents, information about relevant state and federal policies, and helpful links to essential materials, including the Provider Manual.

Program Guide: DHCS developed a collection of fiscal and program compliance information regarding processes, documentation, and guidance necessary for successful participation in LEA BOP, as required by Welfare and Institutions (W&I) Code Section 14115.8. The Program Guide includes but is not limited to state plan and state plan amendments (SPAs), frequently asked questions, policy and procedure letters, trainings, provider manuals, and other relevant types of instructional materials. The guide is available online.

Website Resources

The resource list below provides the names and links to critical information, forms, policies, and more that will support LEAs in meeting LEA BOP requirements and administering a successful program.

Table 2. Website Resources

Reference	Website Address
Administration and Audit Checklist	https://www.dhcs.ca.gov/provgovpart/Documents/Administration-and-Audit-Checklist-508.pdf
Cost and Reimbursement Comparison Schedule	https://www.dhcs.ca.gov/provgovpart/Pages/CRCS_Forms.aspx
Internal Administrative Function Chart	www.dhcs.ca.gov/provgovpart/Documents/ACLSS/LEA%20BOP/Program_Req_and_Info/Int_Admin_Func_Chart.pdf
LEA: A Provider's Guide	https://mcweb.apps.prd.cammis.medi-cal.ca.gov/assets/173943C5-EB52-46D4-B74C-F784E6F3EBEC/locedaprov.pdf?access_token=6UyVkRRfByXTZEWIh8j8QaYylPyP5ULO
LEA BOP Tool Box	https://www.dhcs.ca.gov/provgovpart/Pages/LEAToolBox.aspx
LEA BOP Website	https://www.dhcs.ca.gov/provgovpart/Pages/LEA.aspx
LEA Glossary of Terms	https://www.dhcs.ca.gov/provgovpart/Pages/LEAGlossary.aspx
LEA BOP Program Policy and Procedure Letters (PPLs)	https://www.dhcs.ca.gov/formsandpubs/Pages/LEA_BOP_PPLs.aspx
LEA Provider Manual	https://www.dhcs.ca.gov/provgovpart/Pages/LEAProviderManual.aspx

Reference	Website Address
Local Education Agency (LEA) Eligible Students (loc ed elig)	https://mcweb.apps.prd.cammis.medi-cal.ca.gov/file/manual?fn=locedelig.pdf
Medi-Cal Provider Portal FAQs	https://mcweb.apps.prd.cammis.medi-cal.ca.gov/faq/provider-portal-faq
NPI: What You Need to Know	https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/NPI-What-You-Need-To-Know.pdf
PPL 20-022R Attachment A – Model 2 Certification	https://www.dhcs.ca.gov/formsandpubs/Documents/ACLSS PPLs/2020/PPL-20-022AttachmentA-Model2CertificationStatement.pdf
Program Guide	[DHCS to add link here once live]
Provider Portal	https://provider-portal.apps.prd.cammis.medi-cal.ca.gov/email
Service Regions Map and Contact Information	https://www.dhcs.ca.gov/provgovpart/Pages/MapLECsLGAs.aspx
State Plan	https://www.dhcs.ca.gov/provgovpart/Pages/LEAStatePlans.aspx
Subscribe to DHCS e-mail communications	https://apps.dhcs.ca.gov/listsubscribe/default.aspx?list=DHCSLEA

List of Acronyms and Clarification of Terms

Terms and acronyms used in this LEA BOP Onboarding Handbook are listed below. Additionally, DHCS has created a complete LEA Glossary of Terms.

Table 3. LEA BOP Terms and Acronyms

Acronym	Term	Description
AR	Annual Report	This is a report that all LEA BOP providers enrolled in the LEA BOP must submit to the Department of Health Care Services by March 1 each year. The report includes information on LEA Medi-Cal reimbursement, reinvestment expenditures, anticipated reinvestment service priorities, certification of state matching funds, and commitment to reinvest.
CPE	Certified Public Expenditure	Non-federal public funds spent by a public entity (a government/public agency, including public schools) for providing LEA BOP, School-Based Medi-Cal Administrative Activities (SMAA) or Targeted Case Management (TCM) services. CPEs include only those made by a governmental agency for services that qualify for federal reimbursement.
CPT	Current Procedural Terminology®	A set of uniform medical codes used to identify medical procedures and services.
CRCS	Cost Reimbursement and Comparison Schedule	The CRCS is a form that LEA providers must annually complete and certify. The CRCS lists the public funds expended for LEA BOP services that are eligible for federal financial participation. This report is certified by the LEA BOP Coordinator before submitting to DHCS. The CRCS will be used to compare each LEA's actual costs of providing LEA BOP services to the LEA BOP provider's interim Medi-Cal reimbursement each state fiscal year. All LEA BOP providers enrolled in the LEA BOP must submit a CRCS to the Department of Health Care Services by March 1 of each year.

Acronym	Term	Description
DHCS	Department of Health Care Services	The State agency that administers the Medicaid program for the Federal Government (Medi-Cal in California).
DMSP	Direct Medical Services Percentage	A percentage based on the CMS-approved random moment time survey (RMTS) methodology of capturing the percentage of time that is spent providing LEA BOP-covered services. This survey is used on the CRCS as part of the payment methodology approved through State Plan Amendment 15-021.
DUA	Data Use Agreement	Agreement between the LEA, the State, and other entities, if needed, to order and receive student beneficiary Medi-Cal eligibility information via a data tape match. The Medi-Cal eligibility information is necessary to submit claims for eligible students and calculate an LEA's Medi-Cal Eligibility Ratio (MER).
FERPA	Family Educational Rights and Privacy Act	A federal law that protects the privacy of student education records. FERPA applies to all educational agencies or institutions that receive funds from programs administered by the U.S. Department of Education.
FFP	Federal Financial Participation	The portion the federal government pays to states represents the federal share of expenditures for providing Medicaid services and administering the Medicaid program. States must meet specific federal requirements to participate in the Medicaid program. States that meet these requirements receive federal funding through Federal Financial Participation for all allowable Medicaid expenditures. The federal portion of Medicaid expenditures is usually 50% for California.
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.
IEP	Individualized Education Plan	A legal agreement composed by educational professionals, with input from the child's parents or guardians, for students identified as disabled in

Acronym	Term	Description
		accordance with IDEA requirements. This agreement guides, coordinates, and documents instruction and services designed to meet the students' unique needs.
IFSP	Individualized Family Service Plan	An IFSP is a written plan for providing early intervention services to a child eligible under IDEA and the child's family. The IFSP enables the family and service provider(s) to work together as equal partners in determining the early intervention services required for the child with disabilities and the family.
IHSP	Individualized Health and Support Plan	A care plan used by the LEA as a medical management tool for providing medically necessary direct healthcare services to a student in a school setting. The plan must be developed by a registered credentialed school nurse or qualified medical practitioner acting within their scope of practice in collaboration with the parent or guardian and, if appropriate, the student.
LEA	Local Education Agency	The governing body of any school district or community college district, the County Office of Education, a state special school, a California State University campus, or a University of California.
LEA BOP	LEA Medi-Cal Billing Option Program	A program for qualified LEA providers to bill Medi-Cal for specific health and medical services provided to students and their families in the school setting. Services provided through this program include assessments and treatments.
-	LEA Collaborative	A local collaborative at the LEA level that makes decisions regarding the reinvestment of funds received through the LEA BOP. Generally, membership includes representatives from the LEA, community organizations and agencies such as mental health or social services, civic and business leadership, and parents or guardians.
LEC	Local Educational Consortia	An LEA, either a County Office of Education or County Superintendent of Schools, coordinating the Random Moment Time Survey (RMTS) and the School-based

Acronym	Term	Description
		Medi-Cal Administrative Activities (SMAA) for one of 11 service regions.
MER	Medi-Cal Eligibility Ratio	An LEA-specific ratio of students with primary enrollment in the LEA who are enrolled in Medi-Cal. The MER is applied in the annual CRCS to determine the portion of direct service costs that are allocated to providing services to Medi-Cal members.
NPI	National Provider Identifier	Unique national 10-digit provider identification number that is Health Insurance Portability and Accountability Act compliant.
PPA	Provider Participation Agreement	The contract through which qualified Local Educational Agencies enroll to participate in the LEA BOP.
RMTS	Random Moment Time Survey	A federally approved, web-based, and statistically valid sampling method that estimates the amount of time spent on direct medical services or administrative activities by randomly selecting and assigning a 'moment' in time (one minute) to a randomly selected list of Time Survey Participants. The quarterly RMTS percentages are used to calculate the Direct Medical Services Percentage.
TCM	Targeted Case Management	Services that assist eligible children and eligible family members in accessing needed medical, social, educational, and other services when TCM is covered by the student's IEP, IFSP, or IHSP.
TSP	Time Survey Participant	Direct health service practitioners that are qualified to bill under the LEA BOP. Providers must be included on an LEA's quarterly TSP list for the LEA to bill for eligible services provided by that practitioner.