

LOCAL EDUCATIONAL AGENCY MEDI-CAL BILLING OPTION PROGRAM (LEA BOP)

APRIL QUARTERLY MEETING MINUTES

Meeting Overview

The LEA BOP Quarterly Meeting (QM) was hosted by the Department of Health Care Services (DHCS) on April 30, 2025, via Microsoft Teams webinar. Prior to the meeting, materials (including slides) were distributed to participants via e-mail. These materials are also available on the DHCS website at: [LEA Quarterly Meeting Summaries \(ca.gov\)](https://www.dhcs.ca.gov/LEABOP/QuarterlyMeetingSummaries.aspx). Approximately 250 attendees were present at the April 2025 meeting.

Quarterly Meeting Minutes

- » January 2025 meeting minutes are available [online](#).
- » Comments on the April 2025 Quarterly Meeting Minutes should be sent via e-mail to the LEA Inbox at LEA@dhcs.ca.gov no later than July 25, 2025.
 - If no feedback is received, the meeting minutes will be considered final.
 - If feedback that substantively changes the minutes is received, the modified minutes will be sent via e-blast and posted online.

Local Governmental Financing Division (LGFD):

Discussion Points

Understanding the Cost and Reimbursement Comparison Schedule (CRCS) Process

- » The CRCS is used to compare each LEA's actual costs of providing LEA BOP covered services to the interim reimbursement that the LEA received for that Fiscal Year (FY). The interim reimbursements are the funds received for claims submitted. DHCS must reconcile the interim payment with each LEA's allowable costs. LEA BOP providers must certify that the public funds expended for LEA BOP services are eligible for federal financial participation. This certification is performed through the CRCS reconciliation process.

While annual CRCS reports are due by March 1 every year, the FY 2023-24 CRCS had a submission extension date of March 31. All reports were filed timely if submitted to DHCS by March 31, 2025. The submission extension will not impact the legislatively mandated interim and final settlement timelines. Any extension requests must be sent to LEA.CRCS.Submission@DHCS.CA.GOV. It is important

to submit extension requests prior to the CRCS due date. The extension request must include a reason and a reasonable proposed extension timeline.

- » LEAs will receive notification from Audits & Investigations (A&I) whether their CRCS is accepted or rejected upon submission. Rejected reports should be re-submitted to LEA.CRCS.Submission@dhcs.ca.gov within the timeframe detailed in the rejection e-mail.
- » There are three (3) types of audits that A&I can conduct: a minimal audit (which is a standard desk review,) a limited audit (which is expanded to include review of specific areas identified by A&I), and a field audit (which is the most comprehensive — and usually involves an on-site review). LEAs will need to maintain open communication with the assigned auditor and provide any requested documentation when an audit does occur.
- » Per Assembly Bill 483, all CRCS audits must be completed within 18 months from the date of submission, with a possible three (3)-month extension period if the LEA submits additional documentation for A&I review. LEAs with a submitted and accepted FY 2023-24 CRCS may expect interim settlements to be issued by March 1, 2026. LEAs that submitted the FY 2023-24 CRCS timely by March 31, 2025, may expect that the final settlements will be issued by September 1, 2026, or within 18 months of when the CRCS was submitted and accepted as complete. For CRCS audit-related questions, please e-mail LEAAuditQuestions@dhcs.ca.gov.
- » In accordance with Policy and Procedure Letter [\(PPL\) 21-025](#), when an LEA's CRCS is not submitted by the submission deadline, the LEA will be placed on a 100 percent withhold, pausing all interim claiming until the CRCS is received by DHCS. Continued failure to submit the CRCS will result in a Corrective Action Plan (CAP) which includes a timeline of which the CRCS must be submitted without further consequence. The CAP must be signed and returned to DHCS. If the LEA fails to follow the CAP, they will be suspended from participation in the Random Moment Time Study (RMTS), and eventually terminated from LEA BOP, at which point recoupment of interim reimbursements will be required.

California Immunization Registry (CAIR) Data for Vaccine Documentation in LEA BOP

- » LEAs may use the California Immunization Registry (CAIR) data for vaccine documentation under the LEA BOP. The CAIR report includes the following documentation components required for Medi-Cal claiming: the date of vaccine administration (date of service), student name, provider agency and practitioner

information, and the nature/extent/units of service. While not included in the CAIR report, LEAs will also need to properly identify the student's Medi-Cal identification number and place of service for Medi-Cal claiming. LEAs can identify the student's Medi-Cal identification number by submitting a data match file to DHCS to obtain the Beneficiary Identification Card number and submit a claim for the immunizations administered at their school. For place of service, LEAs can support whether the vaccine took place on-site or at a vaccine clinic by referencing the date of service.

Survey Monkey Results: State Plan Amendment (SPA)

- » DHCS provided an overview of the results from the LEA BOP SPA Survey sent to program partners in February 2025 that focused on the use of photo screeners for vision screenings, and new practitioner types such as Community Health Workers (CHWs) and Certified Wellness Coaches (CWCs). DHCS reviewed the results received from the 179 survey respondents during the meeting.
- » DHCS asked program partners for details on the types of services that CHWs and CWCs provide in the school setting, including whether those services are identified in a care plan. DHCS is collecting information as they evaluate whether to include the practitioner types as possible LEA BOP rendering practitioners in a future SPA. Limited feedback was provided via chat during the meeting and DHCS encouraged LEAs to send additional feedback to the LEA inbox at LEA@dhcs.ca.gov to help determine if these practitioner types will be beneficial to the LEA BOP.

Interim Payment Methodology

- » DHCS discussed the survey results from the Interim Payment Methodology Survey sent to program partners in January 2025, regarding LEA interest in pursuing a new interim payment methodology, based on flexibilities noted in the May 2023 Centers for Medicare & Medicaid Services (CMS) School-Based Guidance.
- » Overall results from 55 respondents showed that most respondents either do not want to change the current payment methodology or do not have a preference to change the existing methodology. Nine (9) of 55 responses reported that they would like DHCS to consider changes to the interim payment methodology. Based on survey results, DHCS informed meeting participants that the Department will not pursue changes to the interim payment methodology in the SPA that is expected to be submitted to CMS later in 2025.

Summary of Financial Audit Findings

- » DHCS reported on the audit findings and trends for FYs in which 70 percent or more of filed CRCSs have been audited by A&I. As of April 2025, the most recently audited FY where 70 percent or more of CRCSs have been audited is FY 2020-21. For FY 20-21, 100 percent of accepted CRCSs have been audited.
- » DHCS shared that for FY 2020-21, the total audited payments accounted for over \$358 million being issued to LEA BOP providers. DHCS also noted that most LEAs that experienced audit adjustments to their FY 2020-21 CRCS had adjustments of less than six (6) percent of their expected total settlement amount (as reported on their CRCS). This illustrates the importance of submitting the CRCS timely; to ensure that the cost reconciliation process occurs, in which LEAs may benefit from a positive audit adjustment.

Provider Participation Agreement (PPA) Update

- » DHCS provided an update on the new PPA, which will include new provisions from the Medi-Cal Provider Agreement related to topics such as Licensing, Insurance, Provider Fraud and Abuse, and more, as well as a new section on LEA BOP Consortia billing. DHCS is currently finalizing the PPA.
- » The PPA is expected to be distributed to LEAs in August 2025, and due to DHCS by November 30, 2025. The revised PPA will be effective on July 1, 2026.

Program Status Updates

- » **Erroneous Withholds on Interim Settlements (Remittance Advice Detail 709):** Erroneous withholds collected on interim settlements issued during FY 2023-24 are incorporated in the withhold reconciliation methodology on the FY 2023-24 CRCS. The erroneous withholds collected on interim settlements issued in FY 2022-23 will be handled separately by DHCS for a small number of LEAs (approximately 12 LEAs). DHCS will connect with the impacted LEAs for more detail on their expected repayment for erroneous withhold payments associated with FY 2022-23 interim settlement. Moving forward, all withhold payments will be reconciled using the CRCS. The LEA final cost settlements will include Remittance Advice Detail (RAD) codes to differentiate withhold refunds/payments and final over/underpayment settlement amounts.
- » **Update on Invalid Routing Number on Paper Checks:** Any LEA having trouble cashing or depositing paper checks issued on March 20, 2025, should contact the Telephone Service Center (TSC) at 1-800-541-5555 for assistance. Please refer to this [bulletin notice](#) regarding this update.

Mental Health Coordination

- » Allowable mental health-related services may be covered under the LEA BOP by a qualified practitioner. LEAs may work with health plans and Special Education Local Plan Areas (SELPAs) to coordinate services and refer students to contracted community-based programs or approved qualified rendering practitioners. For more information, please review [PPL 20-051](#) (November 5, 2020) regarding LEA coordination of mental health services with their respective SELPA, County Office of Education (COE), County Mental Health Plan (MHP), and Managed Care Organization (MCO).

Reminders / Announcements

Payment Error Rate Measurement (PERM) Audit Announcement

- » California is currently undergoing a PERM audit, which reviews improper payment rates for Medicaid and Children's Health Insurance Program (CHIP), as required by the Payment Integrity Information Act of 2019. The current audit includes sampled claims from July 1, 2024, through June 30, 2025. Providers selected for review must submit medical records to support their claims. LEAs should be aware that LEA BOP claims may be part of the sampled claims that will be audited. LEAs will be contacted by the CMS Review Contractor if selected for a review. More information can be found here: [Payment Error Rate Measurement \(PERM\)](#).

Meeting Minutes Feedback Reminder

- » Quarterly Meeting minutes are distributed to program partners via e-blast. Once distributed, partners have two weeks for review and feedback before the minutes are finalized and posted on the LEA BOP website.

Program Funding Reminder

- » DHCS reminded LEAs that the LEA BOP is a program with federal and local funding. The federal funding stems from Titles XIX (Medicaid) and XXI (CHIP) funds. As such, the State General Fund is not impacted by LEA BOP claiming, and LEA BOP is not impacted by the State General Fund. Additionally, a child or family's Medi-Cal coverage, including limits on services received outside of school, is not impacted by parent's consent for LEAs to bill Medi-Cal under the LEA BOP. DHCS reiterated that giving parental consent to an LEA to bill Medi-Cal

does not affect a child's or a family's Medi-Cal funds or limit the health-related services the child receives outside of school in any way.

Upcoming CMS Webinar on School-Based Services

- » **Best Practices for Reimbursement and Service Documentation for Common Medicaid School-Based Services:** CMS is hosting a webinar on June 4, 2025, covering reimbursement and documentation best practices for commonly billed services, such as mental and behavioral health, physical therapy, occupational therapy, and speech-language pathology.
 - **Note:** On May 21, 2025, CMS cancelled this webinar. CMS noted that the Technical Assistance Center intends to share the recording and slides at a later date. DHCS will share this information when it becomes available to the department.

Communication Resources

- » General Questions & TA Requests: LEA@dhcs.ca.gov
- » Compliance Forms & Documents (Provider Participation Agreement, Annual Report and Data Use Agreement): LEA.AnnualReport@dhcs.ca.gov
- » RMTS Questions: RMTS@dhcs.ca.gov
- » CRCS Submissions: LEA.CRCS.Submission@dhcs.ca.gov
- » Audit Questions: LEAAuditQuestions@dhcs.ca.gov
- » To receive LEA BOP program information and updates, please subscribe here: <http://apps.dhcs.ca.gov/listssubscribe/default.aspx?list=DHCSLEA>
- » New LEA Program Tool Box Webpage: <https://www.dhcs.ca.gov/provgovpart/Pages/LEAToolBox.aspx>

Afternoon Session

The afternoon session featured guest speakers from the California Department of Education (CDE), Los Angeles Unified School District (LAUSD), and Mendocino COE related to reinvestment of funds. Additionally, the afternoon session featured a presentation on mental health services, a summary of proposed new LEA BOP qualified practitioners, and the impact of the Children & Youth Behavioral Health Initiative (CYBHI) Fee Schedule on LEAs that participate in both the Fee Schedule and LEA BOP.

Reinvestment of Funds

- » **Permissible and Non-Permissible Reinvestments:** The California Department of Education (CDE) presented an overview of LEA BOP reinvestment of funds and

examples of permissible and non-permissible cases, referencing the [California Education Code 8804](#) for the permissible uses of reinvested funds. Funds received under the LEA BOP may be used in a variety of ways for support services such as health care, mental health, substance abuse prevention, family support and parenting education, academic support services, counseling, services for children who experience violence, nutrition services, youth development services, case management services, and the provision of on-site Medi-Cal eligibility workers. CDE does not approve or deny individual requests for allowable expenditures. Instead, CDE encourages LEAs to consult the LEA's legal counsel if there are questions about permissible uses of funds.

- » **LEA Reinvestment Example:** Margie Bobe provided an overview of how LAUSD reinvests funds, as well as the process for determining how reinvestments will be allocated. Margie emphasized that funds received through the LEA BOP should supplement, not supplant, existing resources in the reinvestment areas.
- » **Consortium Reinvestment Example:** Debbi Conner represented Mendocino COE and provided an example of a billing consortium's reinvestment of funds, including the consortium's collaborative decision-making process that involves a steering committee, monthly meetings, and various stakeholders. Debbi further detailed the consortium's responsibilities around reimbursement, including the distribution of LEA BOP reimbursements, reconciliation of payments, and completion of the annual CRCS. Debbi also detailed the consortium's cost-sharing mechanisms for participating LEAs, including third-party billing vendor costs, staff full-time equivalent costs, and indirect cost rates.

Supporting Student Mental Health Through the LEA BOP

- » **2025 SPA 1 Package:** DHCS presented on the anticipated enhancements that will be made in a 2025 SPA submission, related to supporting student mental health. The SPA package proposes to enhance mental health services by expanding covered services to include crisis intervention and qualified practitioners, such as Licensed Professional Clinical Counselors and Associate Professional Clinical Counselors, along with removing program participation barriers to exempt colleges from the CDE requirement that psychology and counseling services provided must be under the supervision of a PPS Credential holder. Please note, these proposed changes are subject to CMS' approval. DHCS expects this SPA to have a retroactive effective date of July 1, 2025.
- » **LEA BOP Co-Existence with the Children & Youth Behavioral Health Initiative (CYBHI) Fee Schedule:** DHCS provided an overview of each program and detailed how the LEA BOP and CYBHI Fee Schedule work together to

supplement funding for LEAs, while also avoiding duplication of service payment for mental health services. For more information on the CYBHI fee schedule, please see the following resources:

- CYBHI Fee Schedule Draft [Program Manual](#)
- E-mail Notifications: July 22, 2024: E-Blast on [CYBHI Impact](#)
- Trainings: August 2024: [Provider Billing Forum & Multi-Payer Fee Schedule](#)
- CYBHI Fee Schedule Questions: DHCS.SBS@dhcs.ca.gov

**Next LEA BOP Quarterly Meeting:
Wednesday, August 6, 2025, 10:30 a. m. – 3:00 p. m.
(Webinar via Microsoft Teams)**