

Subject:  
DHCS: ERMHS/ERICS Update



## Local Educational Agency Medi-Cal Billing Option Program

**September 11, 2023**

### **LEA BOP UPDATE**

*Please do not reply to this e-mail.*

To All Local Educational Agency Medi-Cal Billing Option Program (LEA BOP) Providers:

The LEA BOP is pleased to provide an update regarding Educationally Related Mental Health Services (ERMHS)/Educationally Related Intensive Counseling Services (ERICS). In August 2022, DHCS clarified that ERMHS/ERICS were not explicitly covered under the program as they were educationally related services. As such, practitioners with ERMHS or ERICS in their job title were excluded from the Random Moment Time Survey (RMTS) for state fiscal year (SFY) 2022-23.

On September 5, 2023, DHCS received approval from the Centers for Medicare & Medicaid Services (CMS) that effective SFY 2023-24, medically necessary services that result from an ERMHS or ERICS assessment are reimbursable when they are part of an Individualized Education Plan (IEP), Individualized Family Services Plan (IFSP), or Individualized Health and Support Plan (IHSP). Additionally, practitioners who were removed from the RMTS last year because their job title included ERMHS, ERICS, or some reference to "educationally related" may be returned as Time Survey Participants (TSPs) in the RMTS Participant Pool 1 for state fiscal year 2023-24 quarter 2.

We are grateful to the Local Educational Consortia (LEC) who manage the RMTS regions for their willingness to work with DHCS to make this addition possible.

### **What you need to know**

- Look for an email from your LEC that will provide the timing of when the ERMHS/ERICS practitioners must be submitted.
  - This timing extension for SFY 2023-24 Q2 TSPs only applies to ERMHS/ERICS practitioners.

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- All ERMHS and ERICS counseling and psychological services must meet the following criteria:
  - The student is enrolled in Medi-Cal and eligible for Federal Financial Participation (FFP) on the date of service.
  - Services are covered by LEA BOP.
  - Services are included on an Individualized Educational Plan (IEP), Individualized Family Service Plan (IFSP), or Individualized Health and Support Plan (IHSP).
  - Services are declared to be medically necessary ([section loc ed bil](#)) by a qualified licensed practitioner and are supported by a recommendation from a physician or other licensed practitioner of the healing arts, within their scope of practice, as required by Code of Federal Regulations, Title 42, Section 440.130(d). ([section loc ed serv psych](#))
    - The recommendation for services, which must be maintained in the student's file, is current (e.g., updated annually and valid for one year from the date of the recommendation).
  - The service is provided by a qualified rendering practitioner, as defined in the rendering practitioner section of the LEA BOP provider manual ([section loc ed rend](#));
  - Services are documented in accordance with state and federal requirements.
  - Practitioners are not 100% funded through other state or federal funding streams, including funds disseminated for ERMHS/ERICS from a Special Education Local Plan Area (SELPA) or the California Department of Education (CDE).
    - All state and/or federal funding used by an LEA to fund practitioner salaries, benefits, or other costs must be subtracted from practitioner costs on the LEA's annual Cost and Reimbursement Comparison Schedule (CRCS).

### **Why this is important**

Including practitioners with ERMHS or ERICS in their job title in the RMTS increases the number of services and the number of practitioners who may be reimbursed, thus increasing the potential federal funding that may be received by LEAs for the services that are already being provided to students.

To ensure payment, it is crucial for LEA BOP providers to follow the criteria listed above. LEAs providing services without all of the above in place will not be able to claim for those services or may have those services denied or disallowed.

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**We are here to help**

- For information regarding the LEA BOP, please visit the [LEA BOP website](#).
- For general LEA BOP questions, e-mail DHCS at [LEA@dhcs.ca.gov](mailto:LEA@dhcs.ca.gov).

Sincerely,

**LEA BOP Staff**

LEA Medi-Cal Billing Option Program | Department of Health Care Services



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