

**California  
Local Educational Agency  
Medi-Cal Billing Option Program**

**Program Guide  
State Fiscal Year 2021-22**

**In Cooperation with:**

**Local Educational Agencies**

**August 2023**



## Background

Assembly Bill (AB) 3192 (O'Donnell, 2018) amended Welfare and Institutions (W&I) Code section 14115.8 to require the Department of Health Care Services (DHCS), in consultation with the Local Educational Agency Medi-Cal Billing Option Program (LEA BOP) Ad Hoc Workgroup to issue and regularly maintain a Program Guide for the LEA BOP. Consistent with the intent of AB 3192, the Program Guide contains fiscal and programmatic compliance information regarding processes, documentation, and guidance necessary for the proper submission of claims and auditing of local educational agencies (LEAs)--a governing body of any school district or community college district, county office of education, charter school, state special school, California State University campus, or University of California campus--as required under the LEA BOP. LEAs are ultimately responsible for administrative functions and should be familiar with the LEA BOP Provider Manual, DHCS policies, program regulations, and the [LEA BOP Website](#).

This 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 that has been implemented during state fiscal year (SFY) 2021-22.

DHCS closely collaborated with the LEA BOP Advisory Workgroup, previously referenced to as the Ad Hoc Workgroup, and other partners in the development of the Program Guide, and will continue to do so for all subsequent revisions. Prior to any revisions to the Program Guide, DHCS will provide 30 calendar days written notification of the revision, including a statement of justification, to the LEA BOP Ad Hoc Workgroup and all other LEAs participating in the LEA BOP as required by AB 3192.

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## LEA BOP Overview

The LEA BOP was established in 1993, in collaboration with the California Department of Education, to fund Healthy Start Programs. It is authorized under California's W&I Code section 14132.06, and reimbursement is based upon certified public expenditure (CPE) model that uses an interim reimbursement methodology followed by a final settlement based upon certification of actual expenses for providing LEA BOP services to Medi-Cal beneficiaries.

The LEA BOP reimburses LEAs the federal share of the maximum allowable rate for approved health-related services provided by qualified health service practitioners to Medi-Cal enrolled students under the age of 22. Eligible services include:

- » Hearing Services
- » Health, Mental Health Evaluation, and Education Assessments
- » Nursing Services
  - Activities of Daily Living
- » Nutritional Services
- » Occupational Therapy
- » Orientation and Mobility
- » Physical Therapy
- » Physician Services
- » Psychology/Counseling
- » Respiratory Care
- » Specialized Medical Transportation
- » Speech-Language Services
- » Targeted Case Management (TCM)
- » Vision

LEAs must annually certify that the public funds expended for LEA services that have already been provided are eligible for Federal Financial Participation (FFP) pursuant to Code of Federal Regulations, Title 42 section 433.51. DHCS must reconcile the interim Medi-Cal reimbursements to LEAs with the actual cost to provide the Medi-Cal services. The Cost and Reimbursement Comparison Schedule (CRCS) is used to compare each LEA's total actual costs for LEA BOP services provided to the interim Medi-Cal reimbursement for the preceding SFY.

## Cost Reimbursement Comparison Schedule (CRCS)

Participants in the LEA BOP are required to annually certify, through the CRCS submittal, that the public funds expended to provide LEA BOP services are eligible for FFP. Therefore, continued enrollment in the LEA BOP is contingent upon timely submission of the CRCS each SFY. Failure to meet this requirement may result in suspension from the LEA BOP and recoupment of interim reimbursements made to the LEA BOP provider.

Due to SPA 15-021's retroactive effective date, LEAs will use a backcasting methodology to settle the costs of LEA covered services for the five SFYs without Random Moment Time Survey (RMTS) data (SFYs 2015-16, 2016-17, 2017-18, 2018-19, and 2019-20). RMTS was added to LEA BOP through SPA 15-021 and produces the Direct Medical Services Percentage (DMSP). The DMSP for SFY 2020-21 will be applied to the five backcasted SFYs. After these five backcasted cost reports are completed, the DMSP applied to the CRCS will be taken from the RMTS for that cost reporting period.

Another impact of SPA 15-021 is the requirement that practitioner costs reported on the CRCS will be limited to practitioners that are included in the Participant Pool 1 quarterly time survey participant (TSP) lists for a given SFY, which is another component of the RMTS.

The [LEA CRCS Webpage](#) outlines a submission schedule, CRCS documents, and instructions on how to submit the CRCS per each SFY.

The submission deadlines for the CRCS are detailed below:

State Fiscal Year	CRCS Due Date*	Submission Window*
2020-21	3/01/22	2/01/22 - 3/01/22
2019-20	4/30/22	4/01/22 – 4/30/22
2015-16	6/30/22	6/01/22 – 6/30/22
2016-17	8/31/22	8/01/22 – 8/31/22
2017-18	10/31/22	10/01/22 – 10/31/22
2018-19	1/31/23	1/01/23 – 1/31/23

2021-22	3/01/23	2/01/23 – 3/01/23
2022-23	3/01/24	2/01/24 – 3/01/24

# LEA BOP Process and Documentation Information

The LEA BOP's [Onboarding Handbook](#) outlines the operations of the LEA BOP. Topics include but are not limited to: enrollment requirements, claim processing, and program compliance documents such as the Provider Participation Agreement, the Annual Report, and the CRCS. The LEA BOP updates the program compliance documents on an annual basis to reflect the appropriate SFY and any additional necessary information regarding policy change updates. LEA BOP providers must keep, maintain, and have available records that fully disclose the type and extent of LEA BOP services provided to Medi-Cal recipients. Please refer to the LEA BOP Provider Manual for additional information and to the [LEA BOP webpage](#) for trainings relating to documentation requirements (see the "Program Trainings" section of this Program Guide).

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## **SFY 2021-22 Updates:**

1. New deadline to maintain program compliance added:
  - a. LEA BOP providers enrolled in the LEA BOP must submit a CRCS to DHCS by **March 1** of each year.
  - b. The five backcasted cost reports are on a separate and accelerated schedule due to services from former years that were recently approved through SPA 15-021.
2. List of Acronyms and Clarification of Terms updated:
  - a. Acronyms and terms added to this section.
    - i. Individualized Health and Support Plan (IHSP)
    - ii. Local Educational Consortia (LEC)
    - iii. Local Governmental Agencies (LGA)
    - iv. Managed Care Plan (MCP)
    - v. Random Moment Time Survey (RMTS)
3. Website Resources:
  - a. Moved [Internal Administrative Function Chart](#) to this section.
  - b. Added [School-Based Claiming Random Moment Time Survey](#).
  - c. Added webpage for stakeholders to [Subscribe to DHCS e-mail](#).

# LEA BOP Provider Manual

The LEA BOP Provider Manual contains program policy regarding the operation of the LEA BOP. The [LEA BOP Provider Manual, located in Part 2 of the Medi-Cal Provider Manual](#), covers the following subjects:

- » Local Educational Agency (LEA) Overview of LEA BOP
- » A Provider's Guide
- » Billing and Reimbursement Overview
- » Billing Codes and Reimbursement Rates
- » Billing Examples
- » Eligible Students
- » Individualized Plans Overview
- » Rendering Practitioner Qualifications
- » LEA BOP Covered Services
  - Hearing, Nursing, Nutrition, Occupational Therapy, Orientation and Mobility, Physical Therapy, Physician Billable Procedures, Psychology/Counseling, Respiratory Care, Speech Therapy, Targeted Case Management, Transportation, Vision Assessments, and Telehealth

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## **SFY 2021-22 Updates:**

1. Billing and Reimbursement Overview (*loc ed bil*), October 2021, edits to Explanation of UB-04 Form items section; added *Type of Bill* as one of the UB-04 items.
2. Billing Codes and Reimbursement Rates (*loc ed bil cd*), updated in:
  - a. August 2021: updated the Maximum Allowable Rates within the LEA Services Billing Codes Chart.
  - b. June 2022; added hearing screening codes and modifiers; and added billing code modifier 95 information for telehealth services.
3. Eligible Students (*loc ed elig*), June 2022, edits to Age Restrictions section to indicate age restrictions for LEA eligible beneficiaries (i.e., students under age 22 who are Medicaid eligible beneficiaries), including information if Individualized Education Plan (IEP)/Individualized Family Service Plan (IFSP) participating students become age 22 during the school year; and updates to the Ineligible Aid Codes table.
4. Hearing (*loc ed serv hear*), October 2021, updated the section to align with SPA 15-021, including the following:
  - updated Covered Services section to clarify covered audiology services

- updated Reimbursable Services for Practitioners Table
  - added credentialed audiologists
  - updated the Supervision Requirements Table for the additional practitioner and related supervision requirements information
  - updated Supervising Speech-Language Pathologist (SLP) and/or Audiologist section with requirements, responsibilities and duties of the supervising SLP or audiologist
  - explanation of qualified practitioner modifier information
5. Nursing (*loc ed serv nurs*), October 2021: updated Rendering Practitioners: Reimbursable Services section with additional assessments and treatments services information; and updated Specialized Physical Health Care Services and Supervision Requirements sections to include supervision information, including for licensed registered nurses and certified nurse practitioners.
  6. Psychology/Counseling (*loc ed serv psych*):
    - a. October 2021: updated chart and added assessment type IEP/IFSP psychosocial status assessments.
    - b. May 2022: added practitioner associate marriage and family therapists and registered associate clinical social workers.
    - c. June 2022: added service limitation, supervision and procedure code/modifier information for associate marriage and family therapists and registered associate clinical social workers.
  7. Speech Therapy (*loc ed serv spe*), October 2021: updated the section to align with State Plan Amendment (SPA) 15-021, including the following: updated supervision and procedure code/modifier information for speech-language pathology assistants.
  8. Telehealth (*loc ed tele*), August 2021: added new provider manual section entirely focused on telehealth services, including background, reimbursable services, and guidelines.
  9. CMC Enrollment Procedures (*cmc enroll*), February 2022 (located in Part I of the Medi-Cal Provider Manual: changes to Provider/Billing Service Signature Information section: added authorized LEA signer titles.

# California School-Based Random Moment Time Survey (RMTS)

As of July 1, 2020, the LEA BOP implemented the RMTS, a statistically valid time survey methodology. The policies for RMTS for both School-Based Medi-Cal Programs can be found in the California School-Based Medi-Cal Administrative Activities Manual (California SMAA Manual), sections 5 and 6, as well as published Policy and Procedure Letters (PPLs), which can be found in the link below. PPLs relating to RMTS will be found in this section of the Program Guide. DHCS is in the process of securing federal approval of the standalone RMTS Manual that will apply to both School-Based programs. The "California School-Based Medi-Cal Random Moment Time Survey Manual" (California RMTS Manual) will incorporate RMTS PPLs and time survey policies and procedures based on the Centers for Medicare and Medicaid Services (CMS) requirements (see CMS' Medicaid School-Based Administrative Claiming Guide (May 2003)). As of July 2022, the California RMTS Manual has not yet been approved by CMS. Upon CMS approval, sections 5 and 6 of the California SMAA Manual will no longer be applicable and will be removed.

## RMTS Policy:

- » [Section 5](#)- Activity Codes: Descriptions and Examples
  - » [Section 6](#)- Time Survey
  - » [RMTS PPLs](#)
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## **SFY 2021-22 RMTS PPLs:**

1. PPL 21-030, October 2021, notifies LEA, LEC, and LGA Coordinators of policy related to TSPs that are identified as being in the incorrect participant pool for the RMTS.
2. PPL 21-029, October 2021, notifies LEA, LEC, and LGA Coordinators of contractor placement on the TSP list for the RMTS.
3. PPL 21-028, October 2021, notifies LEA Coordinators of inclusion of Long-Term Direct Service Practitioner Substitutes and Administrative Service Personnel Substitutes in the RMTS process.
4. PPL 21-026, October 2021, supersedes PPL 19-018 and provides additional response options for the RMTS Pre-Sample Question 1.
5. PPL 19-025R, originally published on October 2019, with a revised date of September 2021, notifies LEA, LEC, and LGA Coordinators of the RMTS pre-

sample questions for TSPs participating in the RMTS process. The PPL was revised to reflect the updated second pre-sample question.

## Policy and Procedure Letters (PPLs)

DHCS issues PPLs regarding changes to the LEA BOP. The PPLs provide notification regarding new policies that are being applied to the LEA BOP or changes to an existing policy. Please refer to the published PPLs and their attachments that are located on the [LEA BOP PPL webpage](#). PPLs relating to RMTS will be found in that section of the Program Guide.

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### **SFY 2021-22 PPLs:**

1. PPL 22-009, March 2022, notifies LEA providers about reimbursement opportunities for Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) screening services provided by LEAs.
2. PPL 22-006, March 2022, notifies LEA providers that immunizing Medi-Cal-enrolled students ages 21 and under is a billable service under the LEA BOP.
3. PPL 22-002, January 2022, notifies LEA providers of a new CRCS submission requirement for State Fiscal Year 2020-21.
4. PPL 22-001, January 2022, informs LEA providers how to calculate their Medicaid Eligibility Rate (MER) for SFYs 2015-16 through 2020-21 for the completion of the CRCS reports.
5. PPL 21-042, December 2021, notifies LEAs of SFYs 2015-16 through 2019-20 Cost Settlement Requirements for LEA BOP.
6. PPL 21-040, December 2021, notifies LEA providers of the reimbursement for COVID-19 Vaccinations in the LEA BOP.
7. PPL 21-025, October 2021, notifies LEAs of the compliance process for LEA Providers that do not submit the Cost and Reimbursement Comparison Schedule by the mandated due date.
8. PPL 21-024, October 2021, notifies LEAs of proposed regulation update related to the authorization of speech pathology and audiological services, occupational therapy services, and physical therapy services.
9. PPL 21-019, August 2021, provides guidance to LEAs regarding covered direct medical services provided to Medi-Cal enrolled students via telehealth.
10. PPL 21-018, August 2021, notifies LEAs of policy related to annual or triennial IEP and IFSPs that take place outside of the mandated timelines.

11. PPL 21-016, July 2021, provides guidance to LEA regarding covered direct medical services provided to Medi-Cal enrolled students by LEA-contracted health service practitioners.
12. PPL 22-008R, originally published on March 2022, with a revised date of May 2022, notifies LEA Providers that Associate Marriage and Family Therapists and Registered Associate Clinical Social Workers can also be reimbursed for psychosocial status assessments and health education/anticipatory guidance services. The PPL was revised to include additional information to the LEA Limitations (per student).
13. PPL 21-034R, originally published on December 2021, with a revised date of February 2022, provides updated information to support schools in administering COVID-19 tests to the school community. The PPL was revised to include a third model of "LEAs Fund COVID-19 Test Kits that are Distributed to Students for At-Home Testing".
14. PPL 21-017R, originally published in August 2021, with a revised date of December 2021, provides clarification to LEA, LEC, LGA, and their subcontractors regarding the requirement to provide alternative formats for effective communication. The PPL was revised to include additional information on Audio or Data CD selection as an alternative format and that written communication needs to consider both alternative format and written language preference.
15. PPL 21-015R, originally published in June 2021, with a revised date of December 2021, notifies LEAs that claims for beneficiaries with an Unsatisfactory Immigration Status (UIS) are not eligible for FFP reimbursement through the LEA BOP. The PPL was revised to include additional UIS beneficiary categories.

# California State Plan

The California Medicaid State Plan is a comprehensive written document created by the State of California that describes the nature and scope of its Medicaid program (Medi-Cal) and serves as a contractual agreement between the State of California and CMS. The State Plan must be administered in compliance with specific requirements of Title XIX of the Social Security Act and regulations outlined in Chapter IV of the Code of Federal Regulations in order for the State of California to receive Federal Financial Participation (FFP) for its Medicaid program.

There are several areas in the California State Plan that outline the requirements for covered services and the reimbursement methodology for the LEA BOP:

- » [Attachment 3.1-A page 9; Limitations on Attachment 3.1-A](#) Amount, Duration, and Scope of Medical and Remedial Care and Services provided to the Categorically Needy:
  - Pages 9-9t (pages 23-43 of the pdf) Early and periodic screening, diagnostic, and treatment (EPSDT) services. Services provided by Local Education Agency (LEA) providers.
  - 26-29m (pages 88-104 of the pdf) Local Education Agency (LEA) Services.
- » [Attachment 3.1-B page 9; Limitations on Attachment 3.1-B](#) Amount, Duration, and Scope of Services Provided Medically Needy Groups:
  - Pages 9-9p (pages 23-39 of the pdf) Early and periodic screening, diagnostic, and treatment (EPSDT) services. Services provided by Local Education Agency (LEA) providers.
  - 25-28m (pages 88-104 of the pdf) Local Education Agency (LEA) Services.
- » [Supplement 8 to Attachment 4.19-B](#): Payment for LEA Services (including TCM), pages 1-12.
- » [Supplement 1c to Attachment 3.1-A](#): Targeted Case Management Services- Children with an Individualized Educational Plan and/or Individualized Family Service Plan (IEP and/or IFSP), pages 1-5.

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## **SFY 2021-22 State Plan Updates:**

1. DHCS has formally withdrawn State Plan Amendment (SPA) 19-009. SPA 19-0009 was proposing to provide comprehensive vision services and eyeglasses as a new

service to the LEA BOP. DHCS is no longer seeking approval for these services as LEA BOP Providers access these services through other programs.

## Frequently Asked Questions

Frequently Asked Questions (FAQs) were developed to provide more guidance on existing LEA BOP policy. FAQs are based on several subjects and provide reference to policy stated in the LEA BOP Provider Manual, Medi-Cal policy, and State and Federal regulations. The older [LEA BOP FAQs](#) have been archived due to recent policy changes associated with SPA 15-021. However, DHCS developed new FAQs based on recent SPA 15-021 related trainings. Please see the LEA BOP Trainings section below for FAQs relating to SPA 15-021 policy.

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### ***SFY 2021-22 FAQ Updates:***

1. No updates.

## LEA BOP Trainings

The LEA BOP provides training on a bi-monthly basis, as needed, and upon request from stakeholders. Trainings are posted on the [LEA BOP Training](#) webpage.

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### ***SFY 2021-22 Training Updates:***

1. September 2021: "New LEA Coordinator" (LEA BOP Overview, Roles and Responsibilities, LEA BOP Requirements, Random Moment Time Survey, Resource Review and Future Training, and Coordinator Training FAQs).
2. September 2021 (two days) "TSP" (Overview of RMTS, Responding to Moments, Moment Response Examples, and TSP Training FAQs).
3. October 2021; "Vendor Training" (Roles and Responsibilities, Required Documents, Cost and Reimbursement Comparison Schedule, Authorization for Services, and Non-IEP Billing).
4. December 2021; "Cost and Reimbursement Comparison Schedule" (Cost Settlement Overview, Sample for SFY 2019-20, Overview of SFY 2020-21, and CRCS Training Questions).
5. February 2022; "LEA BOP 101" (LEA BOP Overview, Program Documentation: Enrollment, Program Documentation: Compliance, Random Moment Time Survey, Responding to Moments, and Resources).
6. April 2022; "SFY 2015-16 and 2016-17 Cost and Reimbursement Comparison Schedule (CRCS) Training" (Cost Settlement Overview and Timelines, SFY 2019-20 and SFY 2020-21 Updates, Amended CRCS Overview, and Template Review SFY 2015-16).
7. June 2022; "SFY 2017-18 Amended Cost and Reimbursement Comparison Schedule (CRCS) Training" (Cost Settlement Overview and Timelines, Overview of the Amended CRCS Requirement, and Template Review SFY 2017-18).

# Instructional Materials

The LEA BOP has published various instructional materials in order to supplement existing policy. These instructional materials provide LEAs with easy references to certain policies or subjects within the LEA BOP. Instructional materials are available on the [LEA BOP website](#).

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## ***SFY 2021-22 Materials Update:***

1. No updates.