Provider Billing Forum

Presenter: DHCS & Guidehouse

DHCS
CALIFORNIA DEPARTMENT OF
HEALTH CARE SERVICES

August 2024

Provider Billing Forum Agenda

1 | Medicaid Claiming

2 | Random Moment Time Survey (RMTS)

Medicaid Claiming

Resources

» LEA BOP Website
https://www.dhcs.ca.gov/provgovpart/Pages/LEA.aspx

» LEA BOP Provider Manual
https://www.dhcs.ca.gov/provgovpart/Pages/LEAProviderManual.aspx

» LEA BOP Rates
https://www.dhcs.ca.gov/provgovpart/Pages/LEAClaimsProcessing.aspx

Certified Public Expenditure (CPE)

» Public entities certify that the funds spent on Medicaid services are eligible for federal matching funds.

» Key program components:

  » Certify costs of providing services

  » Match nonfederal dollars

  » Audit to confirm the final amount

The Payment Cycle
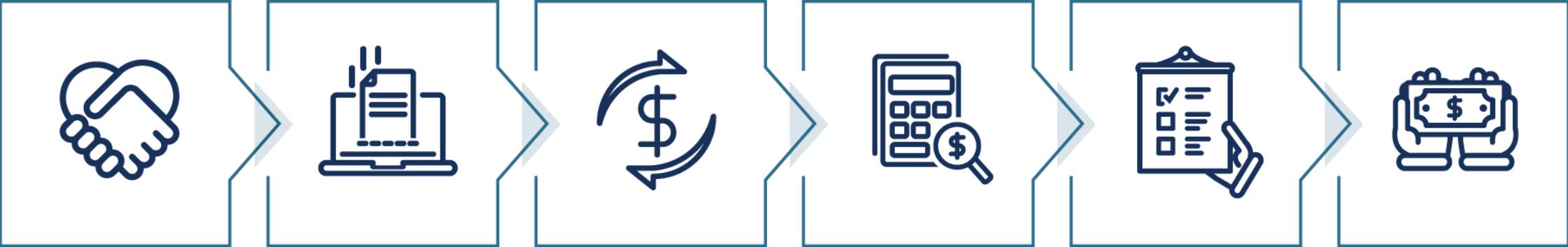
Provide covered services for students

Submit claim to Medi-Cal for covered services

Medi-Cal sends interim reimbursements based on claims

LEA submits CRCS to certify costs

Audit to verify costs on the CRCS

Final settlement

Interim Claiming

» Submission of interim claims is a requirement for LEAs participating in LEA BOP.

» 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.

» When submitting interim claims, please check the student's data match records to ensure the student is eligible for Federal Financial Participation (FFP).

» LEAs will be paid interim reimbursements based on these claim submissions.

Federal Medical Assistance Percentage (FMAP)

» The percentage of costs that the federal government will cover. This is typically 50 percent for California and is consistent across all LEA BOP Providers.

LEA
50%

FMAP
50%

FMAP

» The FMAP is determined annually for each state by CMS.

» The LEA BOP federal share is funded through Title XIX, XIX Enhanced, and Title XXI Funds.

- Identified through member's eligibility status; aid codes are used.

» Interim claiming is the only way for LEAs to receive enhanced FMAP.

- Title XIX - 50%
- Title XIX Enhanced - 90%
- Title XIX (CR modifier – COVID Counseling through 9/30/24) - 100%
- Title XXI - 68.5%

Review of Rate Rebasing

LEA BOP Rates

» LEA BOP Rates

  https://www.dhcs.ca.gov/provgovpart/Pages/LEAClaimsProcessing.aspx

» Rebased once every five years

» FY 2022-23 CRCS Worksheet G

Review of Rebasing Process

» Data collected on the FY 22-23 CRCS reports, due March 1.

» CRCS Worksheet G gathered annual salaries/benefit data for FY 22-23.

» Worksheet data was aggregated for all reports and reviewed by Guidehouse to identify outliers (removed from dataset prior to rebasing calculations).

» Rebased rate calculations were completed, shared with rebasing subcommittee and sent to IBM for implementation.

» New rates effective July 1, 2024 will be implemented by October and an Erroneous Payment Correction (EPC) will be initiated to reimburse the FY 24-25 rates retroactively to July 1.

Assessments: General Observations

» Top three IEP/IFSP assessments account for **over 85 percent** of total assessment reimbursement.

- All three assessments show healthy rate increases, effective July 1, 2024.

» Rates for two IEP/IFSP assessments drop between FYs 2023-24 and 2024-25.

- Physical therapy rates **decline by less than half of a percent**.
- Audiologist rates **decline by three percent.**

» Non-IEP assessments make up approximately three percent of all assessments.

» **Overall:** Rate rebasing will have a net positive impact on LEAs.

Treatments: General Observations

» **Top three treatment services account for approximately 90 percent** of total treatment reimbursement.

- All three treatments show healthy rate increases.

» Rates for four treatments drop between FY 2023-24 and 2024-25.

- Physical therapy rates (individual and group by a P/T) decline **less than half a percent**.
- Audiology (individual) and hearing checks decline by **about three percent**.

» Non-IEP Treatments make up less than three percent of all treatments.

» **Overall:** Rate rebasing will have a net positive impact on LEAs.

Rates Webpage

LEA BOP Claims Information and Expenditures

Back to LEA Home Page

Rate Inflation

FY 2023-24 Rates

FY 2022-23 Inflated Rates

FY 2021-22 Rates

FY 2020-21 Rates

FY 2019-20 Rebased Rates

FY 2018-19 Inflated Rates (inc FY 2017-18)

FY 2016-17 Inflated Rates

https://www.dhcs.ca.gov/provgovpart/Pages/LEAClaimsProcessing.aspx

Fiscal Year 2024-25 Rates Table Preview

LEA Service	CPT Code	Modality Modifier (95 = telehealth)	Intensity of Service Modifier	IDEA Service Modifier	Practitioner Modifier	FY 2024-25 MAX ALLOWABLE RATES (Rebased)	FY 2024-25 Rates at 50% FMAP (DOS 7/1/2024 and after)
IEP Speech Therapy, Individual Treatment - Initial	92507			TM	GN	$ 94.77	$ 47.38
IEP Speech Therapy, Individual Treatment - Initial	92507	95		TM	GN	$ 94.77	$ 47.38
IEP Speech Therapy, Individual Treatment - Additional	92507		22	TM	GN	$ 28.43	$ 14.21
IEP Speech Therapy, Individual Treatment - Additional	92507	95	22	TM	GN	$ 28.43	$ 14.21

LEA BOP Billing Requirements

» For a service to be eligible for billing under LEA BOP, the following criteria must be met:

- Student is Medicaid Eligible
- Service is provided by a qualified practitioner
- Supervision is documented, if necessary
- Authorization for services are in place by prescription, referral or recommendation
- Service is documented appropriately
  (e.g., assessments, progress/case notes)
- Parental Consent to bill Medi-Cal requirements met, when required
- Billed Other Health Coverage (OHC), when required

Documentation of School-Based Services

» The Centers for Medicare and Medicaid (CMS) Guidance states :

- To claim federal funds for services provided to Medicaid–enrolled students, documentation is required for each claim.

- School-based providers should include required information in their care plans, Individualized Education Plans (IEPs), or other templates or software used for clinical service documentation.

- The following slide contains the minimum documentation for each claim required by CMS.

Required Documentation

Required documentation must include	Required for Medicaid Claiming	Required by IDEA*
Date of service	X	
Name of recipient	X	X
Medicaid identification number (of student)	X	
Provider agency and person providing the service	X	X
Nature, extent, or units of service	X	X
Place of service	X	X
Eligibility for IDEA* services		X

*Individuals with Disabilities Education Act

Example Direct Service Practitioners

Psychology and Counseling Services:

- Associate Marriage and Family Therapist

- Licensed Marriage and Family Therapist

- Credentialed School Counselor

- Credentialed School Psychologist

- Credentialed School Social Worker

- Licensed Clinical Social Worker

- Licensed Psychiatrist

- Licensed Psychologist

- Licensed Educational Psychologist

- Licensed Physicians

- Licensed Physician Assistant

- Registered Associate Clinical Social Worker

- [LEA Rendering Practitioner Qualifications (loc ed rend)](#) identifies all the practitioner types allowable under LEA BOP.

Example Direct Service Practitioners

Respiratory Care Services:

- Licensed Respiratory Care Practitioner

Speech Therapy Services:

- Licensed Speech-Language Pathologist

- Credentialed Speech-Language Pathologist

- Speech-Language Pathology Assistant

Example Direct Service Practitioners

Hearing Services:

- Licensed Audiologist

- Credentialed Audiologist

- Licensed Physician

- Licensed Physician Assistant

- Credentialed Speech-Language Pathologist

- Registered School Audiometrist

- Registered Credentialed School Nurse, or Registered School Audiometrist

Nursing Services:

- Registered Credentialed School Nurse

- Licensed Registered Nurse

- Certified Public Health Nurse

- Certified Nurse Practitioner

- Licensed Vocational Nurse

- Trained Health Care Aide

Example Direct Service Practitioners

Nutrition Services:

- Registered Dieticians

- Certified Nurse Practitioners

- Certified Public Health Nurses

- Licensed Physicians

- Licensed Physician Assistants

- Licensed Registered Nurse

- Registered Credentialed School Nurse

Occupational Therapy:

- Licensed Occupational Therapist

- Licensed Occupational Therapy Assistant

Physical Therapy:

- Licensed Physical Therapist

- Licensed Physical Therapist Assistant

Example Direct Service Practitioners

Targeted Case Management (TCM):

- Program Specialist
- Any practitioner with a TCM Certification Form

Vision Services:

- Licensed Optometrist
- Licensed Physician
- Licensed Physician Assistant
- Registered Credentialed School Nurse

Orientation and Mobility:

- Orientation and Mobility Specialists

Supervision Requirements

» Some rendering practitioners require supervision to be allowable under LEA BOP.

» There are some rendering practitioners are required to have licenses by the California Board of Behavioral Sciences and have Pupil Personal Services (PPS) credential issued by the California Commission on Teacher Credentialing (CTC).

- These supervision requirements are outlined in the LEA BOP provider manual under the LEA Rendering Practitioner Qualifications (loc ed rend) section.

Authorization for Services
Prescription, Referral or Recommendation

» Prescription: A written order from a licensed physician, podiatrist or dentist for specialized treatment services - 22 CCR § 51476(d).

» Referral: Less formal than a prescription, but meets certain documentation standards (i.e., student name, date, reason for referral, name and signature of practitioner).

» Recommendation: May consist of a note in the student's file that indicates the observation/reason for assessment, practitioner type, name and signature.

- A parent, teacher or registered credentialed school nurse can request an evaluation as well. If the parent is making the referral for assessment, the written request should be included in the student's file and should include the parent's signature and date.

- Prescriptions, referrals and recommendations must be documented in the student's file.

Ordering, Referring or Prescribing (ORP) Requirements

» All LEA treatment services require a prescription, referral or recommendation from a qualified medical care practitioner.

» Each services section of the LEA BOP Provider Manual defines which practitioners are authorized to ORP services.

» ORP practitioners must have an NPI Type 1 and be individually enrolled as a Medi-Cal ORP provider.

» All claim submissions for treatment services must include the NPI of the medical professional who ordered, referred or prescribed the treatment service, on box 76 of the claim form.

» Ordering, Referring or Prescribing Guide

Enrolling in Medi-Cal as an ORP Practitioner

» Submit an enrollment application to the Provider Enrollment Division (PED) through the Medi-Cal Provider Application and Validation for Enrollment (PAVE) Portal

» https://pave.dhcs.ca.gov/sso/login.do?

Parental Consent for IDEA Students

» For IDEA students, one of the following must be completed before accessing public benefits or insurance for the first time (34 CFR Section 300.154(d)):

- Obtain a one-time written consent from the parent/guardian.

- Provide written notification to the child's parent/guardian (completed before obtaining one-time written consent, and annually thereafter).

Note: Parental consent may be revoked at any time.

Parental Consent for Non-IDEA Students

» For Non-IDEA students, the Medi-Cal application provides the consent to bill.

» However, LEAs should check with their school district legal counsel to ensure that they are in compliance with FERPA requirements, prior to submitting claims to Medi-Cal.

» CMS is encouraging LEAs to put a parental consent protocol in place for non-IDEA services.

Other Health Coverage (OHC) Requirements

Insurance Status	Services Authorized in an IEP or IFSP	Services Authorized in an IHSP or Other "Care Plan"
Medi-Cal Only	Bill Medi-Cal	Bill Medi-Cal
Medi-Cal and OHC	Bill Medi-Cal	Bill OHC, then Medi-Cal

* Per Senate Bill 276, the timeframe for pursuing third party liability from an OHC carrier has been changed to 45 days.

* If a response from the OHC carrier is not received within 45 days of the provider's billing date, the provider may bill Medi-Cal. A copy of the completed and dated insurance claim form must accompany the Medi-Cal claim. LEA must state "45-day response delay" on the claim.

Final Settlements

» 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.

» DHCS audits the costs on the CRCS to determine the final total reimbursement amount.

» LEAs will receive the final audited settlement within 18 months of submitting the CRCS.

FMAP

» Applied to eligible claims and completed through the cost reconciliation process.

» FMAP Grouping Reimbursement Percentages Report

NPI	Title XIX % of Total Claims (July 1, 2022 - March 31, 2023)	Title XIX % of Total Claims (April 1, 2023 -June 30, 2023)	Title XIX Enhanced % of Total Claims (July 1, 2022 - June 30, 2023)	Title XXI % of Total Claims (July 1, 2022 - March 31, 2023)	Title XXI % of Total Claims (April 1, 2023 - June 30, 2023)	Title XIX COVID-19 Counseling Claims (July 1, 2022 - June 30, 2023)	SFY 2022-23 Total (July 1, 2022 - June 30, 2023)
NPI1234567	64.4355%	9.8046%	0.7146%	19.6553%	3.3900%	2.0000%	100.0000%

Random Moment Time Survey (RMTS)

Random Moment Time Survey (RMTS)

» Beginning July 1, 2020, California incorporated the RMTS into the LEA BOP cost settlement process.

» RMTS is a statistically valid means of determining what portion of a group of participants' workload is spent performing Medicaid-reimbursable activities.

» RMTS is administrated in California by RMTS Administrative Units

RMTS Moments

» Under RMTS, rendering direct service practitioners are referred to as Time Survey Participants (TSPs) and included in Participant Pool 1.

» TSP are randomly selected and asked what they are doing during their assigned RMTS moment, equal to one minute of time.

» An RMTS moment reflects how LEA employees' time is distributed across a range of activities and reflects how the time is allocated.

» Once a TSP certifies their responses, the moment is coded by central coding staff into one of the CMS-approved Activity Codes.

Direct Service TSPs and Moments

» Direct Service TSP Moments coded to the Activity Code:
- Reimbursable LEA BOP services – 2A.
- Non reimbursable LEA BOP services – 2Z.

» RMTS percentage is calculated to show how TSP time spent is allocated.

» Direct Medical Service Percentage (DMSP) is compiled across designated regions and published by DHCS.

» LEAs use their region's DMSP as one of several allocation statistics in the annual cost report.

LEA Responsibilities:
RMTS Moments – Documents and Audits

» Review the Quarterly Coding Report (QCR).

» Produce, maintain, and furnish documents to provide evidence that supports the activity or service identified in "the RMTS moment." in case of an audit.

» If any of the source documents are inaccurate or incomplete, the auditor may note the claim as invalid.

Additional Support Documentation – I

Supplemental Documentation	Billing of a Medicaid Direct Medical Service Claim	RMTS Moments for a Direct Medical Service
School attendance records to support date(s) of service on the claim	X	X
Prior authorizations	X	
Medical Plans of care	X	
Provider agreements	X	
Medical provider qualifications associated with licensing/certification and evidence of provider licensure/certification	X	X
Enrollee's medical records	X	X

Additional Support Documentation – II

Supplemental Documentation	Billing of a Medicaid Direct Medical Service Claim	RMTS Moments for a Direct Medical Service
Documentation of the service performed on the date of service (e.g., service and diagnostic codes, start and finish time of the service), including clinical notes signed and dated by provider (including service claims)	X	X
Transportation logs	X	
Payroll records associated with school personnel providing services	X	X
Copies of contracts with medical providers	X	X
Copy of the service claims submitted to the SMA or Managed Care Organization	X	X

Additional Support Documentation – III

Supplemental Documentation	Billing of a Medicaid Direct Medical Service Claim	RMTS Moments for a Direct Medical Service
IEP or Individualized Family Service Plan	X	X
Prescriptions/referrals for IEP services	X	X
Documentation regarding where the service was provided and who provided the service	X	X
Cost reports		X
RMTS source documents		X
Sign-in sheets from training sessions		X
Copies of any manuals related to the RMTS, Cost Allocation Plan, and procedures associated with Medicaid SBS reimbursement		X
National Provider Identification of the LEA or provider		X

TSP List Reminders

» The TSP list includes all eligible practitioners delivering covered services to students.

- Exception: Model 2 (100% contracted practitioners)

» Must exclude practitioners that are 100% federally funded.

» LEA-employed practitioners that are not on the quarterly TSP List are not eligible to report costs on the quarter's CRCS.

Purpose of TSP List

Time Survey Participant (TSP) List

Random Moment Time Survey (RMTS)

Direct Medical Services Percentage (DMSP)

Cost and Reimbursement Comparison Schedule (CRCS)

Final Settlement
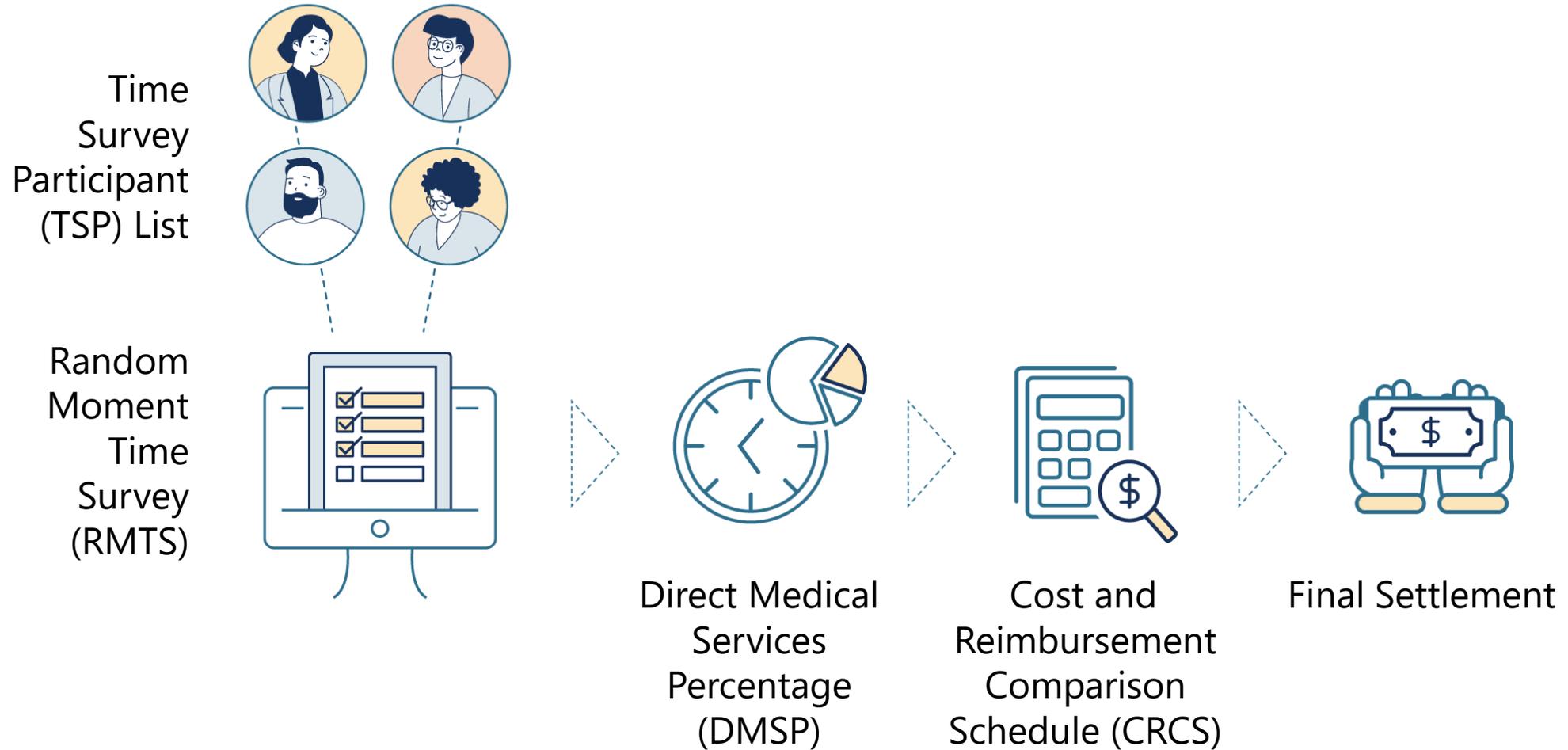
Why an Accurate TSP List is Important

» You cannot report costs on the CRCS for an LEA employee that is not on the TSP list.
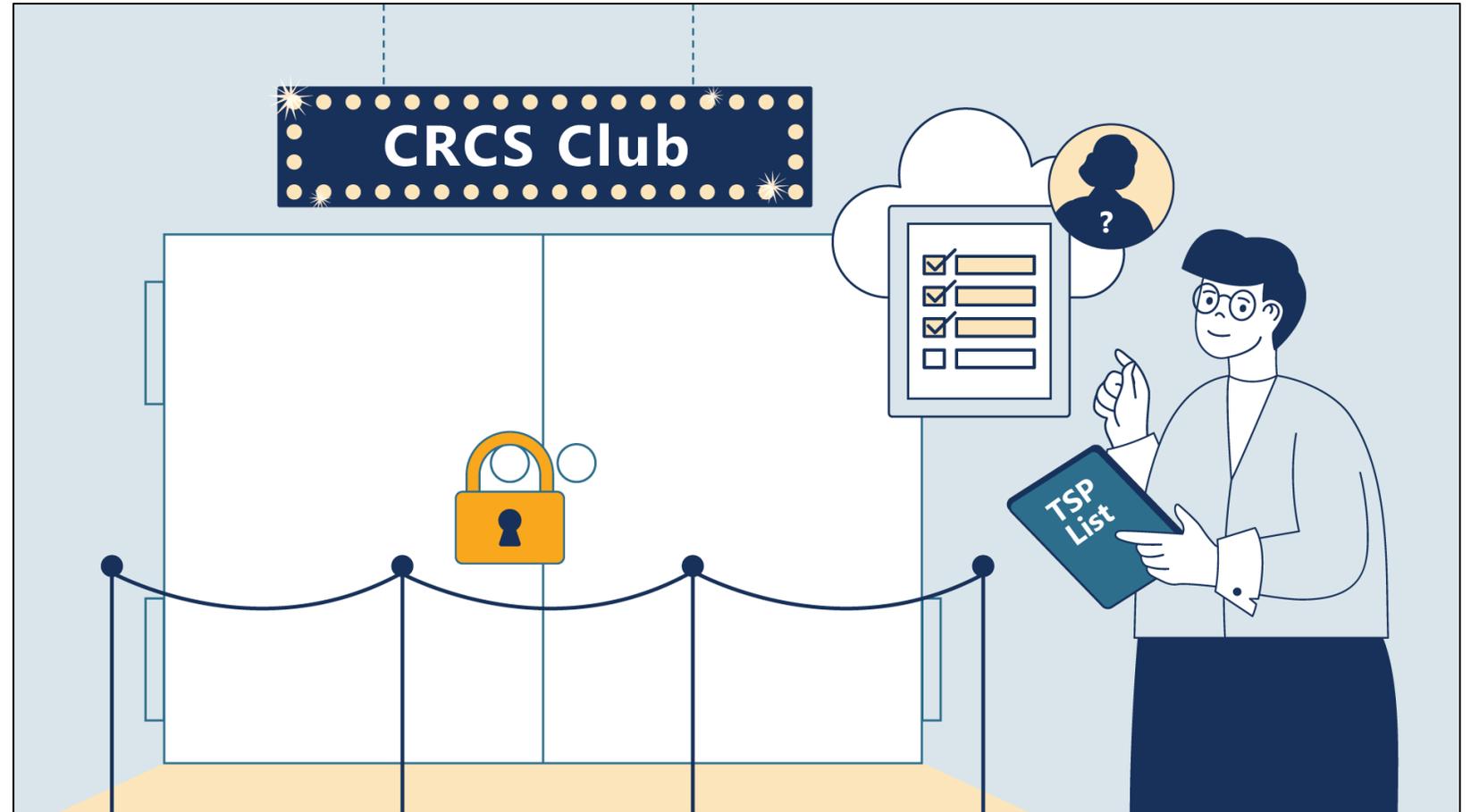
Requirements for an Accurate TSP List

» TSP Pool 1: Provides and Bills for direct medical services

» Credentialing, Licensing requirements

- [Local Educational Agency (LEA) Rendering Practitioner Qualifications (loc ed rend)](#)

» Appropriately supervised (if required)

- [LEA Provider Manual (ca.gov)](#)

» Practitioner job titles or Equivalency Form

» Must exclude practitioners that are 100% federally funded.

Best Practice #1

» Update Your TSP List Quarterly.

» Tips: Work with HR and/or Finance to confirm new hires and recent exits.

Best Practice #2

Consider how much time practitioners on the TSP list spend on covered LEA BOP services for students.

$DMSP_A = 8/10 = 80\%$
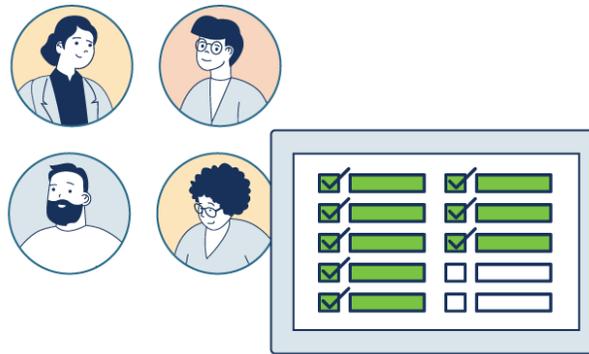
$DMSP_B = 1/10 = 10\%$

DMSP = 9/20 = 45%

Best Practice #3

» Only submit interim claims for practitioners on your TSP list.

» Tip: A helpful tool is making sure to coordinate your TSP list with your billing software.

Best Practice #4

» Be aware of federal funding!

- TSPs cannot be **100%** federally funded

» Tip: Work with HR and/or Finance to confirm funding sources.

TSP Lists, RMTS and Billing Consortia's

» Participating in the RMTS is a requirement for the LEA BOP.

» The structure of the individual consortia and RMTS contract, and the method that the consortia fulfills this requirement, is to be determined between the LEC and the LEA consortia.

» The TSP list must include the lead LEA and all member LEA practitioners.

How to Identify TCM Staff in RMTS

» TCM practitioners are identified on the TSP list under **"Job Title" with a "-TCM" suffix** at the end of their job title.

- Example: Speech Pathologist-TCM

- Indicate who will bill TCM services through the LEA BOP for each respective RMTS quarter and update the TSP List, when needed.

» All TCM practitioners that are intending to bill with LEA BOP are allowed on the TSP list and TCM Certification Statement.

Key Takeaways

» Participate in RMTS.

» Develop and maintain an accurate TSP List quarterly.

» Ensuring that your TSPs are responding to moments.

» Review the QCR for correctness.

» Ensure that you have supporting documentation.

Resources

» [SMAA Manual (ca.gov)](#)

» [LEA Provider Manual (ca.gov)](#)

» [October 2023 LEA BOP and the Time Survey Participant (TSP) List](#)
  - [LEA BOP and the Time Survey Participant (TSP) List (video)](#)

» [Medicaid SBS Federal Documentation Requirements for Claims, Cost Reporting, and Time Studies for LEAs](#)

» [LEA Training (ca.gov)](#)

» [LEA Medi-Cal Billing Option Program Site Visit/Technical Assistance Request](#)

Children and Youth Behavioral Health Initiative Multi-Payer Fee Schedule Program

» Behavioral health (mental health and substance use disorder services)

» Medi-Cal managed care plans, most commercial payers in California, and Medi-Cal Fee-for-Service (non-managed care plan).

» Fee-for-service program

- Claims are processed through a third-party administrator and sent to indicated payer (MCP, commercial, regular Medi-Cal)

Multi-Payer Fee Schedule Program Current Status

» Cohort 1 joined in January

- Dates of service July 1, 2024, onward will be billable

» Cohort 2 was just announced

» Applications for Cohort 3 (January 2025) and Cohort 4 (July 2025) will be released soon.

- LEAs will have to decide soon if they want to participate in January or July 2025, or wait until next year to join the Multi-Payer Fee Schedule in January or July 2026.

Avoiding Duplicate Payment

» LEA BOP is a cost settlement program.

- Claims (aka interim reimbursement) and interim settlements are for cash flow purposes while waiting for the final settlement.

- Cost report identifies salary and benefit costs and other allowable costs.

- LEA BOP reimburses the cost of providing covered services to Medi-Cal members.

» Multi-Payer Fee Schedule Program is a fee-for-service program.

- You submit a claim and get paid.

Note:
Both programs require that all Medicaid requirements, such as documentation, are met.

Avoiding Duplication through Deduction

» FY 2024-25 Cost and Reimbursement Comparison Schedule (CRCS or cost report)

» Deduct Multi-Payer Fee Schedule Program payments for services rendered by practitioners on the CRCS.

- The payments functionally reduced the cost of the salary and benefits and thus should be deducted from those costs.

  - Only for practitioners on the LEA BOP cost report.

Billing Both Programs

» Multi-Payer Fee Schedule only applies to LEA BOP Psychology and Counseling services.

- All other LEA BOP billing remains the same.

» When participating in both programs

- Services pursuant to an IEP or IFSP must be billed to LEA BOP (TM and TL modifiers).
  - The Multi-Payer Fee Schedule Program will deny those services.
  » General education services must be billed to the Multi-Payer Fee Schedule.
  - LEA BOP will deny those services without a TM or TL modifier.

Random Moment Time Survey (RMTS) for practitioners in both programs

» No change

» Time survey participants (TSPs) should answer moments and clarifying questions as usual for LEA BOP.

» Region's RMTS percentage and ultimate Direct Medical Services Percentage is not impacted by LEAs also participating in the Multi-Payer Fee Schedule Program.

» Because the practitioners' payments are being deducted, their direct service moments may be coded as direct services (2A).

FY 2024-25 CRCS
when billing to both programs

» Only matters if you have practitioners who have had claims paid by the Multi-Payer Fee Schedule Program who are also on the LEA BOP CRCS.

» MPFSP payments will be deducted per classification

- Mental health practitioners
- Physicians*
- Physician Assistants*
- Nurses*

  *only when claims are submitted to MPFSP for mental health services

» Deductions will never go below zero

Example 1

» Mental health staff: 2 MFTs

- MFT A exclusively handles IEP/IFSP services (billed to LEA BOP)

- MFT B exclusively handles non-IEP/IFSP services (billed to MPFSP)

» No impact to the LEA BOP cost report

- Only MFT A's costs will be listed

- No MPFSP payments to deduct

- MFT B not on TSP List or CRCS

Example 2

» Mental health staff: 2 MFTs

- MFT A exclusively provides IEP/IFSP services (billed to LEA BOP)

- MFT B provides IEP/IFSP <u>and</u> non-IEP/IFSP services (billed to both programs)

» Reporting on the LEA BOP cost report

- List both MFT A and MFT B's costs

- Deduct MFT B's MPFSP payments

Example 2 Costs

» Salary and benefits of 2 MFTs $ 100,000

» MPFSP payments for MFT B $ 20,000

Practitioner Type	Salaries/Benefits	MPFSP Payments	Net Costs on CRCS
MFT	$100,000	$(20,000)	$80,000

Example 3

» Mental health staff: 2 MFTs and 1 psychologist

- All mental health staff provide IEP/IFSP <u>and</u> non-IEP/IFSP services (billed to both programs).

» Reporting on the LEA BOP cost report

- By classification, list mental health practitioner costs.

- Deduct all MPFSP payments for the MFTs and the psychologist.

Example 3 Salary and Benefits

» 2 MFTs and 1 psychologist

» Cost of 2 MFTs $ 100,000

» Cost of 1 psychologist $ 100,000

» Total mental health salary and benefits $ 200,000

Example 3 Costs

» Total mental health salary and benefits $ 200,000

» MPFSP payments for both MFTs $ 90,000

» MPFSP payments for the psychologist $ 120,000

Practitioner Type	Salaries/Benefits	MPFSP Payments	Net Costs on CRCS
MFT	$100,000	$(90,000)	$10,000
Psychologist	$100,000	$(120,000)	$0

- MPFSP costs never make salary and benefits less than zero

» This is illustrative of how MPFSP will never negatively impact the salary and benefits of other classifications.

LEA BOP 2024-25 CRCS

» Final version will be released late 2025-early 2026

» Example of Multi-Payer Fee Schedule Program adaptations will be shown in next Quarterly Stakeholder Meeting (October 30, 2024)

» Walk through of impact when the

- MER is high

- MER is low

- DMSP is higher

- DMSP is lower

Questions about the Multi-Payer Fee Schedule Program?

Email us at DHCS.SBS@dhcs.ca.gov

Questions and Feedback about LEA BOP?

Email us at LEA@dhcs.ca.gov

DHCS