

DEPARTMENT OF HEALTH SERVICES

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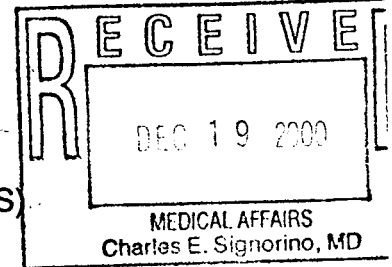
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CORPORATE COMPLIANCE

MMCD Policy Letter 00-06

December 11, 2000

cc: Helmer MD
 Signorino MD
 Ford, RN
 Compliance



TO: County Organized Health System Plan (COHS)
 Geographic Managed Care (GMC) Plans
 Prepaid Health Plans (PHP)
 Primary Care Case Management (PCCM) Plans
 Two-Plan Model Plans

SUBJECT: Managed Care Plan Relationships with Local Education Agency Providers

Purpose

The purpose of this letter is to clarify existing contractual requirements associated with relationships between Medi-Cal managed care plans (Plans) and Local Educational Agency (LEA) providers. This letter also encourages Plans to coordinate with LEA providers to assure that Medi-Cal managed care plan members receive medically related services in a timely and coordinated manner.

Background

A LEA, as defined under Welfare and Institutions Code Section 14132.06 (h), is 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 campus. To participate as a LEA provider, LEAs must apply to the Medi-Cal program. The LEA Medical Billing Option (hereafter known as the "LEA program"), established in 1994, allows LEAs to become Medi-Cal providers and bill the Medi-Cal program for covered services to eligible Medi-Cal students. Under this program, LEAs employ or contract with qualified medical care practitioners to provide health assessments and medical services within their scope of practice, to Medi-Cal eligible children and, where appropriate, their family members. LEA services are unique to LEA settings and have been assigned unique Health Care Financing Administration Common Procedure Coding System (HCPCS) codes that only LEA providers may use to bill the Medi-Cal program.

LEA services are also provided to eligible Medi-Cal students and family members as part of Individualized Education Plans (IEPs) and Individualized Family Services Plans (IFSPs). Students with IEPs or IFSPs may receive Medi-Cal services more than twice per month if the services are authorized and determined as medically necessary in the recipient's IEP or IFSP. Eligible Medi-Cal students not covered by an IEP or IFSP may only receive 24 Medi-Cal covered services per year. When billing Medi-Cal for services provided pursuant to an IEP or an IFSP, LEA providers must use the HCPCS codes specified for the LEA program.

(For a detailed explanation of LEA services, refer to the California Code of Regulations (CCR), Title 22, Section 51360, or the LEA section of the Inpatient/Outpatient Medi-Cal Provider Manual, pages 200-200-1 through 200-200-28 and pages 200-210-1 through 200-210-8. As part of the enrollment package, LEA providers will receive a copy of this manual. A copy may also be obtained by accessing the Department of Health Services' Medi-Cal website at <http://www.medi-cal.ca.gov>.)

Under the LEA program, Targeted Case Management (TCM) services may also be provided to students, and where applicable, their family members, who have an IEP or an IFSP. TCM services assist eligible Medi-Cal children and family members to gain access to needed medical, social, educational and other services. LEA providers may only bill the Medi-Cal program, for TCM for students with an IEP or an IFSP. Case managers providing TCM services may be credentialed, licensed or supervised by credentialed or licensed personnel and must meet provider qualifications.

(As defined in CCR Title 22, Section 51271. A listing of providers eligible to provide LEA/TCM services is contained in the Inpatient/Outpatient Medi-Cal Provider Manual on page 200-200-16.)

LEA Services and Managed Care Contract Exclusions

LEA services may be provided to all eligible Medi-Cal students in the LEA setting and are excluded from Medi-Cal managed care contracts during the operative period of the LEA (i.e., the school year). LEA services that are excluded from managed care contracts are:

- physical and mental health evaluation
- education and psychosocial assessments
- health and nutrition education
- developmental assessments.

When available, LEA medical services excluded from managed care contracts include:

- speech pathology
- audiology

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When available, LEA medical services excluded from managed care contracts include:

- speech pathology
- audiology

- physical and occupational therapy
- skilled nursing
- medical transportation
- school health aide services.

In areas where the school has not elected to participate in the LEA program, plans (which the LEA bills to Fee for Service (FFS) Medi-Cal program specific codes) must provide all necessary medical services within their contractual scope. Plans are capitated for services provided outside the LEA setting that have traditionally been billed to FFS Medi-Cal using conventional coding during these hiatus/vacation periods.

Plans should only refer plan members to a LEA provider after first confirming with the LEA provider the availability of a particular service for the member. Plan providers may be asked to support LEA providers with written prescriptions for specific LEA services or provide other medical evaluations or records upon the request of a family or LEA provider, limited to the provisions of the Plan's Medi-Cal contract. While specific LEA services are carved out of Medi-Cal managed care contracts, a plan still retains the responsibility for any other medically necessary services covered under their contracts that are not available to a child through a LEA.

LEA services may be unavailable during certain times of the year, depending on the configuration of the school year (traditional vs. year-round) and school holiday periods. Thus, LEA services that are normally available when school is in session may not be available when school is not in session. Per the terms of a plan's Medi-Cal managed care contract, Plans are capitated for services provided outside the LEA setting during these hiatus/vacation periods. Plans/plan providers, in consultation with LEA providers, should use medical necessity criteria appropriate to children to determine if the requested service should be covered by the Plan. The medical necessity criteria should include the Early and Periodic Screening, Diagnostic and Treatment standards and considerations that the effective treatment of a physical impairment may require continuation of specific therapies without interruption throughout the year. A student's IEP or IFSP must be considered along with other information in determining the medical necessity of a particular service.

Managed Care Plan Relationships with LEA Providers

For children whose health conditions require additional medical care during the school day beyond that which can be provided by the Plan, Plans should encourage network providers to determine if services are available at a member's LEA. After contacting the

child's school to determine that LEA services specific to the child's medical needs are available at or through the child's school, a plan physician may prescribe the services which will then be billed by the LEA under the LEA program. Conversely, a problem may be detected by a LEA practitioner, e.g., a school nurse, who will need to contact the student's Plan physician for treatment and follow up care.

School nurses and other LEA practitioners often identify health problems in early stages and facilitate interventions. Communication between Plan providers and LEA practitioners is essential to providing quality and continuity of care to eligible Medi-Cal students. Plans should encourage Plan physicians to establish reciprocal arrangements with LEA practitioners if the school site offers services the physician feels are appropriate for the student. Plans should inform their physicians to be aware that LEA practitioners may contact the Plan physician for a variety of reasons, including:

- (1) Making a referral for necessary medical services,
- (2) Requesting physician referral or prescription for LEA services available at the school site,
- (3) Sharing information with the Plan provider in recognition of the plan as the student's "medical home";
- (4) Requesting a consultation. (Communication can be made via telephone calls, written correspondence, FAX, and meetings).

Specific case management and treatment has been historically provided by school nurses and more recently by other LEA practitioners in the LEA setting. The availability of specific LEA services can provide opportunities for early intervention and coordination of care for individual children. The Plan and LEAs should work together to provide the optimum in medically necessary services covered by the Medi-Cal program to assure a child receives all appropriate services in the most coordinated and non-duplicative manner.

Plans are encouraged, but not required, to develop memoranda of understanding with LEA providers related to, but not limited to the exchange of information and a process for referrals and consultations. LEA providers operate under confidentiality laws and may only share information with a plan within the limits of their confidentiality requirements.

Plans may contract with other LEA medical providers to provide health care services separate and distinct from LEA program services if mutually agreeable terms can be reached that do not create additional costs for the State. These services, such as immunization clinics or examinations provided at Children's Health Disability Program

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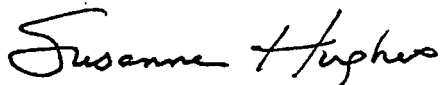
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Plan regarding reimbursement for these services. The availability of these alternative service sites can facilitate access for some families to specific prevention services but shall not substitute for the relationship between a member and their primary care provider within the health plan.

It is the goal of the Department to achieve efficient and timely provision of medically necessary services to students and their families. We hope the information in this letter will encourage continuous communication between the Plan, the primary care providers, Plan specialists and therapists, and LEA providers. The Division will continue to work with the State Department of Education to encourage ongoing communication.

If you have any comments or questions regarding this letter, please contact your contract manager.



Susanne M. Hughes
Acting Chief
Medi-Cal Managed Care Division