

**Local Educational Agency (LEA) Medi-Cal Billing Option Program (BOP)
Advisory Workgroup (AWG) Meeting
February 6, 2019 Minutes**

Location: Department of Health Care Services (DHCS) Offices – Sacramento, CA

In-person Attendees: John Mendoza, Safety Net Financing Division (SNFD); Cheryl Ward, SNFD; Dmitry Terlesky, SNFD; Rick Record, SNFD; Amar Takhar, SNFD; Dmitry Terlesky, SNFD; Tony Teresi, SNFD; Kate Hancock, Audits and Investigations, Financial Audits Branch (A&I FAB); Martin Alvarez, A&I FAB; Michelle Brown, A&I FAB; Olga Barajas, A&I FAB; Karen Petruzzi, A&I FAB (ARAS); Said Mursal, A&I FAB; Etta Gross, A&I FAB; Renzo Bernales, California Department of Education (CDE); Tom Herman, CDE; Dennis Finnegan, Navigant Consulting; Alejandra Garibay, Patterson Joint Unified School District; Andrea Coleman, LA USD; Aurelei Alvarez, LACOE; Belinda Brager, Calaveras USD; Brenda Rios, Ontario-Montclair SD; Cara Schukoske, San Diego COE; Christina Guillen, Napa Valley USD; Christine Wilhite, Butte COE; Coreen DeLeon, Glenn COE; Doris Kwok, Pleasanton USD; Erick Ramirez, DHS Sacramento County; Francisco Montes, Manteca USD; Heather Plahn, Palmdale SD; Helen Frederickson, Palmdale SD; Janice Holden, Stanislaus COE; Jannell Clanton, El Dorado Union HSD; Jeanne Tso, Montebello USD; Jen Minton, Sutter County Superintendent of Schools; Jennifer Wood-Slayton, Lamont School District; Jeremy Ford, Oakland USD; Jessica Jacobs, LA COE; Julie Ferebee, Palmdale SD; Katie Nilsson, San Joaquin COE; Kristie Kobayashi, Montebello USD; Laura Missimer, San Joaquin COE; Laurie Lane, Winters JUSD; Linda Hinojosa, Delano Union SD; Margaret Roux, Kern County Superintendent of Schools; Margarita Bobe, LAUSD; Maria Parra, Ontario-Montclair SD; Maricela Martin, San Bernardino County; Marlene Culpepper, DHS Sacramento County; Marta Cuevas-Ortega, Galt Joint Union ESD; McKenzie Luis, San Joaquin COE; Melissa Nguyen, San Diego COE; Michelle Cowart, CCCOE; Nancy Gilko, Nevada Co Superintendent of Schools; Natasha Slivkoff, Bakersfield City School District; Patrice Breslow, San Diego USD; Phil Downing, LA COE; Rebeka Smith, San Bernardino County Superintendent of Schools; Rhonda Yohman, Madera County Superintendent of Schools; Robin Ericsson, Folsom Cordova USD; Rosalee Hormuth, Orange County DOE; Saleena Santiago, Spring Charter Schools; Sharon Battaglia, Sonoma COE; Sheri Coburn, California School Nurses Organization; Sheri Elkins, Modesto City Schools; Wendi Beatty, Sacramento COE; Wendi Yamabe, Saugus Union SD.

Handouts

Each participant was emailed an electronic copy of the following: February AWG Meeting Agenda; February Department of Health Care Services (DHCS) Status Update Summary; information for the afternoon group discussion session on Assembly Bill (AB) 3192 and record keeping and documentation standards; and December 2018 Meeting Minutes.

Purpose

The meeting was convened by DHCS. DHCS welcomed all participants to the meeting and briefly reviewed the purpose of the AWG, which is to improve the LEA BOP. The emphasis of the meeting is to strategize various goals and activities aimed at enhancing

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the Medi-Cal services provided on school sites and access by students to these services, while increasing federal reimbursement to LEAs for the cost of providing these services.

Review of Meeting Minutes

- DHCS welcomed both in-person and call-in attendees to the meeting.
- The AWG reviewed the December meeting minutes. No edits were requested, and the minutes will be posted on the LEA Program website.
- One stakeholder requested two additional topics for the meeting, around the use of contractors in RMTS and DHCS resources to support coding questions.

California Department of Education (CDE), Special Education Division Updates

- Two representatives from CDE attended the meeting and provided the following updates:
 - CDE continues working on a statewide system of support for districts needing assistance based on dashboard results. During the meeting it was discussed that four Special Education Local Plan Areas (SELPAs) will provide additional technical assistance in specific content areas:
 - Marin County Office of Education (COE) - in partnership with CAPTAIN (California autism professional training and information network) on the use Evidence Based Practices
 - Placer COE – on the open Access Project (focus on Universal Design for Learning, Assistive Technology, and Augmentative Communication strategies)
 - South County – on disproportionality
 - Imperial COE – on students with disabilities and English language learners
 - After the meeting CDE provided additional information about the California System of Support and lead agencies. **These are listed in Appendix A of the meeting minutes.**
 - CDE and the Department of Social Services (DSS) continue to work together to implement Continuum of Care Reform (CCR) through AB 2083. CDE reported that there has been a budget change approval, and additional CDE staff may be assigned to this reform initiative and Foster Youth Services Coordinating (FYSC) Programs are being shifted to a different division within CDE.

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DHCS A&I Updates - FAB

- A representative from A&I provided an update on the status of the CRCS audits by Fiscal Year End (FYE) date:
 - FYE 2014 – all timely audits have been completed; 7 audits to be completed and were delayed because of a late CRCS submission.
 - FYE 2015 – 300 minimal audits have been completed; 100 audits will be limited or field audits.
- Currently, there six formal appeals that have not been scheduled and two formal appeals awaiting a decision.

DHCS Safety Net Financing Division (SNFD) Status Updates

- **FY 2017-18 Annual Report (AR) Submissions**
 - For participating LEAs, the FY 2017-18 AR was due on November 30, 2018.
 - As of January 31, 2019, 440 LEAs out of approximately 596 have submitted the FY 2017-18 AR.
- **FY 2018-19 Provider Participation Agreement (PPA) Submissions**
 - All currently enrolled LEAs must submit a new PPA in FY 2018-19 by March 1, 2019.
 - As of January 31, 2019, 235 LEAs out of approximately 596 have submitted the FY 18-19 PPA.
- **FY 2018-21 Data Use Agreement (DUA) Submissions**
 - All currently enrolled LEAs (with their billing vendors) must submit the FY 2018-21 DUA and Attachment D to DHCS by January 31, 2019.
 - As of January 31, 2019, 460 LEAs have submitted the FY 2018-21 DUA.
- **Cost and Reimbursement Comparison Schedule (CRCS) and Certification of Zero Reimbursement Reports Update (as of January 29, 2019)**
 - FY 2016-17: A&I received 497 out of approximately 596 participants, and accepted 478 submissions.
 - 458 DHCS Form 2437 - *Medi-Cal Cost and Reimbursement Comparison Schedule*
 - 20 DHCS Form 2437a - *Certification of Zero Reimbursements for LEA Services*
 - FY 2015-16: A&I received 528 and accepted 512 submissions.
 - 495 DHCS Form 2437
 - 17 DHCS Form 2437a
 - FY 2014-15: A&I received 539 CRCS and accepted 531 submissions.
 - 514 DHCS Form 2437
 - 17 DHCS Form 2437a
 - Delinquent CRCS Reports: 88 LEAs are delinquent.

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- **Policy for Non-Compliant LEAs**

- DHCS is finalizing the compliance policy for the CRCS report and expects to publish a new Policy and Procedure Letter (PPL) in Q3 FY 2018-19.

- **LEA E-blasts**

- E-blast December 10, 2018: PPL 18-029 Elimination of CPT 96101 Effective January 1, 2019
- E-blast December 14, 2018: Provider Participation Agreement Due March 1, 2019
- E-blast December 20, 2018: Valid Revenue Code 0001
- E-blast February 1, 2019: FY 18-19 Rates; Oct Meeting Q&A; DUA and PPA Deadlines

- **EPC 48638 – Error Code for Activity and Modifier Combinations**

- A 959 Table error was identified by Conduent and corrected in late August 2018. EPC 48638 was established to determine if LEA BOP claims payments were affected.
 - Test results showed no production claims were affected by the Table 0959 corrections, and the EPC was closed in January 2019.

- **Problem Statement 49759 – Managed Care Related Claims Denials**

- Certain claims are denying with Remittance Advice Details (RAD) codes indicating capitated payment or covered under Managed Care Plan. Denials are associated with the new OT/PT Assessment CPT Codes that were effective July 1, 2018. SNFD is working with the fiscal intermediary to identify the new CPT codes as non-capitated. Once the correction is made, DHCS will issue an EPC for erroneously denied claims. There is no additional action necessary by LEAs.
- SNFD has identified that newly implemented CPT code 96130, which implemented January 1, 2019, is impacted by Managed Care denials, as well. Conduent corrected the issue on January 31, 2019, and will reprocess erroneously denied claims for the one-month period. There will be no additional action necessary by LEAs.
 - A stakeholder asked about future procedure code changes, especially those related to SPA 15-021, and if they will face the same denial errors. DHCS stated that they wrote a universal policy letter for future changes and additions to the LEA procedure codes and this should not be an error moving forward.

- **College Claims Issues**

- DHCS researched RADs provided by certain colleges to determine if claims were erroneously being denied. DHCS determined that certain claims were appropriately denied, and requested additional information from the colleges regarding two additional error codes, which will require further research.

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- **System Development Notice (SDN) 18-046 – Implement Other Health Coverage (OHC) Policy**
 - The 90-day timeframe for pursuing third party liability has been changed to a 45-day timeframe, per Senate Bill 276.
 - DHCS received an initial estimate from Conduent to implement this policy via SDN, and is researching whether to move forward with the SDN.

- **Elimination of CPT Code 96101**
 - Effective January 1, 2019, CPT Code 96101 for IEP/IFSP Psychological Assessments was eliminated and replaced with CPT code 96130.

- **Revenue Code Update**
 - Effective January 1, 2019, LEAs participating in the LEA Program are instructed to use Revenue Code 0001 on submitted claims.
 - This is a change from previous policy, which instructed LEAs to use Revenue Code 001 on submitted claims.
 - The LEA Provider Manual Section *loc ed bil ex* has been updated to include this change.

- **Operating Instruction Letter (OIL) 362-18 – Update LEA BOP Reimbursement Rates with 2018-19 Reimbursement Rates for LEA Services**
 - Effective retroactively for dates of service on or after July 1, 2018, the LEA Services Billing Codes Chart was updated with the most recent rates for the LEA BOP for FY 2018-19.
 - The LEA Provider Manual Section *loc ed bil cd* has been updated to include the changes.
 - The FY 2018-19 Current Reimbursement Rates Table is posted on the Claims Processing page of the LEA Program website.
 - The FY 2017-18 interim payments were not separately inflated, and the cost settlement process will be used to settle these interim payments to cost.

- **OIL 101-18 – Rate Table Updates Related to SPA 15-021 - PLACEHOLDER**
 - OIL to change the LEA Rate Table to include new CPT codes/modifiers for new services and practitioners that will be implemented via SPA 15-021.

- **OIL 058-18 – Remove Non-IEP and Non-IFSP Utilization Controls - PLACEHOLDER**
 - OIL to remove the limitation that LEAs may only bill up to 24 non-IEP/IFSP services per fiscal year for a Medi-Cal eligible student per SPA 15-021.

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- **OIL 018-19 – Aid Code Updates**

- An OIL to update the '0109 Table' that identifies the ineligible and eligible aid codes for the LEA BOP, is expected to be implemented by April 2019.

- **FY 2015-16 Fair Share Analysis**

- Conduent is processing reimbursements and recoupments due to reconciliation of the 1.5% withhold, which are expected to take place in March 2019:
 - DHCS over withholding approximately \$1,100,073
 - DHCS under withholding approximately \$154,222

- **Ordering Referring Prescribing (ORP) Enrollment Update**

- The effective date of enrollment for an approved DHCS 6219 form or equivalent PAVE e-form is one year prior to the date DHCS received the complete application package.
- SNFD is currently in the process of working with PED to allow for RCSN and LEP practitioners enroll as ORP practitioners in the LEA Program, who have been recently denied enrollment.
 - A stakeholder asked about the timeline for these changes and what could happen if LEAs do not have enrolled ORPs by June 30, 2019. SNFD stated that they understood the timing of the changes and is actively working with PED to address. SNFD has confidence this will be resolved by June 30th.

- **SPA 15-021 (New Services and RMTS Implementation)**

- DHCS sent its final RAI response to CMS on January 7, 2019, which included the complete SPA pages and the Department's response to the Memorandum of Understanding (MOU) requirement.
- SNFD is continuing to draft and review PPLs and Provider Manual updates related to SPA 15-021.

- **SPA 19-0009 (Vision Services)**

- DHCS is in the process of submitting SPA 19-0009 to CMS. This SPA will provide additional comprehensive vision services to Medi-Cal eligible students in the LEA BOP. The effective date is January 1, 2019, pending CMS approval.
 - Stakeholders asked DHCS about the referral requirements for vision services. SNFD stated that the SPA has not been submitted yet and referral requirements are typically discussed with CMS, after the SPA has been submitted.
 - A stakeholder reminded attendees about the education code requirements and that not all students require a comprehensive eye exam. SNFD acknowledged the education code requirements and that they would be reviewed as the SPA is closer to submission.

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- **SPA 19-0010 (Nursing Services)**

- DHCS is in the process of submitting SPA 19-0010 to CMS. This SPA will remove the supervision requirements for nursing services to Medi-Cal eligible students on college campuses. The effective date is July 1, 2019, pending CMS approval.
 - A stakeholder asked about the overlap between education and Medi-Cal requirements and reminded attendees about the complexities of balancing both requirements. LEAs, DHCS, and CDE discussed some of the challenges around two sets of policy requirements, especially when they are not in alignment. DHCS will follow-up with stakeholders after the meeting for a deeper discussion of the issues.

- **Report to the Legislature for FY 2017-18**

- SNFD is currently preparing the FY 2017-18 Legislative Report for managerial review.
- The report has been streamlined and is expected to be shorter than past versions.

- **FY 2018-19 Advisory Workgroup Meeting Dates (1700 K Street, First Floor, Sacramento)**

- April 3, 2019
- June 5, 2019

- **SPA 15-021**

- DHCS received additional requests for additional information (RAIs) from the Centers for Medicare and Medicaid Services (CMS) regarding SPA 15-021. Most of the RAIs are technical corrections and modifications to the structure of the SPA. DHCS will be responding to the RAIs and asking CMS to go back on the 90-day clock.
- DHCS also noted that CMS will not immediately require a memorandum of understanding (MOU) between the LEAs and managed care plans as part of the SPA implementation; however, conversations between DHCS and CMS regarding MOUs and coordination of care will continue.
- A stakeholder asked about the timeline to submit the CRCS, which, as part of the SPA 15-021 approval process, will move from a due date of 17 months to 5 months after the close of a fiscal year. Stakeholders expressed concerns that the CRCS would be submitted without true and complete reimbursements (as LEAs have one year from the date of service to submit a claim). A&I stressed that LEAs are to put in all known reimbursements at the time of the CRCS submission and A&I will add any reimbursements that are received after the submission. A&I stated that that is a normal practice for non-LEA programs. DHCS noted the concerns of the LEAs and will take them into account when meeting with CMS regarding SPA 15-021.
- A stakeholder discussed concerns about aligning the CRCS and RMTS Time Study Participant (TSP) list, as the proposed policy is that there must be

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complete alignment between the two lists. DHCS acknowledged stakeholders concerns and challenges with implementing this policy. DHCS will review the policy and add this to a list of implementation FAQs.

- **SPA Training Logistics**

- DHCS announced that they will be holding SPA 15-021 training sessions. There will be two in-person trainings, southern and northern California, and a virtual training offered via webinar. DHCS solicited volunteers for a southern training location and will follow-up with those who volunteered. The northern training will be in Sacramento and hosted by DHCS. All training dates will be announced in the future.

- **Update to Pay and Chase/Third Party Liability**

- DHCS updated stakeholders that when a student has dual insurance, Medi-Cal and private insurance, the TPL Recovery Division will continue to request funds from the private insurance carrier (also known as “pay and chase”). This is a standard practice for other Medi-Cal programs. Public benefits will not be impacted by this process. DHCS reminded stakeholders that for non-IDEA students with dual coverage they should attempt to bill the private insurer before billing Medi-Cal, and to note the denial or 45-day non-response on the claim. A stakeholder asked for this information to be included in SPA 15-021 training materials, which DHCS agreed to.

- **OIG Report (dated December 2018)**

- DHCS, under the SMAA program, will be forming a workgroup to address stakeholder concerns regarding the OIG audit report on RMTS. A stakeholder asked what type of comments are being solicited. DHCS asked for areas where California may have gaps tied to the OIG report and recommendations on areas where LECs and LGAs can provide greater oversight, updates to the SMAA Manual that can be made, or other program changes related to the audits.

- **AB 3192 Update (LEA Medi-Cal Billing Option: Program Guide)**

- DHCS stated that they formed a subcommittee, comprised of LEAs, SNFD, and A&I to help with the development of the Program Guide that is mandated under AB 3192. During the group discussion CDE asked that they attend the subcommittee meetings. DHCS noted that the timeline for the Program Guide is still being finalized, but a draft should be expected during the summer and it will be finalized by January 1, 2020.

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- **Subcommittees – Report Out**

- Policy & Procedure Letter Review Group
 - The SPA 15-021 PPLs will be distributed to LEAs once SPA 15-021 is approved. The subcommittee recently provided feedback on the TCM PPL and DHCS will be sending a backcasting PPL for review, once CMS has approved the methodology.
- Provider Manual Review Group
 - The subcommittee recently provided feedback on two provider manual sections and DHCS will be sending two more in the upcoming week.

- **Site Visits**

- DHCS would like to complete three site visits to provide technical assistance to new LEAs. DHCS asks new LEAs to email them to request a site visit: LEA@dhcs.ca.gov.

- **Random Moment Time Survey (RMTS) Updates**

- Attendees added two additional RMTS related topics to the agenda:
 - A stakeholder asked about the role of a contractors in RMTS, as contractors in the LEA Program will not be included in RMTS Cost Pool 1. However, there was confusion about a contracted provider in Cost Pool 2 and whether they should be included in that cost pool. This question will be sent to the SMAA program for review.
 - A stakeholder asked DHCS about their staffing capacity and the ability to address questions from LEAs about which cost pool a TSP should be included in, backup documentation for moments, and other supporting questions. The LECs in attendance stated that these would be DHCS decisions and not something they are able to make. DHCS acknowledged the concerns and will look into current staffing levels and the coordination between the SMAA and LEA programs. Additionally, DHCS discussed the potential to “flag” coding questions as a high-priority response as they are time sensitive.

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AWG Group Discussion

The goal of the AWG group discussion is to brainstorm challenges and barriers, use combined expertise to provide guidance to DHCS and suggest potential solutions. At this meeting, DHCS facilitated a conversation around documentation standards and the layout/format of the Program Guide required in AB 3192. DHCS walked through key components of AB 3192 before opening the discussion for comments. There were many questions regarding signatures related to THCA services, professional standards of supervision, and what A&I requires during an audit. DHCS collected the feedback from stakeholders regarding documentation standards and will review this after the meeting. DHCS and the Program Guide subcommittee will discuss the feedback collected around the topic of AB 3192.

DHCS thanked all participants for their feedback and comments throughout the meeting and group discussion.

Next Meeting

The next meeting will take place on Wednesday, April 3.