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LEA MEDI-CAL REIMBURSEMENT PROCESS (BUD-W011)  
Sacramento City Unified School District

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**1. SCOPE:**

- 1.1. This outlines the work instruction followed by the Medi-Cal Reimbursement Unit to process LEA Medi-Cal Claims for Sacramento City Unified School District.

The online version of this procedure is official. Therefore, all printed versions of this document are unofficial copies.

**2. RESPONSIBILITY:**

- 2.1. Supervisor of Medi-Cal

**3. APPROVAL AUTHORITY:**

Approved signature on file

- 3.1. Director of Budget Services

**4. DEFINITIONS:**

- 4.1. DHS – California Department of Health Services
- 4.2. DOS – Date of Service
- 4.3. EDS – Electronic Data Systems
- 4.4. HEBS – licensed software program to process LEA Medi-Cal claims
- 4.5. LEA – Local Education Authority
- 4.6. SBSC – School Business Services of California
- 4.7. TCM – Targeted Case Management

**5. WORK INSTRUCTION:**

- 5.1. The LEA Medi-Cal Program reimburses the school district for Health and Mental Health services provided to Medi-Cal eligible students when performed by qualified LEA rendering Practitioners. These Practitioners are located in the Special Education Department, Health Services, Transportation and Healthy Start. Copies of services rendered are sent to the Medi-Cal Reimbursement Unit for billing purposes. See attachment 1 for covered services.

- 5.2. Mail is received by Inter-office mail (Box 802C), Picked up from Special Ed & Health Services departments, or Faxed from Non-Public Agencies/Schools

5.3. Inventory of Mail

- 5.3.1. First sort of mail is by month of service
- 5.3.2. Second sort of mail is by Provider type/billing claim form within the month
- 5.3.3. Claim forms are then counted, or if amount is large – measured
- 5.3.4. Amounts are recorded on the Inventory/Batch sheet as “In-Coming” (attachment 2)

5.4. Workflow

- 5.4.1. Work is prioritized by age / Date of Service (DOS) – exception Transportation (see below)

5.4.1.1. Aged claims are penalized by Department of Health Services (DHS)

- 6 months old – payment reduced by 25%
- 9 months old – payment reduced by 50%
- 12 months old - payment reduced by 100% (denied)

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- 5.4.2. Workload turn-around time is “first in first out”. Workload should be no older than six months old.
  - 5.4.2.1. If mail received is already 6 months or older, and is a small amount of mail, it should be prioritized for “today’s work”
  - 5.4.2.2. If large amount of old work received, then prioritize so it will not reach 9 months old and fall into 50% penalty, or 12 months and denied
  - 5.4.2.3. If a backlog occurs and the workload turn-around time is greater than 6 months, work can be contracted out at hourly agreement to School Business Services of California (SBSC). Work is batched by claim type and recorded on SBSC Log (attachment 3)
- 5.4.3. Transportation logs are currently handled by SBSC and batched for data entry with an SBSC Log and any corresponding reports included.

5.5. Data Entry

- 5.5.1. Health and Mental Assessments, Therapy Services and Transportation are keyed in to the HEBS claims processing system. The HEBS system requires a unique operator ID and password. The System Administrator, (currently the Medi-Cal Supervisor) or SBS has access to this information. The HEBS student database only contains students who have been, or are currently receiving Medi-Cal benefits. This database is updated in file maintenance on a monthly basis with SBSC. The HEBS claim database is contains 13 months of claim history.
- 5.5.2. Claim submission requirements:
  - Practitioner name, student name, date of service, type of service, if available, the student’s date of birth and or SSN.
  - 5.5.2.1. Claim information is keyed into HEBS to create a claim record.
  - 5.5.2.2. When adding claims, HEBS will search for the student by name, date of birth and SSN to find a match. Once a student matched is found, then the services are keyed in. HEBS will then verify in history if these services are a duplicate.
  - 5.5.2.3. During the add claims process, HEBS will assign a claim number to each claim keyed into the system; this number is written down onto the claim. The format of the claim number is as follows: AABBCCCC
    - AA = Operator ID
    - BB = Weekly Batch Number
    - CCCC = Claim number sequence
  - 5.5.2.4. Once claims are keyed into HEBS, they are batched by claim number using an Inventory/Batch sheet (attachment 2) and recorded as “Out-going”. Batches are kept in numeric order and placed into the locked file cabinet. Exception, Non-Public School (NPS), Non –Public Agencies (NPA), and Transportation claims are kept in their corresponding file folders and placed in the locked file cabinet.
  - 5.5.2.5. On a weekly basis the HEBS claim file is electronically transmitted using an FTP to Electronic Data Systems (EDS). This file contains all the necessary information for claims adjudication.

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5.5.2.6. Once EDS has processed this file, SBSC will electronically retrieve the file from EDS. This file will contain claim payment, denial and pending information, which will be uploaded into HEBS and update our files.

### 5.6. Data File Maintenance and Reporting

5.6.1. The HEBS system data files include the following: Provider, Student, School, Claims, Security, Procedure codes and Diagnostic codes. These files are utilized in the reporting module and require maintenance.

#### 5.6.1.1. Daily

A back up file containing claim, student and provider data is sent to SBSC.

#### 5.6.1.2. Weekly

- A claim file is transmitted to EDS for payment
- An ARDS file comes from EDS, which includes all paid claims, SBSC will post this file to our claim file and update HEBS with all claim adjudication information
- HEBS will generate a Warrant report
- HEBS will generate a YTD payment report

#### 5.6.1.3. Monthly

- HEBS will generate a Claim Status report
- SASI student file is created and sent to SBSC for DHS eligibility
- DIS speech file from Special Ed is sent to SBSC for DHS eligibility
- DHS Student eligibility match file is returned from SBSC. This file will update HEBS and contain new students, and update existing student records

#### 5.6.1.4. Quarterly

- CASEMIS file from Special Ed is sent to SBSC. SBSC will run a Targeted Case Management (TCM) program; this program will create TCM claims for billing purposes. SBSC will also send the file to DHS for updating eligibility
- HEBS payment report ran to provide each department with an update on billing. This is used to identify trends and any billing problems

## 6. ASSOCIATED DOCUMENTS:

6.1. Attachment 1: List of covered services/Providers

6.2. Attachment 2: Inventory/Batch sheet

6.3. Attachment 3: SBS Log

## 7. RECORD RETENTION TABLE:

<u>Identification</u>	<u>Storage</u>	<u>Retention</u>	<u>Disposition</u>	<u>Protection</u>
Claim records identified in procedure 5.5.2.4	Yearly batch work	Three year according to State Guidelines	Discard as desired	Offsite storage with SBSC

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**8.0 REVISION HISTORY:**

<u>Date:</u>	<u>Rev.</u>	<u>Description of Revision:</u>
11/12/04	A	Initial release
07/19/06	B	Location Change

**\* \* \* E n d o f p r o c e d u r e \* \* \***