

NEXT CALL: February 19 , 1:30pm

Conference call number is: 1-800-914-8405; code is: 1785191#. We will be muting all lines for this call: to contribute to the conversation and un-mute, please press *7.

School districts from across the state were part of the meeting. Below are minutes. Pass these on and let others know they can join in the calls.

Minutes: 2/11/15

Update on Deferral Proposals–

Last Friday, Feb. 6th, the proposed settlement agreement was due to CMS. This did not occur given the losses contemplated to school districts (see netted settlement chart attached) The loss would be substantial, out of the \$850 million owed; \$460 million would not be paid by CMS according to Last Friday, Feb. 6th, after 5pm, a note from John Mendoza was sent out stating that DHCS would not be turning in a proposal to CMS. Instead , new options groups were asked to submit new proposals on 2/11/15. These proposals would be reviewed on Thursday and a meeting to discuss what was presented will be on Friday February 13th. A proposal would be submitted to CMS by Friday the 20th of February. **(Options have now been submitted- see attached plus what is below. If you are interested in listening in to a discussion of the proposals, it is at 9am 13 February and the call in number is 866.769.5915- participant code 9298750. Please mute your lines.)**

The LEA workgroup has developed several people have worked on options. These options are based upon learning that Kern LEC had received settlement from CMS. CMS had supposedly gone in and audited Kern LEC, and they had received 100% back. Recently we have asked districts to send in both samples and roll up surveys. This was to decipher if what other districts had done was different than Kern. Results from samples were very similar in the samples vs. kern county results. The question was why is Kern getting 100% and other districts are getting 40%. In recent discussion, John Mendoza stated that Kern will be included in backcasting for 12-13-13/14 but not for more than that. If Kern could receive a pass, could other districts participate in the same procedure? Tony Teresi brought up in an earlier call that CMS did not accept 9 out of 10 claims they reviewed . Claims were conditionally denied until some aspect was fixed. Again, these claims did not appear too different than what had been approved. Options being presented by the LEA Workgroup:

Option 1.

- Claims thru 2012/13 will be paid at 100% of the original RTC claim amounts that have already been submitted to DHCS. They'll be based on the original justifications submitted to the LEC's and LGA's.
- Claims for 2013-14. They will pay 100% of the original claim amount since the RTC criteria were included from the start. (CMS approved this criteria and paid Kern 100%)

Option 2.

A straight settlement on everything. No backcasting, instead all would walk away as a compromise.

All the county/school districts were treated differently than Kern.

(other options attached)

Discussion:

This is some of the discussion by the group during the call: DHCS does not realize schools have a lot of flexibility in what their staff does. School districts understand. DHCS sees it as being fraudulent.

The majority of school districts did what they were supposed to do. They should not be obligated to pay for the small majority who didn't

This issue needs to go to a higher level. Other groups are aware of this unfair proposal. And it is important to remember that school districts will not get their money back in backcasting. They instead lose what money is received.

Netted Total Amount-

The netted total amount was sent out by DHCS. The version they sent is not currently usable by individuals as it cannot be accessed as an Excel chart. David Nebin, recreating the document so that it will be an interactive worksheet. School districts can use it to locate their LEA and compare it to others. A comparison can also be done for LEC's, to verify averages, and what the total net loss would be. School districts will see exactly what will happen to their LEA under this proposal. (There were issues with the numbers from LA County and they may not be accurate. We are checking on this)

Please share this document with your superintendent, and other staff and policy makers.

Budget Hearing

Assembly Budget Subcommittee Hearing (Health and Human Services):

MONDAY, FEBRUARY 23, 2015

Budget Subcommittee No. 1 On Health And Human Services

THURMOND, Chair

1:30 p.m. - State Capitol, Room 127

Committees: Budget, Subcommittee No. 1 on Health and Human Services

Item No.	Description
4260	Department of Health Care Services Overview

Medi-Cal Estimates and Issues , Family Health Estimate, ACA Implementation, Budget Proposals
There will be a discussion on the S MAA program at the hearing.

Pay Back Issue:

Some districts received funds from DHCS prior to the deferral. LECs were asking for this money to be returned prior to receiving the settlement at 40% or 75%.

Discussion:

LEC's have also stated that school districts would also need to pay back DHCS. DHCS had fronted 107 million dollars to districts for the deferral. CMS stated that they were not going to pay DHCS back for this. Therefore, DHCS wanted \$60 million dollars back of the \$107 million. This information came out yesterday, 2/10. This started a firestorm and added insult to injury. (Tony Teresi sent an e-mail regarding this issue and rescinding this directive.)

One perspective is that the school districts who received money back should not spend it. Depending on how the backcasting goes, the school district may in fact owe money back. This will not be determined

Implementation update-

PCG- Florie Wong:

Hellan reported a meeting with PCG. They were very clear that they license software and don't provide services to LEAs. They said that LEA's should not contact them regarding issues. They are a licensing agency *not* the provider. All issues/questions must go to the LEC's and the LGA's. The LEC's and LGA's have not always known the answer and have suggested LEA's speak with PCG directly. PCG's contract has limitations. LEA's are paying the LEC's and LGA's to answer questions as they are the one's administering the program.

RMTS Update:

Mendocino County: moments have been going well, all SD's are at 100%. Overall the county dropped to 97-98% due to staff who did not answer their moment appropriately from other counties. The calendar and list, aside from the personnel that needed to be removed from the list by the LEC, seems to have settled down. Moments can be seen by the coordinator five days in advance.

When a staff person left, the LEC sent a form so that they could respond to the moment appropriately as the person was on a paid leave.

Clarifying questions:

There was discussion on clarifying questions and Cathy Bennett reported that DHCS is currently in the middle of writing guidance for clarifying questions.

DCHS also said that they would be setting the clarifying questions at 5 calendar day, and that DHCS was going to write up the guidance that their clarifying questions would have 3 student attendance days to respond. Tony Teresi, said that DHCS is still working on this and more clarification may be given in 2 weeks. This is an issue coders need clarification on quickly as it they take this time into consideration. That DHCS is still offering/determining guidelines in the middle of a quarter is a concern.

Some districts have not received clarifying questions. Several LEC's may not have their clarifying questions. This is unclear. There was confusion on time frames as to when coders can ask the questions. There is also confusion if LEA's have five calendar days or three student days to respond.

Report of First Quarter Results and Prep for Second Quarter

Discussion:

Results for the first quarter will not be shared until May or June. This is concern as it may be a violation of what was agreed upon in the manual. Schools were to have the results 30 days after the quarter ended. The manual needs to be reviewed for further clarification.

PCG is currently preparing for next quarter. There is no contract with PCG for the next quarter, yet they are pushing forward. As for the current quarter there are so many invalid moments. They are starting quarter 4, without notices concerning rosters or guidance.

LEA Billing Option

Navigant has finished their interviews and three COEs and six LEAs representatives have been chosen to participate. These include Cathy Bennett(Sac City), Dawn Bray (Beaumont),Melissa Lovick (Downey) Janice DiCroce(San Diego LGA), Sherry Coburn(San Joaquin COE) Debbie Woods (Bakersfield), Orange COE plus Renzo Bernal from CDE and Michelle Kristoff and Tony Teresi from DHCS. (There are others but we did not have their names)

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