



MARK B HORTON, MD, MSPH
Director

State of California—Health and Human Services Agency
California Department of Public Health



ARNOLD SCHWARZENEGGER
Governor

November 2, 2007

TO: MCAH & AFLP DIRECTORS
MCAH, AFLP & BIH COORDINATORS

SUBJECT: CHANGE IN MCAH TITLE XIX TIME STUDY POLICY
PROGRAM POLICY ALERT #2007/08-02

This letter provides notice of a policy change regarding time studying. This change in policy states that there can be no more averaged time studies. The 2005-2006 MCAH Administrative Policy and Procedure Manual allowed averaging the two immediately preceding months of time studies when a staff member was unable to time study for the required minimum ten working days. The Federal Centers for Medicare and Medicaid Services (CMS) has stated that time studying Medi-Cal Administrative Activities cannot include 'averaged' time studies. The MCAH policy has been updated to comply with CMS requirements. **If you do not time study, you cannot claim FFP.**

The effective date of this change is January 1, 2008.

You can find the updated 07-08 Fiscal Administration Policy and Procedure Manual at http://www.mch.dhs.ca.gov/documents/Admin/FY_07_08/Admin-Fiscal%20P&P%20Manual.doc

and Program's Policy and Procedure Manual, as well as prior year versions at: <http://www.mch.dhs.ca.gov/administration/localhealthadmin.htm>

New policy language:

All staff claiming FFP match on the program budget must complete daily time studies for a minimum of one month in every quarter. The month designated to be the time study month (1st, 2nd or 3rd month) must be consistently time studied throughout the year. The designated time study month is determined at the beginning of the fiscal year. If you do not time study, you cannot claim FFP. During the time study month any staff who is using paid leave, holiday, vacation, sick leave or any other paid leave, or who performed activities unrelated to their MCAH approved duty statement for a period exceeding ten working days, and did not time study for claimable activities may not claim FFP for that quarter.

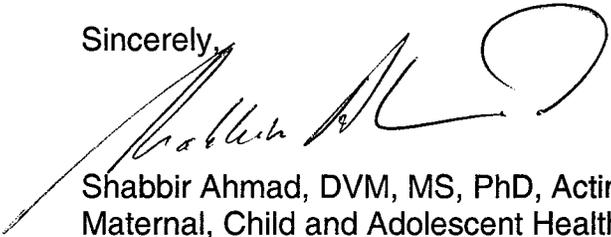
MCAH & AFLP DIRECTORS,
MCAH, AFLP & BIH COORDINATORS

Page 2

November 2, 2007

If you have any questions, please contact your Contract Manager.

Sincerely,

A handwritten signature in black ink, appearing to read 'Shabbir Ahmad', with a large, stylized flourish at the end.

Shabbir Ahmad, DVM, MS, PhD, Acting Chief
Maternal, Child and Adolescent Health Program

cc: Les Newman
Fred Chow
Karen Ramstrom
Anita Mitchell
Sue Lyle
Angela Furnari
Genny Fleming
MCAH Contract Managers
MCAH Program Consultants