

**Sierra County
Board of Supervisors'
Agenda Transmittal &
Record of Proceedings**

MEETING DATE: May 5, 2020	TYPE OF AGENDA ITEM: <input type="checkbox"/> Regular <input type="checkbox"/> Timed <input checked="" type="checkbox"/> Consent
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DEPARTMENT: Behavioral Health APPROVING PARTY: Lea Salas, Administrative Director PHONE NUMBER: (530) 993-6746

AGENDA ITEM: Memorandum of Understanding between California Health and Wellness Plan and County of Sierra for Coordination of Services

SUPPORTIVE DOCUMENTS ATTACHED: Memo Resolution Agreement Other

BACKGROUND INFORMATION: Please see attached memo.

FUNDING SOURCE:
GENERAL FUND IMPACT: No General Fund Impact
OTHER FUND:
AMOUNT: \$ N/A

ARE ADDITIONAL PERSONNEL REQUIRED? <input type="checkbox"/> Yes, -- -- <input checked="" type="checkbox"/> No	IS THIS ITEM ALLOCATED IN THE BUDGET? <input type="checkbox"/> Yes <input type="checkbox"/> No IS A BUDGET TRANSFER REQUIRED? <input type="checkbox"/> Yes <input type="checkbox"/> No
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SPACE BELOW FOR CLERK'S USE

BOARD ACTION: <input type="checkbox"/> Approved <input type="checkbox"/> Approved as amended <input type="checkbox"/> Adopted <input type="checkbox"/> Adopted as amended <input type="checkbox"/> Denied <input type="checkbox"/> Other <input type="checkbox"/> No Action Taken	<input type="checkbox"/> Set public hearing For: _____ <input type="checkbox"/> Direction to: _____ <input type="checkbox"/> Referred to: _____ <input type="checkbox"/> Continued to: _____ <input type="checkbox"/> Authorization given to: _____	Resolution 2020- _____ Agreement 2020- _____ Ordinance _____ Vote: Ayes: Noes: Abstain: Absent: <input type="checkbox"/> By Consensus
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COMMENTS:

CLERK TO THE BOARD _____	DATE _____
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Memorandum

To: Sierra County Board of Supervisors
From: Lea Salas, Administrative Director
Reference: Agenda Item
Date of memo: April 27, 2020
Date of Board Meeting: May 5, 2020

Requested Action: Memorandum of Understanding between California Health and Wellness Plan and County of Sierra for Coordination of Services

Mandated by: Title 9 CCR

Funding

Budgeted? Yes No

Revenue		
Expenses		
Difference	0	

Background Information: The County through its Department of Behavioral Health is a Mental Health Plan (MHP) as defined in Title 9 CCR, section 1810.226 and is required by the State Department of Mental Health (“DMH”) to enter into an MOU with any Medi-Cal managed care plan providing health care services to MHP Medi-Cal beneficiaries in accordance with Title 9 CCR.

The purpose of this MOU is to describe the responsibilities of the County through its MHP and California Health and Wellness Plan (CHWP) in the delivery of specialty mental health services to members served by both Parties. It is the intention of the County and CHWP to coordinate care between providers of physical care and mental health care.

Potential Issues to consider: None

Alternatives or Impacts of disapproval: Sierra County would not be in compliance.

MEMORANDUM OF UNDERSTANDING
between
CALIFORNIA HEALTH AND WELLNESS PLAN
and
COUNTY OF SIERRA
for
COORDINATION OF SERVICES

This MEMORANDUM OF UNDERSTANDING (“MOU”) is made and entered into by and between the COUNTY OF SIERRA, a Political Subdivision of the State of California, hereinafter referred to as “COUNTY” and CALIFORNIA HEALTH AND WELLNESS PLAN (“CHWP”), a health maintenance organization, whose address is PO Box 1558, Sacramento, CA 95812-1558, (collectively the “Parties” and individually “Party”) in order to implement certain provisions of Title 9 of the California Code of Regulations (“CCR”).

WHEREAS COUNTY through its Department of Behavioral Health is a Mental Health Plan hereinafter referred to as “MHP”, as defined in Title 9 CCR, section 1810.226 and is required by the State Department of Mental Health (“DMH”) to enter into an MOU with any Medi-Cal managed care plan providing health care services to MHP Medi-Cal beneficiaries in accordance with Title 9 CCR; and

WHEREAS, nothing contained herein shall add to or delete from the services required by COUNTY or CHWP under each individual Party’s agreement with the State (“State”) of California or the provisions of State or federal law. COUNTY and CHWP agree to perform required services under said agreements with the State, to the extent not inconsistent with laws and regulations; and

WHEREAS, the Department of Health Care Services may sanction a mental health plan pursuant to paragraph (one), subdivision (e), Section 14712 for failure to comply with the requirements of Welfare & Institution Code, Section 14715; and

WHEREAS, this MOU cannot conflict with MHP’s obligations in the State/County MHP Contract, CCR Title 9, and the State Plan for the rehabilitation and Targeted Case Management outpatient; and

WHEREAS, all references in this MOU to “members” are limited to individuals assigned to or enrolled in CHWP health plan.

WHEREAS the purpose of this MOU is to describe the responsibilities of COUNTY through its MHP and CHWP in the delivery of specialty mental health services to members served by both Parties. It is the intention of COUNTY and CHWP to coordinate care between providers of physical care and mental health care as set forth in Attachment A, “Matrix of Parties’ Responsibilities”.

WHEREAS, Attachment B identified as “DHCS All Plan Letter (“APL”) 17-018” which is attached hereto and incorporated herein, shall provide guidelines by which this MOU shall be governed. Any amendments to this APL Letter shall automatically be incorporated by reference into this MOU.

NOW, THEREFORE, in consideration of their mutual covenants and conditions, the Parties hereto agree as follows:

1. TERM

This MOU shall become effective retroactively to the 1st day of April, 2020 and shall automatically renew thereafter.

2. TERMINATION

A. Non-Allocation of Funds. The terms of this MOU, and the services to be provided thereunder, are contingent on the approval of funds by the appropriating government agency. Should sufficient funds not be allocated, the services provided may be modified, or this MOU terminated at any time by giving CHWP sixty (60) days advance written notice.

B. Without Cause. Under circumstances other than those set forth above, this MOU may be terminated by CHWP or COUNTY or Director of COUNTY's Department of Behavioral Health, or designee, upon the giving of sixty (60) days advance written notice of an intention to terminate.

3. COMPENSATION

The program responsibilities conducted pursuant to the terms and conditions of this MOU shall be performed without the payment of any monetary consideration by CHWP or COUNTY, one to the other.

4. INDEPENDENT CONTRACTOR

In performance of the work, duties and obligations assumed by CHWP under this MOU, it is mutually understood and agreed that CHWP, including any and all of CHWP's officers, agents, and employees will at all times be acting and performing as an independent contractor, and shall act in an independent capacity and not as an officer, agent, servant, employee, joint venturer, partner, or associate of COUNTY. Furthermore, COUNTY shall have no right to control or supervise or direct the manner or method by which CHWP shall perform its work and function. However, COUNTY shall retain the right to administer this MOU so as to verify that CHWP is performing its obligations in accordance with the terms and conditions thereof. CHWP and COUNTY shall comply with all applicable provisions of law and the rules and regulations, if any, of governmental authorities having jurisdiction over matters which are directly or indirectly the subject of this MOU.

Because of its status as an independent contractor, CHWP shall have absolutely no right to employment rights and benefits available to COUNTY employees. CHWP shall be solely liable and responsible for providing to, or on behalf of, its employees all legally-required employee benefits. In addition, CHWP shall be solely responsible and save COUNTY harmless from all matters relating to payment of CHWP's employees, including compliance with Social Security, withholding, and all other regulations governing such matters. It is acknowledged that during the term of this MOU, CHWP may be providing services to others unrelated to the COUNTY or to this MOU.

5. HOLD-HARMLESS

Each of the Parties hereto shall be solely liable for negligent or wrongful acts or omissions of its officers, agents and employees occurring in the performance of this MOU, and if either Party becomes liable for damages caused by its officers, agents or employees, it shall

pay such damages without contribution by the other Party. Each Party hereto agrees to indemnify, defend (if requested by the other Party) and save harmless the other Party, its officers, agents and employees from any and all costs and expenses, including attorney fees and court costs, claims, losses, damages and liabilities proximately caused by the Party, including its officers, agents and employees, solely negligent or wrongful acts or omissions. In addition, either Party agrees to indemnify the other Party for Federal, State and/or local audit exceptions resulting from noncompliance herein on the part of the other Party.

6. DISCLOSURE OF SELF-DEALING TRANSACTIONS

Members of CHWP Board of Directors shall disclose any self-dealing transactions that they are a party to CHWP while CHWP is providing goods or performing services under this MOU. A self-dealing transaction shall mean a transaction to which CHWP is a party and in which one or more of its directors has a material financial interest. Members of the Board of Directors shall disclose any self-dealing transactions to which they are a party.

7. CONFIDENTIALITY

All responsibilities performed by the Parties under this MOU shall be in strict conformance with all applicable Federal, State and/or local laws and regulations relating to confidentiality.

8. NON-DISCRIMINATION

During the performance of this MOU, CHWP shall not unlawfully discriminate against any employee or applicant for employment, or recipient of services, because of race, religion, color, national origin, ancestry, physical disability, medical condition, sexual orientation, marital status, age, or gender, pursuant to all applicable State and Federal statutes and regulations.

9. AUDITS AND INSEPCCTIONS

Each Party shall, at any time upon reasonable notice during business hours, and as often as may be deemed reasonably necessary, make available for examination by the other Party, State, local, or federal authorities all of its records and data with respect to the matters covered by this MOU as may be required under State or federal law or regulation or a Party's contract with a State agency.

10. NOTICES

The persons having authority to give and receive notices under this MOU and their addresses include the following:

<u>CHWP:</u>	<u>COUNTY:</u>
<u>California Health and Wellness Plan</u>	<u>COUNTY OF SIERRA</u>
<u>1740 Creekside Oaks Drive, Suite 200</u>	<u>P.O. BOX 265</u>
<u>Sacramento, CA 95833</u>	<u>Loyalton, CA 96118</u>

or to such other address as such Party may designate in writing.

Any and all notices between COUNTY and CHWP provided for or permitted under this MOU or by law, shall be in writing and shall be deemed duly served when personally

delivered to one of the Parties, or in lieu of such personal service, when deposited in the United States Mail, postage prepaid, addressed to such Party.

11. GOVERNING LAW

The Parties agree that for the purposes of venue, performance under this MOU is to be in Sierra County, California.

The rights and obligations of the Parties and all interpretation and performance of this MOU shall be governed in all respects by the provisions of California Department of Health Care Services' official policy letters and the laws and regulations of the State of California.

12. ENTIRE AGREEMENT

This MOU including all Exhibits and Attachments set forth below constitutes the entire agreement between CHWP and COUNTY with respect to the subject matter hereof and supersedes all previous agreement negotiations, proposals, commitments, writings, advertisements, publications and understandings of any nature whatsoever unless expressly included in this MOU.

**THIS AGREEMENT CONTAINS A BINDING ARBITRATION PROVISION
THAT MAY BE ENFORCED BY THE PARTIES.**

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date set forth beneath their respective signatures.

California Health and Wellness Plan

County of Sierra

(Legibly Print Name of Provider)

Signature: _____

Abbie Ann Totten

Signature: _____

Print Name: **Abbie Totten**

Print Name: _____

Title: **MediCal Program Officer**

Title: _____

Date: **04/23/2020**

Date: _____

Tax Identification Number: _____

Included in Agreement	Attachment/Exhibit
X	Attachment A: Matrix of Parties' Responsibilities
X	Attachment B: DHCS All Plan Letter 17-018 (Medi-Cal Managed Care Plan Responsibilities for Outpatient Mental Health Services)
X	Attachment C: DHCS All Plan Letter 17-010 (Non-Emergency Medical And Non-Medical Transportation Services).

**ATTACHMENT A
TO
MEMORANDUM OF UNDERSTANDING**

MATRIX OF PARTIES' RESPONSIBILITIES

CATEGORY	MENTAL HEALTH PLAN (MHP)	CHWP
1. Basic Requirements	<p>1. MHP agrees to address policies and procedures with the CHWP that cover:</p> <ul style="list-style-type: none"> -management of the members care, including – but not limited to the following: -screening assessment and referrals - medical necessity determination -care coordination and -exchange of medical information. 	<p>2. CHWP agrees to address policies and procedures with the MHP that cover:</p> <ul style="list-style-type: none"> -management of the members care, including – but not limited to the following: -screening assessment and referrals - medical necessity determination -care coordination and -exchange of medical information.
2 Mental Health Covered Services	<p>1. MHP is responsible for providing CHWP members with outpatient mental health benefits for members with significant impairment in functions that meet the medical necessity criteria. See Attachment B: DHCS APL 17-018 Medi-Cal Managed Care Plan Responsibilities for Outpatient Mental Health Services</p> <p>2. Conditions that the <i>Diagnostic and Statistical Manual (DSM)</i> identifies as relational problems (e.g. couples counseling, family counseling for relational problems) are not covered as part of the new benefit by the MHP or by CHWP.</p> <p>3. All services must be provided in a culturally and linguistically appropriate manner</p>	<p>1. CHWP is obligated to cover and pay for mental health assessments of CHWP members with potential mental health disorders rendered by CHWP s network providers for services that are Plan responsibility. This new requirement is in addition to the existing requirement that PCPs offer mental health services within their scope of practice.</p> <p>2. CHWP is responsible for providing members with outpatient mental health benefits for members with mild to moderate impairment of mental, emotional, or behavioral functioning resulting from any mental health condition defined by the current <i>Diagnostic and Statistical Manual (DSM)</i> that is also covered according to State regulations and consistent with DHCS APL 17-018 (Attachment B) and any revisions thereto.</p> <p>3. CHWP will be responsible for providing these services when medically necessary and provided by PCPs or licensed mental health professionals in CHWP's provider network within the scope of their practice. See Attachment B: Attachment 1, Mental Health</p>

CATEGORY	MENTAL HEALTH PLAN (MHP)	CHWP
		<p>Services Description Chart for Medi-Cal Managed Care Members.</p> <p>4. Conditions that the DSM identifies as relational problems (<i>e.g. couples counseling, family counseling for relational problems</i>) are not covered as part of the new benefit by CHWP nor by the MHP.</p> <p>5. All services must be provided in a culturally and linguistically appropriate manner.</p>
<p>3. Oversight Responsibilities</p>	<p>a. MHP's administrative staff is the liaison that will be responsible for notifying its network providers and relevant staff of their roles and responsibilities in the management of this MOU.</p> <p>b. MHP will have staff participate on an oversight team comprised of representatives from both CHWP and the MHP who will be responsible for program oversight, quality improvement, problem and dispute resolution, and ongoing management of this MOU.</p> <p>c. MHP will also have staff participate on a multidisciplinary clinical team oversight process for clinical operations: screening, assessment, referrals, care management, care coordination, and exchange of medical information. The MHP and CHWP may determine the composition of the multidisciplinary teams.</p> <p>d. The MHP and CHWP oversight teams and multidisciplinary teams may be the same teams.</p> <p>e. MHP liaison will provide CHWP with an updated list of approved MHP providers, specialists and mental health care centers in the county. This information is also available on the MHP's managed care website.</p>	<p>a. CHWP's affiliate behavioral health company, Cenpatico Behavioral Health ("Cenpatico") has direct contracts with mental health professionals (LMHP) network and will be responsible for notifying their LMHPs and relevant staff of their roles and responsibilities.</p> <p>b. CHWP has a Public Programs administrator/liason that will participate on an oversight team comprised of representatives from both MHP and CHWP who will be responsible for program oversight, quality improvement, problem and dispute resolution as well as management of this MOU.</p> <p>c. CHWP will also have staff participate on a multidisciplinary clinical team oversight process for clinical operations: screening, assessment, referrals, care management, care coordination, and exchange of medical information. CHWP and MHP may determine the composition of the multidisciplinary teams.</p> <p>d. CHWP and the MHP oversight teams and multidisciplinary teams may be the same teams.</p> <p>e. CHWP liaison will provide MHP with an updated list of its LMHPs and specialists.</p>
<p>4 Screening, Assessment and Referral</p>	<p>a. MHP accepts referrals from CHWP staff, providers and members' self-referrals for determination of medical necessity for specialty mental health services. Medical</p>	<p>1. CHWP is responsible for the screening, assessment and referrals, including agreed upon screening and assessment tools for use in determining if CHWP</p>

CATEGORY	MENTAL HEALTH PLAN (MHP)	CHWP
	<p>necessity for specialty mental health services is defined at Title 9, CCR, Sections 1820.205*, 1830.205* and 1830.210*.</p> <p>b. If it is determined by CHWP's LMHP that the member may meet specialty mental health services medical necessity criteria, the CHWP LMHP refers the member to the MHP for further assessment and treatment.</p> <p>c. MHP providers will refer CHWP members to their identified PCP for medical and non-specialty mental health conditions that would be responsive to appropriate physical health care.</p>	<p>or the MHP will provide mental health services.</p> <p>2. CHWP accepts referrals from MHP staff, providers, and members' self-referral for assessment, makes a determination of medical necessity for outpatient services, and provides referrals within CHWP's 's LMHP network. Medical necessity means reasonable and necessary services to protect life, to prevent significant illness or significant disability, or to alleviate severe pain through the diagnosis or treatment of disease, illness, or injury.</p> <p>When determining the medical necessity of covered services for a Medi-Cal beneficiary under the age of 21, "medical necessity" is expanded to include the standards set forth in Title 22 CCR Sections 51340* and 51340.1*.</p> <p>3. CHWP PCP's will refer CHWP members to a CHWP LMHP for:</p> <ul style="list-style-type: none"> i. An assessment to confirm or arrive at a diagnosis and treatment (except in emergency situations or in cases when the beneficiary clearly has a significant impairment that the member can be referred directly to the MHP). ii. If it is determined by the CHWP LMHP that the member may meet the Specialty Mental Health Services (SMHS) medical necessity criteria, the CHWP LMHP refers the member to the MHP for further assessment and treatment. <p>When a CHWP member's condition improves under SMHS and the CHWP LMHP and MHP coordinate care, the CHWP member may return to the CHWP LMHP.</p>

CATEGORY	MENTAL HEALTH PLAN (MHP)	CHWP
		<p>4. Primary care mental health treatment includes:</p> <ul style="list-style-type: none"> a. Basic education, assessment, counseling and referral and linkage to other services for all CHWP members b. Medication and treatment for <ul style="list-style-type: none"> i. Mental health conditions that would be responsive to physical healthcare-based treatment ii. Mental health disorders due to a general medical condition iii. Medication-induced reactions from medications prescribed by physical health care providers.
5. Care Coordination	<p>1. When medical necessity criteria are met and services are approved by the MHP, the MHP and contracted providers will provide hospital based specialty mental health ancillary services, which include, but are not limited to Electroconvulsive Therapy (ECT) and magnetic resonance imaging (MRI) that are received by an CHWP member admitted to a psychiatric inpatient hospital other than routine services. Per Title 9, CCR, Article 3, Section 1810.350*.</p>	<p>1. CHWP must cover and pay for medically necessary laboratory, radiological, and radioisotope services described in Title 22, CCR, Section 51311*. CHWP will cover related services for Electroconvulsive Therapy (ECT) such as anesthesiologist services provided on an outpatient basis. Per MMCD Policy Letter No. 00-01 REV.</p> <p>2. CHWP will cover and pay for all medically necessary professional services to meet the physical health care needs of the members who are admitted to the psychiatric ward of a general acute care hospital or to a freestanding licensed psychiatric inpatient hospital or Psychiatric Health Facility (PHF). These services include the initial health history and physical assessment required within 24 hours of admission and any medically necessary physical medicine consultation. Per MMCD Policy Letter No. 00-01 REV.</p> <p>3. CHWP is not required to cover room and board charges or mental health services associated with a CHWP</p>

CATEGORY	MENTAL HEALTH PLAN (MHP)	CHWP
		member's admission to a hospital or inpatient psychiatric facility for psychiatric inpatient services. Per MMCD Policy Letter No. 00-01 REV.
5.a. Laboratory, Radiological and Radioisotope Services	1. For any member needing laboratory, radiological, or radioisotope services when necessary for the diagnosis, treatment or monitoring of a mental health condition MHP will utilize the list of CHWP contract providers.	<ol style="list-style-type: none"> 1. CHWP will cover and pay for medically necessary laboratory, radiological and radioisotope services when ordered by the MHP for the diagnosis, treatment or monitoring of a mental health condition (and side effects resulting from medications prescribed to treat the mental health diagnosis) as described in Title 22, CCR Section 51311* and MMCD Policy Letter No. 00-01 REV. 2. CHWP will coordinate and assist the MHP in the delivery of laboratory radiological or radioisotope services. 3. A list of CHWP contracted providers is available on-line. 4. CHWP will provide the process for obtaining timely authorization and delivery of prescribed drugs and laboratory services.
5.b. Home Health Agency Services	1. MHP shall cover and pay for medication support services, case management, crisis intervention services, or any other specialty mental health services as provided under Section 1810.247*, which are prescribed by a psychiatrist and are provided to a CHWP member who is homebound. MHP will collaborate with CHWP on any specialty mental health services being provided to an CHWP member.	<ol style="list-style-type: none"> 1. CHWP will cover and pay for prior authorized home health agency services as described in Title 22, CCR, Section 51337* prescribed by a CHWP provider when medically necessary to meet the needs of homebound CHWP members. CHWP is not obligated to provide home health agency services that would not otherwise be authorized by the Medi-Cal program. 2. CHWP will refer members who may be at risk of institutional placement to the Home and Community Based Services (HCBS) Waiver Program if appropriate.
5.c. Pharmaceutical Services and Prescribed Drugs	<ol style="list-style-type: none"> 1. The MHP list of contracted network providers is available on line. 2. MHP providers will prescribe and monitor the effects and side effects of psychotropic medications for CHWP members under their treatment 	<ol style="list-style-type: none"> 1. CHWP will: <ol style="list-style-type: none"> a. Allow MHP credentialed providers access to pharmacy and laboratory services as specialty providers b. A list of participating pharmacies, laboratories, drug formulary, and

CATEGORY	MENTAL HEALTH PLAN (MHP)	CHWP
	<ol style="list-style-type: none"> 3. MHP will coordinate with CHWP representatives to ensure that psychotropic drugs prescribed by MHP providers are included in the CHWP formulary and/or available for dispensing by CHWP network pharmacies unless otherwise stipulated by state regulation. 4. MHP will inform MHP providers regarding process and procedure for obtaining prescribed medications for CHWP members 5. MHP providers will utilize CHWP contracted laboratories for laboratory tests needed in connection with administration and management of psychotropic medications. 6. MHP will assist CHWP in the utilization review of psychotropic drugs prescribed by out-of-network psychiatrists. 7. MHP will share with CHWP a list of non-psychiatrist MHP providers contracted to provide mental health services in areas where access to psychiatrists is limited on a quarterly basis. 	<p>authorization of procedures are available on line.</p> <ol style="list-style-type: none"> c. Consider recommendations from MHP for utilization management standards for mental health pharmacy and laboratory services d. Provide the process for obtaining timely authorization and delivery of prescribed drugs and laboratory services to the MHP <ol style="list-style-type: none"> 2. CHWP will coordinate with MHP to ensure that covered psychotropic drugs prescribed by MHP providers are available through the authorization process or formulary for dispensing by CHWP network pharmacies unless otherwise stipulated by state regulation. (See the Medi-Cal provider manual for Drugs Excluded from CHWP Coverage http://files.medi-cal.ca.gov/pubsdoco/manuals_menu.asp). CHWP will apply utilization review procedures when prescriptions are written by out-of-network psychiatrists for the treatment of psychiatric conditions <ol style="list-style-type: none"> a. Covered psychotropic drugs written by out-of-network psychiatrists will be filled by CHWP network pharmacies b. CHWP will provide members with the same drug accessibility written by out-of-network psychiatrists as in-network providers c. CHWP will not cover and pay for mental health drugs written by out-of-network physicians who are not psychiatrists unless these prescriptions are written by non-psychiatrists contracted by the MHP to provide mental health services in areas where access to psychiatrists is limited. Per MMCD Policy Letter No. 00-01 REV.

CATEGORY	MENTAL HEALTH PLAN (MHP)	CHWP
		<ol style="list-style-type: none"> 3. CHWP PCPs will monitor the effects and side effects of psychotropic medications prescribed for those members whose psychiatric conditions are under their treatment. 4. Reimbursement to pharmacies for new psychotropic drugs classified as antipsychotics and approved by the FDA will be made through the MHP whether these drugs are provided by a pharmacy contracting with CHWP or by an MHP pharmacy. Per MMCD Policy Letter No. 00-01 REV.
5.d. Service Authorizations	<ol style="list-style-type: none"> 1. For any member needing prescribed drugs and laboratory services when necessary for the treatment or monitoring of a mental health condition, MHP will utilize the list of CHWP contracted providers found on their website. 2. MHP will authorize treatment services by MHP providers who are credentialed and contracted with MHP for services that meet SMHS medical necessity criteria. 	<ol style="list-style-type: none"> 1. CHWP will authorize medical assessment and/or treatment services by CHWP LMHPs who are credentialed and contracted with CHWP for covered medically necessary services. 2. CHWP will inform PCPs that they may refer members to the MHP for specialty mental health services. 3. CHWP contracted providers can be found on the website.
5.e. Nursing and Residential Facility Services	<ol style="list-style-type: none"> 1. MHP will arrange and coordinate payment for nursing facility services, i.e., augmented Board and Care (ABC), Skilled Nursing Facility (SNF), Institution for Mental Disease (IMD), etc., for members who meet medical necessity criteria and who require a special treatment program [Title 22, California Code of Regulations (CCR), Section 51335(k)*] 2. MHP's provide medically necessary specialty mental health services, typically visits by psychiatrists and psychologists. 	<ol style="list-style-type: none"> 1. CHWP will arrange and pay for nursing facility services for CHWP members who meet the medical necessity criteria per Title 22, CCR, Section 51335*. 2. CHWP will arrange for disenrollment from managed care if the member needs nursing services for a longer period of time. 3. CHWP will pay for all medically necessary DHCS contractually required Medi-Cal covered services until the disenrollment is effective.
5.f. Developmentally Disabled Services	<ol style="list-style-type: none"> 1. MHP will refer members with developmental disabilities to the Local Regional Center for non-medical services such as respite, out-of-home placement, supportive living, etc., if such services are needed. 2. MHP has a current list of names, addresses and telephone numbers of local providers, provider organizations, and agencies that is available to an CHWP member when that 	<ol style="list-style-type: none"> 1. CHWP and CHWP providers will refer members with developmental disabilities to the local Regional Center for non-medical services such as respite, out-of-home placement supportive living, etc., if such services are needed. 2. CHWP will maintain a current MOU with the Regional Center

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	<p>member has been determined to be ineligible for MHP covered services because the member's diagnosis is not included in CCR, Title 9 1830.205(b)(1)*.</p>	
<p>6. Exchange of Protected Health Information</p>	<ol style="list-style-type: none"> 1. MHP will comply with all applicable laws pertaining to use and disclosure of PHI including but not limited to: <ul style="list-style-type: none"> • HIPAA / 45 C.F.R. Parts 160 and 164 • LPS / W & I Code Sections 5328 -5328.15 • 45 C.F.R. Part 2 • HITECH Act (42. U.S.C. Section 17921 <i>et. seq.</i> • CMIA (Ca Civil Code 56 through 56.37) • Title 9, CCR, Section 1810.370(a)(3)* 2. MHP will train all members of its workforce on policies and procedures regarding Protected Health Information (PHI) as necessary and appropriate for them to carry out their functions within the covered entity. 3. Only encrypted PHI as specified in the HIPAA Security Rule will be disclosed via email. Unsecured PHI will not be disclosed via email. 4. MHP will notify the State of verified breaches (as defined by the HITECH Act as posing a significant risk of financial, reputational or other harm to the client) and corrective actions planned or taken to mitigate the harm involving members within the required timelines. 	<ol style="list-style-type: none"> 1. CHWP will comply with applicable portions of <ul style="list-style-type: none"> • HIPAA / 45 C.F.R. Parts 160 and 164 • LPS / W & I Code Sections 5328 - 5328.15 • 45 C.F.R. Part 2 • HITECH Act (42. U.S.C. Section 17921 <i>et. seq.</i> • CMIA (Ca Civil Code 56 through 56.37) 2. MHP will train all members of its workforce on policies and procedures regarding Protected Health Information (PHI) as necessary and appropriate for them to carry out their functions within the covered entity. 3. CHWP will encrypt any data transmitted via email containing confidential data of CHWP members such as PHI and Personal Confidential Information (PCI) or other confidential data to CHWP or anyone else including state agencies. 4. CHWP will notify the State within their contractual guidelines of any suspected or actual breach of security, intrusion or unauthorized use or disclosure of PHI and/or any actual or suspected use or disclosure of data in violation of any applicable Federal and State laws or regulations.
<p>7. Reporting and Quality Improvement Requirements</p>	<ol style="list-style-type: none"> 1. MHP in conjunction with CHWP will hold regular meetings to review the referral and care coordination process and to monitor member engagement and utilization. 2. No less than semi-annually, MHP and CHWP will review the referral and care coordination process to improve quality of care; and at least semi-annual reports summarizing quality findings, as determined in collaboration with 	<ol style="list-style-type: none"> 1. CHWP in conjunction with MHP will hold regular meetings to review the referral and care coordination process and to monitor member engagement and utilization. 2. No less than semi-annually, CHWP and MHP will review the referral and care coordination process to improve quality of care; and at least semi-annual reports summarizing quality findings, as determined in

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	<p>DHCS. Reports summarizing findings of the review must address the systemic strengths and barriers to effective collaboration between MHP and CHWP.</p> <p>3. MHP and CHWP will develop reports that track cross-system referrals, beneficiary engagement, and service utilization to be determined in collaboration with DHCS, including, but not limited to, the number of disputes between MHP and CHWP, the dispositions/outcomes of those disputes, the number of grievances related to referrals and network access and dispositions/outcomes of those grievances. Reports shall also address utilization of mental health services by members receiving such services from MHP and CHWP, as well as quality strategies to address duplication of services.</p> <p>4. Performance measures and quality improvement initiatives to be determined in collaboration with DHCS.</p>	<p>collaboration with DHCS. Reports summarizing findings of the review must address the systemic strengths and barriers to effective collaboration between CHWP and the MHP.</p> <p>3. CHWP and the MHP will develop reports that track cross-system referrals, beneficiary engagement, and service utilization to be determined in collaboration with DHCS, including, but not limited to, the number of disputes between CHWP and the MHP, the dispositions/outcomes of those disputes, the number of grievances related to referrals and network access and dispositions/outcomes of those grievances. Reports shall also address utilization of mental health services by members receiving such services from CHWP and the MHP, as well as quality strategies to address duplication of services.</p> <p>4. Performance measures and quality improvement initiatives to be determined in collaboration with DHCS.</p>
8. Dispute Resolution	<p>1. MHP Liaison will participate in an annual review, update and/or renegotiations with CHWP on this agreement as is mutually agreed.</p> <p>2. When the MHP has a dispute with CHWP that cannot be resolved to the satisfaction of the MHP concerning the obligations of the MHP or CHWP under their respective contracts with the DHCS, State Medi-Cal laws and regulations, or with this MOU as described in Section 1810.370*, the MHP may submit a request for resolution to the Department.</p> <p>3. Either the MHP or CHWP shall submit a request for resolution to either Departments within 15 calendar days of the completion of the dispute resolution process between the Parties. The request for resolution shall contain the following information:</p> <p>a) A summary of the issue and a statement of the desired remedy, including any</p>	<p>1. CHWP liaison will conduct an annual review, update and/or renegotiations of this agreement with the MHP, as is mutually agreed.</p> <p>2. When CHWP has a dispute with the MHP that cannot be resolved to the satisfaction of CHWP concerning the obligations of the MHP or CHWP under their respective contracts with the DHCS, State Medi-Cal laws and regulations, or with this MOU as described in Section 1810.370*, CHWP may submit a request for resolution to the Department.</p> <p>3. Either the MHP or CHWP shall submit a request for resolution to either Departments within 15 calendar days of the completion of the dispute resolution process between the Parties. The request for resolution shall contain the following information:</p>

CATEGORY	MENTAL HEALTH PLAN (MHP)	CHWP
	<p>disputed services that have been or are expected to be delivered to the beneficiary and the expected rate of payment for each type of service.</p> <p>b) History of attempts to resolve the issue.</p> <p>c) Justification for the desired remedy.</p> <p>d) Documentation regarding the issue.</p> <p>e) Upon receipt of a request for resolution, the department receiving the request will notify the department and the other Party within seven calendar days. The notice to the other Party shall include a copy of the request and will ask for a statement of the Party's position on the dispute, any relevant documentation supporting its position, and any dispute of the rate of payment for services included by the other Party in its request.</p> <p>f) The other Party shall submit the requested documentation within 21 calendar days from notification of the Party from whom documentation is being requested by the Party that received the initial request for resolution or the departments shall decide the dispute based solely on the documentation filed by the initiating Party.</p>	<p>a) A summary of the issue and a statement of the desired remedy, including any disputed services that have been or are expected to be delivered to the beneficiary and the expected rate of payment for each type of service.</p> <p>b) History of attempts to resolve the issue.</p> <p>c) Justification for the desired remedy.</p> <p>d) Documentation regarding the issue.</p> <p>e) Upon receipt of a request for resolution, the department receiving the request will notify the other department and the other Party within seven calendar days. The notice to the other Party shall include a copy of the request and will ask for a statement of the Party's position on the dispute, any relevant documentation supporting its position, and any dispute of the rate of payment for services included by the other Party in its request.</p> <p>f) The other Party shall submit the requested documentation within 21 calendar days from notification of the Party from whom documentation is being requested by the Party that received the initial request for resolution or the departments shall decide the dispute based solely on the documentation filed by the initiating Party.</p>
8.a. Departments' Responsibility for Review of Disputes	<p>1. The two departments shall each designate at least one and no more than two individuals to review the dispute and make a joint recommendation to directors of the departments or their designees.</p> <p>2. The recommendation shall be based on a review of the submitted documentation in relation to the statutory, regulatory and contractual obligations of the MHP and CHWP.</p> <p>3. The individuals reviewing the dispute may, at their discretion, allow representatives of both the</p>	<p>1. The two departments shall each designate at least one and no more than two individuals to review the dispute and make a joint recommendation to directors of the departments or their designees.</p> <p>2. The recommendation shall be based on a review of the submitted documentation in relation to the statutory, regulatory and contractual obligations of the MHP and CHWP.</p> <p>3. The individuals reviewing the dispute may, at their discretion, allow representatives of both the</p>

CATEGORY	MENTAL HEALTH PLAN (MHP)	CHWP
	MHP and CHWP an opportunity to present oral argument.	MHP and CHWP an opportunity to present oral argument.
8.b. Provision of Medically Necessary Services Pending Resolution of Dispute	<p>1. A dispute between an MHP and CHWP shall not delay medically necessary specialty mental health services, physical health care services, or related prescription drugs and laboratory, radiological, or radioisotope services to beneficiaries. Until the dispute is resolved, the following shall apply:</p> <p>(a) The Parties may agree to an arrangement satisfactory to both Parties regarding how the services under dispute will be provided; or</p> <p>(b) When the dispute concerns the MHP's contention that CHWP is required to deliver physical health care based treatment of a mental illness, or to deliver prescription drugs or laboratory, radiological, or radioisotope services required to diagnose or treat the mental illness, the MHP shall be responsible for providing or arranging and paying for those services to the beneficiary until the dispute is resolved.</p>	<p>1. A dispute between an MHP and CHWP shall not delay medically necessary specialty mental health services, physical health care services, or related prescription drugs and laboratory, radiological, or radioisotope services to beneficiaries. Until the dispute is resolved, the following shall apply:</p> <p>(a) The Parties may agree to an arrangement satisfactory to both Parties regarding how the services under dispute will be provided; or</p> <p>(b) When the dispute concerns CHWP's contention that the MHP is required to deliver specialty mental health services to a beneficiary either because the beneficiary's condition would not be responsive to physical health care based treatment or because the MHP has incorrectly determined the beneficiary's diagnosis to be a diagnosis not covered by the MHP, CHWP shall manage the care of the beneficiary under the terms of its contract with the State until the dispute is resolved. The MHP shall identify and provide CHWP with the name and telephone number of a psychiatrist or other qualified licensed mental health professional available to provide clinical consultation, including consultation on medications to the CHWP provider responsible for the beneficiary's care.</p>
9. Emergency and After-Hours	<p>1. MHP will have a toll free 24 hours a day, seven days a week line available which includes a phone tree with an option to speak to a crisis worker to assist members and providers after hours..</p>	<p>1. All CHWP members have access to quality, comprehensive behavioral health care first response services twenty-four (24) hours a day, seven (7) days a week by CHWP providers. CHWP 's network LMHPs have agreed to</p>

CATEGORY	MENTAL HEALTH PLAN (MHP)	CHWP
	<p>2. MHP shall cover and pay for the professional services of a mental health specialist provided in an emergency room to an CHWP member whose condition meets MHP medical necessity criteria or when mental health specialist services are required to assess whether MHP medical necessity is met. Per MMCD Policy Letter No. 00-01 REV.</p> <p>3. The MHP is responsible for the facility charges resulting from the emergency services and care of an CHWP member whose condition meets MHP medical necessity criteria when such services and care do result in the admission for the member for psychiatric inpatient hospital services at the same facility. The facility charge is not paid separately, but is included in the per diem rate for the inpatient stay. Per MMCD Policy Letter No. 00-01 REV.</p> <p>a) The MHP is responsible for facility charges directly related to the professional services of a mental health specialist provided in the emergency room when these services do not result in an admission of the member for psychiatric inpatient hospital services at that facility or any other facility. Per MMCD Policy Letter No 00-01 REV.</p>	<p>provide availability for emergency services twenty four (24) hours a day, seven (7) days a week and to arrange for coverage by another provider, in the event of provider's illness, vacation or other absence from his or her practice.</p> <p>As part of the coverage, LMHPs will coordinate urgent and emergent services with the County Mental Health Program or emergency room personnel during a crisis.</p> <p>In general, the LMHP must be available to CHWP members twenty-four (24) hours a day, seven (7) days a week by telephone or have an arrangement with an on-call provider to cover when s/he is not available.</p> <p>2. CHWP shall cover and pay for all professional services, except the professional services of a mental health specialist when required for the emergency services and care of a member whose condition meets MHP medical necessity criteria.</p> <p>3. CHWP shall cover and pay for the facility charges resulting from the emergency services and care of an CHWP member whose condition meets MHP medical necessity criteria when such services and care do not result in the admission of the member for psychiatric inpatient hospital services or when such services result in an admission of the member for psychiatric inpatient hospital services at a different facility.</p> <p>4. CHWP shall cover and pay for the facility charges and the medical professional services required for the emergency services and care of a CHWP member with an excluded diagnosis or a CHWP member whose condition does not meet MHP medical necessity criteria and such services and care do not result in the admission of</p>

CATEGORY	MENTAL HEALTH PLAN (MHP)	CHWP
		<p>the member for psychiatric inpatient hospital services.</p> <p>5. Payment for the professional services of a mental health specialist required for the emergency services and care of a CHWP member with an excluded diagnosis is the responsibility of CHWP.</p>
10. Member and Provider Education	MHP and CHWP, will coordinate and determine the training requirements for member and provider access to MHP and CHWP covered mental health services.	CHWP and the MHP, if necessary, will coordinate and determine the training requirements for member and provider access to MHP and CHWP covered mental health services.
11. Grievances and Appeals	<ol style="list-style-type: none"> 1. MHP will share with CHWP the established process for members and providers to register grievances/complaints regarding any aspect of the mental health care services. 2. MHP will ensure that the CHWP members and providers are given an opportunity for reconsideration and appeal for denied, modified or delayed services. 3. MHP will ensure that the CHWP members receive specialty mental health services and prescription drugs while the dispute is being resolved. 	<ol style="list-style-type: none"> 1. CHWP has in place a written process for the submittal, processing and resolution of all member and provider grievances and complaints which is inclusive of any aspect of the health care services or provision of services. 2. CHWP liaison will coordinate and share the established complaint and grievance process for its CHWP MHP members with the MHP. 3. CHWP will ensure that members and providers are given an opportunity for reconsideration and an appeal for denied, modified or delayed services 4. CHWP will ensure that medically necessary services continue to be provided to members while the dispute is being resolved.
12. Emergency and Non-Emergency Medical Transportation	1. Medical transportation services as described in Title 22, Section 51323 are not the responsibility of the MHP except when the purpose of the medical transportation service is to transport a beneficiary from a psychiatric inpatient hospital to another psychiatric inpatient hospital or another type of 24 hour care facility because the services in the facility to which the beneficiary is being transported will result in lower costs to the MHP.	<ol style="list-style-type: none"> 1. CHWP will arrange and pay for transportation of members needing medical transportation from: <ol style="list-style-type: none"> a. The emergency room for medical evaluation. b. A psychiatric inpatient hospital to a medical inpatient hospital required to address the member's change in medical condition c. A medical inpatient hospital to a psychiatric inpatient hospital required to address the member's change in psychiatric condition 2. CHWP will cover and pay for all medically necessary emergency

CATEGORY	MENTAL HEALTH PLAN (MHP)	CHWP
		<p>transportation (per CCR Title 22, 51323*). Ambulance services are covered when the member's medical condition contraindicates the use of other forms of medical transportation.</p> <ol style="list-style-type: none"> 3. Emergency medical transportation is covered, without prior authorization, to the nearest facility capable of meeting the medical needs of the patient as per CCR Title 22, 51323*. 4. Ambulance, litter van and wheelchair van medical transportation services are covered when the beneficiary's medical and physical condition is such that transport by ordinary means of public or private conveyance is medically contraindicated, and transportation is required for the purpose of obtaining needed medical care. Ambulance services are covered when the patient's medical condition contraindicates the use of other forms of medical transportation 5. CHWP will cover all nonemergency medical transportation, necessary to obtain program covered services <ol style="list-style-type: none"> a. When the service needed is of such an urgent nature that written authorization could not have been reasonably submitted beforehand, the medical transportation provider may request prior authorization by telephone. Such telephone authorization shall be valid only if confirmed by a written request for authorization. b. Transportation shall be authorized only to the nearest facility capable of meeting the patient's medical needs. 6. CHWP will cover and pay for medically necessary non-emergency medical transportation services when prescribed for a CHWP

CATEGORY	MENTAL HEALTH PLAN (MHP)	CHWP
		<p>member by the MHP when authorization is obtained.</p> <p>7. CHWP will maintain a policy of non-discrimination regarding members with mental disorders who require access to any other transportation services provided by CHWP.</p>
13. Consultation	<p>1. MHP encourages the use of the consultation by MHP providers with CHWP PCP providers around specialty mental health issues including consultation around medication issues, in accordance with HIPAA federal and state regulations regarding confidentiality. Per HIPPA Privacy Rule 45 C.F.R. Part 164.</p> <p>2. For those CHWP members who are included in MHP services, MHP will provide clinical consultation and training to the CHWP PCPs, other Licensed Mental Health Professionals and/or CHWP staff on the following topics</p> <ol style="list-style-type: none"> a. Recommended physical healthcare-based treatment for diagnosed conditions b. Complex diagnostic assessment of mental disorders (e.g., multiple co-occurring diagnosis, atypical symptom patterns) c. Treatment of stabilized but serious and debilitating mental disorders d. Complex psychotropic medications practices (medication interactions, polypharmacy, use of novel psychotropic medication) e. Treatment of complicated sub-syndrome psychiatric symptoms f. Treatment of psychiatric symptoms precipitated by medications used to treat medical conditions g. Treatment of outpatient mental health services that are within the CHWP PCP's scope of practice. 	<p>1. PCP providers will be available to consult with MHP and MHP providers about CHWP members that they both treat, in accordance with HIPAA federal and state regulations regarding confidentiality. Per HIPPA Privacy Rule 45 C.F.R. Part 164.</p> <p>2. For those CHWP members who meet MHP medical necessity criteria and whose psychiatric symptoms will be treated by an MHP provider, CHWP and/or PCP will provide consultation to MHP providers and/or MHP staff on the following topics:</p> <ol style="list-style-type: none"> a. Acquiring access to covered CHWP medical services b. Treatment of physical symptoms precipitated by medications used to treat mental disorders c. Treatment of complicated sub-syndrome medical symptoms d. Complex medication interactions with medications prescribed by PCP not commonly used in psychiatric specialty practice.

Abbi Ann Totten

California Health and Wellness Plan

04/23/2020

Date

Sierra County

Date

**ATTACHMENT B
TO
MEMORANDUM OF UNDERSTANDING
DHCS ALL PLAN LETTER 17-018**

Medi-Cal Managed Care Plan Responsibilities For Outpatient Mental Health Services



JENNIFER KENT
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

DATE: October 27, 2017

ALL PLAN LETTER 17-018
SUPERSEDES ALL PLAN LETTER 13-021

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS

SUBJECT: MEDI-CAL MANAGED CARE HEALTH PLAN RESPONSIBILITIES FOR
OUTPATIENT MENTAL HEALTH SERVICES

PURPOSE:

The purpose of this All Plan Letter (APL) is to explain the contractual responsibilities of Medi-Cal managed care health plans (MCPs) for the provision of medically necessary outpatient mental health services and the regulatory requirements for the Medicaid Mental Health Parity Final Rule (CMS-2333-F). MCPs must provide specified services to adults diagnosed with a mental health disorder, as defined by the current Diagnostic and Statistical Manual of Mental Disorders (DSM), that results in mild to moderate distress or impairment¹ of mental, emotional, or behavioral functioning. MCPs must also provide medically necessary non-specialty mental health services² to children under the age of 21. This APL also delineates MCP responsibilities for referring to, and coordinating with, county Mental Health Plans (MHPs) for the delivery of specialty mental health services (SMHS).

This letter supersedes APL 13-021 and provides updates to the responsibilities of the MCPs for providing mental health services. Mental Health and Substance Use Disorder Services (MHSUDS) Information Notice 16-061³ describes existing requirements regarding the provision of SMHS by MHPs, which have not changed as a result of coverage of non-specialty, outpatient mental health services by MCPs and the fee-for-service (FFS) Medi-Cal program. The requirements outlined in Information Notice 16-061 remain in effect.

¹ DHCS recognizes that the medical necessity criteria for impairment and intervention for Medi-Cal SMHS differ between children and adults. For children and youth, under EPSDT, the "impairment" criteria component of SMHS, medical necessity is less stringent than it is for adults; therefore, children with low levels of impairment may meet medical necessity criteria SMHS (CCR, Title 9 Sections § 1830.205 and §1830.210).

² The term "non-specialty" in this context is used to differentiate the mental health services covered and provided by MCPs and the FFS Medi-Cal program from the SMHS covered and provided by MHPs. It is not intended to describe the providers of these services as non-specialist providers.

³ MHSUDS Information Notices are available at: <http://www.dhcs.ca.gov/formsandpubs/Pages/MHSUDS-Information-Notices.aspx>

BACKGROUND:

The federal Section 1915(b) Medi-Cal SMHS Waiver⁴ requires Medi-Cal beneficiaries needing SMHS to access these services through MHPs. To qualify for these services, beneficiaries must meet SMHS medical necessity criteria regarding diagnosis, impairment, and expectations for intervention, as specified below. Medical necessity criteria differ depending on whether the determination is for:

1. Inpatient services;
2. Outpatient services; or
3. Outpatient services (Early and Periodic Screening, Diagnostic, and Treatment (EPSDT)).

The medical necessity criteria for SMHS can be found in Title 9, California Code of Regulations (CCR), Sections (§) 1820.205 (inpatient)⁵; 1830.205 (outpatient)⁶; and 1830.210 (outpatient EPSDT)⁷.

DHCS recognizes that the medical necessity criteria for impairment and intervention for Medi-Cal SMHS differs between children and adults. For children and youth, under EPSDT, the “impairment” criteria component of SMHS medical necessity is less stringent than it is for adults, therefore children with low levels of impairment may meet medical necessity criteria for SMHS (Title 9, CCR, §1830.205 and §1830.210), whereas adults must have a significant level of impairment. To receive SMHS, Medi-Cal children and youth must have a covered diagnosis and meet the following criteria:

1. Have a condition that would not be responsive to physical health care based treatment; and
2. The services are necessary to correct or ameliorate a mental illness and condition discovered by a screening conducted by the MCP, the Child Health and Disability Prevention Program, or any qualified provider operating within the scope of his or her practice, as defined by state law regardless of whether or not that provider is a Medi-Cal provider.

Consistent with Title 9, CCR, §1830.205, an adult beneficiary must meet all of the following criteria to receive outpatient SMHS:

⁴ SHMS Waiver Information can be found at:

[http://www.dhcs.ca.gov/services/MH/Pages/1915\(b\)_Medi-cal_Specialty_Mental_Health_Waiver.aspx](http://www.dhcs.ca.gov/services/MH/Pages/1915(b)_Medi-cal_Specialty_Mental_Health_Waiver.aspx)

⁵ Medical necessity criteria for inpatient specialty mental health services ([Title 9, CCR, §1820.205](#)) are not described in detail in this APL, as this APL is primarily focused on outpatient mental health services.

⁶ [Title 9, CCR, §1830.205](#)

⁷ [Title 9, CCR, §1830.210](#)

1. The beneficiary has one or more diagnoses covered by Title 9, CCR, §1830.205(b)(1), whether or not additional diagnoses, not included in Title 9, CCR, §1830.205(b)(1) are also present.
2. The beneficiary must have at least one of the following impairments as a result of the covered mental health diagnosis:
 - a. A significant impairment in an important area of life functioning; or
 - b. A reasonable probability of significant deterioration in an important area of life functioning.
3. The proposed intervention is to address the impairment resulting from the covered diagnosis, with the expectation that the proposed intervention will significantly diminish the impairment, prevent significant deterioration in an important area of life functioning, In addition, the beneficiary's condition would not be responsive to physical health care based treatment.

Prior to January 1, 2014, adult MCP beneficiaries who had mental health conditions but did not meet the medical necessity criteria for SMHS had only limited access to outpatient mental health services, which were delivered by primary care providers (PCPs) or by referral to Medi-Cal FFS mental health providers. DHCS paid MCPs a capitated rate to provide those outpatient mental health services that were within the PCP's scope of practice (unless otherwise excluded by contract). Since January 1, 2014, DHCS adjusted MCP capitation payments to account for expanded outpatient mental health services.

DHCS requires MCPs to cover and pay for mental health services conducted by licensed mental health professionals (as specified in the Psychological Services Medi-Cal Provider Manual⁸) for MCP beneficiaries with potential mental health disorders, in accordance with Sections 29 and 30 of Senate Bill X1 1 of the First Extraordinary Session (Hernandez & Steinberg, Chapter 4, Statutes of 2013), which added §14132.03 and §14189 to the Welfare and Institutions Code. This requirement, which was in addition to the previously-existing requirement that PCPs offer mental health services within their scope of practice, remains in effect, along with the requirement to cover outpatient mental health services to adult beneficiaries with mild to moderate impairment of mental, emotional, or behavioral functioning (as assessed by a licensed mental health professional through the use of a Medi-Cal-approved clinical tool or set of tools agreed upon by both the MCP and MHP) resulting from a mental health disorder (as defined in the current DSM).

⁸ The Psychological Services Provider Manual can be found at:
http://files.medi-cal.ca.gov/pubsdoco/publications/masters-mtp/part2/psychol_a07.doc

On March 30, 2016, the Centers for Medicare and Medicaid Services (CMS) issued a final rule (CMS-2333-F) that applied certain requirements from the Mental Health Parity and Addiction Equity Act of 2008 (Pub. L. 110-343, enacted on October 3, 2008) to coverage offered by Medicaid Managed Care Organizations. This included the addition of Subpart K – Parity in Mental Health and Substance Use Disorder Benefits to the Code of Federal Regulations (CFR). The general parity requirement (Title 42, CFR, §438.910(b)) stipulates that treatment limitations for mental health benefits may not be more restrictive than the predominant treatment limitations applied to medical or surgical benefits. This precludes any restrictions to a beneficiary's access to an initial mental health assessment. Therefore, MCPs shall not require prior authorization for an initial mental health assessment. DHCS recognizes that while many PCPs provide initial mental health assessments within their scope of practice, not all do. If a beneficiary's PCP cannot perform the mental health assessment because it is outside of their scope of practice, they may refer the beneficiary to the appropriate provider.

POLICY:

MCPs continue to be responsible for the delivery of non-SMHS for children under age 21 and outpatient mental health services for adult beneficiaries with mild to moderate impairment of mental, emotional, or behavioral functioning resulting from a mental health disorder, as defined by the current DSM. MCPs shall continue to deliver the outpatient mental health services specified in their Medi-Cal Managed Care contract and listed in Attachment 1 whether they are provided by PCPs within their scope of practice or through the MCP's provider network.

MCPs also continue to be responsible for the arrangement and payment of all medically necessary, Medi-Cal-covered physical health care services, not otherwise excluded by contract, for MCP beneficiaries who require SMHS. The eligibility and medical necessity criteria for SMHS provided by MHPs have not changed pursuant to this policy; SMHS continue to be available through MHPs.

MCPs must be in compliance with Mental Health Parity requirements on October 1, 2017, as required by Title 42, CFR, §438.930. MCPs shall also ensure direct access to an initial mental health assessment by a licensed mental health provider within the MCP's provider network. MCPs shall not require a referral from a PCP or prior authorization for an initial mental health assessment performed by a network mental health provider. MCPs shall notify beneficiaries of this policy, and MCPs informing materials must clearly state that referral and prior authorization are not required for a beneficiary to seek an initial mental health assessment from a network mental health provider. An MCP is required to cover the cost of an initial mental health assessment

completed by an out-of-network provider only if there are no in-network providers that can complete the necessary service.

If further services are needed that require authorization, MCPs are required to follow guidance developed for mental health parity, as follows:

MCPs must disclose the utilization management or utilization review policies and procedures that the MCP utilizes to DHCS, its contracting provider groups, or any delegated entity, uses to authorize, modify, or deny health care services via prior authorization, concurrent authorization or retrospective authorizations, under the benefits included in the MCP contract.

MCP policies and procedures must ensure that authorization determinations are based on the medical necessity of the requested health care service in a manner that is consistent with current evidence-based clinical practice guidelines. Such utilization management policies and procedures may also take into consideration the following:

- Service type
- Appropriate service usage
- Cost and effectiveness of service and service alternatives
- Contraindications to service and service alternatives
- Potential fraud, waste and abuse
- Patient and medical safety
- Other clinically relevant factors

The policies and procedures must be consistently applied to medical/surgical, mental health and substance use disorder benefits. The plan shall notify contracting health care providers of all services that require prior authorization, concurrent authorization or retrospective authorization and ensure that all contracting health care providers are aware of the procedures and timeframes necessary to obtain authorization for these services.

The disclosure requirements for MCPs include making utilization management criteria for medical necessity determinations for mental health and substance use disorder benefits available to beneficiaries, potential beneficiaries and providers upon request in accordance with Title 42, CFR §438.915(a). MCPs must also provide to beneficiaries, the reason for any denial for reimbursement or payment of services for mental health or substance use disorder benefits in accordance with Title 42, CFR, §438.915(b). In addition, all services must be provided in a culturally and linguistically appropriate manner.

MCP Responsibility for Outpatient Mental Health Services

Attachment 1 summarizes mental health services provided by MCPs and MHPs. MCPs must provide the services listed below when medically necessary and provided by PCPs or by licensed mental health professionals in the MCP provider network within their scope of practice:

1. Individual and group mental health evaluation and treatment (psychotherapy);
2. Psychological testing, when clinically indicated to evaluate a mental health condition;
3. Outpatient services for the purposes of monitoring drug therapy;
4. Outpatient laboratory, drugs, supplies, and supplements (excluding medications listed in Attachment 2); and,
5. Psychiatric consultation.

Current Procedural Terminology (CPT) codes that are covered can be found in the Psychological Services Medi-Cal Provider Manual (linked in footnote 8 above).

Laboratory testing may include tests to determine a baseline assessment before prescribing psychiatric medications or to monitor side effects from psychiatric medications. Supplies may include laboratory supplies. Supplements may include vitamins that are not specifically excluded in the Medi-Cal formulary and that are scientifically proven effective in the treatment of mental health disorders (although none are currently indicated for this purpose).

For mild to moderate mental health MCP covered services for adults, medically necessary services are defined as reasonable and necessary services to protect life, prevent significant illness or significant disability, or to alleviate severe pain through the diagnosis and treatment of disease, illness, or injury. These include services to:

1. Diagnose a mental health condition and determine a treatment plan;
2. Provide medically necessary treatment for mental health conditions (excluding couples and family counseling for relational problems) that result in mild or moderate impairment; and,
3. Refer adults to the county MHP for SMHS when a mental health diagnosis covered by the MHP results in significant impairment;

For beneficiaries under the age of 21, the MCP is responsible for providing medically necessary non-SMHS listed in Attachment 1 regardless of the severity of the impairment. The number of visits for mental health services is not limited as long as the MCP beneficiary meets medical necessity criteria.

At any time, beneficiaries can choose to seek and obtain a mental health assessment from a licensed mental health provider within the MCP's provider network. Each MCP is still obligated to ensure that a mental health screening of beneficiaries is conducted by network PCPs. Beneficiaries with positive screening results may be further assessed either by the PCP or by referral to a network mental health provider. The beneficiary may then be treated by the PCP within the PCP's scope of practice. When the condition is beyond the PCP's scope of practice, the PCP must refer the beneficiary to a mental health provider within the MCP network. For adults, the PCP or mental health provider must use a Medi-Cal-approved clinical tool or set of tools mutually agreed upon with the MHP to assess the beneficiary's disorder, level of impairment, and appropriate care needed. The clinical assessment tool or set of tools must be identified in the MOU between the MCP and MHP, as discussed in APL 13-018.

Pursuant to the EPSDT benefit, MCPs are required to provide and cover all medically necessary services. For adults, medically necessary services include all covered services that are reasonable and necessary to protect life, prevent significant illness or significant disability, or to alleviate severe pain through the diagnosis or treatment of disease, illness, or injury. For children under the age 21, MCPs must provide a broader range of medically necessary services that is expanded to include standards set forth under Title 22, CCR Sections 51340 and 51340.01 and "[s]uch other necessary health care, diagnostic services, treatment, and other measures described in [Title 42, United States Code (US Code), Section 1396d(a)] to correct or ameliorate defects and physical and mental illnesses and conditions discovered by the screening services, whether or not such services or items are covered under the state plan" (Title 42, US Code, Section 1396d(r)(5)). However for children under the age 21, MCPs are required to provide and cover all medically necessary service, except for SMHS listed in CCR, Title 9, Section 1810.247 for beneficiaries that meet the medical necessity criteria for SMHS as specified in to CCR, Title 9, Sections 1820.205, 1830.205, or 1830.210 that must be provided by a MHP.

If an MCP beneficiary with a mental health diagnosis is not eligible for MHP services because they do not meet the medical necessity criteria for SMHS, then the MCP is required to ensure the provision of outpatient mental health services as listed in the contract and Attachment 1 of this APL, or other appropriate services within the scope of the MCP's covered services.

Each MCP must ensure its network providers refer adult beneficiaries with significant impairment resulting from a covered mental health diagnosis to the county MHP. Also, when the adult MCP beneficiary has a significant impairment, but the diagnosis is uncertain, the MCP must ensure that the beneficiary is referred to the MHP for further assessment.

The MCPs must also cover outpatient laboratory tests, medications (excluding carved-out medications that are listed in the MCP's relevant Medi-Cal Provider Manual⁹), supplies, and supplements prescribed by the mental health providers in the MCP network, as well as by PCPs, to assess and treat mental health conditions. The MCP may require that mild to moderate mental health services to adults are provided through the MCP's provider network, subject to a medical necessity determination.

The MCP may contract with the MHP to provide these mental health services when the MCP covers payment for these services.

MCPs continue to be required to provide medical case management and cover and pay for all medically necessary Medi-Cal-covered physical health care services for an MCP beneficiary receiving SMHS. The MCP must coordinate care with the MHP. The MCP is responsible for the appropriate management of a beneficiary's mental and physical health care, which includes, but is not limited to, the coordination of all medically necessary, contractually required Medi-Cal-covered services, including mental health services, both within and outside the MCP's provider network.

MCPs are responsible for ensuring that their delegates comply with all applicable state and federal law and regulations, as well as other contract requirements and DHCS guidance, including applicable APLs and Duals Plan Letters. These requirements must be communicated by each MCP to all delegated entities and subcontractors.

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

Sincerely,

Original signed by Nathan Nau

Nathan Nau, Chief
Managed Care Quality and Monitoring Division
Department of Health Care Services

Attachments

⁹ The provider manual for the Two Plan Model can be found at:
http://files.medi-cal.ca.gov/pubsdoco/publications/masters-mtp/part1/mcptwoplan_z01.doc
The provider manual for the Geographic Managed Care Model can be found at:
http://files.medi-cal.ca.gov/pubsdoco/publications/masters-mtp/part1/mcpgmc_z01.doc
The provider manual for the County Organized Health Systems can be found at:
https://files.medi-cal.ca.gov/pubsdoco/publications/masters-mtp/.../mcpcohs_z01.doc
The provider manual for Imperial, San Benito, and Regional Models can be found at:
http://files.medi-cal.ca.gov/pubsdoco/publications/masters-mtp/part1/mcpimperial_z01.doc

Attachment 1

Mental Health Services Description Chart for Beneficiaries Enrolled in an MCP

DIMENSION	MCP	MHP¹⁰ OUTPATIENT	MHP INPATIENT
ELIGIBILITY	<p style="text-align: center;">Mild to Moderate Impairment in Functioning</p> <p>A beneficiary is covered by the MCP for services if he or she is diagnosed with a mental health disorder, as defined by the current DSM¹¹, resulting in mild to moderate distress or impairment of mental, emotional, or behavioral functioning:</p> <ul style="list-style-type: none"> • At an initial health screening, a PCP may identify the need for a thorough mental health assessment and refer a beneficiary to a licensed mental health provider within the MCP's network. The mental health provider can identify the mental health disorder and determine the level of impairment. • A beneficiary may seek and obtain a mental health assessment at any time directly from a licensed mental health provider within the MCP network without a referral from a PCP or prior authorization from the MCP. • The PCP or mental health provider should refer any beneficiary who meets medical necessity criteria 	<p style="text-align: center;">Significant Impairment in Functioning</p> <p>An adult beneficiary is eligible for services if he or she meets all of the following medical necessity criteria:</p> <ol style="list-style-type: none"> 1. Has an included mental health diagnosis;¹² 2. Has a significant impairment in an important area of life function, or a reasonable probability of significant deterioration in an important area of life function; 3. The focus of the proposed treatment is to address the impairment(s), prevent significant deterioration in an important area of life functioning. 4. The expectation is that the proposed treatment will significantly diminish the impairment, prevent significant deterioration in an important area of life function, and 5. The condition would not be responsive to physical health care based treatment. <p style="text-align: center;"><i>Note: For beneficiaries under age 21, specialty mental health services must be provided for a range of impairment levels</i></p>	<p style="text-align: center;">Emergency and Inpatient</p> <p>A beneficiary is eligible for services if he or she meets the following medical necessity criteria:</p> <ol style="list-style-type: none"> 1. An included diagnosis; 2. Cannot be safely treated at a lower level of care; 3. Requires inpatient hospital services due to one of the following which is the result of an included mental disorder: <ol style="list-style-type: none"> a. Symptoms or behaviors which represent a current danger to self or others, or significant property destruction; b. Symptoms or behaviors which prevent the beneficiary from providing for, or utilizing, food, clothing, or shelter; c. Symptoms or behaviors which present a severe risk to the beneficiary's physical health; d. Symptoms or behaviors which represent a recent, significant deterioration in ability to function; e. Psychiatric evaluation or treatment which can only be performed in an acute psychiatric inpatient setting or through urgent

¹⁰ SMHS provided by MHP

¹¹ Current policy is based on DSM IV and will be updated to DSM 5 in the future

¹² As specified in regulations Title 9, Section 1830.205 for adults and Section 1830.210 for those under age 21

DIMENSION	MCP	MHP ¹⁰ OUTPATIENT	MHP INPATIENT
ELIGIBILITY (continued)	<p>for SMHS to the MHP.</p> <ul style="list-style-type: none"> When a beneficiary's condition improves under SMHS and the mental health providers in the MCP and MHP coordinate care, the beneficiary may return to the MCP's network mental health provider. <p><i>Note: Conditions that the current DSM identifies as relational problems are not covered (e.g., couples counseling or family counseling.)</i></p>	<p><i>to correct or ameliorate a mental health condition or impairment.¹³</i></p>	<p>or emergency intervention provided in the community or clinic; and;</p> <p>f. Serious adverse reactions to medications, procedures or therapies requiring continued hospitalization.</p>
SERVICES	<p>Mental health services provided by licensed mental health care professionals (as defined in the Medi-Cal provider bulletin) acting within the scope of their license:</p> <ul style="list-style-type: none"> Individual and group mental health evaluation and treatment (psychotherapy) Psychological testing when clinically indicated to evaluate a mental health condition Outpatient services for the purposes of monitoring medication therapy Outpatient laboratory, medications, supplies, and supplements Psychiatric consultation 	<ul style="list-style-type: none"> Mental Health Services <ul style="list-style-type: none"> Assessment Plan development Therapy Rehabilitation Collateral Medication Support Services Day Treatment Intensive Day Rehabilitation Crisis Residential Treatment Adult Residential Treatment Crisis Intervention Crisis Stabilization Targeted Case Management Intensive Care Coordination Intensive Home Based Services Therapeutic Foster Care Therapeutic Behavioral Services 	<ul style="list-style-type: none"> Acute psychiatric inpatient hospital services Psychiatric Health Facility Services Psychiatric Inpatient Hospital Professional Services if the beneficiary is in fee-for-service hospital

¹³ [Title 9, CCR, §1830.210](#)

Attachment 2

Drugs Excluded from MCP Coverage

The following psychiatric drugs are noncapitated except for HCP 170 (KP Cal, LLC):

Amantadine HCl	Olanzapine Fluoxetine HCl
Aripiprazole	Olanzapine Pamoate
Asenapine (Saphris)	Monohydrate (Zyprexa Relprevv)
Benzotropine Mesylate	Paliperidone (oral and injectable)
Brexiprazole (Rexulti)	Perphenazine
Cariprazine	Phenelzine Sulfate
Chlorpromazine HCl	Pimavanserin
Clozapine	Pimozide
Fluphenazine Decanoate	Quetiapine
Fluphenazine HCl	Risperidone
Haloperidol	Risperidone Microspheres
Haloperidol Decanoate	Selegiline (transdermal only)
Haloperidol Lactate	Thioridazine HCl
Iloperidone (Fanapt)	Thiothixene
Isocarboxazid	Thiothixene HCl
Lithium Carbonate	Tranlycypromine Sulfate
Lithium Citrate	Trifluoperazine HCl
Loxapine Succinate	Trihexyphenidyl
Lurasidone Hydrochloride	Ziprasidone
Molindone HCl	Ziprasidone Mesylate
Olanzapine	

These drugs are listed in the Medi-Cal Provider Manual in the following link:
http://files.medi-cal.ca.gov/pubsdoco/publications/masters-mtp/part1/mcpgmc_z01.doc