

California's Public Mental Health System: Related to CCR (Continuum of Care Reform)

County Behavioral Health Directors Association of California (CBHDA)

July 2016



Mental Health Plans and CCR

- Medi-Cal Specialty Mental Health Services
 - Medical Necessity
 - Timeliness
 - Notice of Actions (NOA) and Due Process
- CCR within existing System Responsibilities
- CCR Implication on System Funding

COUNTY MENTAL HEALTH PLANS:
CURRENT MEDI-CAL SPECIALTY
MENTAL HEALTH SERVICES

County Mental Health Plans (MHPs)

- MHPs primarily serve Medi-Cal beneficiaries
- Target population under state law are people experiencing a serious mental illness (SMI) adults or serious emotional disturbance (SED) children/youth
 - *Population with non-serious mental health issues are served by primary care, Medi-Cal Managed Care Plan providers, or fee-for-service mental health providers*
- People experiencing a mental health crisis, who come to the attention of law enforcement or emergency rooms
- Indigent individuals, to the extent resources are available
- People experiencing the early signs of SMI/SED

Specialty Mental Health Services (SMHS)

Voluntary Services

MHPs must ensure least restrictive settings, *to the extent resources are available, providing voluntary services:

- Individualized, based on each person's needs/goals
- Linguistically and culturally appropriate
- Community-based and mobile, not just clinic-based

**WIC Section 5600.5*

SMHS Rehabilitative Voluntary Services

- **Mental Health Services**
 - **Assessment**
 - **Therapy**
 - **Rehabilitation**
 - **Collateral**
 - **Plan Development**
- **Medication Support**
- **Day Treatment Intensive**
- **Day Treatment Rehabilitative**
- **24/7 Crisis Intervention**
- **Crisis Stabilization**
- **Inpatient hospitalization**

SMHS Voluntary Services

- Targeted Case Management (TCM)
- Supplemental Services—Therapeutic Behavioral Services (TBS)
- Intensive Care Coordination (ICC)
- In-Home Behavioral Services (IHBS)
- Therapeutic Foster Care (TFC)

SMHS Involuntary Services

Providing *involuntary services* such as Psychiatric Inpatient, LPS Conservatorship, long-term care, state hospitals, Institute for Mental Disease (IMDs)

ONLY when:

- **Due to a mental disorder** poses harm to themselves or others, or is gravely disabled:
 - Adults can't provide provision of basic needs
 - Minors don't accept provision of basic needs

SMHS Involuntary Services

- **Psychiatric Health Facilities (PHFs) & Acute, short-term Psychiatric Inpatient Hospitalization**
 - The most intensive level of care for mental health issues that cannot be safely or effectively treated on an outpatient basis
- **County MHPs are financially responsible for (both voluntary and involuntary) psychiatric inpatient costs of all Medi-Cal beneficiaries – regardless of if they are already a MHP consumer.**
 - Any individual might at some time feel suicidal, regardless of past psychiatric history or diagnosis.

SERIOUS EMOTIONAL DISTURBANCE (SED)

Serious Emotional Disturbance (SED) in Children and Adolescents

Minors under the age of 18 years who have a mental disorder as identified in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders, other than a primary substance use disorder or developmental disorder, which results in behavior inappropriate to the child's age according to expected developmental norms.*

*Bronzan-McCorquodale Act, WIC Section 5600.3

SED in Children and Adolescents

...*AND either:

- 1. Has substantial impairment in at least 2 areas: self-care, school functioning, family relationships, ability to function in the community; AND either:**
 - Is at risk of removal from the home or has already been removed from the home
 - The mental disorder and impairments have been present for more than 6 months or are likely to continue for more than 1 year without treatment
- 2. Displays one of the psychotic features, risk of suicide or risk of violence due to the mental disorder**

*Bronzan-McCorquodale Act, WIC Section 5600.3

EARLY & PERIODIC SCREENING
DIAGNOSIS AND TREATMENT (EPSDT)
AND MEDICAL NECESSITY

Early & Periodic Screening Diagnosis and Treatment (EPSDT): A Broad, Federal Entitlement (not a program)

Early & Periodic Screening Diagnosis and Treatment (EPSDT) is a federally mandated Medicaid benefit for low-income children under 21. Includes:

- Preventive
- Dental
- Mental Health
- Developmental
- Specialty Services

EPSDT Mental Health Services Implementation in California

- Child Health & Disability Prevention (CHDP) Program
- Medi-Cal Managed Care Plan Providers
- Fee-for-Service Medi-Cal Providers
- County Mental Health Plans (MHPs)
 - Provide, or arrange for the provision of, specialty mental health services to beneficiaries under age 21 **who meet medical necessity criteria for those services** and are eligible for the full scope of Medi-Cal services. (DHCS-MHSUDS Information Notice: 14-017)

Medical Necessity Criteria* for Specialty Mental Health Services: Beneficiaries Under Age 21

- A **covered DSM diagnosis**
- A reasonable probability a child will not progress developmentally as individually appropriate
- The condition would not be responsive to physical health care based treatment
- Services are necessary to **correct or ameliorate** mental illnesses and conditions discovered by managed care plans' screenings
- The proposed intervention is expected to allow the child to progress developmentally as individually appropriate

*Title 9 CCR § 1830.205, 1805.210; Title 22 CCR §51340

Covered Diagnoses

- A. Pervasive Developmental Disorders, except Autistic Disorders
- B. Disruptive Behavior and Attention Deficit Disorders
- C. Feeding and Eating Disorders of Infancy and Early Childhood
- D. Elimination Disorders
- E. Other Disorders of Infancy, Childhood, or Adolescence
- F. Schizophrenia and other Psychotic Disorders, except Psychotic Disorders due to a General Medical Condition
- G. Mood Disorders, except Mood Disorders due to a General Medical Condition
- H. Anxiety Disorders, except Anxiety Disorders due to a General Medical Condition
- I. Somatoform Disorders
- J. Factitious Disorders
- K. Dissociative Disorders
- L. Paraphilias
- M. Gender Identity Disorder
- N. Eating Disorders
- O. Impulse Control Disorders Not Elsewhere Classified
- P. Adjustment Disorders
- Q. Personality Disorders, excluding Antisocial Personality Disorder
- R. Medication-Induced Movement Disorders related to other included diagnoses.

Access to Services

- Referrals to the county or organizational providers come from a variety of sources, including:
 - Self or parents
 - Family members, guardians, conservators
 - Physical Health Care providers and Health Plans
 - Schools
 - County Welfare Departments
 - County Probation Departments
 - Law Enforcement Agencies
 - County Mental Health 24/7 toll-free Access Line
 - LPS Conservatorships

SERIOUS MENTAL ILLNESS (SMI) ADULTS

Serious Mental Illness (SMI) Adults

An adult is considered to have SMI if he/she has an identified mental disorder that is:

- Severe in degree
- Persistent in duration
- May cause behavioral functioning that interferes substantially with the primary activities of daily living
- May result in an inability to maintain stable adjustment and independent functioning without treatment, support, and rehabilitation for a long or indefinite period of time

(See Bronzan McCorquodale Act, 5600.3)

Serious Mental Illness (SMI) Adults

Medi-Cal managed care plans provide outpatient mental health services to enrollees with mild to moderate impairment and functioning:

- Screening
- Psychotherapy (individual and group evaluation and treatment)
- Monitoring medication therapy
- Labs, supplies, supplements
- Psychiatric consultation
- LPS involuntary treatment
 - Court-ordered and court-monitored intensive services

(See Bronzan McCorquodale Act, 5600.3)

MEDI-CAL MANAGED CARE PLANS

Medi-Cal Managed Care Plan Contracts with DHCS

Exhibit A, Attachment 10 SCOPE OF SERVICES#2. Medically Necessary Services:

- 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 Section 51340 and 51340.1.

Exhibit E, Attachment 1:

- **Outpatient Mental Health Services** means outpatient services that Contractor will provide for Members with mild to moderate mental health conditions including:
 - **Individual or group mental health evaluation and treatment (psychotherapy);**
 - **Psychological testing when clinically indicated to evaluate a mental health condition;**
 - **Psychiatric consultation for medication management; and**
 - **Outpatient laboratory, supplies, and supplements**

Medi-Cal Managed Care Plans: EPSDT

Medi-Cal Managed Care Plans* for Early & Periodic Screening Diagnosis and Treatment (EPSDT) are required to ***provide and cover all medically necessary services***, with the **exception of:**

- Denti-Cal
- Regional Center non-medical services
- Drug Medi-Cal and outpatient heroin detox
- CA Children's Services not included in plan's capitated rate
- Specialty Mental Health Services**

**DHCS All Plan Letter 14-017 (Dec. 12, 2014)*

***Title 9, CCR Section 1810.247 for beneficiaries that meet medical necessity criteria as specified in Title 9, CCR Sections 1820.205, 1830.205, or 1830.210, which must be provided by a mental health plan.*

EPSDT Medi-Cal Screening Services

- **EPSDT Screening Services means:***

- 1) An initial, periodic, or additional health assessment of a Medi-Cal eligible individual under 21 years of age provided in accordance with the requirements of the Child Health and Disability Prevention (CHDP) program as set forth in Title 17, Sections 6800 et seq.; or
- 2) A health assessment, examination, or evaluation of a Medi-Cal eligible individual under 21 years of age by a licensed health care professional acting within his or her scope of practice, at intervals other than those specified in paragraph (a)(1) to determine the existence of physical or mental illnesses or conditions; or
- 3) Any other encounter with a licensed health care professional that results in the determination of the existence of a suspected illness or condition or a change or complication in a condition for a Medi-Cal eligible person under 21 years of age.

*22 CCR Section 51184(a)

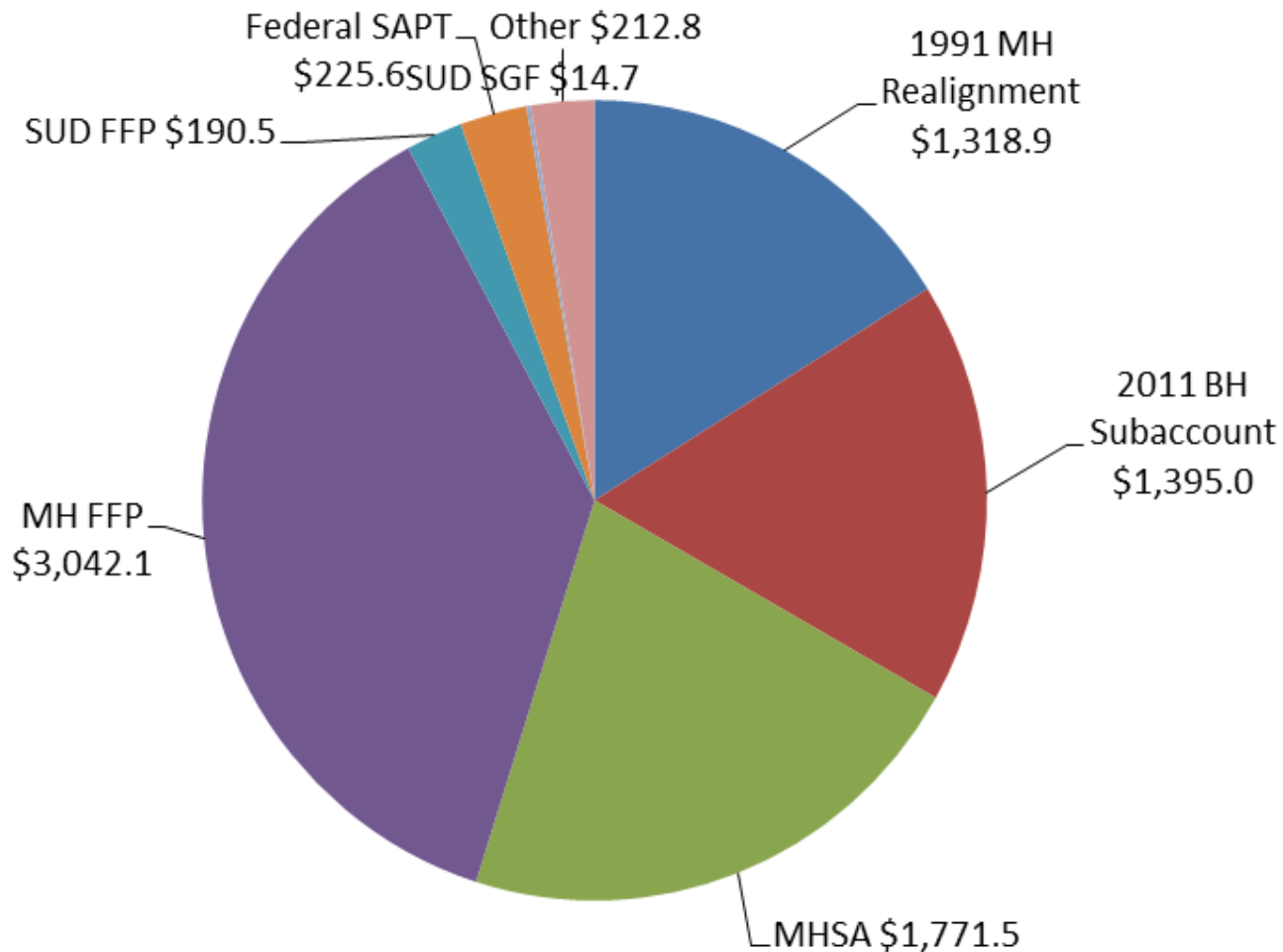
Managed Care Plan: Case Management

- **Basic Case Management** means a collaborative process of assessment, planning, facilitation and advocacy for options and services to meet an individual's health needs. Services are provided by the Primary Care Physician (PCP) or by a PCP-supervised Physician Assistant (PA), Nurse practitioner (NP), or Certified Nurse Midwife, as the Medical Home. Coordination of carved out and linked services are considered basic case management services.
- **Complex Case Management** means the systematic coordination and assessment of care and services provided to Members who have experienced a critical event or diagnosis that requires the extensive use of resources and who need help navigating the system to facilitate appropriate delivery of care and services. Complex Case Management includes Basic Case Management.
- **Comprehensive Medical Case Management** means services provided by a Primary Care Provider in collaboration with the Contractor to ensure the coordination of Medically Necessary health care services, the provision of preventive services in accordance with established standards and periodicity schedules and the continuity of care for Medi-Cal enrollees. It includes health risk assessment, treatment planning, coordination, referral, follow-up, and monitoring of appropriate services and resources required to meet an individual's health care needs.

COUNTY BEHAVIORAL HEALTH FUNDING

FY16/17 Estimated Behavioral Health Funding

(Dollars in Millions)



Source: Geiss Consulting, May 2016

Federal Financial Participation (FFP) is the Largest Funding Source

- Federal Medicaid FFP reimbursement for Medical Specialty Mental Health services provided to adults and children makes up the largest share of funding.
- MHPs are reimbursed a percentage of their actual expenditures (Certified Public Expenditures-CPE), based on the Federal Medical Assistance Percentage (FMAP).
- Counties use *all* of their other sources as local match to draw down federal reimbursement.

Realignment 2011 and Medi-Cal Specialty Mental Health

- Counties must fund Medi-Cal Specialty Mental Health Services, including EPSDT, from:
 - 2011 Behavioral Health Subaccount
 - 2011 Behavioral Health Growth Special Account
 - 1991 Realignment Mental Health Subaccount
 - MHSA (Prop. 63) funds, to the extent permissible
- If DHCS determines that a county is failing or at risk of failing to perform the functions of a Behavioral Health Subaccount program to the extent federal funds are at risk:
 - It notifies the State Controller, Department of Finance, and the county
 - Determines amount needed from the subaccount to perform the function
 - Controller deposits county's allocation attributable to program into the "County Intervention Support Services Subaccount" (for access by DHCS for the program). DHCS determines when this may cease.

MHP Claims & Reimbursement Process for Contract Providers

- Month 1—Provider Delivers Service
- Month 2—Provider Invoices County
- Month 3/4—County Processes Claim and Pays Provider in Full
 - Confers back and forth with provider
- Month 4/5—County Submits Claim to ITWS/DHCS to Draw Down FFP
- Month 5/6—State Processes Claim
 - State confers back and forth with County
 - County confers back and forth with Provider
- **Month 7/9—County Receives FFP Reimbursement Portion for Month 1 Services Paid to Provider**

MHP Medi-Cal Specialty Mental Health Reimbursement

- Revenues are based on Certified Public Expenditures incurred by the County Medi-Cal Specialty Mental Health Plan
 - Requires County MHP to have sufficient revenue available to incur full funds expenditure prior to obtaining reimbursement
- Final entitlement amounts are not known until after audit and appeals, which is currently **at least six years** after the provision of services
 - Requires counties to establish reserves in case of audit recoupment

NOTICE OF ACTION (NOA) AND DUE PROCESS & APPEALS

Notice of Actions (NOAs)

NOAs* must be sent when:

- A. A denial, modification, reduction or termination of a provider's request for MHP payment authorization of a specialty mental health service covered by the MHP.
- B. A determination by the MHP or its providers that the medical necessity criteria in Cal. Code Regs., tit. 9, §§ 1830.205(b)(1), (b)(2), (b)(3)(C), or 1830.210(a) have not been met and the beneficiary is not entitled to any specialty mental health services from the MHP.
- C. A failure by the MHP to provide a specialty mental health service covered by the MHP within the timeframe for delivery of the service established by the MHP; or
- D. A failure by the MHP to act within the timeframes for resolution of grievances, appeals, or the expedited appeals.

*Cal. Code Regs., tit. 9, §§ 1850.210(g) and 1850.212(b)

Notice of Actions (NOAs)

A NOA* issued relating to denials for lack of medical necessity, shall specify the following:

- A. The reason that the medical necessity criteria were not met, including a citation to the applicable regulation;
- B. The beneficiary's options for obtaining care from sources other than the Contractor, if applicable;
- C. The beneficiary's right to request a second opinion on the determination;
- D. The beneficiary's right to file an appeal or expedited appeal with the Contractor; and,
- E. The beneficiary's right to request a fair hearing or an expedited fair hearing.

*Cal. Code Regs., tit. 9, §§ 1850.210(g) and 1850.212(b)

TIMELINESS OF SERVICE

Timeliness of Services

- The Contractor (MHP) shall establish written standards for timeliness* and frequency for Assessment for Services.
 - *Note: There may be variability from MHP to MHP*
- Both state and local departments of mental health should manage programs in an efficient, timely, and cost-effective manner.**

**DHCS MHP Contract*

***WIC Section 5600.5*

New Federal Terms & Conditions

- CMS approved California's Medi-Cal Specialty MH Services waiver through June 30, 2020, with special terms and conditions for the State of California, including establishing:
 1. MHP dashboards with an “easily understandable summary of quality, access, timeliness, and translation/interpretation capabilities”. The first dashboard is due September 1, 2016.
 2. System to track and measure timeliness of care (wait times to assessments, wait times to providers). Must establish a baseline of each and all counties of timeliness to care.

COUNTY MENTAL HEALTH PLANS: CCR FUNDING IMPLICATIONS

MHP Costs Included in 16/17 Budget

(Updated slide)

- **Participate in the Child and Family Teams (CFTs) of Children in Need of Specialty Mental Health Services**

(See May 2016 Medi-Cal Estimate, Regular Policy Change #211)

DHCS assumes 60% of Medi-Cal EPSDT eligible children with an open child welfare case will need specialty mental health services. After accounting for Katie A. CFTs, the following additional cases are estimated to include county MHPs in the CFT meetings:

- Tier 1 Caseload is 1,794 (12 hours per year)
- Tier 2 Caseload is 2,427 (6 hours per year)
- Tier 3 Caseload is 13,720 (4 hours per year)
- Tier 4 Caseload is 5,082 (4 hours per year)

- Total: 23,023 cases

- Budget: \$10.2 million (50% Federal Funds, 50% State General Funds)

MHP Costs Included, cont.

- ***For children and youth who would have otherwise been placed in an RCL 10-12 group home, conducting mental health assessments prior to STRTP placements to determine if the child or youth has a serious emotional disturbance, or meets medical necessity criteria for eligible beneficiaries under the age of 21.***
 - Based on CDSS' estimated number of children currently in a rate classification level (RCL) 10 to 12 or 14 residential group homes, assume 393 children would transition to an STRTP in FY 2016-17.
 - Assume it will take mental health staff four hours per client to complete a mental health assessment.
 - Total: 393 cases
 - Budget: \$277,000 (50% Federal Funds, 50% State General Funds)
- ***Training for county mental health staff***
 - \$3 million (50% Federal IV-E, 50% State General Funds)

MHP Costs Included, cont.

(Updated slide)

- ***Workload costs to establish Medi-Cal certification of Foster Family Agencies (FFAs) for the provision of Therapeutic Foster Care***

(See May 2016 Medi-Cal Estimate, Other Admin. Policy Change #4)

- DHCS estimates that certification of approximately 187 FFAs will need to occur, requiring 40 hours of workload per program, at \$40 per hour (plus 45.29% for benefits).
- Budget: \$435,000 (50% Federal Funds, 50% State Funds)

MHP Costs Not Considered

- ***Provision of Therapeutic Foster Care (TFC) services***
(See May 2016 Medi-Cal Estimate, Policy Change #75)
 - DHCS Estimate: \$15.7 million (50% Federal Funds, 50% County Funds)
 - Interim Per Diem Rate: \$87.40

MHP Costs Not Considered, cont.

(Updated slide)

- ***Medi-Cal certification, training, and oversight of Short Term Residential Treatment Programs (STRTPs)***
 - Budget: Provides DHCS with \$350,000 (\$175,000 GF for year 1 and \$369,000 (\$185,000 GF) for Year 2 and 3 positions to implement AB 403.
 - DHCS Estimate: “STRTPs that provide specialty mental health services (SMHS) are certified by the Department.”
 - According to Department of Finance, “The Administration continues to evaluate the workload associated with this effort, and has proposed state operations in 16/17 (January Budget BCP). The Administration will be looking to refine this estimate as the STRTP process is phased in. The Administration also notes that recently promulgated federal managed care regulations will play a part in these certifications.”

SOURCE DOCUMENTS

Guiding State & Federal Laws

- Lanterman-Petris-Short Act in State Law
 - Court-ordered, involuntary evaluation and treatment
- Bronzan-McCorquodale Act in State Law
 - Systems of Care
 - Indigent to the extent resources are available
 - 1991 Realignment
- Medicaid/Social Security Act in Federal Law
 - Specialty Mental Health *Freedom of Choice Waiver* [1915(b)] requires county operated delivery
 - Targeted Case Management *State Plan Amendment*
 - Rehabilitative MH Services *State Plan Amendment*
- Mental Health Services Act in State Law (Prop 63)
- 2011 Realignment

Guiding State & Federal Laws

- DHCS-MHSUDS INFORMATION NOTICE NO: 14-017
- DHCS-MHSD INFORMATION NOTICE No: 13-01
- Title 9 CCR § 1830.205, 1805.210
- Title 22 CCR §51340
- Bronzan-McCorquodale Act, WIC Section 5600.3
- Cal. Code Regs., Title 9, §§ 1850.210(g) and 1850.212(b)
- California State Plan Amendment (SPA) 09-004
- DHCS Managed Care Contract
- DHCS MHP Contract

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