



1600 9th Street, Room 410, Sacramento, CA 95814
(916) 654-2309

December 12, 2011

DMH Letter No: 11-02

TO: LOCAL MENTAL HEALTH DIRECTORS
LOCAL MENTAL HEALTH PROGRAM CHIEFS
LOCAL MENTAL HEALTH ADMINISTRATORS
COUNTY ADMINISTRATIVE OFFICERS
CHAIRPERSONS, LOCAL MENTAL HEALTH BOARDS

SUBJECT: SUSPENSION OF THE USE OF STATISTICALLY VALID SAMPLE SIZES AND EXTRAPOLATION FOR EARLY AND PERIODIC SCREENING, DIAGNOSIS, AND TREATMENT (EPSDT) CHART REVIEWS

This letter is to provide notice that as a result of the integration of the Department of Mental Health's Medi-Cal Oversight (MCO) functions into the Department of Health Care Services (DHCS), the Early and Periodic Screening Diagnosis and Treatment (EPSDT) Supplemental Specialty Mental Health Services chart reviews will be integrated with the Adult Outpatient chart reviews for Fiscal Year (FY) 2011-2012. The EPSDT chart reviews, similar to the Adult Outpatient chart reviews, will be conducted by reviewing sample charts without extrapolation. The triennial system reviews of the Mental Health Plans (MHPs) will include both Adult and EPSDT claims. Until notified to the contrary, the EPSDT chart reviews will no longer be reviewed by using a statistically valid sample size and extrapolation. This suspension will provide DMH and DHCS an opportunity to evaluate the current processes and procedures as decisions are made regarding next steps.

The total number of beneficiaries in the audit samples during the FY 11-12 will remain the same as in previous fiscal years, but the number of beneficiaries will be divided equally between adult and EPSDT beneficiaries. The three-month review period will include services and providers including MHP and organizational providers in the random sample.

It is important to note, in cases where fraud and abuse may be suspected and/or identified, DHCS may exercise its authority to use the method of extrapolation based upon a review of a statistically valid sample size.

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The integrated Adult and the EPSDT outpatient chart reviews will be effective January 1, 2012.

If you have any questions, you may contact Carol Sakai, LCSW, Chief, Medi-Cal Oversight Branch: System and Chart Reviews, Mental Health – Program Compliance Division, Department of Health Care Services at (916) 651-3837 or Carol.Sakai@dhcs.ca.gov.

Sincerely,

Original signed by

Cliff Allenby
Acting Director