



C A L I F O R N I A D E P A R T M E N T O F

Mental Health

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

July 21, 2011

DMH INFORMATION NOTICE NO.: 11-09

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

SUBJECT: ANNUAL REVIEW PROTOCOL FOR CONSOLIDATED
SPECIALTY MENTAL HEALTH SERVICES AND OTHER FUNDED
SERVICES for FISCAL YEAR 2011-2012

SUPERSEDES: DMH Information Notice No.: 10-16

REFERENCE: Retain until rescinded

Pursuant to the responsibilities of the California Department of Mental Health (DMH), Program Compliance, Medi-Cal Oversight (MCO) as outlined in Welfare and Institutions Code, Section 5614, this Information Notice provides the specifics of the MCO annual review of Mental Health Plans (MHPs) in Fiscal Year (FY) 2011-2012. Enclosed are the following:

- Annual Review Protocol for Consolidated Specialty Mental Health Services and Other Funded Services for FY 2011-2012 – Enclosure 1
- County Mental Health Plan Attestation for FY 2011-2012 – Enclosure 2
- MCO Review Schedule for FY 2011-2012 – Enclosure 3
- Reasons for Recoupment for FY 2011-2012 – Enclosure 4

Annual Review Protocol for Consolidated Specialty Mental Health Services and Other Funded Services for FY 2011-2012

In accordance with oversight authority contained in the California Code of Regulations, title 9, chapter 11, section 1810.380, the DMH shall review program and fiscal operations of each MHP to verify that medically necessary services are provided in compliance with State and Federal laws and regulations and/or the terms of the contract between the DMH and the MHP.

The MHP will receive an Announcement Letter approximately 30 days in advance of its scheduled system review or hospital review. The letter will provide instructions for the MHP to follow in preparation for the review. The MHP representative(s) involved in the onsite review shall provide sufficient evidence to demonstrate compliance with State and Federal laws and regulations and/or contractual requirements. If during the onsite review the DMH determines that an MHP is out of compliance, the DMH will provide a description of the finding(s), a description of any corrective action(s) required by the DMH, and the time limits for compliance. A Plan of Correction (POC) is required for all items found to be out of compliance.

County Mental Health Plan Attestation for FY 2011-2012

The purpose of the Attestation is for the MHP to certify compliance with specified Medi-Cal requirements. The submittal of the Attestation to the DMH is required of all MHPs who are scheduled to be reviewed during FY 2011-2012. The signed Attestation is due to the DMH 60 days prior to the start of the MHPs scheduled triennial system review. MHPs are to submit the Attestation to:

California State Department of Mental Health
Program Compliance, Medi-Cal Oversight
Attention: Chief, Medi-Cal Oversight
1600 9th Street, Room 410
Sacramento, CA 95814

NOTE: The MHP is in full compliance when the MHP certifies that all 26 items contained in the Attestation are in place and are maintained in accordance with regulations. During the onsite review the corresponding, supporting documents and records required by the Attestation shall be accessible and made available for review upon request by the DMH reviewers.

In the instance in which the MHP is unable to certify compliance to all 26 items contained in the Attestation, the MHP is to submit to the DMH (via an addendum to the Attestation) the identification of the item(s) found to be in non-compliance, provide an explanation of the reason for the non-compliance of the item(s), and specify a date when all items will be in full compliance. Once the MHP is able to certify compliance to all 26 items in the Attestation, the MHP is to resubmit a signed Attestation with the box checked "Amended" to the DMH.

MCO Review Schedule for FY 2011-2012

The schedule includes MHP system reviews, non-hospital chart reviews, and Short-Doyle/Medi-Cal (SD/MC) hospital reviews.

Plan of Correction

The MHP is required to submit a POC for all System and Chart review items found out of compliance within 60 days after receipt of the final report. If the MHP chooses to appeal any of the out of compliance items, the MHP may do so by submitting an appeal in writing within 15 working days after receipt of the final report.

Reasons for Recoupment for FY 2011-2012

The DMH will review a random sample of beneficiary charts and recoup Federal Financial Participation (FFP) dollars in accordance with the FY 2011-2012 Reasons for Recoupment. The DMH will review the medical necessity criteria and chart documentation to determine Medi-Cal reimbursement of specialty mental health services. This review includes all charts associated with the beneficiary's care during the review period.

- Chart Review – Non-Hospital Services
Depending on the size of the county (small or large), the DMH will review 10 to 20 adult beneficiary medical records. The adult sample will be drawn from paid claims from a floating three-month period commencing with twelve months prior to the month of the review. The MHP will be provided with the beneficiary names one week before the review.
- Chart Review – SD/MC Hospital Services The DMH will review a sample of adult and/or children's medical records. The sample will be drawn from paid claims from the twelve month period prior to the date of the review.

This Protocol was developed in collaboration with the Compliance Advisory Committee, which includes representatives from the California Mental Health Directors Association, the California Mental Health Planning Council, the California Hospital Association, the National Alliance on Mental Illness, Consumer and Family Member Representatives, Disability Rights California, and other stakeholders.

If you have any questions regarding this Information Notice, please contact Carol Sakai, LCSW, Chief, Medi-Cal Oversight at Carol.Sakai@dmh.ca.gov or (916) 651-3837.

Sincerely,

Original Signed by

CLIFF ALLENBY
Acting Director

cc: California Mental Health Planning Council
Patricia Ryan, Executive Director, CMHDA
Compliance Advisory Committee