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ALL PLAN LETTER 18-007
SUPERSEDES ALL PLAN LETTER 14-017

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS

SUBJECT: REQUIREMENTS FOR COVERAGE OF EARLY AND PERIODIC SCREENING, DIAGNOSTIC, AND TREATMENT SERVICES FOR MEDI-CAL MEMBERS UNDER THE AGE OF 21

PURPOSE:

This All Plan Letter (APL) clarifies the responsibilities of Medi-Cal managed care health plans (MCPs) to provide Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) services to eligible members under the age of 21. This policy applies to all members under the age of 21 enrolled in MCPs. This guidance is intended to reinforce existing state and federal laws and regulations regarding the provision of Medi-Cal services, including EPSDT, and does not represent any change in policy. This APL supersedes APL 14-017.

BACKGROUND:

In 1967, Congress expanded the EPSDT benefit for children. The EPSDT benefit provides comprehensive screening, diagnostic, treatment, and preventive health care services for individuals under the age of 21 who are enrolled in Medi-Cal and is key to ensuring that members who are eligible for EPSDT services receive appropriate preventive, dental, mental health, developmental, and specialty services.

Section 1905(r) of the Social Security Act (SSA) defines the EPSDT benefit to include a comprehensive array of preventive, diagnostic, and treatment services for low-income individuals under 21 years of age.¹ States are required to provide any Medicaid covered services listed in section 1905(a) of the SSA for members who are eligible for EPSDT services when the services are determined to be medically necessary to correct or ameliorate any physical or behavioral conditions. In accordance with Title 42 of the Code of Federal Regulations (CFR), Section 440.130(c), services must also be provided when medically necessary to prevent disease, disability, and other health conditions or their progression, to prolong life, and to promote physical and mental health and efficiency.² The EPSDT benefit is more robust than the Medi-Cal benefit

¹ Section 1905 of the SSA is available at: https://www.ssa.gov/OP_Home/ssact/title19/1905.htm

² 42 CFR, Part 440, is available at:

<https://www.ecfr.gov/cgi-bin/text-idx?SID=9568043f8b1386fd23340e60c3e9da4f&mc=true&node=pt42.4.440&rgn=div5>

package provided to adults and is designed to ensure that eligible members receive early detection and preventive care in addition to medically necessary treatment services, so that health problems are averted or diagnosed and treated as early as possible.

Title 42 of the United States Code (USC), Section 1396d(r), defines EPSDT services as including the following:^{3, 4}

- 1) Screening services provided at intervals which meet reasonable standards of medical and dental practice and at other intervals indicated as medically necessary to determine the existence of physical or mental illnesses or conditions. Screening services must include, at a minimum, a comprehensive health and developmental history (including assessment of both physical and mental health development); a comprehensive unclothed physical exam; appropriate immunizations; laboratory tests (including blood lead level assessment appropriate for age and risk factors); and health education (including anticipatory guidance).
- 2) Vision services provided at intervals which meet reasonable standards of medical practice and at other intervals indicated as medically necessary to determine the existence of a suspected illness or condition. Vision services must include, at a minimum, diagnosis and treatment for defects in vision, including eyeglasses.
- 3) Dental services provided at intervals which meet reasonable standards of dental practice and at other intervals indicated as medically necessary to determine the existence of a suspected illness or condition. Dental services must include, at a minimum, treatment for relief of pain and infections, restoration of teeth, and maintenance of dental health.
- 4) Hearing services provided at intervals which meet reasonable standards of medical practice and at other intervals indicated as medically necessary to determine the existence of a suspected illness or condition. Hearing services must include, at a minimum, diagnosis and treatment for defects in hearing, including hearing aids.

³ 42 USC, Section 1396d, is available at:

<http://uscode.house.gov/view.xhtml?req=granuleid:USC-prelim-title42-section1396d&num=0&edition=prelim>

⁴ The Patient Protection and Affordable Care Act (ACA) mandated the use of the current American Academy of Pediatrics "Bright Futures" periodicity schedule and guidelines when delivering the EPSDT benefit, including, but not limited to, screening services, vision services, and hearing services. MCPs must also provide all age-specific assessments and services required by the MCP contract.

- 5) Other necessary health care, diagnostic services, treatment, and measures, as described in 42 USC 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 listed in the state plan or are covered for adults.

The California Code of Regulations (CCR) further clarifies the parameters of California's implementation of the EPSDT program.⁵ Pursuant to Title 22 of the CCR, Section 51184(a)(3), screening services include any other encounter with a licensed health care provider that results in the determination of the existence of a suspected illness or condition or a change or complication in a condition. Screening services must identify developmental issues as early as possible.

EPSDT in California

MCPs are required to provide and cover all medically necessary services. For members age 21 and over, 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 members under age 21, MCPs must provide a broader range of medically necessary services that is expanded to include standards set forth in federal law and the CCRs.

The EPSDT benefit in California is set forth under Title 22, CCR, Sections 51340, 51340.1, and 51184. It includes all medically necessary services as described under Title 22, CCR, Section 51184, and Title 9, CCR, Sections 1820.205 and 1830.210 that may be referred to as "EPSDT Supplemental Services" in the MCP contract with the Department of Health Care Services (DHCS).

MCPs' Contractual Requirements

MCPs are required to cover and ensure the provision of screening, preventive, and medically necessary diagnostic and treatment services for members under the age of 21, including EPSDT Supplemental Services. The EPSDT benefit includes case management and targeted case management services designed to assist members in gaining access to necessary medical, social, educational, and other services.

MCPs must ensure that comprehensive case management is provided to each member. MCPs must maintain procedures for monitoring the coordination of care provided to members, including but not limited to all medically necessary services delivered both within and outside the MCP's provider network. If the MCP determines that case

⁵ The CCR is searchable by Title and Section at: <https://govt.westlaw.com/calregs/Search/Index>

management services are medically necessary and not otherwise available, the MCP shall provide, or arrange and pay for, the case management services for its members who are eligible for EPSDT services (Title 22, CCR, Section 51340(k)).

For example, while services provided by the California Children's Services (CCS) program are not covered under most MCP contracts with DHCS, upon adequate diagnostic evidence that a member has a CCS-eligible condition, MCPs must refer the member to the local county CCS office for determination of eligibility. If the local CCS program does not approve eligibility, the MCP remains responsible for the provision of all medically necessary covered services for the member. If CCS denies a particular medically necessary service, MCPs may provide services through providers within the MCPs' network. If the local CCS program denies authorization for any service, the MCP remains responsible for providing the medically necessary service as determined by the MCP provider.

In addition, MCPs are also required to establish procedures for members to obtain necessary transportation services, including medical and non-medical transportation services. For additional transportation guidance, please refer to APL 17-010, Non-Emergency Medical and Non-Medical Transportation Services.⁶

Dental services are carved-out of the MCP contract with DHCS. MCPs must cover and ensure that dental screenings for all members are included as a part of the initial health assessment. For members under the age of 21, a dental screening/oral health assessment must be performed as part of every periodic assessment. MCPs must ensure that members are referred to appropriate Medi-Cal dental providers. MCPs must cover and ensure the provision of covered medical services related to dental services that are not provided by dentists or dental anesthetists, but may require prior authorization for medical services required in support of dental procedures.

All members under the age of 21 must receive EPSDT screenings designed to identify health and developmental issues, as early as possible. The EPSDT benefit also includes medically necessary diagnostic and treatment services for members with developmental issues, when a screening examination indicates the need for further evaluation of a child's health. The member should be appropriately referred for diagnosis and treatment without delay. MCPs are responsible for providing medically necessary Behavioral Health Treatment (BHT) services for members that meet eligibility criteria for services outlined in section 1905(a) of the SSA. For more information on MCP requirements on the provision of BHT services to eligible members, please refer to the APL 18-006, *Responsibilities for Behavioral Health Treatment Coverage for Members Under the Age of 21*.

⁶ DHCS All Plan Letters are available at: <http://www.dhcs.ca.gov/formsandpubs/Pages/AllPlanLetters.aspx>.

MCPs must ensure that the criteria set forth in Title 22, CCR, Section 51340.1 are met when approving the following EPSDT services: hearing services, onsite investigations to detect the source of lead contamination, and pediatric day health care services.

In addition, MCPs must comply with the Americans with Disabilities Act mandate to provide services in the most integrated setting appropriate to members (*Olmstead v. L.C. ex rel. Zimring* (1999) 527 U.S. 581), and with California Government Code (GOV) Section 11135.⁷

POLICY:

Where diagnostic, treatment or other EPSDT services are provided in a home or community-based setting, the total costs incurred by the Medi-Cal program for the service must be less than what the total costs would be for the provision of “medically equivalent services” in an appropriate institutional level of care (Title 22, CCR, Section 51340(m)). “Medically equivalent services” includes services to address developmental needs that otherwise would be addressed in the home or other community setting. Pursuant to Title 22, CCR, Section 51340, speech therapy, occupational therapy, and physical therapy services are exempt from the benefit limitations set forth under Title 22, CCR, Section 51304. MCPs may not impose service limitations. In addition, MCPs are required to provide speech therapy, occupational therapy, and physical therapy services when medically necessary to correct or ameliorate defects discovered by screening services, whether or not such services or items are covered under the state plan unless otherwise specified in the applicable MCP contract with DHCS.

MCPs are required to provide appointment scheduling assistance and necessary transportation, including non-emergency medical transportation and non-medical transportation, to and from medical appointments for the medically necessary services that MCPs are responsible for providing pursuant to their contracts with DHCS.

MCPs must ensure that members under the age of 21 who are eligible for EPSDT services and their parents or guardians know what services are available and have access to the health care resources they need. MCPs have a responsibility to provide health education, including anticipatory guidance, to members under age 21 and to their parents or guardians in order to effectively use those resources, including screenings and treatment (Title 42, US Code, Section 1396d(r)(1)(B)(v); Centers for Medicare & Medicaid Services, *EPSDT – A Guide for States: Coverage in the Medicaid Benefit for Children and Adolescents*, p. 4)).

⁷ See GOV Section 11135 at:

http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=11135.&lawCode=GOV

Specifically, for members under the age of 21, MCPs are required to provide and cover all medically necessary services **with the following exceptions:**

- A. Dental services provided by dental personnel covered by the Medi-Cal Denti-Cal program (Policy Letter 13-002);
- B. Non-medical services provided by Regional Centers (RCs) to members with developmental disabilities, including, but not limited to, respite, out-of-home placement, and supportive living. However, MCPs must monitor and coordinate all medical services with RC staff;
- C. Alcohol and substance use disorder treatment services available under the Drug Medi-Cal Program and outpatient heroin detoxification services, including all medications used for treatment of alcohol and substance use disorder covered by DHCS, as well as specific medications not currently covered by DHCS, but reimbursed through Medi-Cal fee-for-service (FFS);
- D. Specialty mental health services listed in Title 9, CCR, Section 1810.247 for members 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 (APLs 13-018 and 17-018);
- E. CCS services not included in the MCP capitated rate. The EPSDT services determined to be medically necessary for treatment or amelioration of the CCS-covered condition, including private duty nursing related to a CCS-eligible condition, must be case managed and have obtained prior authorization by the CCS program (on a FFS basis) (Title 22, CCR, Section 51013);⁸
- F. Services for which prior authorization is required but are provided without obtaining prior authorization; and

⁸ For members enrolled in an MCP and who have been referred to the CCS program for case management and authorization of nursing services, the provider will submit the private duty nursing Treatment Authorization Request (TAR) to the EPSDT unit of the DHCS Integrated Systems of Care Division. The EPSDT unit will verify with the local CCS County program that the child is enrolled in the CCS program and the nursing services are related to the CCS-eligible medical condition. If the member is deemed to have a CCS-eligible medical condition, the EPSDT unit will review the TAR for medical necessity for the requested nursing services. The EPSDT unit will then refer the TAR to the local CCS program and will recommend authorization of services. If the member is not enrolled in the CCS program or the nursing services are not related to the CCS-eligible medical condition, the EPSDT unit will defer the TAR back to the provider to submit the request and or claims to the MCP pursuant to 22 CCR Sections 51003(c) and 51014.1(e).

- G. Other services listed as services that are not “Covered Services” under the MCP contract with DHCS, such as Pediatric Day Health Care services.

Where another entity—such as a local education agency (LEA), RC, or local governmental health program—has overlapping responsibility for providing services to a member under the age of 21, MCPs must assess what level of medically necessary services the member requires, determine what level of service (if any) is being provided by other entities, and then coordinate the provision of services with the other entities to ensure that MCPs and the other entities are not providing duplicative services.

MCPs have the primary responsibility to provide all medically necessary services, including services which exceed the amount provided by LEAs, RCs, or local governmental health programs. However, these other entities must continue to meet their own requirements regarding provision of services. MCPs should not rely on a LEA program, RC, CCS, Child Health and Disability Prevention Program, local governmental health program, or other entities as the primary provider of medically necessary services. The MCP is the primary provider of such medical services except for those services that have been expressly carved out. MCPs are required to provide case management and coordination of care to ensure that members can access medically necessary medical services as determined by the MCP provider. For example, when school is not in session, MCPs must cover medically necessary services that were being provided by the LEA program when school was in session.

DHCS is amending Title 22 of the CCR to eliminate references to “EPSDT Supplemental Services.” There is no distinction between EPSDT services and EPSDT Supplemental Services in practice, so it is unnecessary to have two separate categories of services. MCPs must ensure that all of their own policies and procedures, as well as the policies, procedures, and practices of any subplans, contracted providers, or subcontracted Independent Physician Associations, comply with these EPSDT requirements. DHCS, in concert with the Department of Managed Health Care, will monitor plans for compliance with these requirements.

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

ALL PLAN LETTER 18-007
Page 8

If you have any questions regarding the requirements of this APL, please contact your Managed Care Operations Division contract manager.

Sincerely,

Original signed by Nathan Nau

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