



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

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November 19, 2002

DMH LETTER NO.: 02-07

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

SUBJECT: POLICY CLARIFICATION ON MEDI-CAL BILLING AND REIMBURSEMENT
FOR MISSED APPOINTMENTS

This letter provides clarification regarding appropriate Medi-Cal billing and claiming practices when beneficiaries miss scheduled appointments. The two issues addressed in the letter are the prohibition against billing beneficiaries for missed appointments and the criteria for determining staff or contract provider activities related to the missed appointment for which federal financial participation (FFP) may be claimed through the Short-Doyle/Medi-Cal (SD/MC) claiming system.

BILLING MEDI-CAL BENEFICIARIES

Mental Health Plans (MHPs) and their providers may not bill beneficiaries for missed appointments. Although the Department of Mental Health (DMH) recognizes that billing for missed appointments is sometimes used as a therapeutic tool in general mental health practice, it is not a tool that may be used when the client is a Medi-Cal beneficiary. MHPs and their providers may not bill Medi-Cal beneficiaries unless there is specific authority to do so. Title 9, California Code of Regulations, Section 1810.365, covers the general prohibition against billing beneficiaries for Medi-Cal services and related administrative services, such as missed appointments and transferring client records to a new provider. The regulation then lists the specific situations in which beneficiary billing is permitted. The regulation provides MHPs with authority to collect reimbursement directly from the beneficiary when the beneficiary has other healthcare coverage or a Medi-Cal share-of-cost. The regulation also permits MHPs and their providers to collect the co-payments for Medi-Cal services established by the State Department of Health Services.

REIMBURSABLE ACTIVITIES

MHPs may not claim FFP through the SD/MC claiming system when a beneficiary misses an appointment. This includes missed appointments at the provider's site, the beneficiary's home or elsewhere in the community.



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In addition, MHPs may not directly claim FFP for travel time to an appointment with a beneficiary at the beneficiary's home or elsewhere in the community or for documentation time when the beneficiary misses the appointment. FFP may be claimed only when the travel or documentation is linked to a direct service to the Medi-Cal beneficiary and is part of the total time documented to provide the direct service. The cost of the travel and documentation time, however, should be included in the annual cost report submitted to DMH for the applicable MHP and other legal entities and is an allowable program expenditure that is used to calculate the cost per unit of time at the service function level. As such, these or portions of these expenditures will be eligible for FFP in the year-end cost report final settlement process.

The following are examples of clinical practices when a beneficiary misses a scheduled appointment that **are not directly reimbursable** as a unit of time through the SD/MC claiming system, because no direct service has been provided to the beneficiary:

- Leaving a note on the door for the beneficiary regarding the missed appointment.
- Travel time when no mental health service is provided.
- Leaving a message on an answering machine or with another individual.
- Documenting in the chart that a beneficiary missed an appointment.

The following are examples of clinical practices when a beneficiary misses a scheduled appointment that **are reimbursable** through the SD/MC claiming system because a direct service to the beneficiary is involved:

- Collateral contacts with significant support persons in the beneficiary's life that are directed exclusively to the mental health needs of the beneficiary. This contact may be face-to-face or by phone with the significant support person.
- Travel time if it is directly connected to the collateral contact.
- Follow-up telephone contact with the beneficiary when contact is directly with the beneficiary.
- Plan development for mental health services and medication support services. Units of time may be billed regardless of whether there is a face-to-face or phone contact with the beneficiary.
- Letters written to beneficiaries as the result of the treatment plan process that explicitly include treatment plan goals and objectives.

Please note that all other requirements for the delivery of services must also be met, including standards for documentation, confidentiality and medical necessity.

MHPs are encouraged to provide services in the setting and manner most appropriate to the treatment and service needs of the beneficiary. MHPs are encouraged to consult with DMH as needed to resolve questions related to reimbursable activities.

If you have questions or need additional information, please contact your contract manager in the Technical Assistance and Training Section below:

DMH Technical Assistance and Training Contract Managers

Bay Area Region	Ruth Walz	(707) 252-3168
Central Region	Anthony Sotelo	(916) 651-6848
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Sincerely,

STEPHEN W. MAYBERG, Ph.D.
Director

cc: California Mental Health Planning Council
Chief, Technical Assistance and Training