



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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February 19, 2004

DMH LETTER NO.: 04-03

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

SUBJECT: CHANGES IN REQUIREMENTS FOR MENTAL HEALTH PLAN  
PAYMENT AUTHORIZATION PROCESSES FOR  
THERAPEUTIC BEHAVIORAL SERVICES

Pursuant to Section II.C. of the Interim Order Clarifying Judgment, Extending Jurisdiction and Directing the Parties to Collaborate Regarding Further Relief filed on January 29, 2004 in Emily Q. v. Bontá (C.D.Cal., 2001, CV 98-4181 AHM (AIJx)), all mental health plans (MHPs) must immediately implement a process for expedited review of MHP payment authorization requests for therapeutic behavioral services (TBS) in accordance with Title 42, Code of Federal Regulations, Section 438.210(d)(2).

Effective September 1, 2003, the Department of Mental Health (DMH) required MHPs to implement a system for prior authorization of TBS. This requirement is included in the DMH/MHP contract for fiscal year 2003-04 in Exhibit A, Attachment 1, Section Z (Section EE for San Mateo). The contract required that the MHP make a decision on MHP payment authorization requests for TBS within 14 calendar days of receipt of the provider's request and allowed the MHP up to 30 calendar days to make a decision if additional information was needed from the provider. The court ordered that the expedited authorization process included in the final Medicaid Managed Care regulations at Title 42, CFR, Section 438.210(d)(2) must be implemented immediately and ordered that the MHPs must inform TBS providers of the process. MHPs must implement the expedited authorization process as described in this DMH Letter, consistent with the DMH/MHP contract, Exhibit A, Attachment 1, Section W (Section AA for San Mateo), "Compliance with the Requirements of Emily Q. v. Bontá."

A description of the expedited authorization process as ordered by the court are provided below. Please note that implementation of the expedited authorization process does not change the MHPs' responsibility to review the provider's request for MHP payment authorization of TBS to ensure that the medical and service necessity criteria for TBS are met.

### **EXPEDITED MHP PAYMENT AUTHORIZATION PROCESS FOR TBS**

In cases in which a provider indicates, or the MHP determines, that following the normal 14 calendar day time frame for making a decision on an MHP payment authorization request for TBS could seriously jeopardize the beneficiary's life or health or ability to attain, maintain, or regain maximum function, the MHP must follow an expedited authorization process. The MHP may establish standards for making an MHP determination to follow the expedited authorization process, when the expedited process is not requested by the provider. The MHP may not deny a provider's request to use the expedited authorization process.

### **Time Frame for MHP Decisions**

When a provider requests an expedited authorization decision for TBS, the MHP must make a decision on whether to approve, deny or modify the MHP payment authorization request for TBS and provide notice to the provider as expeditiously as the beneficiary's mental health condition requires and no later than three working days after receipt of the request for MHP payment authorization. The MHP may extend the three-working-day time period by up to 14 calendar days if the beneficiary requests an extension, or if the MHP identifies a need for additional information and documents the need and how the extension is in the beneficiary's interest in the MHP's authorization records.

### **Forms for Requesting Expedited Authorization of TBS**

The MHP must provide an Expedited Authorization Request form for providers to use in requesting expedited processing of an MHP payment authorization request for TBS. The form must include the reasons identified by the court as situations in which an expedited authorization process is necessary. As noted above, the MHP may not deny a provider's request to use the expedited authorization process. The MHP may use the enclosed form or may develop its own form, provided the MHP-developed form includes the provider name, address, provider number, and telephone number; the beneficiary's name, Medi-Cal identification number, and date of birth; a clear way to indicate that an expedited authorization is being requested, and a certification by the provider that the expedited process is necessary under the federal criteria. A form developed by the MHP must also include the following examples of situations in which an expedited process is necessary:

1. Without TBS, the beneficiary is likely to be placed at a higher level of care or to require acute psychiatric hospitalization within the next 14 days.
2. The beneficiary is ready to transition to a lower level of residential placement within the next 14 days but cannot do so without TBS.
3. The request is for the continuation of previous TBS authorization which will end in 14 days or less, resulting in a gap in services, and the request is being made before the end of the previously authorized service period.

**Information to TBS Providers Required by the Court Order**

The MHP must provide expedited authorization request forms to all its TBS providers within three days of the date of this letter. The MHP must also provide MHP staff and contract providers who may submit MHP payment authorization requests for TBS with a copy of this DMH Letter and the expedited authorization form that will be used by the MHP within seven days of the date of this letter.

**Provider and Beneficiary Notices Regarding MHP Payment Authorization Decisions**

The MHP must notify the requesting provider of a decision to approve an MHP payment authorization request for TBS, to extend the three-working-day time frame for an expedited request, to deny an MHP payment authorization request, or to authorize TBS in an amount, duration, or scope that is less than requested. The notice to the provider need not be in writing.

The MHP must provide a notice of action (NOA) to the beneficiary when the MHP denies or modifies an MHP payment authorization request for TBS in accordance with Title 9, CCR, Section 1850.210.

In addition, when the MHP does not make a decision on an MHP payment authorization request for TBS within the required time frame, the MHP must deny the MHP payment authorization and provide the beneficiary with an NOA. For an expedited authorization request, the required time frame for issuing the denial to the provider and sending the NOA is three working days or, if the MHP has extended the time frame, three working days plus 14 calendar days. The NOA must be mailed on the date the applicable time frame expires.

If you have questions or need additional information, please contact your Medi-Cal contract manager in the County Operations Sections below.

**DMH County Operations Medi-Cal Contract Managers**

**Bay Region**

Ruth Walz (Regional Lead) (707) 252-3168  
Contra Costa, San Francisco, San Mateo, Solano

Douglas Mudgett (916) 654-3623  
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Peter Best (916) 657-3487  
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Kathleen Carter (Interim) (916) 651-6613  
Lassen, Modoc, Plumas, Shasta, Siskiyou, Trinity

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**Central Region**

Vivian Lee (Regional Lead) (916) 651-6281  
Fresno, Madera, Mariposa, Sacramento, Kings, San Joaquin, Tulare, Tuolumne

Lori Hokerson (916) 651-6296  
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Joseph Kim (916) 651-6339  
Alpine, Calaveras, Mono

**Southern Region**

Eddie Gabriel (Regional Lead) (916) 654-3263  
Orange, Los Angeles, San Diego, Ventura

Linda Brophy (916) 654-7357  
Imperial, San Luis Obispo

Troy Konarski (916) 654-2643  
Kern, Riverside, Santa Barbara, San Bernardino

Sincerely,

*(Original Signed by John Rodriguez for)*

STEPHEN W. MAYBERG, Ph.D.  
Director

Enclosure

cc: California Mental Health Planning Council  
Chief, County Operations Section, Bay and Northern Regions  
Chief, County Operations Section, Southern and Central Regions