

August 30, 2017

Ellen Beck, MD  
Chair, Medi-Cal Children's Health Advisory Panel  
Delivered via: MCHAP@dhcs.ca.gov

**Re: Comments on April 2017 letter to DHCS regarding children's mental health**

Dear Dr. Beck:

Children Now – California's non-partisan research, policy development, and advocacy organization dedicated to improving children's overall well-being – recognizes the Medi-Cal Children's Health Advisory Panel (MCHAP) as a key partner on matters relevant to children enrolled in Medi-Cal. As an important advisor to the Department of Health Care Services (DHCS), MCHAP's input is critical to the discussion around children in California.

We appreciate the work and effort MCHAP put into developing the April 2017 letter submitted to DHCS which outlined a list of thoughtful recommendations regarding children's mental health and substance use services<sup>1</sup>, and we are pleased to take the opportunity to provide feedback. Children Now is writing to specifically share our thoughts about recommendation #2, which states that DHCS should:

*Issue guidance to establish consistent definitions of mild, moderate and severely mentally ill as well as roles, responsibilities and anticipated actions among local managed care entities and programs, especially as they affect children and youth.*

While we appreciate MCHAP's request for clarification, Children Now is concerned that, as written, this recommendation may imply that the severity of a child's impairment (i.e. mild to moderate or moderate to severe) is a deciding factor when determining who is responsible for delivering mental health services to that child. We recognize that the Affordable Care Act's expansion of benefits for adults - to include services for a mild to moderate impairment - caused considerable confusion about what, if anything, has changed for children. We are concerned MCHAP's letter will add to the confusion.

In an effort to clarify this issue, DHCS issued a [MHSUDS Information Notice 16-061](#) on December 9, 2016, to provide guidance to Mental Health Plans (MHPs) with regards to their responsibility to provide specialty mental health services (SMHS). The Information Notice stated as follows:

*DHCS recognizes that the medical necessity criteria for impairment and intervention for Medi-Cal SMHS differ between children and adults. For children and youth, under EPSDT, the "impairment" criteria component of SMHS medical necessity is less stringent than it is for adults, therefore children with low levels of impairment may meet medical necessity criteria for SMHS (Cal. Code Regs., tit. 9*

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<sup>1</sup> [Letter](#) dated April 19, 2017 and submitted to Director Jennifer Kent.

*§ 1830.205 and § 1830.210), whereas adults must have a significant level of impairment.*

The letter further stated that, as opposed to adults, children under 21 enrolled in Medi-Cal are eligible for Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) SMHS as long as the child has a covered mental health condition, the condition would not be responsive to physical health care based treatment, and the services are considered necessary to correct or ameliorate a mental illness and condition.

Children are also entitled to receive non-specialty mental health services that are medically necessary through Medi-Cal managed care plans or fee-for-service providers under the EPSDT entitlement. Because of EPSDT, children have been entitled to greater benefits than adults, both through the MHPs and managed care plans (MCPs), prior to the ACA's adult benefit expansion in January 2014.

Recently, DHCS allowed stakeholders to review a draft All Plan Letter<sup>2</sup> focused on parity requirements and MCP responsibilities for providing mental health services. This draft guidance did not sufficiently delineate how MCP responsibilities differ for children and adults. We are concerned that this draft guidance may reignite the considerable confusion that existed prior to MHSUDS Information Notice 16-061 unless it is substantially reworked prior to finalization.

We believe it is crucial to ensure all stakeholders are aware that children may qualify for SMHS regardless of impairment level, and who is responsible for providing mental health services for a particular child is not merely dictated by the severity of the child's impairment.

To advance our mutual goal of ensuring children in Medi-Cal receive needed mental health services, we encourage MCHAP to (1) work with DHCS to maintain clarity and consistency with the directive in Notice 16-061 and (2) urge DHCS to ensure any future guidance to health plans regarding their responsibilities as to children are consistent with Information Notice 16-061.

If you have any questions or concerns please feel free to contact Senior Associate of Health Collaborations, Lishaun Francis at [lfrancis@childrennow.org](mailto:lfrancis@childrennow.org).

Sincerely,



Kelly Hardy  
Senior Managing Director, Health

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<sup>2</sup> [All Plan Letter 14-017, Requirements for Coverage of Early and Periodic Screening, Diagnostic, and Treatment Services for Medi-Cal Beneficiaries under the Age of 21.](#)