

**DATE:** June 28, 2024

N.L.: 05-0624  
Supersedes N.L.: 43-1194  
Index: Medical Therapy Program

**TO:** All County California Children's Services Program Administrators,  
Medical Directors and Consultants, and Department of Health Care  
Services Staff

**SUBJECT:** Medical Therapy Program Utilization Review Process

## I. PURPOSE

The purpose of this Numbered Letter (NL) is to provide updated guidance for the county California Children's Services (CCS) Medical Therapy Program (MTP) Utilization Review (UR) process. This document includes the UR standards for the MTP, as well as UR procedure updates and forms required for the initial Outpatient Rehabilitation Center (OPRC) certification of a Medical Therapy Unit (MTU) and recertification of existing OPRC certified MTUs. All MTUs must complete the UR process regardless of their OPRC status.

## II. BACKGROUND

The UR process is a Medi-Cal requirement for OPRC. The 1993 Assembly Bill 222 and the Budget Act of 1991-92 required that the CCS Program utilize Medi-Cal funding for MTP occupational therapy and physical therapy services for individuals who are Medi-Cal beneficiaries. The UR brought the certification process for the MTUs into full compliance with the California Code of Regulations (CCR) Title 22, Article 3, Section 51213 (g)(2-5).

The Department of Health Care Services (DHCS) CCS Therapy Consultant conducts OPRC certification surveys for newly established MTUs and recertification surveys for currently certified OPRCs. Each OPRC certification/recertification survey includes a review of UR records.

## III. POLICY

The County MTP will conduct UR at each MTU regardless of OPRC status.

### A. Utilization Review (UR) Team

The UR Team is composed of a physician, an occupational therapist (OT), and a physical therapist (PT) at minimum. Additional members may include Therapy

Program Managers (OT and/or PT) and Office Support who perform administrative functions of the UR process.

#### 1. Independent Counties

The UR Team will be made up of the county medical director/consultant, the supervising/lead therapist or their designee, and a therapist of the other discipline (physician, OT, PT) and meet monthly.<sup>1</sup> The county medical director/consultant or designee is the lead member of the UR Team. The county may select therapists from the MTP to serve on the team as appropriate. The UR Team may select one of their members to complete the attached forms during the UR process. The independent county MTP must inform DHCS if the county does not have all staff required for the UR Team within 30 business days of recognition of this deficiency.

#### 2. Dependent Counties with an MTU

- a. The dependent county UR Team is comprised of at least the MTU OT and PT. The county shall identify a qualified county physician to participate on the UR Team or arrange with DHCS for state medical consultant participation. When all three UR Team professionals (physician, OT, PT) are present at the county level, the county MTP shall perform monthly UR as outlined above for independent counties.
- b. When any members of the UR Team are anticipated to be absent for over 30 business days, the county MTP shall contact [MTPCentral@dhcs.ca.gov](mailto:MTPCentral@dhcs.ca.gov) to discuss planning for interim coverage (physician, OT, PT) in order to maintain a complete UR Team for monthly UR meetings.

#### B. Case Selection

1. County MTP programs must review at least 10% of the total county MTP caseload annually. The cases should be proportionally distributed among each MTU for those counties with more than one unit.
2. The UR Team in every county is responsible for establishing and documenting a method to randomly select and evaluate 10% of each MTU's beneficiary cases annually, excluding those solely receiving Medical Therapy Conference (MTC) services or on hold for therapy services (not currently receiving therapy services).

#### C. UR Team Meeting

1. UR case review meetings must be held at least monthly. The UR Team may meet in person at an MTU or the county CCS Administrative Office, or

<sup>1</sup> 22 CCR § 51213(g)(2)(A)

virtually. Counties will be responsible for establishing and documenting a method for gathering the necessary documents for each beneficiary case to be reviewed at the UR Team meeting.

2. During the meeting the UR Team must:
  - a. Review relevant documentation, per the UR-1 form for each beneficiary from the most recent Medical Therapy Plan signed by the beneficiary's prescribing physician to the date of the UR Meeting.
  - b. Record their findings.
  - c. Forward those findings to the MTU supervising/lead therapist.
  - d. Assign a member of the UR Team to follow up when it is determined that an MTU needs to develop a plan to correct identified deficiencies, as indicated on the UR-1 form, in a beneficiary's case that is documented during the UR Team Meeting.

#### D. Timelines

1. The UR Team determines the date and time for the monthly UR meeting.
2. The UR Team notifies the MTU supervising/lead therapists of the scheduled UR Team meeting a minimum of two weeks prior to the meeting.
3. The UR Team provides the MTU(s) with the results of their review within five business days of the UR meeting.
4. The MTU reviews results for each beneficiary case reviewed at the UR Team meeting and performs the following:
  - a. If no deficiencies are noted on the UR Beneficiary Checklist(s), the review process is complete.
  - b. If deficiencies are noted on the UR Beneficiary Checklist(s), the MTU will develop a plan to correct the deficiencies, implement this plan, and provide a written update for each beneficiary and forward their response to the UR Team for review within 30 business days.
  - c. The UR Team reviews the MTU's implemented plan to correct the deficiencies and responds within five business days.
    - i. If the UR Team approves the MTU implemented plan to correct the deficiencies, the review process is complete.
    - ii. If the UR Team does not approve the MTU implemented plan to correct the deficiencies, the MTU must respond within 30 business

days with a revised plan and actions taken to correct deficiencies. These steps will be repeated until the MTU corrects the deficiencies. The review process will be complete once the MTU has implemented the plan and corrected the deficiencies.

#### **IV. POLICY IMPLEMENTATION**

Counties will use the UR Beneficiary Checklist (UR-1) and the UR Team Monthly Meeting Log (UR-2) attached to this NL to document their utilization review process. Completed forms should be retained for no less than 3 years. These documents will be reviewed during each MTU OPRC certification/recertification survey by the DHCS CCS Therapy Consultant. Counties may choose to address quality control and general case reviews during the UR meeting and utilize separate forms developed by the county. Counties must not include the findings from quality control and case reviews in the UR Team documentation since these reviews do not replace the required UR.

##### **A. UR Beneficiary Checklist (UR-1) completion instructions:**

###### **1. Beneficiary Information**

- a. Beneficiary name, date of birth, CCS number, assigned MTU, MTP eligible diagnosis(es) (may use International Classification of Diseases (ICD) number).
- b. The date the beneficiary's case was first opened to the MTP (in any county).
- c. The review date is the date of the UR Team Meeting.

###### **2. Review of Documentation**

###### **a. Initial MTP eligibility report**

The initial MTP eligibility report is the medical report that was reviewed to determine the beneficiary's initial eligibility for the MTP. Review of this report is a required element of a beneficiary case review during an OPRC survey.

- i. If the initial MTP eligibility report is unavailable, the UR Team must check the "no" box under "Review of Documentation: Initial MTP eligibility report in chart" and include a comment indicating that the report cannot be located. The absence of this report is not a correctable deficiency and therefore does not require a plan to correct the deficiency. In addition, it does not need to be addressed in subsequent UR beneficiary chart reviews.
- b. The county medical director/consultant serving as the UR team physician

will review the prescribing or managing physician's report which must comply with the following requirements:

- i. Report from the physician managing the beneficiary's MTP eligible diagnosis(es) and signing the beneficiary's OT/PT Medical Therapy Plans.
  - ii. For reports to be current, the visit must take place within:
    - (a) Six months for beneficiaries with orders for services of one time per week or more (for a duration of twelve weeks or more in a one-year period), and
    - (b) 12 months for beneficiaries with orders for less frequent services.
  - iii. Information must be relevant and complete.
  - iv. Relevant medical information addresses the beneficiary's MTP eligible diagnosis(es) and includes medications relevant to their MTP eligible diagnosis(es).
  - v. Check the box to confirm the UR Team Physician reviewed the Initial MTP Eligibility report and Prescribing/Managing Physician's Report.
- c. OT/PT Evaluation Summary (to be reviewed by UR Team) must comply with the following requirements:
- i. The OT/PT Evaluation Summary is a written report of the beneficiary's evaluation results, which includes all assessments related to the beneficiary's MTP eligible diagnosis(es). The OT/PT Evaluation Summary must also follow the guidance provided in NL 02-0214: "Implementation of Updated Tools for Classification of Function and Measurement of Functional Outcomes in the MTP" and any subsequent N.L. superseding N.L. 02-0214.
  - ii. A current OT/PT Evaluation Summary is one that was completed by the evaluating therapist prior to the expiration of the previously signed Medical Therapy Plan. If the beneficiary has previously been discharged from OT or PT, or has never had the service ordered by the physician, UR team member must mark the form with NA.
- d. The Medical Therapy Plan must comply with the following requirements:
- i. Current OT/PT Medical Therapy Plans: if the beneficiary has previously been discharged from OT or PT or has never had these services ordered by the physician, UR team member must mark the form with NA.

- (a) Documentation of discharge from OT or PT, as indicated.
- ii. The physician managing the beneficiary's MTP eligible diagnosis(es) must sign and date the Medical Therapy Plan.
- iii. Functional status describes the beneficiary's objective and measurable level of function in mobility and Activities of Daily Living (ADL) skills at the time of their current OT/PT evaluation.
- iv. Functional/measurable goals address mobility and ADL areas based on beneficiary/family collaboration and evaluation findings related to the beneficiary's MTP eligible diagnosis(es). Goals include the date they were established and the date the goals are to be met.
- v. Benefits of previous therapy includes clearly documented progress toward the goal(s) established at the beneficiary's previous evaluation; goals met, goals not met, and goals in progress that includes assistance levels). Note any additional benefits of previous therapeutic intervention. (May not be applicable for an initial evaluation).
- vi. Rehabilitation potential is the beneficiary's ability to respond to therapeutic intervention, which may be indicated as good, fair, or limited.
  - (a) Good: Beneficiary is expected to respond well to therapeutic intervention and make significant progress toward functional goals listed in the therapy treatment plan.
  - (b) Fair: Beneficiary is expected to respond satisfactorily to therapeutic intervention and may make steady progress toward functional goals listed in the therapy treatment plan.
  - (c) Limited: Beneficiary is expected to make limited progress toward functional goals listed in the therapy treatment plan.
- vii. Treatment methods are supported by the treating therapist's clinical reasoning.
- viii. Treatment frequency reflects the number of treatment sessions required to meet the established goals and are supported by the treating therapist's documented clinical reasoning.
- ix. Treatment duration identifies the period of time the prescription is valid.
- e. PTR/Running Notes must meet the documentation expectations outlined in *NL 14-1120: Documentation Standards for the California Children's Services MTP* and any subsequent NLs superseding NL14-1120.

### 3. Review of Therapy Services Delivered

To review the therapy services, the UR Team must consider the following:

- a. Whether services relate to the functional goal(s) and meet the frequency/duration of services outlined in the Medical Therapy Plan.
- b. Whether progress achieved toward functional goal(s) is stated in objective terms and relates to the therapy plan established for the beneficiary.
- c. Whether evidence of continued potential to benefit from therapy services exists. This includes the ability to maintain current levels of function for beneficiaries with limited rehabilitation potential who receive consultation, monitor services, and/or DME-R services.
- d. The UR Team OT and PT must check the box to confirm their review of the OT/PT Evaluation Summary, Medical Therapy Plan, PTR/Running Notes, and Review of Therapy Services Delivered and that the same documents were reviewed by the UR Team OT and PT.

### 4. UR Team Findings

The UR Team reports their findings to the MTU where the beneficiary is receiving services.

- a. Check the "MTU Plan Approved" box:

If the UR Team does not identify any deficiencies, the UR Team must check the box "No Deficiencies Identified-No MTU response to UR Team needed. Review process complete." under 4. UR Team Findings. The rest of the UR Team Findings section will be left blank.

- b. If the UR Team identifies any deficiencies, the UR Team must check the box "Deficiencies Identified" under 4. UR Team Findings and include any additional information needed regarding each box marked *No* on the UR Beneficiary Checklist.
- c. Any observations or comments regarding the case review that do not relate to UR/OPRC compliance must not be included in the UR Team findings.
- d. A UR Team member signs and dates this section and notifies the MTU of their findings within five business days.

### 5. To complete the section on "MTU Response to UR Team Findings and Plan to Correct Deficiencies," the UR Team must do the following:

- a. When the UR Team identifies deficiencies, the MTU supervising/lead

therapist response must include a plan to correct the deficiencies noted in the UR Team findings section within 30 business days. If the plan cannot be completed within the 30-day timeline, the MTU must include the date that the MTU anticipates the corrections will be completed.

- b. The MTU's supervising/lead therapist signs and dates this section.
  - c. The UR Team then reviews the MTU's implemented plan to correct the deficiencies.
  - d. If the UR Team approves the implemented MTU plan, the UR Team must check the box "MTU Plan Approved" on page 2 of the attached UR-1.
    - i. The review process is complete when the deficiencies are corrected, and no further action is required by the MTU.
    - ii. A UR Team member signs and dates this section and notifies the MTU of their decision within five business days.
    - iii. If the MTU does not correct the deficiencies by the date indicated in their plan, the MTU will notify the UR Team of their anticipated date of completion. The UR Team is responsible for any necessary follow-up. If the plan has not been completed by the anticipated date, the UR Team will notify the MTU and again request a revised corrective plan within 30 days.
    - iv. A UR Team member signs and dates this section and notifies the MTU of their decision within five business days.
  - e. If the UR Team does not approve the MTU's implemented plan, the UR Team must check the box "MTU Plan Not Approved" on page 2 of the attached UR-1.
  - f. A UR Team member must document the reason(s) for not approving the MTU's plan to correct the deficiencies and notify the MTU of their decision within five business days.
  - g. A UR Team member signs and dates this section.
6. MTU Revised Plan to Correct Deficiencies:

The MTU must submit the revised MTU Plan to the UR Team within 30 business days of receiving the initial UR Team results.

- a. The MTU supervising/lead therapist will respond with additional information and/or a revised plan to correct the deficiencies within 30 business days.

- b. The MTU supervising/lead therapist signs and dates this section.
- c. If the UR Team approves the revised MTU plan, the UR Team must check the box "MTU Plan Approved" on page 3 of the attached UR-1, and the same process under A.5.d.i – iii of this NL will apply.
- d. If the UR Team does not approve the revised MTU plan, the UR Team must check the box "MTU Plan Not Approved" on page 3 of the attached UR-1.
- e. A UR Team member must document the reason(s) for not approving the MTU's plan to correct the deficiencies and notify the MTU of their decision within five business days.
- f. A UR Team member signs and dates this section.
- g. The MTU and UR Team will continue to create and review plans to correct deficiencies following the required steps and timelines outlined in this NL until the MTU plan is approved by the UR Team.

B. Utilization Review (UR) Monthly Meeting Log (UR-2)

The UR Team must complete and utilize the UR Meeting Log at each monthly meeting when following up with the MTU regarding plans of correction until the MTU corrects the deficiencies identified in the UR Team Findings section of the attached UR-1. Deficiencies that cannot be corrected will not be included in the log.

1. Log each beneficiary chart reviewed at the meeting. Both beneficiary charts reviewed at the current meeting and those charts from previous meetings with outstanding deficiencies will be recorded in the log in their respective sections. The UR Team will assign a member to follow up on the MTU's response to the UR Team findings when correctable deficiencies are noted.
2. The UR Monthly Meeting Log (UR-2) must include the following:
  - a. Meeting date
  - b. County name
  - c. UR Team members present.
  - d. MTU(s) with beneficiary charts reviewed.
  - e. The UR Team member assigned to follow up on MTU plan(s) to correct deficiencies/corrected deficiencies submitted to the UR Team when applicable.

- f. Name and date of birth for each beneficiary chart reviewed.
- g. Deficiency identified by the UR Team Yes/No.
- h. The date of the initial review for beneficiary charts from previous UR team meetings that require review of MTU plan(s) to correct deficiencies/corrected deficiencies.
- i. Plan to Correct deficiency/deficiency correction approved Yes/No.
- j. Whether or not charts include deficiencies, additional comments may include any general observations by the UR Team during the monthly meeting that require follow-up.

If you have any questions regarding this NL, please contact [MTPCentral@dhcs.ca.gov](mailto:MTPCentral@dhcs.ca.gov).

Sincerely,

**ORIGINAL SIGNED BY**

Cortney Maslyn, Chief  
Integrated Systems of Care Division  
Department of Health Care Services

Attachments:

- Attachment 1: UR - 1 MTP UR Checklist
- Attachment 2: UR - 2 Monthly Meeting Log
- Attachment 3: MTP UR Process UR Timeframe Flow Chart