



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

1600 9th Street, Sacramento, CA 95814
(916) 654-2309

January 16, 2001

DMH INFORMATION NOTICE NO.: 01-01

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

SUBJECT: CLARIFICATION OF MEDI-CAL POLICY REGARDING VOLUNTARY
ADMISSIONS TO PSYCHIATRIC INPATIENT HOSPITAL SERVICES

Over the past year, the Department of Mental Health has become increasingly aware of concerns on the part of beneficiaries and hospitals regarding payment for voluntary psychiatric inpatient hospital services for Medi-Cal beneficiaries. Specifically, some beneficiaries have reported difficulty accessing psychiatric inpatient hospital services when they have sought voluntary admission. Additionally, hospitals have reported difficulty in obtaining payment for inpatient stays when the beneficiary was admitted voluntarily.

The Department is aware that the determinations of medical necessity and emergency psychiatric conditions are complex decisions and that many factors influence actual practice. The Department's intent in this notice is to make it clear that nothing in Medi-Cal mental health regulations prevents payment or permits denial of payment solely on the basis of legal status for a voluntary emergency psychiatric inpatient hospital stay. It is possible for a client to be voluntarily admitted to the hospital for emergency psychiatric treatment and meet the medical necessity criteria for acute psychiatric inpatient hospitalization.

Title 9, California Code of Regulations (CCR), Section 1820.205, provides that a client meets inpatient medical necessity criteria only when all of the following criteria are met: 1) an included diagnosis is present; 2) the client cannot be safely treated at a lower level of care; and 3) the client requires psychiatric inpatient hospital services as the result of specific symptoms or behaviors due to a mental disorder. Title 9, CCR, Section 1820.225, provides that the determination of whether conditions for an emergency admission exist must be decided on the medical necessity criteria above and evidence that the beneficiary is a danger to self or others or immediately unable to provide for or utilize food, shelter, or clothing. (A copy of these sections of the regulations is enclosed.)

January 16, 2001

In other words, Mental Health Plans (MHPs) are responsible for ensuring access to and payment of psychiatric inpatient hospital services for beneficiaries who meet medical necessity, regardless of legal status at admission. Additionally, the Department will not uphold an MHP's denial of payment for an emergency psychiatric inpatient hospital admission where the reason for denial was that the client was admitted voluntarily.

As we know, in many cases, treatment can be enhanced and positive outcomes increased through voluntary treatment and client/provider cooperation. Sections 5003 and 5151 of the Welfare and Institutions Code, cited below, provide specific guidance for the provision of voluntary services to mental health consumers under California law:

Section 5003: Nothing in this part shall be construed in any way as limiting the right of any person to make voluntary application at any time to any public or private agency or practitioner for mental health services, either by direct application in person, or by referral from any other public or private agency or practitioner.

Section 5151: ...If in the judgement of the professional person in charge of the facility providing evaluation and treatment, or his/her designee, the person can be properly served without being detained, he shall be provided evaluation, crisis intervention, or other inpatient or outpatient services on a voluntary basis.

If there are any questions regarding this issue, please contact Dee Lemonds, Chief, Managed Care Implementation, at (916) 654-3001, or Jack Tanenbaum, LCSW, Chief, Technical Assistance and Training, at (916) 654-3058. If there are specific questions related to second level Treatment Authorization Request (TAR) appeals for inpatient hospital services, please contact Ruben Lozano, Pharm. D., Deputy Director, Program Compliance, at (916) 654-3576.

Sincerely,

ORIGINAL SIGNED BY

CAROL HOOD
Deputy Director
Systems of Care

Enclosures

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